



KnowInG Project

Analysis Of Innovation Policies

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*Anything
one man
can imagine,
other men
can make real.*

Jules Verne

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Preface

As the Europe Union continues to experience considerable economic challenges, it remains essential that the region closely examines the role of innovation, knowledge and creativity for our future economic prosperity.

Despite recognition in high profile European policies and strategies (e.g. Europe 2020¹) that creativity and innovation supports economic growth, significant gaps currently exist in regional innovation policies, actors and tools across regions of the Mediterranean (where most of the KnowInG Partners are based) that could hinder economic development. Recognising that regional prosperity depends on a region's capacity to support innovative businesses, institutions and people, the KnowInG Project has identified and outlined key issues to address in order to close gaps in innovation in their own territories. Issues include:

- Improve governance of innovation needs;
- Enhance cooperation of key institutional and economic actors in terms of creating new territorial development policies;
- Promote our knowledge economy through a new transnational dialogue-platform on policies, tools and strategies that attract and generate innovation and creativity;
- Encourage new creative clusters and to internationalise knowledge-intensive businesses.

The KnowInG Project also considers the necessity of moving away from the traditional, physical-based industries, to the more current knowledge-based sectors (e.g. technology and creative sectors), which support economic growth. Subsequently, this shift in the economy's perspective will lead to the growing need for creative and innovation clusters, which make mutual links at regional, transnational and international level so businesses can share, learn, create and innovate with each other.

The KnowInG Project considers the above and other key factors as the project partners examined regional policies and existing actors and tools that support innovation and creativity across key industries including ceramics, renewable energy, cultural tourism and video gaming. Partners also implemented a range of activities in order to test the KnowInG Project's approach that knowledge intensive activities (or creative or knowledge clusters) drive economic growth. These included capitalisation seminars, a transnational Helpdesk for SMEs, creative laboratories for young people and online resources for businesses.

Before presenting the project's findings, selected key ideas and inspiration are set out below to provide a backdrop for the KnowInG Project's objectives and methodologies.

1. http://ec.europa.eu/europe2020/index_en.htm

THE KNOWLEDGE ECONOMY AND CREATIVE INDUSTRIES

When Peter Drucker² coined the term 'knowledge maker' more than 50 years ago, it was already evident that knowledge would be the most important factor in the world's future development. It was vital that the world moves beyond the classical theory that the traditional factors of land, labour and capital were fundamental to development, and embrace the theory that knowledge was now the most important factor. Also, technological developments of the 20th century transformed the majority of wealth-creating work from physical-based to knowledge-based.

Today, economic exchanges are moving away from the traditional national scale of governance. This is crucially linked to changes in production and trade, which are increasingly associated with knowledge-based activities.

Today, technology and knowledge are the key factors of production. Mobility of information has increased and a global workforce has developed, resulting in knowledge and expertise being transported instantaneously around the world. This has also impacted on commercial competition; any advantage gained by one company can be eliminated overnight by rapid, competitive improvements. Also, since we are now an information society, knowledge management is absolutely essential for economic growth.

Ideally, companies need to take a strategic look at the following elements in order to stay ahead of the curve and gain a competitive advantage over their counterparts by focusing on:

- Their process of innovation;
- Combining market and technology;
- Supporting know-how and creative talents of knowledge workers;
- Their ability to derive value from information.

The knowledge economy comprises economic synergies across multiple economic sectors such as the industries that develop from individual creativity, skill and talent, and have potential for wealth and job creation. These creative industries, directly or indirectly, produce cultural products and include commercial enterprises as well as artistic, public and not-for-profit organisations.

SUPPORT FOR EUROPEAN INNOVATION AND CREATIVITY AS AN ECONOMIC DRIVING FORCE

In the context of the Lisbon Strategy³, which aims to encourage scientific and technological innovation, the European Commission has underlined the importance of creativity: if knowledge is seen as "the motor of the sustainable growth", then "education and research, innovation and creativity are the keywords for a high-speed transformation world". The same keywords are re-proposed in the 2020 strategy, for future years⁴.

The Europe Union also gives directions for regional policies: it is necessary to take care of and to pay attention to the creative industries because they have positive repercussions on other sectors. It also expresses some key concepts can incentivise the creative industries to:

- Attract talent;

2. Peter F. Drucker authored 39 books in his lifetime. His breakout book, *Concept of the Corporation* (1946), a social analysis on the inner managerial workings of General Motors, was the first of his many bestsellers. In 1952, he published the seminal work *The Practice of Management*, leading him to be labelled as "the man who invented management".

3. The Lisbon Strategy was an action and development plan devised in 2000, for the economy of the European Union between 2000 and 2010. Its aim was to make the EU "the most competitive and dynamic knowledge-based economy in the world capable of sustainable economic growth with more and better jobs and greater social cohesion", by 2010. It was set out by the European Council in Lisbon in March 2000. http://ec.europa.eu/archives/growthandjobs_2009/objectives/index_en.htm

4. Europe 2020 is a 10-year strategy, proposed by the European Commission on 3 March 2010 for advancement of the economy of the European Union. It aims at "smart, sustainable, inclusive growth" with greater coordination of national and European policy. It follows the Lisbon Strategy for the period 2000–2010.

- Stimulate interaction between culture, development and territory;
- Support networking;
- Coordinate between institutions;
- Develop of planning skills;
- Select services and beneficiaries;
- Valorise their territory on a global level;
- Improve collaboration between research and business;
- Put more value on the significance of skills enhancement, education and training.

Digital technology is also key to innovation. In 2010, a study entitled *Joint Research Agenda for ICT Innovations and Creative Industries*, written for the CReATE project and funded by the European Commission, identifies Digital Creativity as a strategic resource for re-launching the economy and facing future development challenges.

The study was inspired by the *Europe 2020* programme, which sees digital resources and creative industries playing a key role in the development of the economy and society this decade. The programme sees this happening by establishing strong connections between the traditional fields of cultural production (such as agriculture) and technological advancements in these fields, and the strengthening of connections between mass media and digital media.

In fact, the issue of digital media and the creative sector is also highlighted in the speech 'Creativity for the Creative Sector: Entertaining Europe in the Electronic Age' from 24th January 2012, by European Commission Vice President Neelie Kroes⁵. In it she focuses on "opportunities for the creative sector in the online age". She states: "the sector offers our rich cultural heritage a proud platform; our people an opportunity for self-expression; our economy a much-needed boost. And the digital era brings vast opportunities: I want the creative sector to make the most out of them."

EXAMINING THE INNOVATION LANDSCAPE

Since innovation and creativity has become a key vehicle for economic growth in Europe, knowledge-intensive activities (i.e. knowledge or creative clusters) are of growing importance within the innovation and enterprise landscapes. These activities comprise cultural industries, high-tech branches, higher education institutions, research centres and advanced producer services.

In Europe, regional knowledge clusters are seen as key drivers for competitiveness, innovation and regional development. Therefore, they are promoted through national and regional-level measures and through EU-level support instruments⁶.

The KnowInG Project partners across regions in the Mediterranean and in the UK were tasked with examining these knowledge-intensive activities and opportunities for cluster development at national and regional level in order to identify potential for economic growth via innovation and knowledge, as well as barriers to growth. Also, examined were key areas of education and job creation. The findings are set out in three reports focusing on Policies, Actors and Tools.

5. http://europa.eu/rapid/press-release_SPEECH-12-30_en.htm

6. Reports on Research & Innovation Funding, Framework 7 and: http://ec.europa.eu/research/horizon2020/pdf/com_2011_0048_csf_green_paper_en.pdf



Introduction

The KnowInG Project

The KnowInG Project (Knowledge Intelligence and Innovation for a Sustainable Growth) is funded by the Secrétariat Technique Conjoint programme, MED⁷, and launched in June 2010. It is delivered by project partners in seven of the MED Programme territories: Spain, Italy (comprising three regions), Portugal, Greece, and the UK.

KnowInG Project partners recognise a current lack of coordination among key actors of innovation and creativity in their regions, as well as a need to encourage new creative clusters and to internationalise knowledge-intensive businesses. Therefore, the project sets out to deliver general objectives to support and promote the knowledge economy and enhance the cooperation of key institutional and economic actors for the creation of new territorial development policies, and to promote the knowledge economy through a new transnational dialogue-platform on policies, tools and strategies that attract and create innovation and creativity.

KnowInG also deals with the common need among the MED regions to improve the governance of innovation during the current global economic challenges.

The project is based on the understanding that regional growth is influenced by the development of the knowledge economy, and that this is the first field where economic governance can operate circular collaboration among the key actors to achieve growth objectives.

THE KNOWING PROJECT PARTNERS

In order to possibly achieve enhanced collaboration among actors, the project partners aim to create a transnational dialogue-platform comprising three multidisciplinary working groups based on their shared ambition of influencing policy development on innovation. It is very important that these territories create multi-level coordination in order to influence economic change. This transnational partnership also implemented activities that enhance creativity and innovation - they represented three main innovation areas: business, research (in some cases business and research are joined in business incubators or technology parks) and regional authorities.

Some of the KnowInG Project partners already cooperate within the EU network, City to City (created after an Interreg IIIC RFO), which focuses on the growth of human capital, economic competitiveness and cohesion. Within this theme, the current members organise round tables and thematic working groups on creativity and development, the knowledge society and innovation policies. The network also cooperates with the Innovating Regions in Europe network (IRE)⁸, which was created as part of the *Regional Innovation Strategy (RIS)* projects; the European Commission's Director-General for Enterprise and Industry and the Director-General for Research and Innovation.

The KnowInG Project is a three-year long initiative, concluding in May 2013. The partners were selected based on their extensive and highly relevant experience in specialist ar-

7. Funded by the EU, the MED programme (previously named Interreg) is a transnational programme of European territorial cooperation. Its objective is to improve the area's competitiveness in a way that guarantees growth and employment for the next generation. The KnowInG project sits under MED's Axe 1: Strengthening innovation capacities, in the Objective 1.2: Strengthening strategic cooperation between economic development actors and public authorities.

8. The IRE network has the aim of strengthening European regions' global competitiveness through the promotion of innovation policies, and provision of a unique platform for regions to cooperate and learn from each other. www.innova-europe.eu/key-assignments?q=node/16

eas that support the delivery of the project. For example, all partners have previous experience in the management and implementation of other projects on either EU or territorial/ local level. In addition, Portugal is involved in promotion of technology transfer, Greece is experienced in innovation programmes and the UK's research submissions on similar themes have been rated as "internationally excellent" or "world-leading".

The KnowInG partnership comprises:

1) Algarve (Portugal)

1.1) University of Algarve (UALg): a 30-year-old public, higher education institution located in the Algarve. UALg is located in four campuses; three in Faro and one in Portimão.

2) Attica (Greece)

2.1) Business and Innovation Centre of Attica: a full member of the European Network of BICs, is a not-for-profit and non-governmental organisation, offering consulting services to private companies, local authorities and parties of the public sector in order to enhance their competitiveness and efficiency.

2.2) Lavrion Technological and Cultural Park (LTCP): a cluster of scientific research, education, business and culture.

2.3) Region of Attica: second degree self-administrative unit of the Local Administration, responsible for planning and implementing political decisions on economic, social and cultural developments on a regional level, according to the national and European policies. Among its responsibilities, Region of Attica participates in the implementation of several European projects within the frame of various EU programmes and initiatives.

3) Cambridge (United Kingdom)

3.1) Anglia Ruskin University: awarded university status in 1992, today it has a student population of 31,000 making it one of the largest universities in the East of England, and a large provider of part-time education. In particular, the Faculty of Arts, Law and Social Sciences has a strong research base and significant activity with the region's creative industries.

4) Italy

4.1) Calabria - Calabria Region (local government): a territorial entity with its own statute, powers and functions according to the principles laid down in the Constitution of the Italian Republic.

4.2) Lombardy (Milan) - National Research Council (CNR) – IRPPS: the KnowInG Project lead partner, CNR is an Interdisciplinary Research Institute that conducts studies on demographic and migration issues, welfare systems and social policies, on policies

regarding science, technology and higher education, on the relations between science and society, as well as on the creation of, access to and dissemination of knowledge and information technology.

4.3) Sicily - Labour Department: part of the Sicilian Ministry of Labour, Social Policies and Family, its main role is to formulate and implement the regional labour policies through technical and administrative actions, as well as the administrative and accounting management of the assigned resources.

5) Valencia (Spain)

5.1) Valencian Federation of Municipalities and Provinces (FVMP): a not-for-profit association with its own legal status, made up of 538 city councils, 25 municipal associations, five minor local entities and the county councils of Valencia, Castellon and Alicante.

5.2) CEEI Valencia: a not-for-profit business innovation centre founded in 1991 under the initiative of the Valencian Government and the Institute for Small and Medium Industry of the Generalitat Valenciana (IMPIVA), in order to promote innovation and business creation in the Province.

Each partner has chosen a focus area based on its existing use of (or potential to use) innovation and creativity, and the fact that it is experiencing growth despite the current economic challenges. The focus areas are presented alphabetically, by KnowInG partner:

1) Algarve (Portugal) - Tourism and cultural and creative industries

2) Attica (Greece) - Edutainment and serious games

3) Cambridge (United Kingdom) - Creative industries

4) Italy:

4.1) Calabria - Handicrafts

4.2) Lombardy (Milan) - Fashion

4.3) Sicily - Ceramic arts

5) Valencia (Spain) - Innovative initiatives for the sustainable development of rural areas based on the intelligent use of energy

In order to strategically stimulate cooperation across the KnowInG partner network and among the chosen focus areas in each region, three multidisciplinary working groups (outlined below) were set up to lead on the development of detailed regional surveys that were distributed to stakeholders in each of the KnowInG partners' focus areas. The working groups thus established:

- Existing MED policies on the knowledge economy;
- Current tools for innovation;
- Relevant actors working on the creative industry and in the field of innovation.

Furthermore, the KnowInG Project considers the below main themes, which are detrimental to the growth of innovation in each partner territory:

- Clusters/ knowledge transfer;

- Education for students and young people;
- Job creation.

The KnowInG Project's findings are published in three reports, which are organised in line with the aforementioned working groups. The reports also include the pilot projects and other activities that were implemented to test the project's approach and create new opportunities for clustering, innovation and creativity in each region.

Policies for the knowledge economy - In a global economy, regions can no longer compete with each other based primarily on their natural resources, low cost labour, or their tax system and financial incentives for businesses. Instead, regional prosperity depends upon a region's capacity to support innovative firms, institutions and people. The first step in building an innovation-based economic development strategy is to assess the regional innovation environment. The second step is to encourage and promote strategies and key measures of innovation used to drive regional economic development policies and programmes.

Actors for the knowledge economy - According to Richard Florida⁹ innovation and creativity are not created by traditional economic factors or financial incentives for business. Instead, they are developed by creative actors; individuals, communities and organisations that seek out high-quality experiences, diversity and, above all, the opportunity have their creativity recognised and appreciated. The partners identified actors in their regions that already exist to implement strategies and programmes, provide tools (e.g. services for start-up businesses or information about funding) or offer clusters and networks for knowledge transfer. Some actors are listed according to the characterisation of creative sectors as outlined by the European Commission's study *The Economy of Culture*¹⁰, which is "a first attempt to capture the direct and indirect socio-economic impact of the cultural sector in Europe, thereby assessing its contribution to the Lisbon agenda, and in particular in terms of realising growth, competitiveness, more and better jobs, sustainable development, and innovation". However, since there is considerable scope in terms of the nature of creative and innovation sectors across the partner regions (e.g. ceramics, fashion, tourism and renewable energy), some partners have listed their actors based on an alternative and more appropriate classification – these classifications have been integrated into the below list.

Activity sectors are:

- Core Arts Field - Visual arts, performing arts and heritage;
- Cultural Industries - Film and video, radio and music;
- Creative industries - Design, architecture and software services;
- Scientific and Research sector and Education;
- Institutional Agents/ Political System that have contributed to the sectors of tourism and culture, and to the regional development;
- Public Administration;
- Business Development Field;
- Incubators – Entrepreneurship;
- Interface Institutions;

9. Richard Florida, *The Rise of the Creative Class*, published by Basic Books, 2002.

10. *The Economy of Culture*, 2006
www.keanet.eu/en/ecoculturepage.html

- Industrial System;
- Renewable Energy Sector and Energy Industry.

