New Alpe Adria
Network of Chambers
Economy
Commerce
Industry
Craft
Agriculture

Strategic Programme of the New Alpe Adria Network 2021-2027

CONTENT

Chapter 1: Abstract

1.1. Organisation

The New Alpe Adria Network (NAAN) represents an association of Chambers in the Alps-Adriatic area focusing on economy, commerce, industry, craft and agriculture in order to enhance the cooperation and representation within this region.

Its Secretariat is currently located in Carinthia since 2019. The presidency of the network rotates every three years.

The Presidents' Conference is the strategic body of the network, which sets the goals and defines the guidelines for common activities. The Technical Working Group builds the executive body of the network and is responsible for the elaboration of the annual programme of common activities implemented in dedicated work packages, taking the shared economic priorities of the entire network area into consideration.

1.2 History

The New Alpe Adria Network of Chambers, initially called "Network of Chambers of Euroregion", was founded in 2007 and sealed with a Declaration of Intents. The economic cooperation between the regions should be strengthened with regard to political Euroregion, launched by the governors of Friuli Venezia Giulia, Veneto and Carinthia. The aim of the network was to strengthen cohesion and territorial competitiveness.

The Economic Chamber of Carinthia (Austria), Slovenia, Rijeka (Croatia), Pula (Croatia), Trieste (Italy) and the Regional Association of the Chambers of Veneto Region (Italy) have already had a long tradition in cooperating and managing joint projects. These bodies have been playing an important role in the process of supporting and enhancing the establishment of the Euroregion. Slovenia, Istria and Rijeka County had also intended to join in order to become a coordination centre between the political and business world in this area.

The Chamber of Commerce of Pordenone – Udine and the Chamber of Economy of Styria joined the New Alpe Adria Network respectively in 2009 and 2015.

Finally, the Chamber of commerce of Bolzano is part of the New Alpe Adria Network since 2021.

1.3 Purpose and strategic objectives

The Presidents' Conference relaunched the New Alpe Adria Network and redefined the common goals on 1st February 2019 in Graz. The target is to deepen interregional collaboration in the Alps-Adriatic Region on a political and economic level with regard to the new programming period 2021 – 2027, focusing on new priority topics the presidents agreed on:

Economic Development: Alps Adriatic Macro Region

Mobility: Infrastructure and Logistics

Tourism

Labour market, education, training

Digitisation and innovation

Each region is in charge for different topics to work on operational level, depending on the individual interests, challenges and needs.

The primary objective of the network is to implement an EU funding programme, which enables common cross-border projects between three or more countries in the Alps Adriatic Region, besides the opportunity of bilateral Interreg-Projects.

Conferences and business meetings address companies of the NAAN area and are organised by the chambers. The Technical Working group and Expert Groups are responsible for creating an action plan and implementing measures.

Since its establishment in 2007, the Presidents 'Conference and the Technical Working Group (TWG) have met in several sessions, in order to assess and implement the Network joint programme of activities defined every year.

Chapter 2: NAAN members

2.1 Economic Chamber of Carinthia

The Economic Chamber of Carinthia represents and supports the interests of more than 37.655 member companies. It acts independent for fair and free competition within Carinthia, provides many services and support their members in their day-to-day business operations. It is committed to forward-looking policies that benefits the economy, e.g. tax relief, cutting red tape, subsidies.

The organisation is obligated to support its members' interests, sets the agenda for it and is a leading force in policy-making at the level of the Carinthian industry and region as well as on national and EU level. Furthermore, the chamber is represented by policy departments for education, finance and commerce, legal, welfare and healthcare, environment and energy, European policy coordination and economic policy.

The Carinthian chamber is a modern service provider and offers its members fast expert advice on topics from labour laws to custom information in the different industry sectors. The Foreign Trade Department, Junior Chamber/Start-Up service, Women in Business and 8 regional divisions are centralised expert services to support more focused.

With educational facilities like "WIFI Kärnten" (Wirtschaftsförderungsinstitut), which offers over 3.000 trainings and seminars, the universities of applied sciences and the co-working and innovation area "Makerspace Carinthia" the chamber contributes to improve the competitive ability of companies in terms of technology and innovation.

The Foreign Trade Department consults its members to export and import requests, issues export-documents as a transferred field of action of the federal ministry of Austria, advises to new markets, legal regulations, EU topics and funding. Worldwide Company Missions and fairs in foreign countries, as well as international brokerage events also support companies with entering new foreign markets. International networking, advisory services covering patent and design protection, apprenticeship, migration/ integration, innovation and technology are the key tasks in form of projects and events.

Targets and Tasks. The Carinthian Chamber takes measures towards steady and sustainable economic growth. It aims the protection of private property in order to guarantee entrepreneurial freedom, the regulation of competition, a balanced business structure between SMEs and large enterprises, enforce and support flexible labour models, a fair working environment, as well as high levels of education and trainings. Furthermore, driving forward research and development of innovation, new information and communication technology is targeted.

The social market economy determines the actions and companies in free markets and create prosperity. This requires an effective regulatory framework which not only guarantees fair competition, but also a harmonious balance between large corporations and small and medium enterprises.

This is why the Carinthian Economic Chamber supports a Europe, in which the societal and economic model is committed to a social market economy system. International trade increases living standards and promotes understanding between people. To achieve this, certain standards must be met: human rights, environmental standards, welfare standards, international regulation of competition, a fair deal when trading goods and services.

The Austrian legal system specifies the self-government of legally stipulated representation of interests. Compulsory membership enables the Economic Chambers to balance out the varying interests of its members internally. Taking direct responsibility on this also means that the principle of subsidiarity is truly realised. Rapid economic and societal change means that entrepreneurs and business owners must keep adjusting their strategy. Therefore, they need access to the latest knowledge and technologies. [1]

[1] Source: https://www.wko.at/service/Austrian-Economic-Chambers.html

2.2 Economic Chamber of Styria

The Styrian Economic Chamber represents more than 80.000 members from all industries including 28.000 businesses with about 400.000 employees. It seeks primarily to defend the common interests of its members by taking on the concerns of the latter as well as by offering expert know-how and tailor-made services, suited to every stage in the progress of the business, from establishment to succession. Whether it concerns legal matters, collective agreements, business promotion or tax issues, the district offices and the Styrian Economic Chamber are available at all times as highly competent providers of services to their members.[2]

Further products and services the Styrian Economic Chamber offers its clients: With its **Specialized Organizations** and **Regional Offices** it facilitates businesses as an advocate and service provider. The **Immediate Service** and **Legal Experts** guarantee fast, competent answers to legal and technical questions involving commercial law, tax law, economic, trade and environmental law as well as customs and foreign trade law. The **Economic Service** unites business and innovation, and inspects unauthorized pursuit of trade. The **Start-Up Service** is a one-stop shop for business founders, successors and franchisees. **Women in Business** aims at improving the situation for women in business and supports the reconciliation of career and family. The **Junior Chamber** assists young entrepreneurs during the start-up phase and thereafter. The **Institute for Economic Promotion (WIFI)** designs education and training programs tailored to the business world. Through **Campus 02** University of Applied Sciences, students can respond directly to the needs and challenges of domestic companies in the global market. The **Talentcenter**, a common initiative of the Styrian Economic Chamber and the University of Graz, was created in order to examine within 48 test stations the inclinations, talents and the potential of young people aged between 13 and 15, who are faced with making a decision in terms of their further education and career choice.

The ICS Internationalisation Center Styria GmbH

In order to simplify the path for Styrian businesses into trading internationally, the ICS Internationalisation Center Styria (Internationalisierungscenter Steiermark – ICS) was established in 2005 as a joint initiative of the *Styrian Economic Chamber* (Wirtschaftskammer Steiermark), the *Province of Styria* (Land Steiermark)/*Styrian Business Promotion Agency* (SFG) and the *Federation of Styrian Industries* (Industriellenvereinigung Steiermark). Since then, obtaining valuable information on export opportunities has never been this straightforward. From legal aspects of international trade and funding opportunities to financial advice, valuable information on important topics is now available in one place: The ICS serves as the one-stop-shop for Styrian exporters and their questions on internationalisation.

The ICS offers practical support to help Styrian companies start operations abroad, enter new markets and step up their activities abroad. Not only does the ICS provide advice and support in export business plans, we also offer focus programmes in order to put interesting new markets on the radar of new

[2] Sources: https://www.wko.at/service/Austrian-Economic-Chambers.html, https://www.wko.at/service/Austrian_Economic_Chambers_Our_Members.html, https://www.wko.at/service/wko-austrian-economic-chambers.pdf

exporters. Trade commissioners' meetings, seminars on specific business sectors and specific country information help facilitate the entry into future export markets.[3]

2.3 Regional Association of Veneto Chambers

Unioncamere del Veneto is the association of the five Chambers of Commerce, Industry, Crafts and Agriculture of the Veneto Region. Unioncamere supports and promotes the regional economic system by facilitating the relationships among the Veneto Regional Government and the other Local Authorities. Its strategic function has become even more significant since the transfer of the political, regulatory and administrative powers to the Regions tooks place in Italy. Unioncamere supports the simplification of relationships among enterprises and Public Administrations, creates opportunities in the fields of Research and Education and promotes initiatives supporting the economic development of the Veneto Region and the internationalization process of SMEs.

Coordination Policies and Institutional Relations Department

The Policies Coordination and Institutional Relations Department plays a key institutional and political role in several strategic areas of intervention. The Department's action covers a wide range of activities: Promotion, Communication, support to SMEs in their internationalization process, management of projects financed by the European direct and indirect funds, the "Fondo Perequativo" (the national Equalization Fund), etc. Due to its role, Unioncamere deals with key other institutional bodies at a national, regional and European level (international organizations, the European Union, Italian and foreign Ministries, the Veneto Region and other regional governments, regional trade associations, Universities, the Italian national Unioncamere, Eurochambres, etc..).

European policies Department - Eurosportello

Eurosportello del Veneto coordinates the Italian North-Eastern consortium that brings support to enterprises by providing a wide range of services. The consortium is part of the Enterprise Europe Network (EEN), a European network promoted by the Directorate-General for Enterprise and Industry of the European Commission that gathers nearly 600 members organization. Eurosportello del Veneto also manages the Veneto desk of APRE (Agency for the promotion of European research), the Italian contact point for the Horizon 2020 Programme.

Brussels' Delegation

The Brussels' Delegation of The Association of the Veneto Chambers of Commerce was established in 1996 to represent the European interests of the seven Chambers of Commerce, Industry, Crafts and Agriculture of the Veneto Region. The Delegation provides operational support to regional stakeholders and contributes to the internationalization of the regional economy thanks to its influence on the activities of political decision-making, both at local and European level.

The close cooperation between Brussels Delegation and the Veneto Region is enhanced by the fact that both the headquarters share the same premises in Brussels: this has fostered a solid and

[3] Source: https://www.ic-steiermark.at/en/the-ics/about-us/

advantageous relationship which has allowed a harmonious collaboration on activities of common interest.

The role of the Brussels Delegation:

Its main activity is the monitoring of European policies in order to inform our stakeholders about all relevant news. Thanks to this information, the economic operators can identify the most important opportunities and, consequently, choose and develop the best solutions. The Brussels delegation interacts directly with the European institutions and other relevant actors established in Brussels.