Tools for the knowledge economy – Since many traditional tools do not work in the ‘new’ knowledge economy, there are few tools to help managers and policy makers analyse and improve their performance. Based on the assumption that in the context of the knowledge-based economy, knowledge is a product that must be managed just like other factors of production, and knowledge itself develops into technologies that enable new creation, we can say that knowledge actually has a dual value: tool and product. The KnowInG Project network, with its global nature, is the main tool that can re-join this dual value. The Tools report presents a digest of KnowInG partners’ findings based on the responses to the questionnaire distributed to project stakeholders in the territories.

On a practical note, throughout all three reports a regional government is often referred to as the ‘Region’ (e.g. Calabria Region). In addition, when referring to a geographical region that is part of KnowInG only the region’s name is used (e.g. Attica region, Greece). However, when making reference to a project partner’s country, just the country name may be used.

Caterina Praticò
KnowInG Project Coordinator



I Reflection on The Policies for Innovation

In this section each KnowInG partner outlines the purpose of the project, a description of their own, regional knowledge economy (including related industries in each region), a description of the desired outcomes from the project, and description of the locations selected for the KnowInG Project. Information is organised alphabetically; by the name of the regional partner.

It is observed that all partners' areas of focus are experiencing growth on various levels despite the current economic crisis or have great potential to grow further. Also, all territories report clear movement from older, traditional industries to a knowledge economy, thus supporting the need for increased and improved knowledge-based activity and innovation in all regions.

Interestingly, the move to the knowledge economy in Italy was partly responsible for the near-destruction of the Calabria's KnowInG focus sector – quality handicrafts. Although the industry has survived it does lack innovation, but the KnowInG partner has recognised this and aims to close this gap in order to help sustain its future.

Forms of emerging innovation are also observed in partner territories. Valencia, Spain is seeing renewable energy innovation (Spain's KnowInG focus area) emerge as the need for clean energy and energy efficiency increases. Although Cambridge is renowned for its high-tech innovation, the region's creative industry needs more innovation support to develop and step out from the shadow of the technology sector.

The partner region of Attica may not be at Europe's frontier of innovation generally, but most of Greece's R&D expenditure is in Attica, yet further investment is necessary to grow innovation. Additionally, the partner also observed that Greece's creative human capital has the capabilities to increase innovation.

This section provides further details of partners' findings across all KnowInG regions.

Clare Denham
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Algarve

1.1 ALGARVE - PORTUGAL

The Algarve is the most southern region of Portugal, occupying 4,996 km² (about 5% of total of national territory).

Faro is the Algarve's capital city and the region is divided into 16 municipalities. The geographic position of the region gives it distinct climatic characteristics: the annual median temperature of around 18°C is the highest in continental Portugal and one of the highest in the Iberian Peninsula, and the sun shines nearly three million hours per year.

The Algarve has a peripheral position both in Portugal and Europe; it is bordered in the north by the Alentejo region, in the east by the Spanish region of Andalusia, and to the south and west by the Mediterranean basin and the Atlantic Ocean respectively. As a result of its rather restricted location, the region had in the past experienced difficulties in its promotion and development.

The mountain range acts as a natural barrier separating the Algarve and Alentejo from the rest of the country. Throughout history, the region's inaccessibility meant its only alternative resource was the sea. The situation changed as a result of several regional investments: the railway arrived in 1889 (which has since been developed); the development and improvement of roads; and the construction of Faro International Airport in 1965, linking the Algarve to the rest of the world and significantly influencing tourism and economic growth.

The region was frequently considered to be one of the poorest in the country with a low quality of life and massive emigration. The economy was based on traditional industries of agriculture and fishing and their processing. Since it was historically a vulnerable region, the Algarve's development has required a lot of attention and care, either in the planning of development activities or in regards to how developments are concretised. In the 90s a major structural transformation caused the Algarve to become an attractive region (especially for tourism) with the highest population growth rates in Portugal and improved living conditions.

Taking advantage of its geographical and natural characteristics, the Algarve has traditionally been packaged as a 'sun and beach' product to promote growth and, as a consequence, tourism has been the main economic sector.

The opening of Faro International Airport represented a big step towards placing the region on worldwide tourist map. Touristic activity quickly expanded with the construction of roads, hotels, restaurants, houses and apartments. Golf has long been considered a prominent product of the Algarve and the area remains one of the best golfing destinations in the world.

DEMOGRAPHIC PROFILE

According to 1981 demographic figures, 323,534 people lived in the Algarve. In 1991, the figure was 341,404, in 2001 it was 395,218, and 451,005 in 2011. The statistics also reveal that many foreigners have migrated to the region to live permanently, to work and/ or to buy seasonal housing. In 2010, 71,808 foreign residents were registered in the Algarve¹¹.

The recent past has witnessed major structural transformation and development in the Algarve. The region's growth path can be explained by different data variables over the years. For instance, in the 90s, the Algarve had a housing boom and at the end of the last decade the region experienced the most significant population increase in Portugal of approximately 14.1%. A significant proportion of municipalities (Portimão, Tavira, Albufeira, Lagos and Vila Real de Santo António) presented a 40% increase in housing; the majority being holiday residences. Also, in the 10 years between 2000 and 2010, the Algarve had the highest growth in the construction of living quarters, from 23.9% to 36.5%. The region's growth and related employment opportunities have also contributed to the considerable increase in demographic densification.

ECONOMIC SPECIALISATION

Based on the number of staff employed and the level of wealth generated, the majority of the Algarve's economic activity is anchored in three key sectors: tourism (i.e. accommodation and the restaurant services), construction and wholesale and retail commerce.

The Algarve's other economic activities, such as industry, farming and fishing, are becoming less important in the regional economy. Gradually, other sectors are new and relevant economic activities: real estate, agro-food and biotechnology.

The main sector of tourism assumes a strong weight in the regional accounts, creating around 45% of the regional Gross Domestic Product (GDP) and 60% of regional employment. The accommodation and the restaurant services are significant within the sector; they represent around 13% of the region's economy and 12% of the regional employment. Tourism also reinforces the other activities such as wholesale and retail, real estate, rental services and construction.

The tourism industry has been innovative by focusing their efforts on offering quality, unique experiences to visitors to the region. Besides offering the 'sun, beach and golf' package, the Algarve has an interesting portfolio of other products: nautical activities, nature, cultural experiences, historical attractions, regional traditions, etc. In fact, today, the national and regional authorities are very conscious that culture and nature are products promoted to broaden the scope of tourism activities within the region. As a result, the municipalities have invested in cultural activities by improving the resources and diversifying cultural programming.

The Algarve's cultural activities have always been the work of groups and associations who also contribute to the promotion of the region's culture. For example, the area is the home to various not-for-profit organisations; among them a professional symphonic orchestra and several theatre companies whose role is crucial to the promotion of the region's cultural life.

¹¹ National Institute of Statistics (INE) Statistical Yearbook of Algarve Region (2010) Edition 2011

Today, the Algarve offers considerable cultural resources: 118 different types of cultural institutions representing region's heritage including 18 museums, 27 art galleries and 21 exhibition rooms and auditoriums.

In 2010, the Algarve region staged 892 live shows which were attended by 351,115 spectators. 85,083 tickets were sold for these shows, totalling €1,183,000. Most of these events were in some way supported by the local municipalities and they took place at several auditoriums within the region.

INNOVATION PROFILE

Traditionally, the region's innovation profile has developed in parallel with tourism, and most of the region's innovation has evolved in the development of tourism amenities such as hotels, golf courses, restaurants and roads.

However, in recent years, there has been growing concern about the improvement and diversification of tourism activities in order to continue attracting visitors. Also, studies¹² on tourist demand in Portugal reveal that cultural authenticity and unique country character is essential in ensuring the future of tourism. Consequently, cultural tourism has become the new innovation sector for the Algarve; a new cultural tourism strategy¹³ sets out key actions to reposition creative production and consumption at the heart of the region's tourism offering.

The last four years (2008-2012) have been important for the improvement of economic and cultural life in the Algarve. The *Regional Development Strategy 2007-2013 (PRO-Algarve, Territorial Plan)*, *Operational Programme Algarve 21* and the *Regional Innovation Plan* are all examples of regional policies that contribute to the on-going development of the Algarve as a competitive, dynamic and solidary regional territory.

KNOWING FOCUS

The territorial focus of the KnowInG Project partner, University of Algarve, is 'Tourism and the Cultural and Creative Industries'.

As the region's main economic sector, the traditional tourism offering of 'sun and beach' is too seasonal and the popularity of golf has influenced the emergence of other leisure activities. These 'products' have witnessed strong economic development and now stand as national and international symbols for the region. Beyond this reality, the project partner is aware that tourist experiences need to be authentic and local production is essential in order to fulfil the needs of tourists, as well as the local and national population.

Although capital developments do not currently position culture and creative activity as primary concerns in the Algarve, there is an increasing awareness that today's tourists are more demanding and want to have unforgettable experiences.

Cultural and creative activities add value by providing the opportunity for both tourists and local people to have a variety of experiences, develop their knowledge and generate new jobs (especially for locals). Moreover, the policy makers have debated that the Algarve needs be positioned in the tourism market as an innovative destination, which can offer much more than 'sun, beach and golf' by using its natural assets.

12. A global view about Cultural Tourism: www.pasosonline.org/Publicados/pasosoedita/P5Edita2.pdf; Algarve and Innovation: <http://w3.ualg.pt/~sfernand/ARTIGOS/Livros/Inovacao%20Algarve.pdf>; Tourism - trends and conditionalities: www.dosalgarves.com/revistas/N18/4rev18.pdf; National Plan for Tourism: www.turismodeportugal.pt/Portugu%C3%AAs/turismodeportugal/Documents/Plano%20Estrat%C3%A9gico%20Nacional%20Turismo_ING.pdf; Creative communities, Tourism and Culture: www.dosalgarves.com/revistas/N17/2rev17.pdf; BRITO, Sérgio Palma, *Território e Turismo no Algarve* Edição: Edições Colibri/ Centro Internacional de Investigação em Território e Turismo da Universidade do Algarve, Lisboa, Março de 2009

13. National Plan for Tourism: www.turismodeportugal.pt/Portugu%C3%AAs/turismodeportugal/Documents/Plano%20Estrat%C3%A9gico%20Nacional%20Turismo_ING.pdf

Cultural tourism is the main concern for policy makers because the international market is very competitive and has demonstrated that is what tourists want, and national and regional organisations are very aware that the region's culture and nature are excellent products that can help enhance tourism. Also, each year the municipalities are investing in cultural activities, improving resources and diversifying cultural programming.

In terms of policy support, RTA (Algarve Tourism), DRC-Algarve and the municipalities of Algarve are aware of the situation, especially when compared with other Portuguese and international cities that benefit from strategies taking a creative and contemporary approach to preserving culture. For this reason University of Algarve chose this theme with the objectives of:

- Analysing the real situation and ideas for the future;
- Establishing contact with regional entities, entrepreneurs and creators;
- Implementing activities through the KnowInG Project such as workshops, seminars, a Helpdesk and consulting services.



1.2 ATTICA - GREECE

Located in southern Greece, the region of Attica covers around 3,808 km². To Attica's north is the region of Sterea Ellada and its coastline is lapped by the Saronic Gulf and the Gulfs of Evia and Petalia (north of Athens) and Megara (south of Athens). The region also covers the mountains of Parnitha (with the highest mountain in Attica at 1143 metres), Imittos and Penteli. Attica's main city is the Greek capital of Athens and the region is also home to Piraeus - the country's biggest port, as well as other cities and islands. Attica is divided into eight peripheral units: North, Central, West and South Athens, East and West Attica, Piraeus and the Greek Islands of Aegina, Agistri, Hydra, Kythira, Antikythira Poros, Salamina and Spetses.

The region is Greece's most important centre with the majority of government, administration, science, culture, politics, economic activity, industry and tourism taking place in and around Athens. The capital city boasts many historical attractions including some of the most significant monuments in Greece and is, therefore, a popular tourism destination.

Attica's landscape is diverse with 65% of the region being semi-mountainous, 30% low-land and 5% mountainous. The Mediterranean climate brings mild winters, prolonged periods of sunshine and hot summers.

DEMOGRAPHIC PROFILE

In 2012, the total recorded population of Greece varied between 11,329,600¹⁴ or 10,787,690¹⁵, with approximately one third living in Attica, whose population is around 3,750,000¹⁶. Even more remarkable is the fact that the 95% of these people are inhabitants of the city of Athens. Migration to Greece has had a major impact with the population rising during the 90s mainly due to an increase of immigration. In fact, it is estimated that despite an expected decline in Greece's birth rate over the next two decades, the country's population will probably grow to approximately 11,573,176 by 2030¹⁷, mainly as a result of migrants.

ECONOMIC SPECIALISATION

With Athens as its centre, Attica produces the 49.3% of Greece's Gross Domestic Product (GDP). Between 2000 and 2008, the region demonstrated an annual growth of GDP of 9.3%¹⁸.

Attica produces 3.2% of Greece's rural products, generates 38% of industrial and manufacturing activity (this has increased the last few years) and 41% of services (e.g. travel, health and education)¹⁹. As a result of the low productivity in rural and agricultural products, the region imports the goods it needs.

The manufacturing industry, which employs the 22.7% of the region's workforce, showed signs of growth due to investments made for the 2004 Olympic Games, causing an influx in structural funds and an increase in consumption. The manufacturing sector is dominated by medium to low technology sectors, such as the food industry, metal products, chemicals, pharmaceuticals, textiles and shipbuilding, where productivity gains are based mainly on the acquisition of new technology and the substitution of labour with capital.

14. Eurostat: <http://epp.eurostat.ec.europa.eu/tgm/table.do?tab=table&init=1&language=en&pcode=tps00001&plugin=1>

15. Hellenic Statistical Authority

16. www.statistics.gr/portal/page/portal/ESYE/BUCKET/General/A1602_5AM01_DT_DC_00_2011_01_F_GR.pdf

17. Eurostat: http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Regional_population_projections

18. Eurostat: http://epp.eurostat.ec.europa.eu/statistics_explained/index.php/Regional_population_projections

19. www.hellaskps.gr/program-per4/files/YP_5XEDIA_EP/OP13.pdf

73.3% of the region's workforce is employed in services. As a hub for services, Attica has important sectors including financial services, transport, ICT, health and social services, real estate, recreational and business services. The high percentage of the services production in the region is mainly due to the fact that the head offices of most businesses in Greece are located in Attica for reasons of proximity to the public administration and decision-making centres. The region also has dynamic and strong exporting activity, mainly through the port of Piraeus, the airport, railway and road links.

INNOVATION PROFILE

According to the Innovation Union Scoreboard 2010²⁰, Greece in general is one of the moderate innovators with a below average performance. It has been noticed that there is a relative strength in human resources, innovators and outputs, but a weakness in finance and support, business investments and intellectual assets. There is high growth for venture capital, community designs and sales of new products, but a relatively strong decline for non-R&D innovation expenditure.

The country's bulk of public and private R&D actors and expenditure is concentrated in the region of Attica. Despite the fact that in recent years there has been a boost in the region's innovation efforts, R&D expenditure remains significantly lower than the European Union's average (1.82%). This is due to factors including limited demand from industry, limited linkages between the business and research sectors, limited public funding, and the fragmentation of the research efforts.

The Regional Innovation Scoreboard 2009²¹ verifies Attica's medium to low activity in the field of innovation.

However, it is Greece's leading region in terms of innovation expenditure, the share of businesses with innovation activities and there are sincere efforts being made to strengthen innovation in the region.

KNOWING FOCUS

Greek partners have chosen to focus on the creative industry, especially on edutainment, since it is a high-growth and continuously developing sector of international interest with low barriers to entry that leaves space for newcomers. Thus, the Greek partners have studied how the creative industry and edutainment could be best developed and implemented in Attica Region by taking into account the territory's potential and its needs, as well as best practice in other regions.

The creative industry is composed of cross-boundary relationships and the cooperation among the fields of science, technology, culture, industry and the market. If this approach is realised, the government and businesses will discover emerging growth opportunities; new products, services, technologies, jobs and business models will be generated. Furthermore, initiatives will be required such as the formulation of development plans, research on policy implementation, the designation of cultural and creative industry clusters, establishment of public service platforms, and international exchange and cooperation.

It should also be mentioned that Attica Region has manpower capable of supporting the development of this sector; a significant number of international awards proves this point.