Activities and tasks: *Information Desk*

- *Training*
- *Lobbying*
- *Technical and Planning Assistance*
- *Veneto Region Promotion*

Our Premium stakeholders

Among the tasks of the Brussels Delegation there is the coordination of relations and contacts between Veneto public institutions, local associations and other bodies representing collective interests and the European Union. In order to enforce these activities, dedicated services are offered to the so-called Premium Stakeholders. These are social actors who share with Unioncamere the idea of a "Veneto System" able to meet the challenges and the opportunities available in Europe.

2.4 Chamber of Commerce of Pordenone – Udine

The Chamber of Commerce of Pordenone-Udine is a territorial public body (public law), operating in the area of Pordenone-Udine and it is the result of the merging process of two Chambers of Commerce: Pordenone and Udine, since October 2018. It represents, together with the Chamber of Commerce of Venezia-Giulia, the Chamber system of Friuli Venezia Giulia within the NAAN.

The Chamber acts for the general interest of the territory, in terms of enforcement, development and growth of local economies and enterprises. Strictly closed to its members (74.874 registered Businesses) and stakeholders, it provides horizontal services within: Business register, Protection and legality: i.e. Intellectual Property protection, arbitration/conciliation, legal metrology; analysis/ statistics.

Besides these, targeted services are provided in the frame of internationalization, digitalisation, valorisation of cultural tourism, support to new entrepreneurship and innovative start-ups, guidance on access to finance at local, national and European level, training programmes, and vocational guidance, as well as orientation and assistance based on specific thematic needs: i.e. labelling and food safety, sustainable and eco-friendly development.

Specifically:

- **Digitalisation: PID team** provide assistance, guidance and training on digital innovation and Industry 4.0 program, on simplified compliance procedures, through:

• Digital assessment available to micro and SMEs to evaluate digital maturity and identify the most suitable solutions, to provide (where appropriate) personalized orientation towards more specialized technological structures such as the Digital Innovation Hubs and the highly specialized Competence Centers.

• Digital mentoring: a free individual service offered by digital experts with the aim of increasing companies' awareness of the potentiality and benefits offered by digitalisation.

- **Start up and Innovation – Access to finance:**

The area **Nuova Impresa e Innovazione** provides orientation for SMEs on incentives and contributions, as well as on digital finance: thanks to the cooperation with Consortium Innexta at national level, it makes digital services available to member companies, in terms of credit complementary finance and "Fintech".

It also improves **SELFIEmployment,** the national project part of the Youth Guarantee program, which supports the launch of entrepreneurial initiatives promoted by young people aged between 18 and 29 years.

In addition, qualified assistance is provided for the simplified constitution of innovative start ups and, through the in-house structure I.Ter and the Special Agency Concentro respectevely in Udine and Pordenone area, training services combined with targeted advisory are made available for would-be entrepreneurs.

- **Support to employment and professional careers-** extended work-related learning experiences. The area is focused in applying innovative models of school-work alternation, on which to converge the need for crossbreeding between educational institutions and businesses. Identification of targeted panels of companies, based on shared and updated indicators on the actual training and employment needs

- **Enhancement and promotion of cultural Heritage, valorisation of SMEs active in the sector of tourism:** targeted activities and services to support SMEs in developing their potential with focus on sustainable tourism (economic, social and environmental sustainability).

- **Internationalization.** Thanks to the in-house structure Promos Italia and Concentro respectevely for Udine and Pordenone area , specific assistance is provided to SMEs in their process of internationalisation, i.e. assessment and check-up service, scouting missions, B2B meetings in Italy and abroad, and participation in foreign exhibitions. Moreover, companies are supported by specialised information, qualified training, solutions for digital export, strategic assistance in order to identify the right counterpart in the market.

It has a good experience in managing EU-funded projects in different sectors, in establishing international networks and communication channels to improve partnership programmes. Among other programmes, as member of the Enterprise Europe Network, it assists SMEs in the internationalization process acting also as guidance on European policies, tools and initiatives.

The Chamber of Commerce of Pordenone-Udine cooperates with two main Commitees**: Women entrepreneurship** and **Young Entrepreneurs,** whose members are appointed by local economic stakeholder Associations, with the task of sharing and improving support initiatives to the relevant target sector.

2.5 Chamber of Commerce Venezia Giulia

Aries is the in-house operative body of the Chamber of Commerce Venezia Giulia, which, after the merge of the Trieste and Gorizia Chambers in October 2016, broadened the territorial competences on both provinces.

Its mission consists in the implementation of activities aimed at supporting the development of enterprises, especially SMEs. Specific sectors (fisheries/aquaculture, nautical/naval, transport/logistics, tourism, local products, biotech/biomedicine, etc.) or themes of economic interest (transnational cooperation, blue economy, territorial promotion, internationalisation, business clusters, fairs/exhibitions, environmental protection, training, innovation transfer, management of funding schemes) serve as guidelines for the development and management of projects funded by public sources.

The “International and EU policies Department” has developed particular expertise in managing projects, funded by several Programmes, such as IPA Adriatic CBC 2007-2013, EMFF – axis 4.1, INTERREG 2014-2020 Italy-Slovenia, Italy- Austria, Italy – Croatia, Adriatic-Ionian Programme V-B Transnational, as well as by regional Law 01/05, Union of the Italian Chambers’ equalisation fund, EBRD & CEI KEP Programme.

Aries has a long experience in organising fairs, brokerage events, business missions abroad, and, given its favourable geographical position, has privileged cooperation with other Chambers of Commerce and Institutional subject in the neighbour Countries of Slovenia, Austria, Croatia, in the framework of the New Alpe Adria Chambers’Network, and with the Western Balkans, which WB6 Chamber Investment Forum Secretariat has been based at Venezia Giulia Chamber of Commerce premises.

A strong institutional cooperation is with the EGTC “Euregio Senza Confini – Ohne Grenzen”, which involves the Regions of Friuli Venezia Giulia, Veneto and Carinthia. A formal cooperation agreement between the EGCT and the crossbroder Chambers’system, has been signed on November 26th 2018.

Aries cooperates with other local stakeholders, among which the regional Technological cluster Smart Health and the maritime cluster mareFVG.

2.6 Chamber of Craft and Small Business of Slovenia

The Chamber of Craft and Small Business of Slovenia, is an umbrella organisation comprising the craft and small business chamber system jointly with 62 regional chambers of craft and small business. It has more than 20,000 members. The Chamber of Craft and Small Business of Slovenia acts and communicates with the public to support and promote the traditional values of its members; hard work, effort, perseverance, honesty, honour, ethics, quality and excellence, and knowledge and innovation. The Chamber advocates preserving the tradition and peculiarities of small business. Since its establishment in late 60sof 20th century the Chamber has been playing an active role as an intermediary between Slovene enterprise community and policy-decision making arena. Still cooperation with the Government, the ministries and the National Assembly in creation of economic policy and co-creating the best possible legislation governing craft, micro, small and medium companies stays the top priority. The core principle in legislation should be “Think Small First”.

The present Chamber of Craft of Slovenia has been active almost last 50 years. Besides representing and defending interest of craftsmen and entrepreneurs in front of government the chamber has been developed a broad scale of different SME consulting services (dissemination of SME policies, assisting SMEs to develop their internationalisation capacity, proving SMEs on different domestic and EU legal framework and provisions concerning their business, awareness raisings campaigns on different topics and etc. The chamber’s task is also to support the enterprises in order to become more competitive on domestic and international markets.

The key role in the Chamber is played by professional sections (guild) because they associate craftsmen from the same profession. The Chamber uses its efforts in Slovenia and Europe to improve the conditions for doing business in craft, micro, small and medium-sized enterprises. Craftsmen and their chamber have become an equal partner in the dialogue with the government and trade unions.

2.7 Chamber of Commerce and Industry of Slovenia

CCIS is a non-profit, non-governmental, independent business organisation representing the interest of its members. With over160 years of tradition, it is the most influential business organisation in Slovenia. CCIS unites 26 branch associations, representing all important industry sectors of Slovenia, under its roof and has 13 regional offices in Slovenia. CCIS is composed of branch business associations, regional associations and professional departments. CCIS represents all important industry sectors of Slovenia.

The 120 employees of CCIS provide knowhow, expertise and knowhow from various fields vital to the business community. CCIS is partner for the government in preparing legislation and policy strategies. CCIS offers all types of services to companies (especially SME) to support them and create a business-friendly environment. Among support activities to companies, innovation support plays a major role, as well as establishment of new business opportunities and possibilities of cross-sectoral cooperation. It facilitates access to public research institutions and their services. The team of the innovation support unit helps companies to exploit innovative potential, manage intellectual property and access finance.

CCIS has the status of a representative Chamber of Commerce and is partner for the government in preparing legislation and policy strategies. CCIS is member in numerous government bodies, boards and committees, providing knowhow and expertise in various fields, in the area of education and learning. Supporting governmental bodies with knowhow and expertise in these fields makes CCIS a key actor at national level in the area of adult education, lifelong learning and vocational education and training.

CCIS has the status of a social partner organization and is member of the Economic and Social Council of Slovenia, together with its branch organizations it is negotiating almost all collective agreements in the private sector.

2.8 CCE - Pula County Chamber

The CCE - Pula County Chamber is a territorial unit of the Croatian Chamber of Economy (CCE) for the County of Istria.
Pula County Chamber is one of 20 county Chambers of CCE. Under the name CCE – Pula County Chamber it has been operating since 1993. although activities of the Chamber began much earlier.

By continuing its 170 years' long tradition, nowadays, the Croatian Chamber of Economy[4] is a modern and professional economic institution, which constitutes the best form of operation for its members in their business activities. CCE represents, promotes and protects the interests of its members at home and abroad. Members of the CCE are all legal entities engaged in business, registered in a Commercial Court's register. The Chamber is funded by membership fees and income generated through the exercise of public authority, independently conducted activities and other sources. From the beginning of 2022, the new Act on the Croatian Chamber of Economy entered into force, bringing numerous changes for business entities in Croatia. According to the new Law, all companies remain members of the CCE. However, significant number of companies are no longer obliged to pay membership fees. These companies can choose to pay so-called voluntary payment of membership fees.

The Croatian Chamber of Economy is actively working to create a better investment climate for its members. Its contribution to the process of rapid economic development manifests in various activities such as lobbying by representatives of the Croatian Chamber of Economy in Brussels, its membership in the Association of European Chambers – Eurochambres and the International Chamber of Commerce, as well as in other international professional associations.

The Pula County Chamber consists of 11.753 active members, most of which are legal entities engaged in economic activity. Pula County Chamber unites, connects and gathers Chambers' members whose headquartes are registered in the County of Istria.

In order to improve their work and business in certain activities at the county level, the members of CCE - Pula County Chamber have been professionally organized into Professional groups. Professional groups are established in order to promote and protect common interests, improve cooperation and work on joint projects with the support of Pula County Chamber. In this way, members of the Professional Groups can influence legislation and favorable economic climate.

At the national level, the members of the Pula County Chamber participate in the work of CCEs' Associations and Affiliations.

Dedication to members takes place through activities and services which include areas of activity such as:

- internationalization and international recognition

[4] Source: www.hgk.hr

- labor market and human resources
- digital transformation, innovations and the Digital Chamber
- Green transition and sustainable development
- European policies, regulations and directives

2.9 CCE - Rijeka County Chamber

Croatian Chamber of Economy was founded in 1852 as an independent professional and business organization that represents the interests of its members in the country and abroad.

Croatian Chamber of Economy (hereinafter CCE), with its headquarters in Zagreb, consists of 20 county chambers. In Zagreb, on 16 February 1852, the Chamber of Commerce and Crafts was founded as part of a uniquely designed chamber system of the Austrian Empire. The logo of the Croatian Chamber of Commerce comprises 1852 as the year of the chamber system foundation. Based on the several legal regulations, the CCE has numerous public authorities, such as: issuance of certificates accompanying goods during export and import, issuance of ATA carnet, distribution of permits for international freight transport by road, harmonization of timetables for regular road transport of passengers, register of real estate brokers, etc.

The Croatian Chamber of Economy – County Chamber Rijeka continues the tradition of the Rijeka Chamber of Commerce, founded in 1811 during the French administration in this region. Ever since its foundation, the Chamber has been changing its names and structures, but during more than 200 years, it has proven its position as the most important economic agent. Today, County Chamber Rijeka is one of the biggest County Chambers, representing and coordinating common interests of members from Primorje Gorski Kotar County. Members associate in order to promote and protect common interests. In Rijeka County Chamber is headquarter of two Associations of Croatia – Croatian Marinas Association and Croatian Ports Association.

2.10 - Chamber of Commerce of Bolzano

The Chamber of Commerce of Bolzano is a partner of the South Tyrolean economy and a public institution. It is a key player in analysing the economy and developing production activities both at local and transnational level. Together with other institutions, the Chamber represents the interests of the economy in the Autonomous Province of Bozen-Bolzano/South Tyrol at a glance. Through systematic economic research and the continuous updating of key structural and economic data, it lays the foundation for objective economic policy discussions and decisions. Thanks to its various services, it contributes to strengthening a positive community attitude towards the economy promoting social inclusion, sustainable growth, and digital awareness. In particular, the Training and HR Development Department (WIFI) offers trainings and further education to South Tyrol's economy and has supported the companies' constant development. The aim is to improve the skills and proficiency of businessmen, businesswomen and employees, so that they can keep up with continuously arising new challenges of the economy. Furthermore, the Internationalisation Department provides information, advice, and support in the form of technical foreign trade consultancy, a wide range of information and targeted further training on the subject of exports and internationalisation. The Chamber also participates in national and European projects and has developed experience in the last two years with European projects, brokerage events and company missions. Since 2016, it is a partner - through its in-house company Institute for the promotion of economic development - of the Enterprise Europe Network (EEN) of the Single Market Programme and promotes B2B matching activities among SMEs. Moreover, the Chamber was involved in Interreg Alpine Space Program with two transnational projects as well as in the framework of the Connecting Europe Facility to standardise the e-invoicing system across EU countries. It has recently presented a project proposal in the framework of the Interreg Central Europe Program on the topic sustainable growth of women entrepreneurs. Additionally, it takes part in the EEN Women Entrepreneurship Thematic Group promoting the interests of women in business and actively participating in related networking activities. The role of women in the economy is central to the organisation's work. In fact, thanks to the presence of the Committee for the promotion of female entrepreneurship, it tries to support young women entrepreneurs in starting or sustainably continuing their business. A free mentoring program has also been set up to bring young women closer to the local and international market. Moreover, thanks to the extensive competences in A2F consultancy, the organization constantly maps all the funding opportunities and addresses A2F services to local companies. In this sense, special attention is given to funding for women and sustainable growth.

Chapter 3: Geographical scope of NAAN

3.1 Carinthia

Carinthia has an area of 9533 km² and is the southernmost provincial state in Austria. Carinthia borders the provincial states Salzburg, Styria and the so called East Tyrol. Moreover, it shares a 170 km border with Slovenia and a 109 km border with Italy. “Dreiländereck” marks the meeting point of the three different cultures. Situated within the Eastern Alps, it is known for its mountains and lakes.

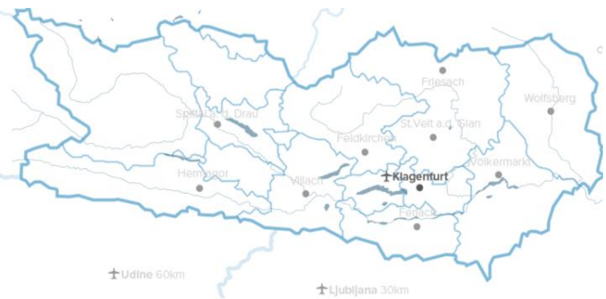
The language spoken by the vast majority of the 560.000 Carinthian people is German (the Carinthian dialect is a kind of Southern Bavarian dialect). The last census has pointed out that 2.4% of Carinthian people consider Slovenian as their main language. The settling area of the Slovenian ethnic group is located in the South of Carinthia.

From a political point of view, Carinthia is divided into eight districts and 132 municipalities. Klagenfurt, the capital city, and Villach are strongly linked economically, culturally and politically. The Carinthian state government is the highest authority for law enforcement. They are composed of the governor, two governor deputies and four regional ministers, who administrate the State of Carinthia.

The federal state is generously equipped with the natural resource of water, at least 1270 water basins, 200 of which are warm lakes suitable for swimming, most of them with drinking water quality, are provided. The widest and most famous lake of Carinthia is called “Wörthersee”.

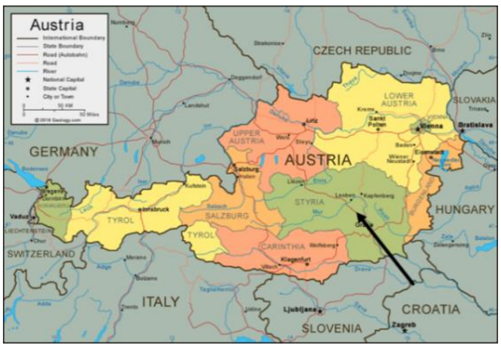
The state offers 8.000 km of rivers, 60 sources of curative waters and 43 glaciers as precious fresh water tank. The main river of Carinthia is called “Drava”, it has its source in South Tyrol and flows into the river “Danube” which leads into the Black Sea.

Further it provides a well-developed road network including three motorways: the southern motorway, the Tauern motorway and the Karawanken motorway. The main railway lines are the “Südbahn” and the “Tauernbahn”. Villach is one of the most important road junctions. Carinthia is situated at the intersection of two important European transport axes: the Tauern axis and the Baltic-Adriatic-axis. [5]



3.2 Styria

Styria (Steiermark) is the second largest of the nine federal states (Bundesländer) of Austria with an area of approximately 16,439.8 km^2 and is located in the southeast of the country. Beginning of 2022, its total population was 1.25 million.[6] Its capital city is **Graz**. The 2995 metre high **Dachstein** is the highest mountain in Styria and is located amid a stunning alpine landscape. From the Dachstein you have a panoramic view over the peaks of Austria as far as the Czech Republic and Slovenia. Styria shares its borders with Slovenia as well as with the federal states of Carinthia, Salzburg, Upper Austria, Lower Austria and Burgenland. The states are divided into municipalities (Gemeinden) and districts (Bezirke), having no legislative capacity.



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[5] Source: Carinthian government, Country Carinthia Overview, 2019, www.ktn.gv.at/Land/Kärnten-stellt-sich-vor

[6] Source: https://wibis-steiermark.at/fileadmin/user_upload/wibis_steiermark/studienpool/Wirtschaftsbericht%202021.pdf

Each Austrian state has an elected legislature, a state government (Landesregierung) and a governor (Landeshauptmann or Landeshauptfrau). Administration in the federal states is the duty of the state government. Despite this constitutional set-up, however, Austrian Länder are both formally and practically far less independent than German federal states.[7]

Styria is one of the strongest Austrian regions in terms of R&D. Indeed, it is the region which launches the most innovative products and services. This dynamism is based on Styria's high-powered educational system, research community, business environment and its residents. Moreover, the transfer of knowledge and technology is the region's core competence and success story: While the majority of Austria's competence centres conduct their research and other work in Styria, university spin-offs are part of the daily routine and independent research institutions are always open for businesses.[8]

3.3 Slovenia

Due to its geographical position (in the far north of the **Mediterranean** and the far south of Central Europe) Slovenia as a whole country of 2 million population is represented in the NAAN. Slovenia borders on the west with Italy, on the north with Austria, on the northeast with Hungary and on the east and south with Croatia. **It lies at the intersection of the Alpine, Mediterranean,** Pannonian and Dinaric Worlds. An area of 20,273 km² ranks Slovenia among the medium-sized European countries. The length of the state border is 1,382 km, of which 921 km is land, 413 km is river and 48 km is the sea border. The Slovenian coast of the Adriatic Sea is 46.6 km long. The capital is **Ljubljana**, which is the economic, cultural and political center, with the highest peak being Triglav **in Julian Alps (2864 m**).

Maps: source: https://en.wikipedia.org/

[7] Source: https://www.wirtschaft.steiermark.at/cms/dokumente/12875085_160361770/c35074c9/Wirtschaftsstrategie_Stmk_2030.pdf
[8] Source: https://www.wirtschaft.steiermark.at/cms/dokumente/12875085_160361770/c35074c9/Wirtschaftsstrategie_Stmk_2030.pdf

Basic facts	
Area	20,273 km²
Population	2,08 Million
Neighbouring countries	Austria, Italy, Hungary, Croatia
Coast length	5 m

Maps: source: https://en.wikipedia.org/

Maps: source: https://en.wikipedia.org/

The country is governed on the principle of centralized state (level of government/state and level of municipalities) without official level of regions), but still it is divided into the 12 statistical regions, having no official status of governance.

Statistical regions: 1. Gorizia (Goriška), 2. Upper Carniola (Gorenjska) , 3. Carinthia (Koroška), 4. Drava (Podravska) , 5. Mura (Pomurje) , 6. Central Slovenia (Osrednjeslovenska), 7. Central Sava (Zasavje), 8. Savinja (Savinjska) , 9. Coastal–Karst (Obalnokraška) , 10. Inner Carniola–Karst (Primorskonotranjska) , 11. Southeast Slovenia (Jugovzhodna) , 12. Lower Sava (Posavska)
Map: source: https://en.wikipedia.org/

3.4 County of Istria

The County of Istria[9] includes a large part of Istria - the largest Adriatic peninsula. Situated in the north-west of the Adriatic Sea, Istria is surrounded by the sea from three sides, while the northern border towards the continent is made up by a line between the Miljski Bay (Muggia) in the direct vicinity of Trieste (Italy) and the Preluk Bay, right next to the town of Rijeka (County of Primorje – Gorski kotar). Due to such favorable geographic position, almost at the heart of Europe, Istria has always represented a bridge connecting the Middle European continental area with the Mediterranean.