20. Innovation Union Scoreboard 2010

21. Regional Innovation Scoreboard 2009

Thus, such a perspective is essential for Attica Region, especially today, as it promotes and enhances the innovation of the economic system, the creation of new jobs, the optimisation of industrial structures, the region's competitiveness and the construction of a creative society. Finally, this kind of approach coincides with the national and regional strategy for development for the period 2014-2020, as well as the development strategy of *Europe 2020*.



1.3 CAMBRIDGE - UNITED KINGDOM

Cambridgeshire is situated in the heart of the East of England, less than one hour from London and just 20 minutes from London Stansted Airport, which has excellent links to most major European cities. It also sits on the A14, a major East-West route connecting the county to the Midlands and to the ports on the east coast.

Cambridgeshire covers around 3,389 km² and is made up of five districts: Cambridge City, South Cambridgeshire, East Cambridgeshire, Huntingdonshire and Fenland. Each has its own unique characteristics, economic make-up and sector strengths, and each contributes to the overall resilience of the county. Covering a large part of East Anglia, Cambridgeshire today is the product of several local government unifications and, as such, each district has an elected Council but is also served by Cambridgeshire County Council.

DEMOGRAPHIC PROFILE

Between 2001 and mid-year 2011, the population of Cambridgeshire³¹ increased by 10.9% to 612,590. The largest percentage increase has been in East Cambridgeshire where the population has grown by 16.6% to 82,690. Huntingdonshire has had the smallest percentage change since 2001, at only 6.1%. Cambridgeshire's settlement pattern is dominated by Cambridge City, which accounts for 19.7% of the county's population. Most settlements are small, with only 19 of Cambridgeshire's 238 parishes (including Cambridge) having populations larger than 5,000 residents, and only nine parishes with more than 10,000. 59% of Cambridgeshire's population live in those 19 parishes.

Also, in order to accommodate the expected increase in population, a number of new sustainable developments are soon to begin construction with the aim of creating 75,000 new homes by 2021, including the country's first eco-town, Northstowe, to be built just 5km from the City of Cambridge.

ECONOMIC SPECIALISATION

Based on figures published in the Creative Industries Statistical Release in 2010³² and at the beginning of the KnowInG Project, the UK had the largest creative sector in the European Union³³, comprising around 182,100 businesses, accounting for 5.6% of Gross Value Added (GVA) in 2008, with reported export figures of £17.3 billion which equated to 4.1% of all goods and services exported in the same year (2008). The sector is also increasingly recognised for the pivotal role it plays in innovation, design and creation of new intellectual property.

As a predominantly rural area until the late 1960s, the local economy was based around farming and food with a core of technology, engineering and service businesses in Cambridge and the market towns. However, since the 1970s the area has transformed into a world-leading high-tech cluster; an evolution widely known as the 'Cambridge Phenomenon'. Although strengths in the food industry still exist, Greater Cambridge now acts as the scientific research and development capital of the UK, with five times more R&D jobs than the UK average.

22. www.cambridgeshire.gov.uk/business/research/populationresearch/population (November 2012)

23. <http://www.culture.gov.uk/images/research/CIEE-Full-Release-Dec2010.pdf>

24. Page 8 of http://industry.bfi.org.uk/media/pdf/l/r/The_Economic_Impact_of_the_UK_Film_Industry_-_June_2010.pdf

There is a reasonably diverse industrial base in Cambridgeshire, although there are significant industry and employment differences among the different districts. Cambridge City is a key centre of employment in education and R&D and Huntingdonshire has many niches in manufacturing, both high and low value. South Cambridgeshire is a regional and national centre for R&D; its wide and mainly knowledge-intensive, industrial mix means that this district is the key driver of productivity in Cambridgeshire and the wider region.

The economies of Fenland and East Cambridgeshire are reflect their more rural nature and are of lower value, with strengths in agriculture, low value manufacturing, construction and wholesale. North Herts and Uttlesford have higher value economies displaying strengths in R&D, bio-chemicals (North Herts), high value manufacturing and air transport (Uttlesford). Forest Heath and St Edmundsbury have lower value economies with key niches in tourism, sporting activities (Forest Heath), meat processing and lower value manufacturing (St Edmundsbury). A high proportion of Cambridgeshire's workers are employed in high value occupations, knowledge intensive occupations and the public sector.

In 2008, research³⁴ identified that technology-based creative companies located in the Greater Cambridge region numbered in excess of 1,660, collectively employing 12,000 full-time staff with a turnover just under £1 billion per annum, and considerable potential.

The UK project partner's decision to support the creative industries is based on:

- Productivity - Between 1997 and 2006, the sector showed growth of 4% per annum against a national economy growth of 3%;
- Jobs - Creative employment also grew at twice the national average;
- Innovation - Creative industries are identified as an important source of innovation as creative firms tend to be early adopters of innovation, as well as stimulators of innovation in other firms they work with;
- Regeneration - Creative industries contribute to physical and social regeneration;
- Place-making - Creative industries contribute to quality of life and increased attractiveness of places for investment;
- Preparing for economic recovery - Creative workers are an important source of innovation, which is the most important driver in economic recovery.

INNOVATION PROFILE

The Regional Innovation Monitor ranks the East of England, of which Cambridgeshire is part, at the highest levels of investment in R&D in the UK. It has the highest proportion of innovation-active businesses and accounts for one-quarter of private sector investment in research and development in the UK. In terms of innovation outputs, it falls within the top three English business regions introducing new products and services.

The city is home to two universities including one of the world's leading research universities, the University of Cambridge. As a result, a significant technology cluster has developed around Cambridge with a strong focus on electronics, ICT and biotechnology.

25. www.cambridgenetwork.co.uk/news/getting-creative-with-the-cambridge-economy-the-gcp-annual/

The East of England Innovation Baseline³⁵ denotes that Cambridgeshire has a strong innovation performance but it is constrained by linkages. Cambridgeshire has the highest share of employment in R&D in the region and attracts a high proportion of public and private investment in R&D. There is concern that private sector R&D investment is highly dependent on a small number of globally significant companies – a structure that lacks long-term resilience. Cambridgeshire performs the least strongly on ‘linkages’, particularly in transport infrastructure.

Prior research has raised concerns that whilst the region may be excellent at technology R&D and the development of new technologies, it is less effective at fully reaping the economic benefits of their exploitation, and, furthermore, that ‘soft innovation’ (characterised by the creative industries) is being ignored at the peril of long-term competitiveness.

KNOWING FOCUS

Cambridge has long been regarded as the UK’s home of innovation and creative thinking but our creative industries have often been overshadowed by the hi-tech, biosciences and life sciences sectors, and the role that design and creativity plays in innovation has been taken for granted. Creative Front Cambridgeshire’s key remit is to address this issue and provide a focus for the rich depth and strength of the world-class creative businesses in the region and to promote the critical role they play in innovation.

Proposed and led by Anglia Ruskin University within the KnowInG Project, Creative Front is part of an integrated portfolio of actions, designed to raise the profile of the local creative sectors and to promote the increased use of local creative services for increased innovation and competitiveness.

Through the KnowInG Project Creative Front will build a community of creative businesses and support economic growth and prosperity. This kind of clustering is also about developing value chains. Above all, these companies are ‘people businesses’; many of the required developments are equally about the development of the creative community and business support. Creative industries also encourage divergent thinking in the arts, business and scientific fields.

BRIDGING AND BONDING

Creative Front brings together all creative industry businesses in the Greater Cambridge footprint with the aim of economic development and prosperity, capacity building and profile-raising.

Creative Front’s objectives are to:

- Provide the creative industries in Cambridgeshire with a credible regional, national and international profile;
- Encourage the collaboration of those engaged in the sector for economic prosperity and innovation;
- Attract new business and new talents to the industry and retain a talented and skilled workforce;

²⁶ Innovation Baseline: a report prepared for East of England Development Agency. Authors Naomi Clayton and Katy Morris, February 2009

- Make the sector's dynamism apparent to policy makers, investors and funding bodies;
- Create solid and sustainable growth in the economy;
- Develop new wealth creation, training and job opportunities by creating strong links between businesses and the universities;
- Act as an information provider, lobby group and strategic lead for the sector.

RESPONSIVE AND ACTIVE

Being represented by nine special interest groups ensures Creative Front provides responsive, relevant and demand-led sector specific events, creative opportunities and business support. The network runs prestigious events, bringing knowledge and innovative practices to Cambridgeshire businesses from leading industry leaders and keynote speakers. Creative Front looks to champion the outstanding work in the region and raise the profile of local creative and cultural businesses from small and medium-sized enterprises through to multi-national companies.



1.4 ITALY

Italy's partners in the KnowInG Project are based three regions: Calabria, Lombardy and Sicily.

1.4.1 CALABRIA

Calabria is in southern Italy covering an area of 15,080.32 km² and has around two million inhabitants. It has a very complex morphological structure, which is advantageous to population growth - especially in the plains and low mountains.

The region's capital is Catanzaro and comprises five provinces: Catanzaro, Cosenza, Crotone, Reggio di Calabria and Vibo Valentia. The climate is predominantly Mediterranean, while in the mountainous areas experience a more severe climate with frequent, heavy rainfall. Calabria does not have large population centres; this can be attributed to the condition of the soil, the mountainous landscape and the agricultural activities of the region's inhabitants, who tend to reside in isolated areas.

DEMOGRAPHIC PROFILE

The population of Calabria is around 2,011,395 and is influenced by migration; to and from other countries and to and from other Italian regions. The region had a general positive migration balance at the end of 2010.

ECONOMIC SPECIALISATION

Regarding the industrial system, Calabria has a long tradition in textiles and jewellery arts. Skilled artisans are based in many laboratories throughout the region working with various materials including gold and precious stones. Such work has given rise to processes and products that represent international excellence.

In addition, regional density of companies in the weaving industry is one company to every 50,000 inhabitants and there is a greater concentration of fashion companies in the province of Cosenza. These companies are generally small-sized enterprises that need to build their own network in order to address the emerging challenges of the market at national and international level.

The profile²⁷ of people working in the region's fashion/ artisan sector is as follows:

- The average age of entrepreneurs/ craftsmen in the traditional artistic sector of Calabria is 30, with a negligible presence of age groups above 50.
- The level of basic education is considered high; average schooling lasts for approximately nine years, 20% of workers have elementary school education only, 39% has middle school education only, and 38% has a degree-level education.
- Over 58% of entrepreneurs acquire skills through apprenticeships and 11% through employment.
- A significant proportion (20%) started a business after the completion of studies, but with no previous experience of apprenticeship.

²⁷ Data provided by Co.Se.R Calabria (Consorzio Regionale di Servizi per le Imprese Artigiane)

The profile²³ of Calabria's SMEs provides a framework for entrepreneurship:

- More than 50% of companies are less than 10 years old, and 35% are less than seven years old.
- More than 80% of companies were set up from scratch, with 13.6% being inherited or were given to the owner, and the remaining (approximately 4%) from other origins.
- The predominant business model of micro-enterprises (86%) is sole trader (just one self-employed person).

The craft sector in Calabria plays a crucial role in the region. In manufacturing, over 60% of local units belong to crafts, and in the same sector 42% of employees work for small businesses. The role of craft in Calabria is particularly relevant for the dynamic trend of growth. On the one hand, the craft sector has experienced economic damage (recorded by Calabria's manufacturing sector in recent times), but on the other it has expanded its role in terms of the regional production industry. Quality crafts have become a sector of great interest in the Calabria region in the last few decades, although there was recently a risk of it disappearing for a variety of reasons related to depopulation and the radical change in the social fabric (mainly due to technological progress).

INNOVATION PROFILE

Calabria is characterised mainly by SMEs operating in traditional sectors such as trade, agriculture, construction and manufacturing sectors, in fact, they make up 70.5% of regional entrepreneurship.

Calabria is a region with great potential for innovation, however, it is also weak in terms of its facilities, infrastructure and services to support the innovation process of the region. Due to their fragmentation, the enterprises usually suffer from problems originating from the lack in capacity to identify and manage the development of new products. It also impacted by an inability to find innovative projects, recruit and develop skills to enhance knowledge, and find highly skilled personnel in the region.

In terms of scientific research, the appropriate actors are not yet structured and coordinated adequately, therefore, research cannot be developed in order to sufficiently inform the needs of business. This situation puts a limit on the development of a regional innovation system. Based on the KnowInG Project questionnaire responses, the partner concludes it is essential that an ad hoc system connecting local actors focuses on regional development based on innovation and technology transfer in order to stimulate investment.

KNOWING FOCUS

The Italian project partner chose to focus on the Calabria region because it has an existing creative sector, which could become part of a network for innovation, based on sharing knowledge, information and services.

It is also necessary to stimulate innovation in more traditional activities. For this reason, this report focuses on Calabria's quality jewellery and textile industries; these two sectors are considered strategic for the regional economy, not only in quantitative terms,

²³ Data provided by Co.Se.R Calabria (Consorzio Regionale di Servizi per le Imprese Artigiane)

but also in terms of quality cultural content, creativity and reputation.

Crafts hold considerable weight in the regional economic and social reality, despite the sector's lack of innovative technologies and reputation. It is these gaps in innovation that Calabria Region intends to fill in order to give companies the opportunity to perform. This can be done through the introduction of new strategies and policies, and the use of tools that facilitate mutual exchanges of information and knowledge among the actors, and provide access to information about available services.

1.4.2 LOMBARDY

Lombardy is located in the northern Italy. Measuring 23,861 km², it borders with Switzerland, Trentino-Alto Adige, Veneto, Piedmont and Emilia-Romagna. 42% of the territory is mountainous with the Alps, the Prealps, and the Po Plain mountains. It is also a region with many great lakes and tributaries of the Po River.

DEMOGRAPHIC PROFILE

With 9,992,548 inhabitants²⁴, it is the most populous region of Italy. The Lombardy population grew between 2009 and 2011 due the number births and the net migration.

ECONOMIC SPECIALISATION

The economy of Lombardy is very diverse; its specialisations include agriculture, farming, tourism, and industry, as well as services, trade and finance. The industry is dominated by SMEs and the predominant sectors are mechanical, electronic, metallurgical, chemical / petrochemical, pharmaceutical, food, editorial, footwear and furniture, textile and design²⁵.

Since fashion represents a very relevant point of interest for this region, in particular for Milan, the KnowInG Project partner selected fashion and design as focal interests.

INNOVATION PROFILE

Lombardy is a regional leader for innovation in Europe; according to data from the Milan Chamber of Commerce²⁶ the city collected around 15,000 patents during 2011. The region historically has a variety of economic activity sectors with 11 universities, scientific and technological parks (including Kilometro Rosso and others cited in the Tools publication), and the presence of high quality, Italian-made products, particularly in fashion. In fact, Milan is one of the world's centres of fashion and regional artisan activities are associated with the reputable 'Made In Italy' concept. However, there remains the challenge of improving innovation in the areas of knowledge and creativity for SMEs and craft enterprises.

KNOWING FOCUS

The project partner has focused on fashion in Lombardy because there is a necessity to improve innovation processes in order to stimulate the growing network of enterprises and institutions by sharing information, knowledge and services. This improvement of

29. <http://demo.istat.it/bil-mens2011gen/index.html> - December 2011

30. www.industria.regione.lombardia.it/cs/Satellite?c=Page&childpage=nome=DG_Industria%2FDGHomeLayout&cid=1213277013814&pagename=DG_INDWrapper

31. www.businessgentlemen.it/index.php?option=com_content&view=article&id=2873:lombardia-ai-primi-posti-in-europa-per-innovazione-&catid=80:anteprima-&Itemid=177

innovation is also useful in helping the sector address emerging challenges at national and international level.

In particular, the project aims to promote a network of SMEs and young creative actors, with the purpose of supporting them with information, knowledge and services; from information on financial opportunities to transnational opportunities and learning activities to improve knowledge processes.

1.4.3 SICILY

Located in the central Mediterranean Sea, Sicily is Italy's largest island. It has a rich culture, especially in regards to the arts, music, literature and cultural heritage. It comprises a diverse combination of historic influences created by many centuries of rule under the ancient Greek, Byzantine, Norman, African, Asian, African and Arabic civilisations. Sicily is also Italy's eighth richest region in terms of total GDP considering the average growth rate from 2000 to 200.