Source: www.istra-istria.hr

The area of the Istrian peninsula is shared by three countries: Croatia, Slovenia and Italy. Most of the Croatian part of the peninsula is situated in the County of Istria - 2.813 square kilometres[10], which is 5 % of the entire surface of the Republic of Croatia. The remaining part belongs to the County of Primorje – Gorski kotar based on the administrative and territorial subdivision. The length of the Istrian coast, along with islands and islets is 539 kilometers. The west coast of Istria is more indented, and together with islands, it is 327 kilometres long. East coast together with islets is 212 kilometres long.

The County of Istria was established by the Law on the Territory of Counties, Towns, and Municipalities in the Republic of Croatia as one of 20 Croatian counties and it is established for reasons of performing works of regional interest.[11]

Administratively, the County of Istria is divided in 41 territorial units of local self-government - 10 towns and 31 municipalities:

- The towns are: Buje, Buzet, Labin, Novigrad, Pazin, Poreč, Pula, Rovinj, Umag and Vodnjan
- The municipalities are: Bale, Barban, Brtonigla, Cerovlje, Fažana, Funtana, Gračišće, Grožnjan, Kanfanar, Karojba, Kaštelir - Labinci, Kršan, Lanišće, Ližnjan, Lupoglav, Marčana, Medulin, Motovun, Oprtalj, Pićan, Raša, Sveti Lovreč, Sveta Nedelja, Sveti Petar u Šumi, Svetvinčenat, Tar - Vabriga, Tinjan, Višnjan, Vižinada, Vrsar and Žminj

Population number is 195.237 inhabitants[12] (5 % share in Croatia).
The County of Istria and the Assembly of the County of Istria are based in Pazin. The Government of the County is based in Pula.

[9] Source: www.istra-istria.hr

[10] Source: https://podaci.dzs.hr/media/wsdkedwa/sljh2018.pdf

[11] Source: www.istra-istria.hr

[12] Source: Population by ethnicity, by towns/municipalities, 2021 census: www.popis2021.hr

Units of local self-government (municipality, town) in the self-governing domain, perform works with local significance which directly realize the citizens' needs, and which are not in the domain of bodies of state administration.

Source: www.istra-istria.hr

3.5 Primorje Gorski Kotar County

The Primorje-Gorski Kotar County is located at the intersection of the Central European and the Adriatic-Mediterranean routes with the shortest maritime connections to the final destination and its aim is to become the most desirable county for potential investors in this part of Europe. The advantages of the Primorje-Gorski Kotar County are: the geographical location, the natural wealth and diversity, the built traffic and utility infrastructure and the human resources as well as the willingness to accept new challenges.

The City of Rijeka, as the administrative centre of the Primorje-Gorski Kotar County, is Croatia's largest port and one of the most important European and Mediterranean ports with port-capacity developmental projects that involve a new waterfront, projects of transport infrastructure development, tourism, housing, as well as other developmental projects thanks to which Rijeka becomes a distinctive Mediterranean city. The county includes the islands of Krk, Cres, Lošinj and Rab.

The Primorje-Gorski Kotar County and the City of Rijeka base their history on a centuries-old tradition in industrial production, shipbuilding, manufacturing of refined petroleum products, petrochemical, pharmaceutical and other products, woodworking industry, tourism and the service sector, and the application of new technologies in collaboration with the University community.

Primorje Gorski Kotar County covers area of 3.588 km2 and 4.344 km2 water surface, and has 14 cities, 22 municipalities. County has 296.195 inhabitants with the average age of 43,6 years.

3.6 Friuli Venezia Giulia

Friuli Venezia Giulia is the north-easternmost region of Italy. It shares borders with Slovenia to the east and Austria to the north, whereas it shares internal borders with Veneto Region to the west. To the south it has a direct access to the Adriatic Sea with 111,7 km of coastline. It is morphologically characterized by a mountainous zone in the north including the Carnic and the Julian Alps, the Alpine foothills (or Prealps) between the Alps zone and the plains, the central flatlands and the coastlands. The littoral area can be divided into a sandy shoreline to the west and a rocky coastline to the southeast. Moreover, the Karst Plateau extends across the southeast part of the region. The whole area of the Region measures 7924 km², of which 3.414 km² are classified as mountain area (43%of the regional territory), whereas the total population is 1.215.220 inhabitants. The longest river of the Region is the Tagliamento, whose length is 170 km., while the highest peak is Monte Coglians (2780 m) located in the Carnic Alps.

Figura 1 Friuli Venezia Giulia

Friuli Venezia Giulia, along with Sardinia, Sicily, Trentino-Alto Adige/Südtirol, Val d'Aosta, is an autonomous region with special Statute, as stated by art. 116 of the Italian Constitution. These regions became autonomous after World War II.

The regional bodies can autonomously rule on administrative, financial and legislative topics. The President of the Regional Government is in charge of the government of the Region (Giunta Regionale), which holds the local Executive Power. The Regional Council (Consiglio Regionale) and the Regional Government jointly exert the Legislative Power.

Friuli Venezia Giulia is characterized by 4 administrative territories (former denominated: provinces): Gorizia, Pordenone, Udine and Trieste, each of them representing an economic and cultural center. The territorial administration is ruled by 18 inter-municipalities unions (Unioni Territoriali Intercomunali) and 215 municipalities. The most important cities are Trieste (regional capital city 204 thousand inhabitants), Udine (99 thousand inhabitants), Pordenone (51 thousand inhabitants), Gorizia (34 thousand inhabitants), Monfalcone (28 thousand inhabitants) and Sacile (20 thousand inhabitants).

Friuli Venezia Giulia boasts five "Unesco World Heritage Sites":

a) Prehistoric pile-dwelling sites of Palù di Livenza between Caneva and Polcenigo (Pordenone)
b) Cividale del Friuli: Lombards in Italy. The places of power between 568 and 774 AD
c) Archaeological area and the Patriarchal Basilica of Aquilea
d) Friulian Dolomites
e) Palmanova Fortress: Venetian defense works between the 16th and 17th centuries

3.7 Veneto region

Located in Italy's north-east, Veneto is one of its twenty regions. It has a surface area of 18.345 square kilometres, the eight largest in Italy (6% of the national surface area). It consists of flatlands by 57%, hills 14%, mountains 29%,150 km of coastline. It is divided into 7 provinces (Belluno, Padua, Rovigo, Treviso, Venice, Verona, Vicenza) and has 581 municipalities. It borders to the east with Adriatic Sea, to the west with Lake Garda, to the south with the river Po, and to the north with the mountains of the Dolomites. Its population exceeds 4.8 million, 8.2% of the Italian population, making it the fifth most populous region in Italy. 10.5% of Veneto's population (over 507.600) consists of foreign citizens. The Po Valley, covering 57% of Veneto, extends from the mountains to the Adriatic Sea, broken only by some low hills: Euganean Hills, Berici Hills Colli Asolani and Montello, which constitute the remaining 14% of the territory. The plain itself is subdivided into the higher plain (gravel-strewn and not very fertile) and the lower plain (rich in water sources and arable terrain). The lower plain is both a mainstay of agricultural production and the most populated part of the region. Several rivers flow through the region: the Po, Adige, Brenta, Bacchiglione, Livenza, Piave, and Tagliamento.

Basic facts	
Country	Italy
Capital	Venice

Area	18.345 km²
Population	4.905.037
Neighbouring countries	Austria, Croatia
Internal borders with:	Friuli-Venezia Giulia, Trentino-Alto Adige, Lombardia, Emilia-Romagna
Maritime borders	Adriatic Sea

The eastern shore of the largest lake in Italy, Lake Garda, belongs to Veneto. The coastline covers approximately 200 km (120 mi), of which 100 km (62 mi) are beaches. The coasts of the Adriatic Sea are characterised by the Venetian Lagoon, a flat terrain with ponds, marshes and islands. The Po Delta to the south feature's sandbars and dunes along the coastline. The inland portion contains cultivable land recently reclaimed by a system of canals and dykes. Fishponds have been created there as well. The delta and the lagoon are a stopping-point for migratory birds.

Maps: source: https://en.wikipedia.org/

Veneto's morphology is characterised by its:
mountains (montagna): 5,359.1 km2 (2,069.2 sq mi), (117 comuni being classified as mountainous);
hills (collina): 2,663.9 km2 (1,028.5 sq mi), (120 hilly comuni);
and plains (pianura): 10,375.9 km2 (4,006.2 sq mi), (344 comuni mostly situated in the Po Valley).

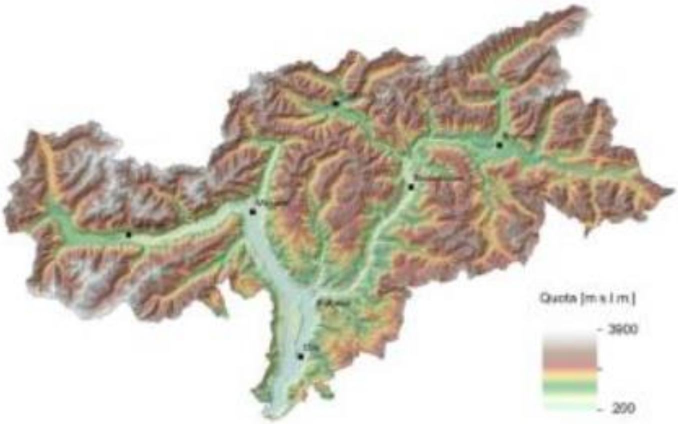
Maps: source: https://en.wikipedia.org/

3.8 Autonomous Province of Bolzano

Nestled in the Alps, South Tyrol is the northernmost Province of Italy, bordering Austria and Switzerland. In fact, the province is bordered to the north-east by Austria (Tyrol), to the west by Switzerland (Grisons), to the south-east by Veneto (province of Belluno), to the south by the Autonomous Province of Trento (Trentino) and to the south-west by Lombardy (province of Sondrio).

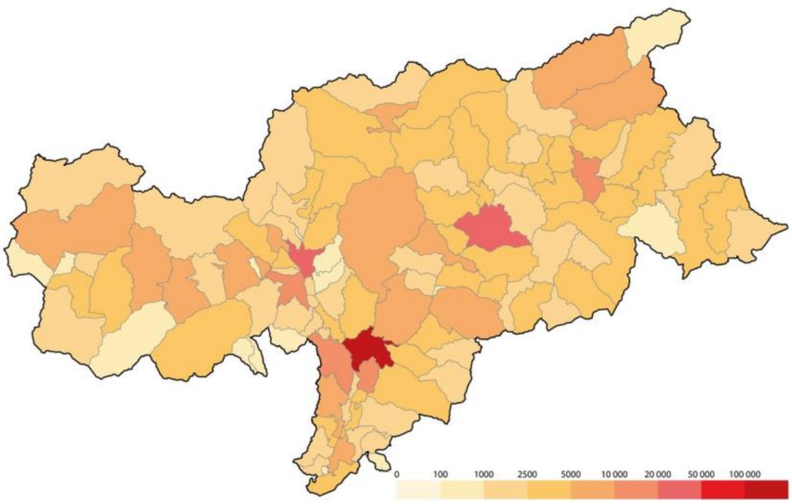
South Tyrol position in the Italian context

In the main Adige Valley converge the Venosta Valley, which is furrowed by the upper course of the Adige, and the Isarco and Rienza (or Pusteria) Valleys, which lead to the Resia, Brennero and Dobbiaco passes, respectively. To the east of the Dobbiaco saddle, the municipality of San Candido also falls administratively within South Tyrol, with the sources of the Drava. To the south, the region is bounded by the chain that, from the Ortles-Cevedale massif, divides the upper valley of the Adige from that of the Noce. A morphological characteristic is the contrast between the mountainous massifs, steep and rugged on the edges, and the broad valley bottoms, shaped by the great Quaternary glaciers. At the confluence of the valleys, vast and often fertile basins open up. In the valley bottoms, the climate is relatively mild in winter and warm in summer, with little rainfall; in the mountainous areas, there are long, harsh winters with heavy snow and rain. Only just over one third of the total area is permanently inhabited. The Vinschgau Valley and its side valleys present the best conditions for human settlement, which extends up to 1900 meters of altitude (Solda Valley, Schnals Valley, Passeiertal Valley). Less favoured are the Isarco and Rienza valleys.