DEMOGRAPHIC PROFILE

At the end of 2011 Sicily had 5,048,509 inhabitants. According to the last validated data at the end of 2009³² the population was 5,042,992 (8.4% of the national total), 5,193 units higher than the previous year. For the first time in recent years the number of deaths (49,529) exceeded births (49,217) and the region maintains a positive net migration (107,660 registrations against 102,155 registries cancelled). In 2009, the last year for data availability, the Sicilian population was growing by one per 1,000 residents. The number of births marked a decrease of 1.2% while deaths rose by 3.7%. The natural component shows a negative balance of 312 units, down sharply from a year earlier. The birth rate is 9.8 per 1,000 inhabitants and the incidence of deaths is 9.8 per 1,000 residents. The ageing process of the Sicilian population is reflected in the total proportion of elderly residents, which increased from 8.4% in 2005 to 9.2% in 2009. Migratory phenomena are clearly a very relevant factor for the regional demographic profile³³.

ECONOMIC SPECIALISATION

The Sicilian economy is based on agriculture, tourism, the tertiary sector (mainly public administration and retail trade), industry in some areas, and partly on crafts. In Sicily the economic crisis began in late 2007 and continued to have its adverse effects on the labour market in 2012. The last available data from 2009³⁴ show that over the previous year there was a decrease of more than 15,000 employees and little change of the number of those seeking work (over 236,000 units). The statistics show marked losses in construction (decrease of 10.6%), industry excluding construction (decrease of 6%) and agriculture (decrease of 4.1%), while employment in services continues to grow (increase of 1.2%).

The production of ceramics represents a very relevant craft-related sector that is especially knowledge-related in terms of cultural heritage and its potential for innovation.

Only a few companies specialise in the production of semi-finished ceramics in Sicily. The business generated by the production of ceramics is primarily linked to transport activities and service. The marketing and sales of homeware is a relevant commercial

32. http://pti.regione.sicilia.it/portal/page/portal/PIR_PORTALE/PIR_LaStrutturaRegionale/PIR_AssessoratoEconomia/PIR_DipBilancioTesoro/PIR_ServizioStatistiche/PIR_7486913.46118292/PIR_2651725.930937735/PIR_Year2010/08%20Cap.%202.pdf

33. Provisional data from <http://demo.istat.it/bilmens2011gen/index.html>

34. Sicilian Regional Yearbook 2010

activity for these producers, who generally also have retail spaces. The typical features of this sector are: the locality of people, craft skills, creativity and highly qualified human resources. The innovation process must be able to guarantee the development of this production system.

INNOVATION PROFILE

Information gathered from questionnaires circulated to stakeholders in Sicily highlighted that the regional innovation profile can be deeply influenced by productive districts. The questionnaire feedback also provides insight into what is required to support the regional innovation profile:

- 1) Development of a strategic plan through the promotion of common services (e.g. marketing, logistics, information, communications with Public Administration), organisation and logistics;
- 2) Development of relationships within the areas of industrial research, experimental development and technology transfer.

In addition, two productive districts for ceramics were recognised with the regional Assessorial Decrees Law no. 185 and 194 of 2008.

KNOWING FOCUS

The project partner chose to focus on the ceramics sector, based on analysis carried out by the Department of Labour Employment Services Area II of the Sicilian Region of the production sectors. The department compared Regional Innovation Strategies³⁰ 2000/2006 with the updated strategies in 2007/ 2013.

The sector of ceramic arts was selected since it throws up a variety of current issues that seem consistent with the objectives of the KnowInG Project (which sees knowledge as an engine for innovation). These issues include:

- Enhancement of Sicilian ceramics through the creation of a trademark identifying origin and quality;
- A document regulating production techniques, thus maintaining standards of quality for the island's ceramics production;
- School workshops as an innovative tool for training new professionals.

³⁵ Regional Innovation Strategies provide a strategic planning framework for all interventions implemented in research and innovation, with the aim of facilitating competitive repositioning the regional production system to the frontier of the knowledge economy.



1.5 VALENCIA - SPAIN

Located in the east of the Iberian Peninsula, the region of Valencia is divided in the provinces of Castellón, Valencia and Alicante, occupying an area of 23,254 km². The region's 518 km of coastline, the Mediterranean climate and a gentle topography have favoured the development of coastal areas where the population is concentrated. This is in contrast to the more mountainous inland areas with more extreme weather and lower population.

DEMOGRAPHIC PROFILE

In 2010, the population was 5,111,706³⁶ with an average density greater than the 219 inhabitants per km² well above of the Spanish average of 93 inhabitants per km². The greatest concentration of population occurs in Valencia and its metropolitan area, which has more than 1.5 million inhabitants. The conurbation of Alicante-Elche is also of significance with approximately 800,000 inhabitants it concentrates around half of the Valencia metropolitan area population.

The region of Valencia is characterised by a dichotomy coastal and inland, both at a demographic and an economic level. This difference becomes apparent in the higher numbers of an ageing population in the inland areas, whereas in the dynamic coastal areas the population is younger with higher fertility rates. This contrast is a consequence of the great internal migration that occurred in the 60s and 70s when people moved from the inland rural areas to the coastal strip.

During the second half of the 20th century, the population increased, registering a growth of 23.4% versus the Spanish average of 15.2%. Although in the 60s the Valencia region was a destination for people from the interior of Spain (who migrated to the most dynamic areas of the Mediterranean coast), it is the foreign population that has caused the growth in population in the last two decades. European immigrants with high spending power are attracted by the climate and the geographical position, whereas migrants from Eastern Europe, North Africa and Latin America are generally employed in low value, labour-intensive activities in sectors such as the hotel industry, domestic services and construction. Since 2008, however, the economic crisis has slowed the entry of foreign immigrants.

ECONOMIC SPECIALISATION

In the last four decades the Valencian economy has undergone an important transformation. The process of industrialisation, driven by the manufacturing industry and the entry of multinationals, gave way to a service economy in the 70s and 80s – a sector that represented 70% of GDP in 2009³⁷.

However, the industrial sector (15.7% of GDP³⁸) in the Valencian region is still slightly higher than the Spanish average. In the last decade, construction showed spectacular growth due to the increase in second homes in the coastal area and represented 12% of GDP in 2008³⁹. The end of the housing boom in 2008 and the economic crisis caused a decline that was more severe than the sector's national average and other regional economic activity.

36. www.ine.es

37. www.camaravalencia.com/servicios/docs/infeco/La_economia_de_la_CV_2009.pdf

38. www.rim-europa.eu

39. www.rim-europa.eu

93% of companies in the region are small (10 employees or less) and predominantly family-owned or self-employed people. There is also a great spatial and sectoral concentration of labour-intensive activities. In addition, the economy of Valencia is export-orientated and is Spain's third largest export centre.

INNOVATION PROFILE

The Valencian innovation system is made up of five distinct types of agents: Valencian society as a consumer of innovation and technology, the public sector, science, technology, and innovation. Together, the agents offer support infrastructure for innovation, companies and financial agents.

Regarding the technological centres, the Network of Technological Institutes of the Valencian Community (REDIT) is the network of technological institutes from the Valencian Community and comprises 14 associated centres that offer a broad range of advanced services for companies in R&D&I. Its mission is to contribute to the recognition of the research institutes as an effective organisation model within science, technology and business.

Support structures for innovation are integrated by Transfer Offices of Research Results (OTRIs), University-Enterprise Foundations, Business Innovation Centres (BICs), REDIT and the Network of Valencian Universities for the Advancement of Research, Development and Innovation (RUVID), together with technology and science parks.

The regional expenses in R&D⁴⁰ represent 7.41% of Spanish total R&D expenditure. Valencia Region has 19,488 staff in R&D (full time equivalent), representing 9% of Spanish R&D personnel. There are 12,076 researchers (full time equivalent), representing 9.21% of the country's total.

The distribution of regional expenditure in R&D is: higher education institutions account for 44.43% of R&D expenditure, followed by companies (43.49%), public sector (12.04%) and not-for-profit private institutions (0.03%). The Valencian Community is below the Spanish average for R&D expenditure (54.91%) by approximately 10%. However, the average of R&D expenditure by higher education institutions is approximately 18% higher than the value of Spain (26.75%).

It is important to highlight that there is a significant divergence among the shares of R&D expenditure in Spain.

This can be explained by the strong education system in this region with seven universities and a large network of research centres. However, the industrial fabric consists mainly of SMEs with limited resources to invest in R&D activities.

In terms of innovation in industries, it is concentrated in the main branches of activity: ceramic products, footwear, textiles and clothing, automobile and accessories, food industry, furniture and lighting.

40. www.rim-europa.eu

KNOWING FOCUS

The Spanish partners for the KnowInG Project have chosen the theme of 'Innovative Initiatives for the Sustainable Development of Rural Areas Based on the Intelligent Use of Energy'.

This focus was chosen based on the nature of both entities forming the Valencia Region Case Study: CEEI Valencia and Valencian Federation of Municipalities.

The Valencian Federation of Municipalities is a key actor in reaching municipalities in rural areas of the region.

CEEI Valencia (BIC of Valencia) is a very important interlocutor regarding innovative enterprises and aims to focus on emerging sectors. Among all sectors considered as emerging sectors, we believe that renewable energy is likely to be innovative as defined by the KnowInG Project, and this innovation will support the development of rural areas.

The renewable energy sector is considered to be one of the main emerging sectors, which is able to develop and consolidate the industrial sector by generating new high-value jobs and new business.

The project's focus is on promoting the use of renewable energy in rural areas through an evaluation of the energy profitability of agricultural sub products: slurry, food industry waste, forest and pruning waste, etc. Furthermore, it aims to raise awareness among the rural population about climate change and the importance of energy-efficient consumption patterns in homes, the agricultural and livestock sectors, and in local government. Also, the implementation of new renewable energy initiatives could contribute to the creation of new jobs and wealth in rural areas.

The focus also includes all innovative initiatives that may support the sustainable development of rural areas through the intelligent use of energy.

The Spanish partners believe that renewable energy provides an excellent opportunity for rural areas to improve their economic situation by using native resources. This would have a very positive social, economic and environmental impact, with communities becoming more energy efficient on all levels. Awareness of recycling, reducing and re-using would also increase as a consequence of such initiatives.

The KnowInG partners aim to generate innovative measures to raise awareness on energy issues, principally addressed to housewives, farmers, municipalities and micro SMEs, in order to increase energy sustainability in Valencian rural areas, and promote their dynamization through the knowledge economy.

The focus area intends to take an innovative approach in outlining alternatives in energy production and energy efficiency through good practice and the use of renewable energies.

It is important to highlight that when dealing with energy, we are not only thinking about traditional renewable energy systems but also a more innovative tactic.

The partners are taking into account the whole value chain of energy (production and consumption), and how end users may develop a more sustainable daily life, while offering rural areas an innovative approach to ensure the sustainable development of

their activities. Thus, the creative laboratories and workshops that have taken place as part of the KnowInG Project allowed stakeholders to gather and share good practice.

The reduction in energy consumption is not only considered on a direct form, but also indirect. For instance, the project's focus also incorporates the recycling, re-use and reduction of suitable materials.

The focus also includes the implementation of the best available technology, which may already be on the market, but for some reason has not yet been implemented in these rural areas.

II Policies For Innovation In Partner Regions

This section introduces in brief the transnational, regional and local overviews of policies for fostering innovation in each KnowInG partner region to illustrate what government-led support currently exists for innovation and creative/ knowledge-based sectors. All policies influence the chosen focus areas of each project partner.

CONTRASTS IN POLICIES

Differences among policies are noticeable in terms of their emphasis on various issues. Spain and Portugal focus on environmental sustainability rather heavily as part of their strategies to support innovation and creativity, while Greece has a very clear focus on driving and attracting investment. The UK has a strong leaning towards active support for clusters, whereas Italy's policies are focused on significantly improving collaboration since businesses tend to be somewhat fragmented due to lack of capacity.

COMMON THEMES

There are synergies among partner territories. Policies and legislation are driven by a number of common objectives such as the desire to increase investment on regional, national and international level, the internationalisation of business and R&D, the development of human resources, and sustainable economic growth.

Other synergies are noticeable across the KnowInG Project's key themes of clustering, education and job creation.

Clustering

Clustering is driven by policies across all territories to varying degrees. Cambridge has a strong history of clusters among its high-tech sector but at the start of the KnowInG project no one organisation was driving a cluster to support the creative industries. The creative industries sector is supported by policies⁴¹ (e.g. film policy and games tax relief) delivered by the Department for Culture, Media and Sport, Arts Council England, and the Greater Cambridge Partnership (among others). The Algarve's policies on clusters are driven at regional level by *Strategic Plan for the Culture of the Algarve*, which establishes dialogue among key stakeholders. While Italy's policies focus on the need for improvement in this area. For instance, in Sicily *POR 2007/2013: Axis I – Dissemination of Research and Information Society* supports technology transfer and improvement of cooperation.

Education

In terms of policy support for education in innovation and creative sectors, Lombardy has *Start-Up Fashion* - a programme to identify young talent. Portugal's national *Chapter II of Knowledge and Culture Programme of the XVIII Constitutional Government in the Area of Culture* supports artistic education at all levels and has a programme that encourages artistic hobbies among young people.

41. www.gov.uk/government/uploads/system/uploads/attachment_data/file/120624/DCMS_film_policy_review_report-2012_update.pdf and www.hm-treasury.gov.uk/consult_creative_sector_tax_reliefs.htm

Economic Growth/ Job Creation

Policies for economic growth, job creation and investment are covered across all partner territories and at all levels. To highlight a few: Portugal's *Regional Directive for Culture of the Algarve* supports skills development in cultural planning and management (fitting in with the focus area of cultural tourism); the UK's *Department for Business, Innovation and Skills* focuses on investing in skills and helping start-ups⁴²; Sicily has a regional policy (*POR 2007/2013: Axis IV – Human Capital*) supporting lifelong learning, training and services that support employees; Spain's *II Regional Plan for Employment and Growth in the Valencian Community* encourages the improvement of human resources.

NATIONAL POLICY AND STRATEGY

The innovation policies and strategies developed by each KnowInG Project territory make up a complex landscape of legislation and institutional activity. At national policy level, the main support of innovation in Greece derives from the Ministry of Development, which, through various programmes, supports and promotes innovation, technology and entrepreneurship.

The UK's national policy is led by the Department of Culture, Media and Sport, which is responsible for government policy on the arts, broadcasting and creative industries including advertising, the arts market, design, fashion, film, the music industry and publishing. Example legislation includes the Communications Act 2003⁴³ - the primary means by which the digital industries in the UK are regulated and which set up Ofcom's full powers - and the Digital Economy Act 2010⁴⁴, which regulates digital media in the UK and covers local television provision, video game ratings, the powers of regulator Ofcom, how internet domain names are registered in the UK, and measures to protect intellectual copyright from illegal file sharing.

Additionally, Nesta, the UK's foremost independent expert on how innovation can solve some of the country's major economic and social challenges, identified Cambridge as a creative hotspot in a 2010 report, *Creative Clusters and Innovation*⁴⁵.

From the analysis of the questionnaire compiled in Italy, the following policies emerge as examples of national legislation/ regulation for innovation and creativity: *Law 46 of 1982, the Integrated Benefits Package (PIA), the National Operative Programme of Research and Competitiveness 2007-2013 (PON), the National Strategic Framework, QSN-FAS (Quadro di riferimento Strategico Nazionale and FAS states for Fondo Aree Sottoutilizzate).*

Both the Portuguese and Spanish governments have established frameworks and strategic plans for policy making and dissemination. In Portugal, the *National Strategic Plan for Tourism (PENT)* defines a strategy and an action plan until 2015 for the development of tourism in Portugal, which is based on the quality, competitiveness and sustainability of its supply. In Spain, the *Science, Technology and Innovation Bill (Proyecto de Ley de Ciencia, Tecnología e Innovación)* establishes a framework for the promotion of scientific and technical research and general coordination instruments, which support the generation, dissemination, knowledge-transfer and innovation as elements for sustainable economic development and social welfare.

The below subsections present further information provided by each partner, and are organised alphabetically.