Morphology of South Tyrol

Most of the Province's surface area is located at high altitude and only 14% in the fertile valleys below the thousand-meter line. That is where most of the economic and social life takes place. The demographic trend is characterised by a constant increase, compared to the negative figures for Italy and the region itself. There is a redistribution of population between the municipality of Bolzano, which is progressively shrinking, and the manufacturing centres, which are undergoing strong productive development. The more than 500,000 – ca. 530,000 in all Province and ca. 110,000 in Bozen-Bolzano – inhabitants of South Tyrol, belong to three different language groups: German (62.3% of the population), Italian (23.4 of the population) and small Ladin language group (4.1% of the population) that live in the region alongside people from over 150 countries (10.2% of the population comes from other countries). This culturally diverse community offers a lot of opportunities for society and business. Thanks to its political autonomy, South Tyrol can support the economy in the province in a sustainable manner.



South Tirolean population distribution in 2020

Chapter 4: Economic outlook, challenges and needs

4.1 Priority 1: Economic Growth and Competitiveness

4.1.1 Carinthia

Basic economic parameters
N° of registered enterprises 37.655

Main sectors in %: (2020)

- Services (64,2%): commerce, realities, tourism, health & social services
- Production (34,3%) : manufacturing of goods, building trade, energy and water supply
- Agriculture, forestry, fisheries (1,5%)

Import: 6,2 b EURO (2020)
Export 6,8 b EURO (2020)
Export –quota of Industry 66%
Export – quota Carinthia in generell 33,1%

Source: Carinthian government, Economic report 2020

Economic overview. The business location Carinthia joins forces of Know-how, high-quality technologies and an attractive mix of branches, which is embedded within innovative settings. Investors benefit from steady legal regulations, a stable business-friendly tax-system and a variety of funding programmes. The central geographic position as an European hub, moderate prices, high purchasing power, flexible labour law, attractive subsidies for production and R&D, free investors service, an efficient welfare system and a high security level, provide the best reasons to invest in Carinthia. [13]

Carinthia has recorded an enormously economic development in the sectors technology, innovation and research the past few years. The research ratio has increased significantly since 2009 and currently ranks fourth with 3,19% compared with the other federal states in Austria. This demonstrates an extraordinary high share (75%) of business research and development. [14]

Carinthia's economy is steaming ahead, in particular in the fields of technology, innovation and research: Research intensity has grown steadily and significantly since 2009. At present, Carinthia spends 3.15 percent of its GDP on research, putting it in fourth place in a comparison of Austrian regions. The high proportion of corporate R&D is also unusually high at 75 percent.

Much of this is due to international flagship companies such as Infineon Technologies Austria, Lam Research, Kapsch TrafficCom and Flex. Together with the many r search-focused small and medium sized enterprises, these firms play an important role in shaping developments in areas such as

[13] Source: https://www.wko.at/service/Austrian-Economic-Chambers.html
[14] Source: Economic Report for Catrinthia, 2019

electronics and micro-electronics, mechatronics and medical engineering Infineon Technologies AG, for example, is a global leader in semiconductor solutions. They follow and research future trends in the segments automotive, industrial power control, power management and multimarket, as well as digital security solutions. [15]

Economic development in Carinthia. After the significant drop in 2020 due to the corona pandemic, Carinthia returned to growth in the previous year. The most important driving force was the industry, which grew the most in Austria

The report shows that Carinthia had the highest production growth of all countries in the previous year due to the particularly stable electronics industry. Because the service sector was also stronger than in other federal states, Carinthian GDP growth in 2021 was 5,8% and thus significantly above the national average, which was 4,8%.

Since the beginning of 2022 the conflict between Russia and the Ukraine, the shortage of manpower and the insecure energy supply situation led to a clouding of the economic outlook. The number of employees shows an increase of 5.2% within the first month of 2022. Compared to the pre-crisis level in February 2019, employment increases by 2.3%.

Economic challenges and goals. More than 37.655 entrepreneurs are saving approx. 200.000 jobs in Carinthia. They generate a high added value, wages and salaries, as well as taxes and duties of which half a million people in Carinthia currently live.

The Carinthian government is targeting a contribution in terms of unemployment, poverty and migration. Investors who establish new companies or settle in Carinthia, are able to create new jobs, offer income and keep skilled labour.

To increase the regional GDP, to reduce the unemployment rate and to strengthen the purchasing power, the following challenges have to be faced: business-friendly environment and administration, well-educated skilled labour, simplification of legal procedures, top site conditions in terms of a well-developed infrastructure and digitalization, encourage investments, consider sustainability and environment, support for research and innovation.

For Carinthia it is essential to strengthen common, overlapping interests and measures with neighbouring regions beyond borders. With its many advantages and potential as a central hub in Europe, appropriate support and funding are a benefit. [16]

Export and Import. 2.500 international acting enterprises create 70.000 jobs. The export industry is the most important economic pillar in Carinthia, thus foreign trade is still the leading group.

The foreign trade surplus is more than half million Euro, means that the exports (8.068 bn Euro) exceed the imports (7.552 bn Euro). This justifies the exclusivity in Austria, as one of the five leading federal provinces, which shows a positive contribution to the balance of trade. 7 out of 10 Euro are generated

[15] Source: Invest in Austria, Business Location Carinthia, 2019 https://www.carinthia.com/en/business-technology
[16] Source: Economic Chamber of Carinthia, https://news.wko.at/news/kaernten/Arbeitsplatzticker.html / Source: Economic Chamber of Carinthia, Carinthian Standortprogramm

by Carinthian companies beyond borders. The most important trading partner within Austria is still Germany. However, Italy and China are the most important foreign markets for the Carinthian economy on the export and import side. Particularly noteworthy to mention is Italy, which is in second place and shows increases of over 30% on the export and import side. Slovenia also continues to grow as an export market after a brief decline in 2020 and is therefore of particular importance for the Carinthian export industry in the Alps-Adriatic region. [17]

4.1.2 Styria

Main sectors – employees in %: (2021/2022)

- Services (68.5%): Commerce, realities, tourism, etc.
- Manufacturing (30,5%): production of goods, construction, energy and water supply, etc.
- Agriculture, forestry (1.1%)

Import: 20.24 b (2021)
Export: 25.80 b (2021)

R&D 5.15% (2019)

Source: WIBIS, Wirtschaftsbericht 2021: https://wibis-steiermark.at/fileadmin/user_upload/wibis_steiermark/studienpool/Wirtschaftsbericht%202021.pdf

In 2020, **regional GDP** in Styria amounted to 48,5 Mio., accounting for 12.8% of the Austrian GDP. Regional GDP per capita reached €39.000, i.e. 92% of the Austrian average (WIBIS, Wirtschaftsbericht 2021).

The Styrian economy is driven by external trade. The global demand for regionally produced goods depends intensely on numerous exogenous impacts. The economic growth in specific target countries (main trade partners) plays a decisive role. The export industry is well-positioned, highly specialized and makes use of its comparative advantages.

Styria is one of the Austrian regions having a **positive balance of trade** with €25.80b exports and €20.24b imports in 2021. The regional exports represent 15.7% of the national exports, which ranks Styria at the second position behind Upper Austria (25.8%). The imports in Styria represent 11.8% of the total national imports from Austria (WIBIS, Wirtschaftsbericht 2021).

The Styrian **employment** notably increased in 2021. At the same time, unemployment experienced a clear decrease. A job increase of +2.4% led to a total number of 582,894 workers (Austrian average: +2.3%). This dynamic process was mainly driven by the manufacture of motor vehicles, furniture and other goods, business services, information services and communication, transportation, storage and

[17] (Source: Economic Chamber of Carinthia, www.exportoffensive-ktn.at)

accommodation. (WIBIS, Wirtschaftsbericht 2021). In 2021, the **unemployment rate** in Styria was below the national average with 6.5% against 8.0% and below the European average (7.7%) (Land Steiermark)

Notwithstanding the relative importance of its agricultural sector, Styria's economic sector has undergone significant structural changes over the past decades, heading towards a more **diversified industry and services landscape**. Until the late 1980s, the iron and steel industry, as well as automotive industry, were the dominant economic branches. However, these sectors suffered from a dramatic decline during the 1990s. Only the latter sector (automotive suppliers) has fully recovered and regained international visibility.[18]

The current strength of the Styrian economy is based on the following fields of competence, which enjoy international success thanks to top industrial companies, training and research facilities and strategic cooperation between science and industry:

- Mobility (automotive, rail, aviation)
- Health Tech (medtech, biotech, foodtech)
- Green Tech (energy and environmental technologies, wood, pulp & paper)

Major companies such as Andritz AG – a solution provider for special industries all over the world from renewable energy to metalworking, AVL List GmbH – the world's leading independent engineering company for powertrain systems and Anton Paar GmbH – specialists in laboratory measuring devices, automation and robotics solutions are at the heart of Styria's core sectors. Styria also boasts the award-winning Biobank Graz – one of the largest clinical biobanks in Europe.[19]

Challenges and strategic orientation

The Economic Strategy Styria 2030 addresses current challenges and contributes to the consistent pursuit of renewal and adaptation paths in light of quickly changing framework conditions. At the heart of the new strategy is the motto "New Growth - New Opportunities - New Quality. A new quality of business and life means that the changes in our environment are becoming clearer and must be taken seriously. There are new risks (supply chain problems, rising raw material and energy prices, security of energy supply) new constraints, but also new opportunities and challenges. The primary goal in the coming years is to push for sustainable economic development. Sustainability is understood in a comprehensive sense. Climate-friendly business practices play just as important a role as entrepreneurial innovations with particularly high future potential. In concrete terms, economic policy will continue to focus on the interaction between the core technological competencies of materials and materials technologies, production technologies, mechanical and plant engineering, digital technologies and microelectronics and the three lead markets of mobility, green tech and health tech.[20]

[18] Source: https://www.wirtschaft.steiermark.at/cms/dokumente/12875085_160361770/c35074c9/Wirtschaftsstrategie_Stmk_2030.pdf
[19] Source: https://www.wirtschaft.steiermark.at/cms/dokumente/12875085_160361770/c35074c9/Wirtschaftsstrategie_Stmk_2030.pdf
[20] Source: https://www.wirtschaft.steiermark.at/cms/ziel/162478749/DE/

4.1.3 Slovenia

Economic overview

Slovenian economic growth (with EUR 52 billion of GDP represents 0.4% of EU-27 economy) stood at 8.1% in 2021, what was the 6th highest growth among EU-27 members. Median growth across member states stood at 5.6% and the average at 5.4%. This was a strikingly high uptake in growth, as pandemics pushed the Slovenian economy in high contraction (-4.2%). In the first half of the year 2022 year-on-year GDP growth was 8.9 %, mainly due to higher growth in private consumption and a high contribution of inventory changes in the first half of the year. GDP growth of 5.6% is expected for 2022. For 2023, the most optimistic independent forecaster expects 2.8 % real GDP growth, whereas the most pessimistic one 0.6 % (Consensus Economics, September 2022).