42. www.gov.uk/government/news/startup-britain

43. www.legislation.gov.uk/ukpga/2003/21/contents

44. <http://www.legislation.gov.uk/ukpga/2010/24>

45. NESTA is a world leader in its field and carries out its work through a blend of experimental programmes, analytical research and investment in early-stage companies. www.nesta.org.uk/library/documents/Creative_clusters_print_v2.pdf

SAPO

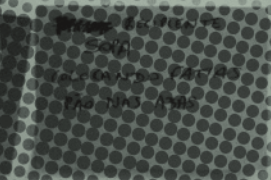
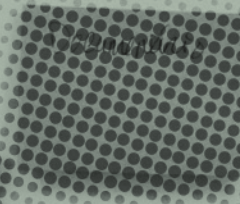
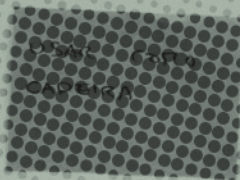
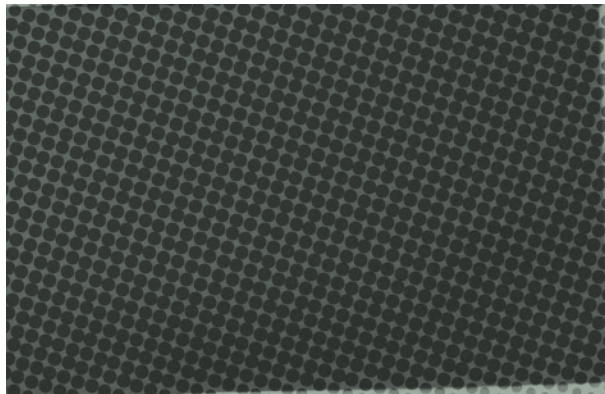


- HIDRATAÇÃO
- ASPIRAÇÃO
- MEDICAÇÃO



PERMITE
ADMINISTRAÇÃO
DE MEDICAMENTOS

PRESSIONAR



2.1 ALGARVE - PORTUGAL

NATIONAL STRATEGY

In regards to national legislation or regulation that supports innovation and creativity, one example for tourism and another for culture was chosen.

Tourism

The *National Strategic Plan for Tourism (PENT)*⁴⁶ is an initiative of the Portuguese government (developed under the aegis of the Ministry of the Economy and Innovation) that serves as the basis for the implementation of a series of initiatives aimed at fostering the sustained growth of national tourism until 2015, and guide the activities of Portugal National Tourism Authority as the key public body for the sector.

The *PENT* document synthesises conclusions about tourism's performance and exposes objectives and guidelines for the sector. In general, the objectives are to:

- Significantly develop the tourism sector in qualitative and quantitative forms;
- Achieve sustained growth above the European average, especially in terms of revenue growth;
- Enhance and improve the national tourism sector through a strategic vision that Portugal must be one of the fastest growing destinations in Europe, through development based on qualification and greater competitiveness, transforming tourism into one of the central growth drivers for the national economy;
- Implement a demanding, ambitious and innovative strategy for target markets;
- Consolidate and develop 10 strategic tourism products: Sun and Beach; Cultural and Landscape Touring; City Break, Meetings and Congresses; Nature Tourism; Nautical Tourism; Health and Wellness; Golf; Residential Tourism and Integrated Resorts; and Gastronomy and Wines. The intention is to highlight the diverse characteristics and infrastructures of each destination.

PENT'S OBJECTIVES ARE IMPLEMENTED ALONG FIVE LINES OF ACTION

- Territory or urban planning, destinations and products;
- Brands and markets;
- Develop and improve resources;
- Distribution and sales of the touristic offering;
- Innovation and knowledge.

⁴⁶ www.turismodeportugal.pt/Portugu%C3%AAs/turismodeportugal/Documents/Plano%20Estrat%C3%A9gico%20Nacional%20Turismo_ING.pdf

THE OPERATION OF THE ABOVE LINES REQUIRES THE IMPLEMENTATION OF 11 PROJECTS OF VARIOUS LEVELS

- Products, destinations and poles - Develop distinctive regional offers, capitalising on the natural assets of each region. Develop six new tourism poles in order to diversify the tourism offer in Portugal and implement a model of sustained development;
- Intervention in ZTIs (urban planning, environment and landscape) - Urban, environmental and landscape quality as an integral part of tourism products in order to enhance and valorise Portugal as a tourism destination;
- Development of distinctive and innovative content;
- Events (e.g. mega events, major promotional events and local entertainment around themes such as culture, music, sport, religion, gastronomy and wines);
- Air access - Strengthen air access with the cities/ regions that have the greatest tourism potential in each outbound market;
- Brands, promotion and distribution - Develop and innovate Portuguese traditional content that will constitute tourism differentiation;
- Quality programme - Foster a national calendar of events that will reinforce the notoriety of the tourism destination and enhance the tourist's experience;
- Excellence in human capital - Strengthen the quality of Portuguese tourism through a quality system for tourism training and enhancement of human resources;
- Knowledge and innovation;
- Effectiveness in the State - Company relationships;
- Business modernisation.

Under the political orientation of the Ministry of Economy and Innovation, the following entities will be involved: central, regional and local administration, sectorial, business and regional associations, and companies directly or indirectly related to tourism activities.

Culture

The *Chapter II of the Knowledge and Culture Programme of the XVIII Constitutional Government in the Area of Culture (Programa do XVIII Governo Constitucional para a área da cultura)*⁴⁷ considers the investment in culture a priority and the development of policies that qualify Portugal as a top tourism destination.

The programme's actions aim to reinforce the culture budget to ensure the mainstreaming of cultural policies and valorise the contribution of contemporary creativity to the country's development. The programme's three areas of focus are language, heritage, and the artistic, creative and cultural industries.

Focusing on the area of artistic, creative and cultural industries only, the main goals are to:

- Promote artistic education at different levels;
- Develop programmes to encourage the promotion of the arts and formation of new audiences;

47. www.mincultura.gov.pt/SiteCollectionDocuments/Balanco_XVI-II_GC.pdf

- Create a national programme with the municipalities that fosters arts education and promotes the arts to young people as a hobby;
- Use the public services of culture and the media as fundamental instruments for the dissemination of culture and the Portuguese language;
- Increase the qualification and democratisation of art education by supporting internships for young artists and creators through INOV-ART⁴⁸;
- To permit equal access for citizens to culture around the country;
- Collaborate with local authorities and the cultural agents it is necessary to create cohesive cultural programming and diversify cultural products;
- Promote availability of public credit, seed capital, development capital, internationalisation capital and capital for restructuring, in order to promote and qualify the arts and cultural creativity to enterprises in the creative and cultural industries, namely fashion and design;
- Support the creation of financial support programmes for training and internationalisation of artists and creators;
- Support the circulation of artists and works of art particularly within the CPLP (Community of Portuguese Speaking Countries) and the European Union;
- Support literary creativity and its internationalisation, encouraging the translation of Portuguese literature into other languages;
- Promote funding to support the arts and cinema by re-formulating the Investment Fund for Cinema and Audiovisual;
- Increase the commitment of national television to promote Portuguese cinema and movies in the production and dissemination of Portuguese cinema;
- Integrate policies that support and promote the artistic, cultural and creative industries with those that support and promote the audiovisual, tourism and training sectors;
- Improve the status of artistic careers by providing support for periods of unemployment and sickness, and retirement from a profession;
- Defend the copyright, business models, and other rights and intellectual property to enable adequate and equitable remuneration of authors and performers, and also, the free access for all citizens to culture and cultural products;
- Improve the network of cultural agents;
- Promote the integration of public instruments (i.e. tools, actions and initiatives that apply to cultural policies) in audiovisual production in the cultural policy, for the dissemination and internationalisation of contemporary culture and Portuguese language using multimedia platforms;
- Stimulate independent audiovisual production and promote the independent production of content in Portuguese;
- Promote, encourage and support the production, development and internationalisation of independent programming and its distribution network;
- Promote plans for the promotion of culture as a development factor and source of employment, providing temporary placement for unemployed, skilled people in cultural institutions;

⁴⁸ INOV-Art is programme of the General Directorate of Arts (DG-Artes) of the Ministry of Culture, aimed at young people with qualifications and skills on artistic and cultural domain, with the objective to support their professional insertion on international institutions of reference on arts and culture areas. The initiative provides scholarships as an opportunity for the candidates to develop professional experience on the international market. www.dgartes.pt/inov-art/index3_en.htm.

- Support the artistic creation generally across key areas: theatre, music, dance, circus, visual arts, cinema and audiovisual.

REGIONAL STRATEGY

PO Algarve 21, The Regional Operational Programme Algarve, is a financial instrument of regional policy with the principal goal of affirming the Algarve region as dynamic, competitive and solidary in the context of the knowledge society. It is a regional development strategy for the period 2007-2013 and is inserted in the *QREN – Quadro de Referência Estratégico Nacional (National Strategic Reference Framework)*.

The *PO Algarve 21* has a European Regional Development Fund (ERDF) allocation of €175 million and is composed of three Priority Axes: competitiveness, innovation and knowledge; protection and environmental qualification; and the territorial recovery and urban development.

The strategy's priorities are:

- Qualification, innovation and strengthening of the economy;
- Development of human resources and creation of more competences;
- Promoting a balanced and competitive territorial model;
- Consolidation of a sustainable environmental system.

The programme has approved around 135 projects for the *QREN Incentive Systems for Companies Investment (IS)* – a key public policy tool for economic promotion (especially in regards to innovation and regional development). The three types of IS are: the *Incentive System for Research and Technological Development*; the *Incentive System Qualification and Internationalisation of Small and Medium-Sized Enterprises*; and the *System of Incentives for Innovation*.

Among other goals, the *IS* aims to increase productivity and competitiveness of businesses, particularly territorial development and economic internationalisation. It is implemented through the Operational Programme and also the Regional Operational Programmes.

The *Strategic Plan for the Culture of the Algarve (PECAlg)* was created in February 2010 with the aim of establishing political lines for culture in the region, based on the *Regional Plan for Territorial Planning of the Algarve (Plano Regional de Ordenamento do Território do Algarve or PROTAlg)*⁴⁹. *PECAlg* will enhance material covered by *PROTAlg* in regards to qualification and heritage diversification, protection, leisure and cultural resources.

The goal of the programme is to create documents that promote the socio-cultural and economic development, within the cluster of culture and tourism. Cultural development must also respond to the needs of the region and be an important factor in the fight against unemployment. The plan is being implemented between 2010 and 2020, following the cultural recommends of *PROTAlg*.

49. www.prot.cedr-alg.pt

The *PECAlg* aims to:

- Make culture something of value for citizens and make it accessible to them by incorporating new technologies for the production and dissemination of culture;
- Enhance the sustainability and conservation of heritage;
- Create an efficient, effective and modern public management (i.e. a field of knowledge and work related to organisations whose mission is of public interest such as public finance and policy).

PECAlg suggests that cultural and artistic sectors are categorised according to UNESCO methodologies of classification: Cultural Domain (natural and cultural heritage, celebrations and festivities, visual arts and crafts, books and press, audiovisual and media, design and creative services, and intangible cultural heritage), and Cycle of Culture with cultural functions (creation, production, promotion, diffusion, exhibition and consumption).

The plan covers music, dance and theatre, books and libraries, cultural property, archives and heritage documentation, cultural industries, museums and audiovisual. Each area has specific actions, programmes, measures and funding.

The plan also analyses the strengths and weaknesses of different tools of intervention from public administration on the different cultural regional activities. It introduces devices for collaboration among the public, private, cooperative and associated sectors to facilitate investment in the cultural sector's strategic development.

Additionally, *PECAlg* aims to establish dialogue among key stakeholders and creators, and ensure they are ready to participate in activities and be the primary resource of artistic creations and are able assess what is produced in the Algarve.

LOCAL AND SUB-REGIONAL STRATEGY

Regional Plan for Territorial Planning of the Algarve (PROTAlg): The Algarve is a small region but it interacts with the international economy and competition. The necessity to conceive programmes and regional policies led to the creation of *PROTAlg* in 1988, whose goal is to qualify and diversify the clusters of tourism and leisure.

The first objective is to bring together the different sectorial development policies with a focus on particular regions and cities, and in regards to tourism, agriculture, transport/ accessibility, cities, environment policies, and the protection and enhancement of architectural and archaeological heritage.

The second objective is to support sustainable growth, competitiveness at international level, and vigorous efficiency. The result of the strategy will be:

- An acceleration of the growth of Portugal's economy;
- Responsible development and conduct by economic agents;
- Significant investment in productivity in the goods and services sectors, resulting in job creation;
- Change in the patterns of cultural and tourism activities in the country, to synchronise activities with the dynamics of international commerce and to stimulate their endogenous possibilities.

It is important to implement a strategy that promotes the sustainable use of tourism potential in Portugal at national, regional and local level; assesses the impact of the strategies in order to valorise tourism resources and the Algarve's image; and to understand the degree of satisfaction among tourists in order to enhance the quality of their experience of the countryside, monuments, urban spatial planning, urban cleanliness, noise levels, accommodation, restaurants, hospitality, natural parks, beaches, health service, security, road safety, public transport, taxi services, and quality-price ratio.

The *Regional Directive for Culture of the Algarve (Direção Regional de Cultura do Algarve or DRCA Algarve)*⁵⁰ implements an annual application process for funding for the 'Support for Cultural Action', which has the main objective of supporting cultural agencies in regional areas such as:

1. Creation and Production – The creation of projects and/or production of shows in theatre, music, dance or transdisciplinary;
2. Training – Skills development in artistic techniques for cultural planning and cultural management;
3. Publications – Promoting literature that contributes to the dissemination of historical knowledge, regional identity, thematic information about the Algarve, and other types of literature (for example, prose and poetry);
4. Promotion – Encouragement and promotion by local and regional agents of: festivals, theatre, music, dance or transdisciplinary productions local and regional agents; exhibitions of visual arts by artists from the Algarve region; film festivals and multimedia production by film clubs and other organisations, the participation of new talent from the Algarve in music, dance and plastic arts (e.g. ceramics and sculpture) overseas.

More than 50 activities have been established throughout the Algarve each year as a result of this strategy and activities have also been decentralised. The effectiveness of this strategy is clearly seen in the on-going support organisations and by the diversity of agents and public that are being supported.

50. www.cultalg.pt/DRCA/



2.2 ATTICA - GREECE

NATIONAL STRATEGY

The only department in Greece that is responsible for research and development is the General Secretariat for Research and Technology, a sector of the Ministry of Education. The Secretariat is responsible for implementing R&D programmes including those which: promote activities of research actors and diffusion of technology; enhance the community of researchers; promote the cooperation with other countries and international organisations; and inaugurate technological institutions in fields that are important to Greek economic development.

The main support of innovation derives from the Ministry of Development, which through various programmes supports and promotes innovation, technology and entrepreneurship.

In 2007 the Ministry of Development published the *Strategic Plan for the Development of Research, Technology and Innovation* under the *National Strategic Reference Framework 2007-2013*⁵¹. The key objective of the strategy for the period 2007- 2013 is to restructure the Greek economy, gearing it towards high value-added products and services, and to achieve the transition to the knowledge economy and society.

One of the most important operational programmes of the aforementioned plan (funded by the *NSRF 2007-2013*) is *Competitiveness and Entrepreneurship 2007-2013*. It aims to enhance the competitiveness and extroversion of businesses, focusing on innovation. Activity included in this programme is the *Creation and Support of New Innovative Companies*. Focusing mainly on spin-off and spin-out companies, this programme supports: innovative business activities; implementation of innovative investment plans; knowledge of innovation in the production of new products; and knowledge intensity that contributes to the long term development of the country.

Another Ministry of Development initiative that promotes innovation and creativity is the website *Start-Up Greece*⁵². It is a digital platform of information and networks that promotes new entrepreneurs in Greece. It brings people together in an online community where users (e.g. experts, young people with new ideas, businessmen, actors of public administration) can exchange views and knowledge and, as a result, enhance the potentiality of entrepreneurship in Greece. The platform's database includes opportunities for private or public funding, legislation for investing, 'how to' articles, a calendar of events, calls for innovation and creative plans, and success stories.

Invest in Greece is the national organisation for the promotion, attraction and support of investments in Greece, as well as for the implementation of legislation *Acceleration and Transparent Implementation of Strategic Investment*. The main focus of this organisation is to track investment opportunities and to find new investors, providing them with information and support for all kinds of investment plans. The organisation is trying to promote investment opportunities in Greece for actors all over the world.

Another regional strategy supporting innovation and creativity is the call for European cooperation in research and technology, within the framework of the *Joint Undertaking: European Nanoelectronics Initiative Advisory Council*, in order to find Greek actors. The

51. www.espa.gr/elibrary/NSRF%20document_english.pdf

52. www.startupgreece.gov.gr

call aims to: promote Greek participation in the European and international research and technology networks in the field of Nanoelectronics; secure support through cooperation among different actors; and enhance productivity.

REGIONAL STRATEGY

In Greece, municipalities and regions do not have responsibility of local and sub-regional strategies. Instead they are decided and implemented by central government.



2.3 CAMBRIDGE - UNITED KINGDOM

NATIONAL POLICY AND STRATEGY

The Department for Culture, Media and Sport (DCMS) is responsible for government policy on the arts, broadcasting and creative industries including: advertising, the arts, design, fashion, film, the music industry and publishing. DCMS also works jointly with the Department for Business, Innovation and Skills (BIS) on design issues, including sponsorship of the Design Council, and on relations with the video gaming and publishing industries. The DCMS achieves its goals through collaboration and working effectively with a number of other organisations including other government departments, our own-sponsored bodies and local authorities.

Areas of work include:

- Digital Economy Bill - Aims to introduce measures to significantly reduce online infringement of copyright;
- Creative Economy Programme - Works towards the goal of making the UK the world's creative hub;
- Digital Britain Report⁵³ - Published in June 2009, the report outlines how the UK can maximise on the benefits digital technology;
- Education and Skills - Development of multiple initiatives⁵⁴ and funding schemes to support skills development and training in the creative industries;
- Regional Support - Improve access to finance, among other issues such as brain drain, skills shortages and city competitiveness⁵⁵;
- Government Support - Representation of the creative industries across government to monitor policy that can affect creative businesses, including tax, regulations and intellectual property rights;
- Support and Funding - Development of opportunities available to the creative industries.

The DCMS is responsible for setting UK film culture and industry policy (e.g. the Communications Act 2003⁵⁶ and the Digital Economy Act 2010⁵⁷). It is also actively promotes British film through funding and support of key initiatives and working with other government departments on policy that affects the film industry.

One of the most critical policies has been the collaboration with the HM Treasury on film tax relief first introduced in 1992 to promote the sustainable production of culturally British films. Recently extended until December 2015, the scheme provided around £95 million of support to the British film industry in 2009/10, supporting over £1 billion of investment in 208 films.

The tax relief is aimed directly at film production companies for the expenses they incur in the production of films intended for theatrical release in commercial cinemas. For a film to be eligible for relief, it must be certified as British, either by passing a cultural test or under an agreed co-production treaty, and must spend at least 25% of the total production budget in the UK.

53. www.official-documents.gov.uk/document/cm76/7650/7650.pdf

54. <https://www.gov.uk/government/news/budget-2013-boost-for-creative-industries-sector>

55. www.gov.uk/government/uploads/system/uploads/attachment_data/file/32217/11-900-access-to-finance-for-creative-industry-businesses-appendix-2.pdf

56. www.legislation.gov.uk/ukpga/2003/21/contents

57. <http://www.legislation.gov.uk/ukpga/2010/24>

A recent report from Oxford Economics⁵⁸ revealed that the film sector contributed £4.6 billion to the UK's GDP in 2009 (the result of many years of investment) and stressed that the health of the UK's film sector depended on keeping the tax breaks in place. According to the report, the relief and the depreciation of the pound are crucial factors to supporting UK films, which cost on average 40% less than film production in the United States and 7% less than in the Czech Republic in 2010. The UK's tax breaks cost about £110 million a year, but should that be removed, the UK's GDP would fall by £1.4 billion, the report estimated.

BIS is making a difference by supporting the sustained growth and higher skills across the economy. It is driven to invest in skills, making markets more dynamic, reducing regulation, promoting trade, boosting innovation and helping people start and grow businesses. These goals and activities all help stimulate growth. BIS' *Enterprise Directorate* has specialist expertise in policies that strengthen the enterprise environment for small businesses, and to enable more people and communities to set up in business.

*The Enterprise Directorate*⁵⁹ aims to boost enterprise and small business growth by helping small and medium-sized businesses start up and thrive through improved access to finance. It aims to build a more entrepreneurial culture by equipping people with the right skills and ambition. It also works to create a more positive business environment that supports the ease of starting a business, and where new businesses and economic opportunities are more evenly shared between regions and industries. The programme also aims to reform how business owners access the information, guidance and support they need to start and grow a business. Also part of the BIS' support of innovation in business is the *Queen's Awards for Enterprise*⁶⁰ which recognises and celebrates successful business.

It is widely recognised that the Digital and Creative Industries (D&CI) have the potential to drive significant economic growth. DCMS is working closely with BIS to remove barriers to growth for this sector. The government has supported the establishment of the Creative Industries Council (CIC) which provides a voice for the sector among the financial community and coordinate action on barriers to growth. The CIC looks at issues in the sector, including access to finance, skills, export markets, regulation, intellectual property and infrastructure.

REGIONAL POLICY AND STRATEGY

Regional innovation policy in the UK essentially began when the Regional Development Agencies (RDAs) were established in 1998 by the Labour government and Cambridge-shire fell under the remit of the East of England Development Agency (EEDA). Innovation increasingly became an important feature of the RDAs' activities over a number of years, with a wide range of policies being developed and implemented across the UK. However, the majority of innovation policy and funding was still dominated by national policy.

Although specific regional policy responses varied across the regions, they tended to include: support for knowledge transfer and collaboration activities between the research base and industry; support for clusters and/or science/innovation parks; and significant investment in academic and industry focused R&D infrastructure and centres of excellence in regions with access to large capital funds (such as ERDF). Regions were also tasked with delivering a number of national programmes at regional level, such as *Grant for R&D*.

58. Page 8, http://industry.bfi.org.uk/media/pdf/i/r/The_Economic_Impact_of_the_UK_Film_Industry_-_June_2010.pdf

59. <http://webarchive.nationalarchives.gov.uk/+http://www.bis.gov.uk/policies/enterprise-and-business-support/analytical-unit/statistics>

60. www.gov.uk/queens-awards-for-enterprise

In 2006/07 the range of programmes and services for business support (including innovation) was considered to be too complex and confusing for businesses, so the process was simplified. As a result, much of the innovation support for businesses today is defined by national policy and delivered locally. Previously, regional agencies could select which innovation services they wished to offer from a portfolio including innovation vouchers, innovation networking and innovation advice services. In 2007, the RDAs were also required to align some of their innovation funding with the priorities defined by the newly created National Technology Strategy Board. EEDA responded to this with policies on investments in knowledge transfer, science parks (with a focus on low carbon industries and those centred on research-intensive universities) and enterprise hubs.

The Nesta research⁶¹ carried out and published in November 2010 highlighted Cambridge as one of ten creative hotspots in the UK. It demonstrated that London is the heart of the creative industries in Britain, dominating in almost all creative sectors, and particularly in the most intrinsically creative layers of the value chain for each sector. Regional hubs such as Cambridge have significant specialisation in publishing, software, computer games and electronic publishing. This report fed directly into the creation and establishment of the creative industries cluster, Creative Front Cambridgeshire. Special interest groups with the creative industry already existing but were brought into Creative Front following the Nesta report.

Regional innovation policy is currently undergoing considerable change as a result of the change in UK government and its policy responses to the economic downturn. Significant budget cuts have been announced and regional governance structures have been re-designed, with the RDAs being abolished and replaced with *Local Enterprise Partnerships* (LEPs) comprising local authorities and businesses. Digital and creative industries could have a major part to play in coordinated strategies for growth and the UK KnowInG partner welcomes partnerships with LEPs to realise this potential. The sector includes a large number of SMEs, micro businesses and sole traders, which often respond well to clustering within a positive environment.

The Greater Cambridge Greater Peterborough (GCGP) LEPs' central role is to determine local economic priorities, drive economic growth and job creation, in addition to delivering national government objectives for economic growth and decentralisation.

To deliver and support its mission, the GCGP LEP commissions, assures and ensures business influence in the delivery of a range of programme activity. These programmes will build on the strengths of the region, identify opportunities for using public assets and expertise for business advantage, and address the barriers to growth and development. The creative industries have been identified as one of the key high-growth industry sectors that form part of the focus of programme activity⁶².

Arts Council England (ACE) is a national agency that champions, develops and invests in artistic and cultural experiences that enhances people's lives. It supports a range of activities across the arts; from museums, libraries, theatre, digital art and reading, to dance, music, literature, crafts and collections. ACE East, the regional division that supports arts organisations and artists based in the East of England, regularly funds 34 organisations in the region. In the first financial quarter of 2010 (from April to June), £876,705 in grants for the arts awards were given to creative and cultural organisations across the region.

61. www.nesta.org.uk/library/documents/Creative_clusters_print_v2.pdf

62. www.yourlocalenterprisepartnership.co.uk/wp-content/uploads/2012/12/GCGPEP-Economic-BaselineReport.pdf

Between 2005 and 2008, ACE invested £3.9 million in three creative hubs nationally, with the core aim that these cultural hubs play a unique part in the landscape of cultural education by bringing together a range of cultural and education partners to work together over a sustained three-year period. This strategy not only informed the development of the *Find Your Talent* programme for children and young people, but it also:

- Provided access to over 51,000 diverse cultural opportunities for children and young people;
- Delivered a rich cultural offer that has impacted on pupils' attainment, their attitude towards culture and their aspirations for the future;
- Encouraged interdisciplinary working across the education, arts and museums, libraries and archives sectors;
- Embedded new, creative ways of delivering the curriculum in schools;
- Inspired cultural organisations to broaden their offer and target their work to schools more effectively.

LOCAL AND SUB-REGIONAL STRATEGY

In 2008, the Greater Cambridge Partnership (GCP) led sector-specific mapping to identify needs among businesses in the area and was designed to capitalise on the unique opportunity for growth for Cambridge with its prosperous creative industries and digital technologies. The focus was on cases of technology and creativity using real innovation. The *Greater Cambridge Creative Industries Action Plan*, launched at the Greater Cambridge Partnership Annual Conference 2008, outlined programmes and activities aimed at facilitating the relationship between the development of new technologies and the creative industries to net significant benefits.

A strategy born of the aforementioned Action Plan for the development of the creative industries harnesses the region's strengths in both the hi-tech and the creative sectors. It is divided into five key themes to build a balanced portfolio of activities in terms of company and economic development. The implementation of this approach must be taken to enable the region's creative sector to develop its full potential in terms of employment and/or wealth creation. The strategy's five key themes and their objectives are as follows:

Theme 1 - Commitment and Positioning

- Establish a common vision and appoint a powerful champion;
- Start to position the area as the media technology solutions provider.

Theme 2 - The Creative Environment

- Education and advocacy;
- Development of a more diverse cultural offer;
- Workspace;
- The creative community including:
- Night time economy;
- Festivals and events;
- Development of a 'Creative Heroes' online resource.

Theme 3 - Internationally Recognised Centre for the Development of Technology Solutions for Digital Content Delivery

- Support and promote knowledge transfer in the technology/ content mix;
- Create a content/ technology laboratory;
- Become the region of next generation learning.

Theme 4 - Supporting Business Growth

- More visible information and intelligence service and online portal;
- Develop networks that truly connect;
- More innovative access to finance;
- Focus on international trade.

Theme 5 - Skills Development and Talent Retention

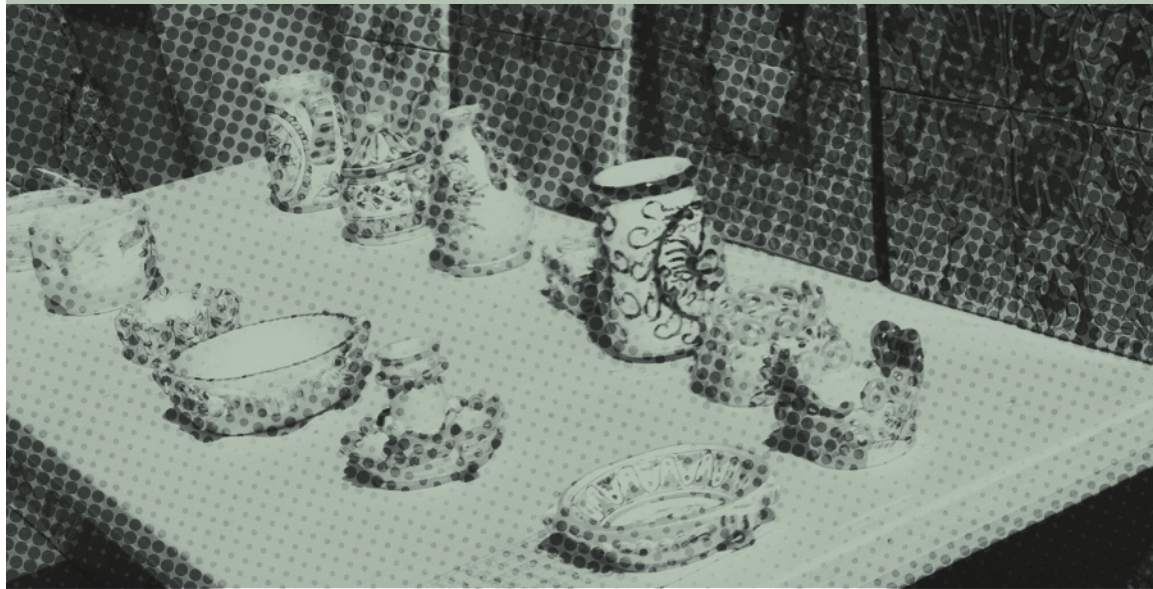
- Engaging the workforce of the future;
- Building a creative, technological workforce;
- Coaching and mentoring.

The GCP's effectiveness has been impacted due to the changes in local and regional authorities and the huge shift in the economic climate. The GCP's influence would have been significant in raising awareness of the creative industries, securing support from the LEP, enabling funding, and creating a blueprint for future activity.

The Hauser Forum Entrepreneurship Centre is an excellent example of public and private strategy in the region. After a donation of £8 million to the University of Cambridge from The Hauser-Raspe Foundation (on behalf of Hermann Hauser and his wife Pamela Raspe) and a £2 million grant from EEDA, the Forum was established in 2010 to stimulate innovative collaboration between clusters of academics, start-ups and established businesses.

The Entrepreneurship Centre in Cambridge has had a significant impact on its five tenants: Cambridge Network, a large membership network for academics through to large organisations; Cambridge Enterprise, which exists to help University of Cambridge inventors, innovators and entrepreneurs make their ideas and concepts more commercially successful for the benefit of society and the UK economy; ideaSpace, a pioneering initiative to support and accelerate emerging innovations and link them with entrepreneurial activities in the East of England; and PraxisUnico, the UK's leading association of research commercialisation professionals, representing more than 100 UK universities and public sector research establishments.

As the centre was established in 2011, the strategy and activities still need time to embed. Despite this, the impact of the centre has been considerable to date, in delivering provision, networking and space for co-working and collaborative thinking and innovation in the region.



2.4 ITALY

NATIONAL POLICY AND STRATEGY

Innovation and creativity in Italy falls under different national legislation/ regulations such as: the Law 46 of 1982, the *Integrated Benefits Package (PIA)*, the *National Operative Programme of Research and Competitiveness 2007-2013 (PON)*, and the *QSN – FAS*.

Law 46 of 1982 enables the financing of technological innovation, as a sector distinct from industrial research, to stimulate research in technological development in any field. Projects receiving grants from the *Revolving Fund for Innovation and Technology (FIT)* must have the majority of their activities at pre-competitive development phase. Since 2001, funds for innovation changed. Whereas in the past companies presented their projects on demand to the Ministry of University and Research (MIUR), they now have to participate in European and National project tender calls.

FIT benefits the following beneficiaries including

- Artisan production of goods;
- Research centres with independent legal status;
- Consortia and joint ventures whose financial contribution to various funding bodies or to the social capital is greater than 50%;
- Other beneficiaries identified by application process.

In regards to *FIT*, activities that develop new products or new production processes are financed while the purchase of plants and machinery are not. Also funded is the activity carried out within the companies (and in part with external laboratories/ companies) that lead to a significant improvement of a product that exceeds state-of-the-art products currently on the market, or to the alteration of a production process through research and pre-competitive development. Companies can submit a single multi-year development programme application to the *FIT PIA Completion Fund* to access facilities. With a single application and a single institutional reference, a company may be able to obtain funds for a variety of purposes such as the purchase of a manufacturing plant/ equipment, and research/ development, and services (e.g. training).