In December 2021 annual growth of consumer prices was 4.9%, average annual inflation in 2021 was 1.9%. Consumer price growth has accelerated since July 2021, averaging 8.4 % in the first nine months of year 2022 compared to the same period last year and reaching 10 % in September 2022. Higher energy prices were the main contributor to inflation, because of the tightened geopolitical situation and higher demand. Consensus Economics for average CPI growth currently (September 2022) stands at 9.0 % for 2022 and 5.9 % for 2023.

Basic economic parameters for 2021	
N° of registered enterprises	185.935
Main sectors in %:	Services 64,7% (Commerce, real estates, tourism…), Industry and construction: 33%, Agriculture: 2,3%
Import:	43,5 billion EUR
Export	40,7 billion EUR
Source: SURS 2022	
Inflation rate	1,9%
Unemployment rate (ILO)	4,7%
Source: Eurostat, Statistical Office of the Republic of Slovenia, Consensus Economics	

In 2021, the current account surplus amounted to EUR 1.7 billion (3.4% of GDP), which was half as much as in 2020. Slovenia's exports of goods in 2021 amounted to EUR 39.4 billion and were 20 % higher than in 2020. Exports to EU non-member countries amounted to EUR 26.3 billion (up by 20 %). In 2021, Slovenia imported EUR 42 billion of goods, which was 31% more than in 2020 (from EU countries it was imported by 26% more; from non-member countries by 41% more goods). The higher import of goods is primarily the result of growth in domestic consumption (households), investments, and also higher prices in the category of energy products and other raw materials. After many years of goods surplus, a trade deficit of EUR 2.5 billion was recorded in 2021, which is the highest deficit in the last ten years. A deficit was created both in trade with EU member states and in trade with non-EU member states (in 2020, a surplus with both EU-27 and non-EU member states). Growth in imports and exports will slow in 2023, mainly because of slowdown in the overall growth of external demand.

In 2021, Slovenia exported most goods to Germany (17.3% of total exports of goods), followed by Switzerland (13.3%), Italy (10.7%), Croatia (8.0%) and Austria (6.6%), and imported most goods from Germany (14.9% of total imports), followed by Italy (11.4%), Switzerland (10.2%), China (9.9%) and Austria (8.8%).

The largest share of total exports in 2021 was contributed (according to the Standard International Trade Classification – SITC) by products from the product sector machinery and transport equipment (32.5% of total export of goods), followed by chemicals and related products (27.8%), manufactured goods classified chiefly by material (18.1%), miscellaneous manufactured articles (9.7%) and mineral fuels, lubricants and related materials (4.2%). The largest shares of total imports in 2021 were also contributed by the mentioned product sectors, albeit not in the same order, as chemicals and related products came first (29.2% of total imports), followed by machinery and transport equipment (27.1%), manufactured goods classified chiefly by material (16.7%), miscellaneous manufactured articles (8.4%) and mineral fuels, lubricants and related materials (7.5%).

Source: Eurostat, Statistical Office of the Republic of Slovenia, Consensus Economics

Challenges

Scaling-up, competitiveness and internationalisation of SMEs remain key challenges. Slovenia's share of high growth enterprises remains below the EU average (8.74 % in Slovenia compared to an EU average of 9.9 %; European Commission, 2018i). Company growth in a small economy, such as Slovenia, is linked to the companies' ability to compete in international markets. And while the Slovenian economy as a whole is well integrated in global value chains (IMAD, 2018), its **smaller firms** and firms in **more traditional sectors lag behind in internationalisation**. Policy measures to address this weakness, such as export loans granted by the Slovenian Export and Development Bank or the more recent Investment Promotion Act, have so far yielded only limited effect (Source: European Commission, Country Report Slovenia, February 2019, page. 36).

Focusing investment on skills, environmental, transport and energy infrastructure, as well as on research and development would strengthen competitiveness and productivity**.** Investment as a share of GDP in Slovenia remains below the EU average. Skills constraints and a slow digital transformation limit productivity growth, while insufficient environmental infrastructure, lacking sustainable transport connections and a low share of green energy hinder economic development in less developed regions.

4.1.4 County of Istria

Basic economic parameters	
N° of enterprises[21] (members of CCE- Pula County Chamber)	**11.753**
Main sectors[22] (according to the total income)	• Manufacturing: 25 % • Wholesale and retail trade: 23% • Accommodation and food service activities: 18% • Construction: 12 %
Export[23] (thousand euros) in 2021	**631.577**
Import[24] (thousand euros) in 2021	**768.498**
Main export sectors (2021) • Manufacturing: 73 % • Wholesale and retail trade: 19 **%** • Administrative and support service activities: 2%	**Main import sectors** (2021) • Manufacturing: 49 % • Wholesale and retail trade: 43% • Construction: 1 %
Main countries of export (2021) • Italy: 41 % • Slovenia: 10 % • Germany: 8 %	**Main countries of import** (2021) • Italy: 42 % • Slovenia: 15% • Germany: 8 %

Due to its geographical position, natural resources, long-standing commitment to commodity exchange with the world, skilled workforce and the achieved level of acquired knowledge, the Istrian economy in some indicators exceeds the average statistical values in the Republic of Croatia, such as GDP.

Gross domestic product per capita[25] in the County of Istria (in 2019) is 15.690 EUR, and this is the second largest amount in Croatia. The County of Istria contributes 6,0 % to the GDP of Croatia.

The County of Istria realised the largest number of tourist arrivals and tourist nights in 2021[26] - 3,3 million arrivals and 21,7 million nights, which makes 26,4 % of the total realised tourist arrivals and 31,0 % of the total realised tourist nights. Compared to 2020, in the County of Istria, tourist arrivals have increased by 94,2 % while tourist nights have increased by 89,8 %.

Recent economic development in the County of Istria has been characterized by significant investments in the tourism, ICT, commercial and construction sector, but also the crisis and bankruptcy of the largest Istrian shipyard. For the time being the construction of large merchant and special ships ceased, but shipbuilding is provided by the remaining two shipyards that build medium - and small-sized ships of various uses.

[21] Source: www.digitalnakomora.hr
[22] Source: www.digitalnakomora.hr
[23] ~~All data regarding export are preliminary.FOOTNOTE MUST BE DELETED.~~
~~[24] All data regarding import are preliminary.FOOTNOTE MUSTE BE DELETED.~~
[25] Source: Croatian Bureau of Statistics: Gross Domestic Product for Republic of Croatia, HR_NUTS 2021. – Hr Nuts 2 and Counties, 2019, at current prices (ESA 2010)
[26] Source: Tourist arrivals and nights, 2021: https://podaci.dzs.hr/2021/en/10731

In recent years, the most significant investments have been made in the tourism sector - these are investments for the construction of new accommodation facilities (category 5 stars) and investments in the reconstruction of existing facilities, which increase the quality of the tourist offer and improve the tourism product, increasing destinations' attractiveness.

The Istrian County and local self-government units encourage investments and economic development through more than 30 strategic entrepreneurial zones. Also, a network of entrepreneurial incubators and coworking spaces is being established to support small businesses.

Increasing economic competitiveness is one of the main goals of the development of County of Istria. Therefore, the activities carried out in the County are focused on priorities[27] such as: strengthening research and development and application of new technologies and innovations. Improvement of the business environment for the establishment and development of small and medium enterprises, is also key priority. These are also the challenges that the economy of the County of Istria will face in the upcoming period, especially considering digital transformation and Green Economy.

4.1.5 Primorje Gorski Kotar County

Economic overview

In the Primorje-Gorski Kotar County, the largest number of employees, 21 % is employed in the trade sector followed by the processing industry which also employes a significant percentage of 17 %. Almost 12% of all employees work in the tourism and catering industry, closely followed by the numer of employees in the construction sector, which employs 11% of all employees in the County.

Economic Indicators

The most important business activities in the County of Primorje-Gorski Kotar are trade (39%), processing industry (15%), transport and storage (10%), construction (9%) and tourism and catering sector (7%).

At the end of 2021 there were 11.748 companies registered for business in the County, from the following top five sectors, which make up a total 69% of all companies:

- 2.214 companies - trade sector (19%)
- 1.846 companies - professional, scientific and technical field (16%)
- 1.643 companies - construction sector (14%)
- 1.329 companies – tourism and catering sector (11%)
- 1.088 companies – processing industry (9%)

Total revenues in 2021 amounted to EUR 6.112 million, exports amounted EUR 1.192 milion, and imports to EUR 751 million.

Companies according to their size:

- 20 large companies 0,2%

[27] Source: Development Strategy of the County of Istria until 2020

- 98 medium companies 0,8%
- 864 small companies 7,4%
- 10.766 micro companies 91,6%

Challenges

TRANSPORT INFRASTRUCTURE. There are two primary transport routes in the Primorje-Gorski Kotar County which integrate Croatian lands with the European economic and transport system. These are the Danube Basin – Adriatic – Mediterranean route, which connects central European Alpine and Danube basin area to the ports in the Adriatic and therefore to the Mediterranean, going from Budapest through Zagreb and Adriatic coastal route which connects the Alpine region to the Adriatic and the Middle East. Such a favorable geographical transport position enables the County to achieve significant economic flows of goods and passengers and offers the possibility for economic progress, but it is yet to be exploited in a more significant measure. In order to fully exploit its physical and geographical position, the Primorje-Gorski Kotar County must develop transport networks and other infrastructure systems in order to develop the fundamental port-transport function as well as possible. Therefore, new investments are planned, which shall, when realized, bring additional value to the geostrategic position of Croatia and this County.

TOURISM INFRASTRUCTURE. The Primorje-Gorski Kotar County is one of the most developed tourist regions in Croatia, known as Kvarner. Tourism has over 160 years of development tradition since the first hotel in Opatija was built. Kvarner is an ecologically clean area, with a rich cultural and historical heritage, great tourist programs and opportunities for an active holiday. 190,064 beds are available to tourists in the County.

MARINAS AND PORTS. The development of nautical tourism is an important milestone in the development of the Primorje-Gorski Kotar County. In addition to the existing nautical tourism ports, there are exceptional physical potentials and a demand for new marinas to be developed as the way towards a distinctive nautical destination, having taken into consideration the conditions in the area, its functional, social and economic organization, and environmental conditions.

BUSINESS INFRASTRUCTURE. A quality network of commercial zones (production and business) is one of the pillars of economic development. Together with the depicted network of commercial zones, there is exceptional potential for the development of zones by the sea, primarily for littoral purposes (shipyards, small shipyards etc.).

EXPORT AND IMPORT SERVICES. The total export value in 2021 was 1.192 million Eur. The most successful export activities are manufacturing, transport and trade.
The total value of imports in 2021 was 751 million Eur. Import-oriented activities were: trade, manufacturing industry, transport, and professional, scientific and technical activites as well as construction.

4.1.6 Friuli Venezia Giulia

Economic Overview[28]

[28] Sources:

2018 showed a growth in Friuli Venezia Giulia' economy. The GDP slowed in the second half of the year in both the domestic and foreign demand, resulting in an overall trend increase of slightly less than 1%, in line with the national figure (Prometeia estimates). The contribution provided by exports was positive (+ 4.2% the change in real terms) and by the growth in domestic demand (+ 1.1%), driven by good investment dynamics (+ 3.8%) supported by the liquidity of companies and by the persistence of favourable credit supply conditions, as shown by the survey on industrial Companies by Banca d'Italia.

All sectors, including construction, have made a positive contribution to the regional economy. Manufacturing was the most dynamic: the added value of production increased in real terms by + 1.7%. Within the industrial sector, the construction has continued to increase also as a result of the greater liveliness of the residential property market. More contained, although still positive, the dynamics of the added value of services in 2018, which grew by 0.8%: particularly effective the contribution provided by tourism (+ 3.6% tourist presences), transport (the movement of goods in the Port of Trieste exceeded + 1.2%, setting the record in 2017) and financial services.

The indicators that describe the labour market improved further in 2018. The increase in employment (+ 1.1% compared to 2017), which particularly affected female component (+ 1.7%) and independent (+ 3.5%), was associated with the stabilization of the unemployment rate at 6.7%, meaning around four percentage points lower than the national average. The long-term unemployment rate fell slightly from 3.3% to 3.2%, approximately half of the Italian average.

The production system of Friuli Venezia Giulia is made up of Small and medium-sized enterprises, but there are several large companies in the region operating in shipbuilding, insurance and electric appliances sectors (registered enterprises in 2018 amounted to 102.635).

The main economic model is represented by seven industrial clusters in Friuli Venezia Giulia:

- Agri-food and bioeconomy cluster
- Culture, creativity and tourism cluster
- Furniture/Home Cluster FVG
- Components and thermo-electromechanical Cluster
- ICT Cluster and digital sector
- Maritime technology cluster, involving shipbuilding, yachting, supply chain, transport, logistics, navigation services and nautical boating
- Smart health cluster related to biomedical, biotechnology and bioinformatics sectors.

Service based enterprises are specialized in services to business and in hospitality, as a result of a diversified tourist offer.

Total basic economic parameters of the Region Friuli Venezia Giulia

http://www.investinfvg.it/cms/it/
Documento di Economia e Finanza regionale 2020, 1st of July 2019, Trieste
Centro Studi Camera di Commercio di Pordenone-Udine
https://www.regione.fvg.it/rafvg/cms/RAFVG/fondi-europei-fvg-internazionale/Strategia-specializzazione-intelligente/
Regional Innovation Scorebord https://interactivetool.eu/RIS/RIS_2.html#d

N of registred enterprises (2018)	102.635
Main sectors in % (2017) Based on regional GDP	Services (financial services, insurance, consulting, real estate, scientific research and development, etc.): (51%) Commerce, tourism, transportation sector and information and communication technology: (20,2%) Manufacturing: (23%) Building and construction industry: (4%) Agriculture: (1,9%)
Import (€) (2019)	8,7 bil
Export (€) (2019)	15,5 bil
Unemployment rate:	6,8%

Source: Istat and Infocamere

Import and Export

In 2018 Friuli Venezia Giulia exported goods and products for a total value of 15.5 billion euros (about 40% of its GDP) and imported for a value of 8.7 billion euros.

The export share proves to be the driving force of Regional economy; exports value increased of 12,1% between 2016 and 2018, recording a positive trade surplus of 6972 million of euros. Despite the decreasing global demand, forecasts foresee an increase of export flows of 2,1% in 2019. The main export destinations of the Regional manufacturing sector in 2018 remain Austria, United Kingdom, Germany and France within the EU, whereas USA and China are still the major extra-EU partners.

The vision

According to the Regional Innovation Scoreboard 2019, Friuli Venezia Giulia ranked as a strong innovator, the innovation performance has increased over time (7.7%).

In fact, the Regional Innovation Index (RII) increased, in the period 2011-18, by 7.7 points, allowing Friuli Venezia Giulia to be the most innovative Italian region in 2019.

If compared to the Italian average, Friuli Venezia Giulia stays always ahead in all the factors that are composing the RII.

However, if compared to the European average, the region shows weaknesses regarding Tertiary Education (44% below EU average)and R&D expenditures business sector (22% below EU average). On the contrary, the region shows strengths in the field of International scientific co-publications (36% above EU average) and Design applications (43% above the Italian average, 62% above EU average).

Friuli Venezia Giulia's vision within intelligent specialization is intended as an integrated response to the needs emerging from the territory, aiming to enhance the two main characteristic elements of the region: a) the innovative manufacturing vocation; b) the presence of an excellent scientific offer and the ability to produce qualified human capital.

Within the targeted areas of specialisation: agri-food; strategic production chains: engineering and home system; maritime technologies; smart health; culture, creativity and tourism, specific development trajectories have been identified and the expected changes, through selective public investments in RDI are:

a) competitive consolidation and repositioning of industrial and production realties towards supply chain segments and markets with greater added value; b) change of the regional economic production system towards new areas capable of generating new employment, opening new markets or market segments, developing new, modern and creative industries, through the following intervention methodological priorities:

- Develop collaboration and synergies between enterprises and between enterprises and scientific structures;
- Promote business investment in innovation and industrialization of research results;
- Promote new innovative entrepreneurship.

4.1.7 Veneto region

The Veneto region is historically agricultural and known as a land of mass emigration. Since 1970, it has experienced a significant boost thanks to its famous "development model", characterized by a strong entrepreneurial orientation towards exports, especially for the traditional economic sectors, and a strong social cohesion. Currently, Veneto is the third richest region in Italy (with a GDP of about 152 billion €, 9,2% of the Italian GDP) after Lombardy and Lazio. It is one of the most important and dynamic economic realities in Italy (€ 31.250 GDP per capita, € 4.000 more than the national average) and one of the most advanced regions of the European Union. **Basic economic parameters – year 2021**

N° of registered enterprises	• 479.437
Main sectors in %:	• G Wholesale and retail trade (22%) • F Construction (15%) • A Agriculture, forestry fishing (14%) • C Manufacturing (11%) • I Accommodation and catering services (7%) • L Real estate activities (7%)
Import:	53.304 million €
Export	70.252 million €
People employed	2,140 million

Employment rate	65,7%
Unemployment rate	5,3%

Source: Unioncamere Veneto elaboration on Infocamere and Istat data
https://www.unioncamereveneto.it/wp-content/uploads/2022/08/2022_08_VenetoBarometro.pdf

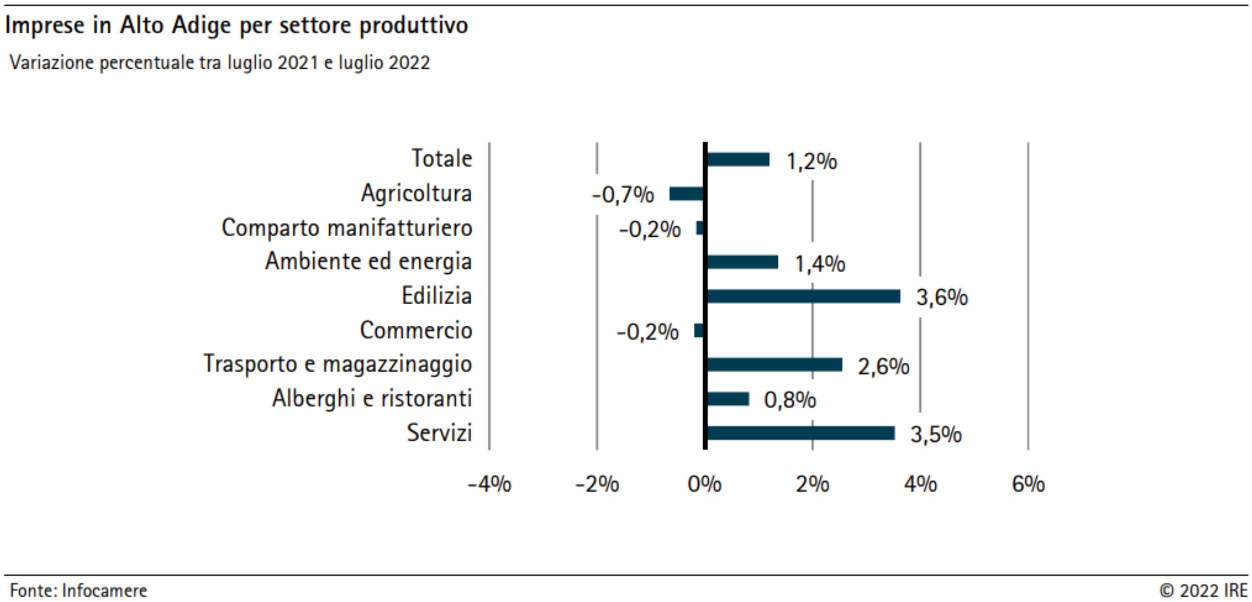
Veneto features small and medium sized companies (more than 86% have fewer than 5 employees) spread throughout the territory that are the heart of the regional economy. 429.779 active production units (1 every 10 inhabitants) characterized by remarkable flexibility, initiative and quick response to the needs of the world market. SMEs covering almost all sectors: from the more traditional (food, wine, glass processing and ceramics, jewelry, furniture, fashion, technical equipment, tourism, machinery) to the most advanced (nanotechnology, biotechnology, information technology, astrophysics, aerospace and mechatronics).