PIA unifies, integrates and simplifies the access to finances stated in Law 488/92 for the development of pre-competitive activities financed by the Law 297/99 (representing an evolution of Law 46/82 on *Technological Innovation Fund*) and for related educational activities.

PIA has a particular focus on:

- Boosting technological innovation;
- Improvement in the quality of projects funded by Law 488/92 through a project selection process, and restricting the allocation of resources to companies that invest in research and development activities, services and training;
- Attraction of further investment in disadvantaged areas;

The *National Research Plan (PNR) 2011-2013* is part of the *PON Research and Competitiveness 2007-2013*, and is a tool set up by the government to steer the country to become a player in the 'Europe of Knowledge'. It represents the framework for all governments and organisations that are responsible for research and innovation, and also promotes the coordinated development of research activities. The main macro-objectives of the *PNR 2011-2013* are the:

- Growth of the country's competitiveness in priority technology areas;
- Improvement in quality and achievement of the critical mass in public and private research;
- Consolidation and increase in investments in research, development and innovation;
- Development of human capital;
- Reinforcement of collaboration between public research and enterprises, and the transfer of research results to the production sector (technology transfer);
- Support for the internationalisation of companies that make innovation, and the creation and development of new high-tech companies;
- Creation and participation in European research infrastructures.

This set of tools, which supports investment in research and development of public research centres and enterprises, focuses on participation in major projects, and the valuation and negotiation of financial mechanisms that facilitate the rationalisation of resources. This aims to:

- Optimise the Italian public research system;
- Improve the quality of training and recruitment for research staff in line with European Charter for Researchers guidelines;
- Assign a new role to the evaluation processes of research results and related human resources;
- Improve Italian participation in decision-making and implementation phases in European and international research;
- Establish thematic groups to coordinate the identification of national sectoral roadmaps that define the Italian priorities in research, development and innovation;
- Simplify the administration for accessing research resources with normative tools such as laws and regulations, and harmonising the existing funds, including structural funds;
- Support the integration and collaboration between the regional authorities, research bodies, universities and companies for projects focused on the development of research infrastructures, which implement the themes of joint programming at European level;
- Implement an integrated national/ international data collection and analysis of Italian data on research, development and innovation.

The *QSN - FAS 2007-2013 (Implementation of the National Strategic Framework for the Fund for Underdeveloped Areas)* aims to strengthen the capacity of Italy's national production system in order to compete at international level. This is done through research

as a strategic factor for boosting the competitiveness of the country and by supporting the productivity of sectors with high export capacity and a higher technological content. *QSN - FAS* supports research and development including the promotion and support of collaborative research and technological development between national and multinational companies, universities and public research institutions.

*PAN FAS (National Programme Implementation for the Fund for Underdeveloped Areas)*⁶³ also supports innovation and technology transfer. It aims to strengthen production through the use of knowledge and the support of investment by companies in innovative products and processes, and ensure sustainable development. *PAN FAS* also aims to foster the birth and growth of companies and to strengthen companies' networks and services for technology transfer. It underlines the important role of ICT in supporting innovative social and economic development widely recognised and supported by the Lisbon Strategy⁶⁴.

2.4.1 CALABRIA REGION

The KnowInG partner in Calabria chose two examples of regional and local strategies that support innovation and creativity in the region.

REGIONAL STRATEGY

Production systems support the development of existing companies with particular reference to research and the development of new products. The creation of a European market and the economic and monetary union have encouraged more productive, commercial and technological connections between companies, which lead to the birth of a research and innovation market at European level, rather than at national level. The allocative efficiency of this market affects the competitiveness of companies and the growth of the entire economic system. For this reason, it is necessary to intervene to enable technology exchanges as much as possible. The policies of the Calabria region in research and innovation enable the achievement of economic integration through an increase of technological relationships between companies; more relationships imply greater technological integration.

An example of intervention is the *Regional Operational Programme 2007/2013 (POR): Axis VII – Production Systems and Calabria Innova*.

LOCAL AND SUB-REGIONAL STRATEGY

Calabria Innova is a strategic plan for the creation of an integrated, regional innovation system. Some sub-regional and local strategies are attempting to encourage investment primarily in learning innovation with the aim of producing cultural behaviour changes. This, in turn, would create stable conditions for the implementation of innovation processes through the combination of new technologies and new ways of looking at products and production.

2.4.2 LOMBARDY REGION

The KnowInG partner in Lombardy chose six examples of regional and local strategies that support innovation and creativity in the region.

63. www.ponricerca.it/Organization-Folders/PonRicerca/7072.PDF

64. www.oecd.org/internet/leconomy/2507572.pdf

REGIONAL STRATEGY

The National Strategic Framework (POR) 2007-2013: Axis I Innovation and Knowledge Economy considers innovation to be an essential element for the competitiveness of local companies. *Axis I* finances the promotion of research and innovation to support collaborative initiatives and increase the competitiveness of the Lombardy region in international markets. It also aims to develop local digital networks to:

- Promote and support research and innovation for the competitiveness of the region through the enhancement of knowledge;
- Strengthen the capacity of governance to improve the competitiveness of the region by simplifying relationships between the actors of the system.

The Ergon programme, the Ministry of Economic Development and the Chambers of Commerce system in Lombardy, aim to implement the objectives of Regional Law 1/2007 for the development of partnerships between companies as a basis for Lombardy's economic competitiveness. The purpose is to support the system of SMEs in Lombardy, and to encourage the increase of competitiveness in the national and international market through the process of aggregation of networked enterprises.

The Revolving Fund for Entrepreneurship (FRIM 2011) aims to support business activities of the Lombardy region in the development of competitiveness at national and international level, and to support the growth and the consolidation of companies in the region.

LOCAL AND SUB-REGIONAL STRATEGY

At local and sub-regional level, all strategies are aimed at supporting the creation and development of new activities and companies, in order to deal with the economic crisis using creativity, knowledge and innovation. Initiatives have been launched at local level to implement these strategies are. They include:

Business Incubator 2012 – Sponsored by the Como Chamber of Commerce, in collaboration with ComoNExT Science and Technology Park, the programme supports the creation and development of innovative business initiatives within the business incubator of the Science and Technology Park ComoNExT;

Programme for the Development of Enterprises Innovation in the Tertiary Sector – Provides the allocation of funds to encourage innovative projects for the improvement of infrastructure, management or organisational systems in areas such as trade, tourism and services;

Start-Up Fashion – Promotes and supports the development and consolidation of new companies in the fashion industry, formed by young people (18-35 years) in Lombardy. The programme also aims to identify and enhance fresh, young talent in the Lombardy fashion industry, providing them with access to experts in the field to help grow the new business.

2.4.3 SICILIAN REGION

The KnowInG partner in Sicily chose two examples of regional policies that support innovation and creativity in the region.

REGIONAL POLICY

POR 2007/2013: Axis I – Dissemination of research and information society and Axis IV – Human Capital focus on the dissemination of research and the information society. The policy aims to promote collaboration between the research system and companies, fostering cooperation and technology transfer mainly among manufacturing technology clusters and production clusters.

Funding categories include the following:

- **Category 1** - Research and development activities in the research centres.
- **Category 2** - Research and development infrastructure and competence centres in a specific technology.
- **Category 3** - Technology transfer and improvement of cooperation between small and medium-sized companies (SMEs), and between these and other companies and universities, post-secondary educational institutions of all kinds, regional authorities, research centres and science parks.
- **Category 4** - Support for research and development, particularly among SMEs.
- **Category 7** - Investment in companies directly linked to research and innovation.
- **Category 9** - Other measures to stimulate research, innovation and entrepreneurship in SMEs.

The *Axis IV – Human Capital* aims to strengthen regional networks for the promotion and transferring of innovation and research, and adapt these networks to meet the needs of the local production system. Funding is focused on categories that are consistent with innovation policy, in particular:

- **Category 62** - Development of systems and strategies for lifelong learning in companies, training and services that support employees in dealing with change, and promotion of entrepreneurship and innovation.
- **Category 74** – Development of human potential in research and innovation, through post-graduate studies and training for researchers, and networking activities among universities, research centres and companies.

LOCAL AND SUB-REGIONAL POLICY AND STRATEGY

No local policies or strategies supporting innovation and creativity have been identified in the Sicily region.

Oportunidades Energía

Net Innovation Low Carbon



2.5 VALENCIA REGION - SPAIN

NATIONAL POLICY AND STRATEGY

The *Science, Technology and Innovation Bill (Proyecto de Ley de Ciencia, Tecnología e Innovación)* establishes the framework for the promotion of scientific and technical research, and general coordination instruments, which contribute to the generation, dissemination and knowledge transfer and innovation as fundamental elements of sustainable economic development and social welfare.

The overall objectives of the bill are to:

- Promote scientific and technological research in all fields of knowledge as essential elements in the development of the knowledge-based society and competitiveness by creating an economic, social, cultural and institutional environment of innovation;
- Promote the recovery and transfer of scientific and technical knowledge;
- Encourage innovation in all sectors and in society by creating an economic and institutional environment conducive to innovation that will stimulate productivity and improve competitiveness;
- Contribute to sustainable development that enables harmonious social progress;
- Coordinate the policies of government scientific and technical research using planning tools to create indicators, targets and priorities when allocating resources;
- Strengthen the institutional capacity of Spanish science and technology agents and their collaboration;
- Contribute to the training, qualifications and skills enhancement research staff;
- Promote the internationalisation of scientific research, technological development and innovation, especially at European Union level;
- Promote the development of cooperation in scientific research, and the development of technological, innovation-oriented and productive social progress according to the principle of social responsibility of research and innovation institutions.

REGIONAL POLICY AND STRATEGY

The new *Strategy of Industrial Policy 2010-2015 (EPI)* for the Valencian Region includes the main priorities and strategies related to innovation, internationalisation and competitiveness for the next five years. This Plan has been developed with the support of the main regional partners (e.g. trade unions and enterprise associations) and constitutes the first regional policy document devising an overarching strategy. It gathers all the measures and actions developed at different levels, picking up the most successful ones and complementing the others, thus avoiding the duplication of objectives and activities.

The main objective is to improve the productivity and competitiveness of regional companies. To reach this goal several strategic axes have been established with the estimated budget for the five year period as follows:

- People - €47.10 million
- Innovation - €544.15 million
- Diversification - €42.60 million
- Industrial growth - €35.90 million
- Internationalisation - €118.75 million
- Strategic lines (nano and biotechnologies) - €295 million

The other regional strategy is *The II Regional Plan for Employment and Growth in the Valencian Community* - the update of the first document launched in 2002. This new Plan covers the period 2009-2013 and outlines the following objectives:

- Promote innovation in enterprises to improve their competitiveness within a cooperation environment;
- Encourage the diversification of the industrial fabric promoting innovative companies;
- Promote cooperation between scientific and technological supply, raising the technological level of industry;
- Improve human resource skills;
- Increase coordination in public innovation policy.

The plan has four strategic lines:

- Articulation of demand - Identifying the medium and long term innovation needs and demands towards priority sectors and clusters;
- Cooperation and innovation platforms - Promoting the business application of R&D and the cooperation between innovation agents;
- Creating technology-based companies - Diversify the industry into emerging sectors, encouraging new companies from R&D activities;
- Internationalisation and excellence - Promote regional centres of excellence able to compete at international level.

The regional innovation policy for the Valencian Community is managed by the regional public administration. The aim is to foster interaction between different stakeholders (companies, research centres and also public administration) to ensure a higher competitiveness of the region through access to and the application of new technologies, and the development of associated knowledge. It aims to improve the region's technological capabilities, supporting the generation of scientific or technical knowledge that enables the production of products, processes or services with a higher added value. The main regional agent in charge of management, funding and evaluation of different policies is Valencian Institute of the Business Competitiveness (IVACE). It is an autonomous body responsible for innovation promotion assigned by the Valencian govern-

ment and subordinated to the Regional Ministry of Economy, Industry and Trade. In spite of being the main entity managing innovation, there are also other regional ministries (within Valencia's regional government) directly involved in many aspects or measures that promote innovation policies, e.g. the Regional Ministry of Education, the Regional Ministry of Health, and the Regional Ministry of Economics, Treasury, and Employment. IVACE has programmes to support SMEs, public entities and not-for-profit private entities and the provide services in the following areas:

- Technology and R&D;
- Creation and development of enterprises;
- Design;
- Quality and environment;
- Organisation and management;
- Training;
- Technological cooperation.

LOCAL OR SUB-REGIONAL STRATEGY

The most relevant activity at local level that supports innovation is the creation of numerous local business incubators. Furthermore, Local Development Agents (ADLs) and the Association of Local Development Agents (ADLYPSE) support and train entrepreneurs during the process of setting up a business.

Valencian Federation of Cooperatives of Associated Work (FEVECTA) is the representative organisation of the worker cooperative movement in the region. It is an independent and plural business organisation whose members include a high percentage of Valencian worker co-operatives, which joined voluntarily. The Federation's main objective is to lobby economic, social and political key actors on behalf of its cooperative members, as well as to encourage the development of new cooperative businesses. Since its birth in 1988, FEVECTA has experienced considerable growth; beginning with 87 constituent cooperatives as members it now has than 600 covering all sectors of the economy.

INNOVEM Junts Valencia Region⁶⁵ is a territorial cluster of agents that promotes economic sustainability, and social and environmental performance in different areas of Valencia. It also promotes inter-cooperation among agents of a territory within the county and local forums. The cluster's priority strategic factor is the territory, as an economic and sociocultural ecosystem, whose intangible assets are to be incorporated into the international market. The second strategic factor is knowledge; the cluster is coordinated to continuously generate new strategic and operational criteria.

⁶⁵ Led by the Foundation INNOVEM Junts: <http://www.innovemjuntscv.org>



III Pilot Projects For Innovation

Based on the questionnaire responses and policy research, the KnowInG Project partners implemented a range of pilot projects (PP) and other activities in order to test the KnowInG Project's approach that knowledge intensive activities (or creative or knowledge clusters) drive economic growth, and to help drive growth in their territories.

These activities included events to disseminate information among the project partners and stakeholders such as seminars, a fair, a think tank and an e-magazine. In addition, three phases of transnational pilot projects were delivered in each partner region, with some continuing beyond the KnowInG Project:

- The first phase (PP1) was targeted at regional and sub-regional authorities to pilot institutional agreements that enable implementation of short and medium-term Innovation Plans. For example, in Sicily an official agreement was presented that enables the development of an innovation culture through a time bank volunteering scheme in November 2012.
- The second phase (PP2) comprised public-supported services and incentives for the mobility and settlement of creative individuals and knowledge-based SMEs, favouring the formation of creative clusters. In the UK, for example, Anglia Ruskin University established Creative Front Cambridgeshire – a creative industry cluster to support the community through an online directory, events and sector news. The cluster also established a number of special interest groups such as publishing, computer games, web design and development, and film and TV.
- The third phase (PP3) aimed to promote the internationalisation of businesses by setting up Helpdesks across regions that supported SMEs in developing innovative proposals for EU and international tender calls. The region of Attica in Greece set up a Helpdesk at the Lavrion Technological and Cultural Park, to provide support services to businesses in the creative industry throughout the project proposal process when bidding for Greek and European research programmes. Another example is Portuguese partner's Helpdesk, which supported entrepreneurs and the internationalisation of tourism, cultural and creative enterprises.

This section sets out examples of KnowInG Project pilot projects and other activities delivered by the project partners.

3.1 CASE STUDIES: KNOWING PILOT PROJECTS

3.1.1 PILOT PROJECT 1 - INSTITUTIONAL AGREEMENTS FOR THE CAPITALISATION OF INNOVATION STRATEGIES

This pilot project (PP) is aimed at the application of joint strategies for innovation growth. A call for plans was published by partners in Attica, Sicily, Calabria and Valencia. Various activities for this project were developed by the below partners:

Attica, Greece

Feasibility Study on Creative Industry: Edutainment and Video Games From July 2010 – March 2013

Within the framework of PP1, the Attica Region, the Lavrion Cultural and Technological Park and Business Innovation Centre of Attica launched a public consultation for stakeholders to share their experience and knowledge of the creative industries, and more specifically of 'edutainment'. The overall objective of this public consultation was to create a feasibility study on this sector.

Sicily, Italy

Institutional agreement for the capitalisation of innovation strategies: Time Bank November 2012

The Labour Department of the Sicily focused on the concept of a Time Bank to create community. A Time Bank is a platform where groups and individuals are able to trade time and skills without the need for monetary exchange. An institutional agreement was signed between the Department, a municipality and a Time Bank in Sicily.

3.1.2 PILOT PROJECT 2 - MOBILITY OF CREATIVE AND KNOWLEDGE WORKERS AND ENTERPRISES

This PP aimed to stimulate the mobility of individuals and enterprises operating in the knowledge economy into and towards the MED area. For this purpose, a database of user profiles from all over the world was generated by users in the KnowInG Resource Centre. Interested users were invited to register on the database to receive a supporting plan of business settlement from the local/ regional authorities (i.e. KnowInG Project partners). The plan consists of administrative, structural and credit facilities. This way the territories can attract the so-called creative class to help cluster creation.

Cambridge, UK

Cambridgeshire Creative Front

This cluster aims to bring together businesses and professionals across all sectors of the creative industries – from computer games to fashion design – and help raise the visibility and develop the economic strength of the sector in the region. The network's main purpose is to provide a directory of companies and freelancers, creative news, events and recruitment, as well as information on funding schemes, business advice, training and tenders. It's backed up with a strong marketing and social networking campaign to lobby further support for the sector in Cambridgeshire.

3.1.3 PILOT PROJECT 3 – HELPDESKS FOR SME TRANSNATIONAL COOPERATION

Algarve (Portugal), Attica (Greece), Calabria and Sicily (Italy), and Valencia (Spain)

Taking place throughout the KnowInG Project, this PP aimed to give joint support to all SMEs and public bodies in the KnowInG Project's MED regions that wish to participate in innovative proposals on international and EU calls in the field of innovation, technology, culture and higher education. Established in most regions, the Helpdesk provided assistance and incentives for proposal preparation. An expert in each region was responsible for the Helpdesk and disseminating information to SMEs. With a broad range of expertise and thematic focuses across the regions, the KnowInG partners were able to refer SMEs to a whole host of tailored advice sourced from across the territories.

CEEI Valencia advised 12 entrepreneurs and enterprises about different kinds of programmes and grants, most of them at local or national level. A summary table was also created including the most important programmes and grants at national and regional level.

Welcome

**This is your
Manifesto.**

VI Conclusion

Impact Of Policies On Innovation And Growth

Based on the KnowInG partners' findings in regards to policies in their territories that support clustering, education and job creation/ growth, there are clearly gaps and divergences in each territory that need to be addressed in order to develop a European society (especially in the MED regions) based on knowledge, innovation and creativity and to ensure economic growth at transnational, regional and local levels.

The nature of the policies varies according to each KnowInG partner territory. This divergence naturally impacts on the level of support available for innovation and creative sectors in various territories. For example, some of the territories do not have sub-regional policies, which can impact on the influence of actors and tools in particular communities. Neither Sicily nor Attica has sub-regional policies that support innovation and creativity at a local level across the aforementioned themes.

However, the KnowInG Project partners in both of these regions have instigated measures (as part of Pilot Projects 1) to overcome this gap in policy in order to aid innovation in their regions. The Greek partner carried out a feasibility study in regards to knowledge, innovation, clusters and the creative industry with an emphasis on edutainment (video/ serious games).

Sicily Region had an institutional agreement for the capitalisation of innovation strategies presented by the regional Labour Department for the implementation of a time bank volunteering scheme. Furthermore, in Sicily's case there is a need to integrate the objective of competitiveness with that of environmental and social sustainability in their regional policies, in order to support innovation and creative sectors such as crafts. So, it is with this purpose that Sicily Region has proposed that all Sicilian municipalities sign pre-agreements for the innovation in the region.

Although the territorial policies may be determined by government, the KnowInG Project has nonetheless aimed to influence regional policy in order to support innovation in some of the partner regions. Institutional agreements implemented as a result of the Pilot Projects aim to continue influencing innovation and creativity beyond the conclusion of the project in May 2013.

Other new agreements instigated by the KnowInG Project partners to support innovation include an institutional agreement signed by three departments of Calabria Region. This agreement enables the sharing of KnowInG Project objectives and methodology, and policies and development plans aimed at stimulating business innovation activities and support of the regional innovation strategy. The Spanish partner in Valencia also prepared an agreement with Sergorbe City (in a rural location) to develop *Innovative Measures Plan for Energy Efficiency*.

Other barriers and obstacles identified include a lack of consistency across policies at all levels. Greece's policies emphasise attracting investment – this could mean that other areas of innovation such as education, skills development and increased clustering are neglected in the longer term.

According to the identified strategies in Portugal (national, regional and local), there seems to be a real attempt to overcome barriers in the focus area of tourism and the cultural and creative industries. On all levels, policies support skills development, job creation, internationalisation, funding, knowledge sharing and collaboration. Since such policies are rather new in the Algarve, these strategies may well build solid foundations for the region's future sustainable growth in the dynamic sector of cultural tourism.

Italy's policies seem to emphasise competitiveness, human resources, collaboration and technology transfer, but lack a focus on education for the next generation in their focus areas (fashion, ceramics, jewellery and textiles). It is noted that the Calabrian crafts sector was almost lost due to technological progress, therefore, it is clear the need is there to educate students in innovation in these areas to help sustain the regional economy.

In addition to Italy's current policies, it is observed by the partners in the territory that another major barrier to the country's general innovation and growth is the *Italian Stability Agreement Law*, which has restrictive limits and fixed quota that together with the spending review process is stopping many innovative research projects and any Innovation and Economic Development initiatives. Also, the complex system of procedures and controls that regions have to implement before undertaking any innovation strategy causes obstacles in terms the regions achieving their innovation goals. The system is fragmented and inefficient. However, the current economic crisis has highlighted the need to promote higher form of cohesion at transnational level in overcoming local difficulties, promoting more development policies with more participation of the public in order to guarantee an equitable and sustainable development and develop a society capable of supporting greater innovative potential in the different areas.

The UK partner has identified policies on all levels that support all key areas of innovation in Cambridgeshire (i.e. clustering, education and job creation). However, it remains to be seen how changes in government and cuts in public funding will impact regional innovation development. As part of KnowInG, the UK partner established the actor Creative Front Cambridgeshire in order to bridge the gap among creative industries to help ensure on-going collaboration, knowledge transfer, job creation and skills development.

Overall, it can be said that a common barrier for all KnowInG partner territories is the various gaps in policy that may impact long term growth through innovation and creativity, which is a cornerstone to prosperity, particularly at regional and sub-regional level. This, in turn, may impede the objectives *Europe 2020*.

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FINAL CONCLUSION

KNOWING PROJECT ACHIEVEMENTS IN SUPPORTING KNOWLEDGE ACTIVITIES AS DRIVING FORCES FOR GROWTH

The KnowInG partners share the belief that knowledge intensive activities (creative or knowledge clusters) are driving forces of growing importance for growth our economy. They comprise cultural industries, high-tech branches, higher education institutions and advanced producer services.

The KnowInG Project aimed to enhance the cooperation of key institutional and economic actors and promote the knowledge economy in territories in four MED countries (Portugal, Spain, Italy and Greece) and one non-MED country (UK) by launching a transnational dialogue-platform on policies, tools and strategies for attracting and creating innovation.

The key objectives of the project focus on influencing innovation policy and creating new clusters, as well as examining existing innovation actors in each partner territory, and developing and delivering new tools. Considering the project's outputs it can be said that the partners successfully delivered on these objectives despite the current influences of the challenging economy.

COOPERATION OF KEY INSTITUTIONAL AND ECONOMIC ACTORS FOR NEW POLICIES

A main objective of the KnowInG Project was to enhance the cooperation of key institutional and economic actors for the creation of new territorial development policies. Three of the partner regions (Valencia, Spain, and Calabria and Sicily, Italy), made up the working group that initiates pilot projects to establish new connections with local governments and implement new institutional agreements. Not only did the working group achieve this objective of policy development, but it also provided examples of best practise that all KnowInG partners can apply in their own territories.

The new agreements go some way to bridge gaps in regional policy in terms of driving innovation and, therefore, growth. The agreements (see Policies report) were instigated by government departments such as the Memo of Understanding for a Time Bank, signed by the Sicilian KnowInG partner/ Labour Department, a municipality and the Time Bank. In terms of enhancing cooperation to create new development policies, this is a positive example. The outcome should be increased networking and knowledge-sharing, in addition to a stronger relationship, at local level, between administrative structure and Time Bank operators not only in spreading Time Bank practice but also developing co-production in service delivery across a variety of sectors in Sicily.

A divergence in policies on all levels and across all partner regions is also observed and the impact of this seems to be reflected in existing actors identified by the KnowInG partners. The policies in Greece focus on attracting domestic and international investment, and looking at Greek actors identified within the scope of the project, it seems that they have been defined by these policies.

As an example, Attica in Greece has a wealth of agents that work to enhance commercial growth through investment, scientific and technological research and development, and clustering and knowledge transfer. Such actors are indeed relevant to the chosen focus area of edutainment (serious games) in Greece, however, in terms of general innovation and creativity there are gaps in the range of actors, which need to be filled in order to support future holistic development (e.g. improved education, skills development and competitiveness). However, the economic crisis is of course having a huge impact on progress in policy and actor development across all of the partner territories at the moment and this is to be taken into consideration.

Another example is policy in Valencia (Spain) that focuses heavily on science, technology and industry and is reflected in actors that mainly concentrate on renewable energy and energy efficient technological development, campaigning, training and providing energy solutions to the private sector.

In terms of aiming to influence policies through cluster development in Cambridge – a region that has traditionally supported the high-tech industries – the UK KnowInG partner worked to showcase and raise awareness of creative industries in the area to leaders of local authorities, members of parliament and local agents as actors (e.g. the Technology Strategy Board and ideaSpace Enterprise Accelerator).

Looking at the project focus areas of Portugal and Italy (cultural tourism and fashion, handicrafts and ceramics respectively) it is of interest to observe that both territories share the common interests in preserving heritage and traditional industries to help stimulate cultural innovation and economic growth. Policies support this aim and actors reflect it; actors in the Algarve include the museums of Portimão and Faro, the Algarve Regional Tourism Board and the Regional Directorate for Culture. Although in Italy the actors tend to focus on broader support for businesses, many businesses are SMEs working in traditional industries so the areas of ceramic arts, fashion and handicrafts are likely to be impacted. Example actors are Sprint Sicilia (Regional Office for Internationalisation of SMEs), the Lombardy Region's Department for Industry, Crafts, Building and Cooperation, and the National Confederation of Craft and Small and Medium-Sized Enterprises in Calabria.

LESSONS IN INFLUENCING ACROSS POLICIES, ACTORS AND TOOLS

In examining connections between innovation policies, actors and tools and based on the project's findings, it can be said that a complex relationship exists between each of these key groups. There is a mutually influencing relationship between each group. A cyclical relationship also exists in that policies influence actors, actors influence tools, and these tools demonstrate impact, sector engagement, demand and need among industries, which provides evidence to inform and influence policies. For example, a tool demonstrating the demand for clustering is the Capitalisation Seminar on Tourism, Cultural and Creative Industries in the Algarve, which resulted in the creation of a new partnership between various local agents and supporters. This output is strong evidence of a need among innovation sectors to cluster in order to establish helpful alliances.

So, it can be said that the development of each group is vital in enhancing innovation and the knowledge economy.

As observed in the Actors report, the effectiveness of actors is impacted by policies and tools (among other factors). Policies that aim to support actors and help them

overcome typical obstacles (e.g. funding and lack of market information) include the Greater Cambridge Greater Peterborough (GCGP) LEP (replacing former regional development strategy after government changes and budget cuts in 2011), which aims to drive economic growth and decentralisation. As observed by the UK KnowInG partner, Cambridgeshire's digital and creative industries could play a major part in supporting the LEP's strategies for growth and could trigger the birth of new, much-needed actors for innovation and creativity in the region. In Portugal, the Regional Directive for Culture of the Algarve (Direção Regional de Cultura do Algarve) could give rise to new actors through its funding of cultural productions/ events, training, promotion by local and regional cultural and creative agents.

In terms of tools influencing policy development, the new tools implemented the KnowInG partners demonstrate best practise, which gives each partner action plans and procedures to follow in order to better influence policy for economic growth and cluster management in their territories in order to support innovation and creativity. For instance, the capitalisation seminar held in Calabria is an example of best practise in terms of collaboration at transnational level between the University of Algarve and Calabria Region.

Furthermore, policy could be influenced by new classifications created by KnowInG for the Resource Centre (see Tools report), which was developed to support the partners and other KnowInG stakeholders in their project work. The categories can be applied at transnational, national, regional and local level by policy makers when developing new innovation policy strategy and initiatives.

In terms of actors influencing policy, the existing Valencian Energy Agency (attached to the Ministry of Economy, Trade and Industry) proposes policies to promote energy saving in the region. This can be seen as a good example of an innovation actor directly informing policy, which needs to be in constant evolution in order to maintain on-going creativity in an industry that relies on innovation to generate energy.

CREATING NEW INNOVATION CLUSTERS

Developing new clustering opportunities was another key objective of the KnowInG Project and it was indeed achieved by the partners. Examples include Creative Front Cambridgeshire, which is a new network for local creative businesses and professionals. Its core aim is to co-ordinate and represent significant actors and support nine sub-sector special interest groups (SIG) that run events, advice sessions and raise the profile of creative businesses in the region. The largest SIG, called Games Eden, represents Cambridgeshire's video game industry, which makes up 18% of the computer games workforce in the UK. This is an interesting link to Attica's own thriving video gaming sector.

Through the KnowInG Project, Creative Front was able to develop an online resource centre offering the sector essential information including a directory, news, funding schemes, business advice and tender bids.

Furthermore, Greece's capacity building workshop brought together experts in the field of video gaming (in particular serious gaming) to discuss forming a new cluster specifically for this sector. Although the new cluster is yet to be established, this new concept is being actively discussed among the community in Attica, which is an important development within the industry.

Both new clustering projects aim to provide new opportunities for creative and innovation enterprises, where none had previously existed. They also aim to improve the regions' economic strength in the long-term.

ACHIEVEMENTS IN TRANSNATIONAL COHESION, COLLABORATION AND DIALOGUE

Another key objective of the project was to promote the knowledge economy through a new transnational dialogue-platform on policies, tools and strategies that attract and create innovation and creativity. This platform has been achieved through the formation of the KnowInG partnership through the implementation of new innovation tools to stimulate knowledge-sharing. Some of which also included a vital educational element such as the Italian creative laboratories; one for ceramic arts for young people, who were able to learn new skills through hands-on ceramics work; and the other for the development and growth of design and fashion brands, when micro-enterprises came together with expert consultants to learn essential business management skills.

Also, observed by KnowInG is the need for more transnational cohesion to support local development during the on-going economic crisis. The project partners have proactively worked together in providing transnational initiatives such as the capitalisation seminar organised by the University of Algarve and Calabria Region where the KnowInG Project objectives and methodology were publicised, and the 'Your Creativity is our Future!' contest organised by the University of Algarve and Lavrion Technological and Cultural Park (Attica, Greece).

The KnowInG Resource Centre (RC) is an example of an effective online transnational resource providing useful data and user-generated content to a key audience of public and private organisations, entrepreneurs, professors, innovation actors, creativity and knowledge builders. By the end of 2012, more than 1,000 companies and organisations were registered at national and European level, making the RC a success. It is an example of the popularity of online innovation tools and pooling of resources that can have a cross-boundary reach and provides free access to essential information to support a diverse range of innovation creators. Setting up online tools can also be very cost-effective for actors – an important element to consider during challenging economic times.

The value of online innovation resources is also supported by *Europe 2020*, as already mentioned in the over-arching introduction to the KnowInG Project reports.

Finally, the KnowInG Project itself can be seen as an example in transnational cohesion in terms of assessing, stimulating innovation and creativity. The project partners have identified gaps in policies and actors within the scope of the project and they have created new initiatives in the form of pilot projects and stand-alone events in order to ramp up innovation and creativity at regional level. Without the KnowInG Project's intervention in the MED regions, it is very unlikely that these valuable experiences and learnings would be available to innovation policy makers, actors and other interested parties.

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