The most productive is the manufacturing sector, accounting for over 49.000 units. The textile, clothing and footwear sectors are synonymous with "Made in Italy" quality worldwide. The metal construction industry, which is the most important in terms of the number of existing companies and employees, has expanded to the point that now it involves more than 16.000 companies. The field of woodworking and furniture includes 6.600 companies and represents an area of considerable importance on the national scale.
Veneto's territory is typically divided in industrial clusters, which means that each area is specialized in a specific field and is heavily export-oriented. Nowadays Veneto's traditional clusters are systems characterized by the geographical coexistence of a high concentration of businesses in the same sector, which all together provide a significant production system, as well as by a set of qualified institutional players who perform support activities for the local economic structure. Veneto's production system is an economic reality that combines elements of innovation and modernization with more traditional aspects and values.
Veneto's system is export oriented; with an annual turnover of over 70 million Euros, it confirms itself as the second region in Italy after Lombardy, whose foreign exports amount to 13,6% of the overall national total. Veneto's manufacturing production (almost all of the products sold) is intended primarily for the European market (especially Germany, France, UK and Spain), which has a 56 % share that has decreased in the last few years favour of trade outside the borders of the EU. Veneto's leading trade partners are Germany, France, and the US for exports and Germany, China, and France for imports. In recent years, cross-border activities have mainly been directed to new markets in developing countries and looking to the modern routes of international trade, pointing out the strength of the BRICS and Asia. Veneto's main highly specialized sectors that export are machinery, metals, clothing, shoes, eyewear, food, beverages, household appliances, etc.
Although its importance has declined in the last 20-30 years, agriculture continues to play a significant role in the regional economy. Arable crops remain prevalent in the Venetian countryside, with more than two-thirds of the arable land, followed by pastures and woods. There are approximately 65.000 farms (10% of the Italian total). Wine ranks first among high quality productions (20% of Italy's quality production). The main sectors include PDO (Protected Designation of Origin) and PGI (Protected Geographical Indication) products: two labels that guarantee their origin and high quality.

4.1.8 Autonomous Province of Bolzano

Focus on South Tyrol's economy
The economy in South Tyrol is characterised by its equilibrium. There is a good balance between agriculture (4.6%), industry and crafts (23.6%), trade (16.3%), tourism (11.1%) and the private service industry (17.5%).
The IER - Institute for Economic Research carries out analyses, surveys, and research work in order to supply the Chamber of Commerce, departments of the Provincial Administration, companies, and

business associations with information to assess the situation and development of South Tyrol's economy, as well as with practical measures to promote the economy. According to the August 2022 report on the situation and development of South Tyrol's economy, at the end of July were 60,842 the companies registered. Compared to the same month last year, their number increased by 1.2%. As far as individual sectors are concerned, the number of enterprises increased in construction (+3.6%), services (+3.5%), transport (+2.6%), environment and energy (+1.4%) and tourism (+0.8%). By contrast, there was a slight decline in agriculture (-0.7%), manufacturing (-0.2%) and trade (-0.2%).



Companies in South Tyrol by production sector

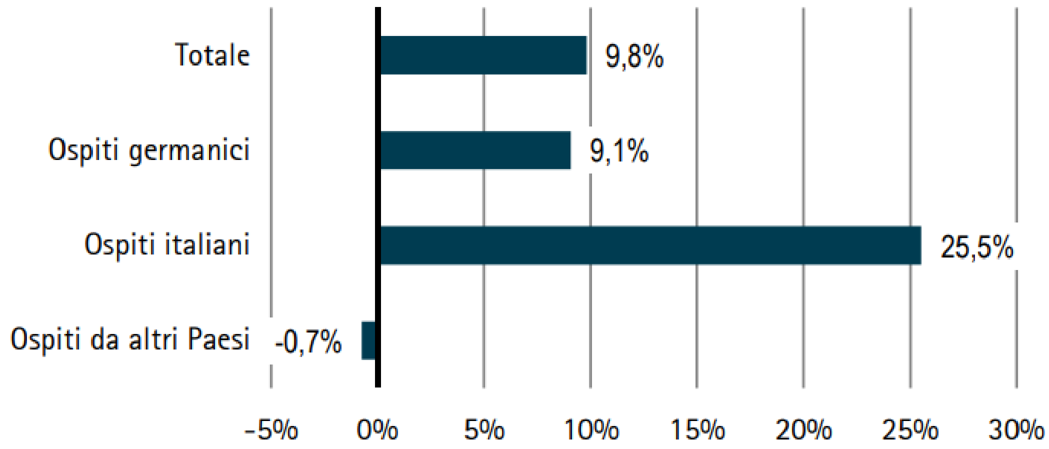
These figures not only stand for a healthy economy but also for a high standard of living in South Tyrol. The per capita GDP is around 44,800 euros. Agriculture has always played an essential role for this mountainous region, while dairy farming is the predominant sector at higher altitudes. The farmers in the valleys focus on viticulture and fruit farming.

Apple production is one of the most representative local economic sectors, including the products obtained and processed from it, which affect all stages of the apple value chain: from production, cultivation, processing of the product and its derivatives to distribution. South Tyrol, with its 18,000 hectares of cultivable land, is the largest closed apple-growing area in Europe and is one of the technically most important apple-growing countries in the world. Case in point, almost 1 in 10 apples purchased all over Europe comes from South Tyrol.

Not only agricultural products from South Tyrol are popular abroad, but the mountains also attract enthusiastic travellers from near and far. The region counts around 7.7 million tourists per year, and we can stay that tourism is one of the vital economic sectors. On average, 85% of the visitors come from Italian regions or the German-speaking neighbouring countries to go hiking in summer or skiing in winter in the year-round destination, whit an average of 14% of arrivals concentrated in August. The high-class South Tirolean hotels and guest houses make the beds for their guests about 33 million times (33.3 million overnight stays in 2020).

In June 2022, the tourism sector recorded approximately 3.4 million overnight stays, or 9.8 per cent more than the pre-pandemic level of June 2019. In particular, significant growth was recorded, among Italian guests (+25.5 per cent), but an increase also involved overnight stays of Germanic tourists, which grew by 9.1 per cent. In contrast, guest nights from other foreign countries were slightly below the level of June 2019 (-0.7%).

Presenze turistiche in Alto Adige
giugno 2022, variazione rispetto a giugno 2019



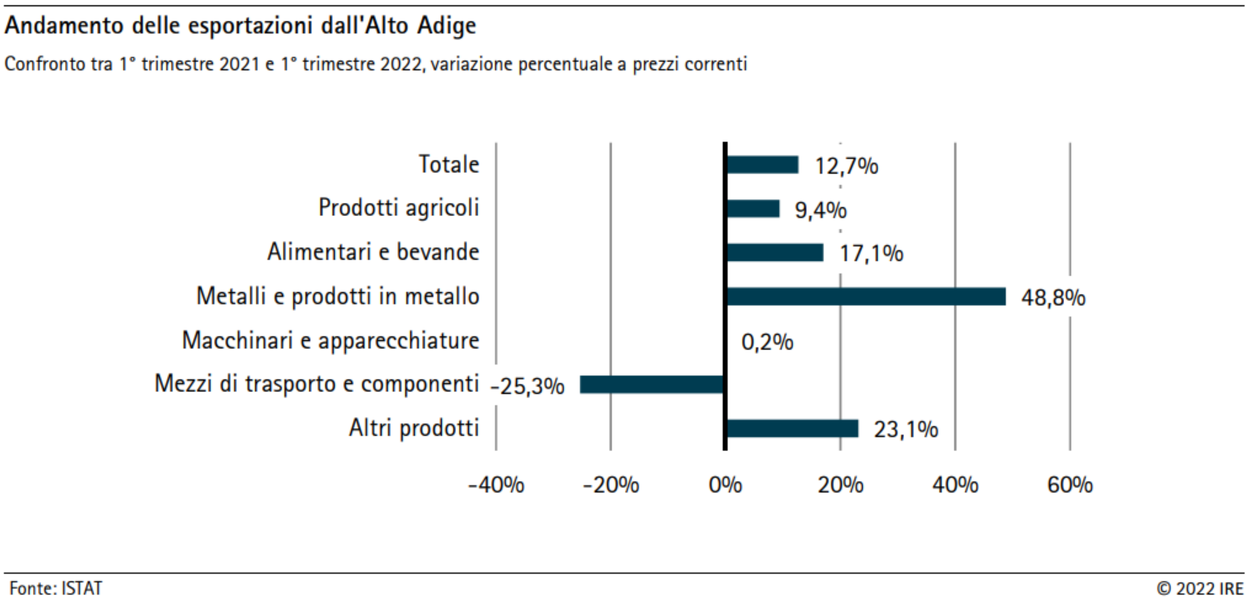
Tourism presences in South Tyrol

Just like the tourism sector, the manufacturing industry is characterised by family-run businesses. On average, these businesses employ 5 persons and focus on customised high-quality solutions for their products and services. Some companies in South Tyrol are hidden champions and considered market leaders in their areas as well as pioneers in the fields of winter technology, food production, energy and construction showing high degree of innovation.

Foreign trade

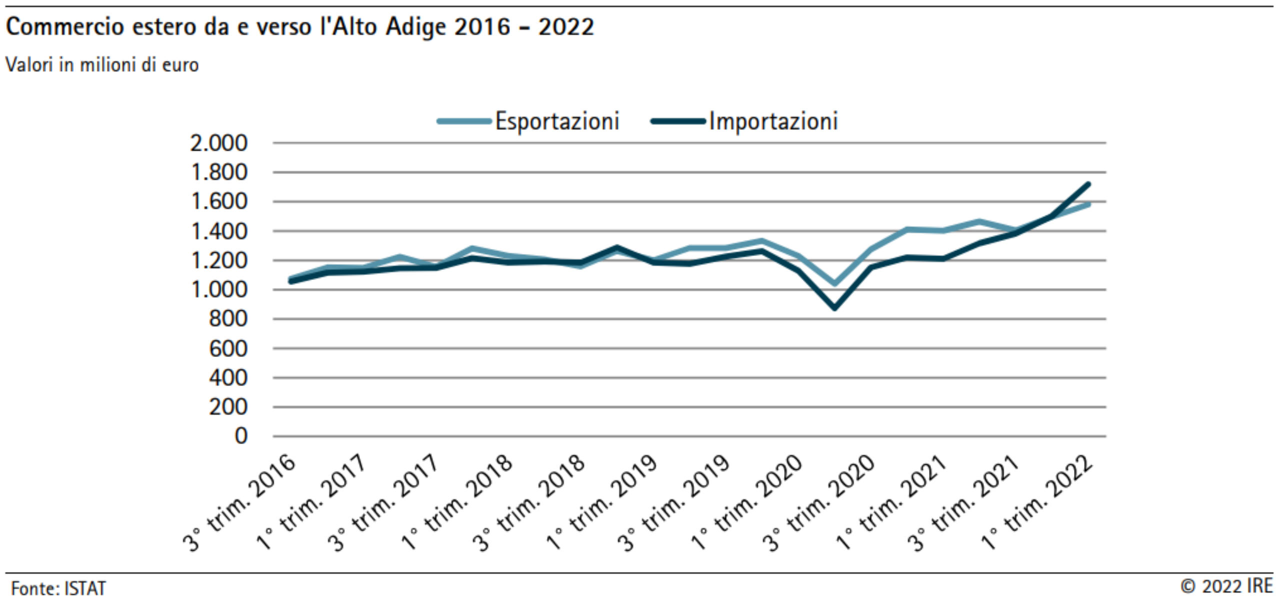
Imports and exports are well-balance in the province, namely around EUR 4.59 billion per year in import and EUR 5.06 billion per year in export activities. In the first quarter of 2022 exports of almost EUR 1.6 billion. Export goods such as food products and beverages (18%), machines (17%), agricultural products (13%), vehicles (12%) and metal products (12%) are primarily shipped to the German-speaking neighbourhood countries but also to many other destinations.

In the first quarter of 2022, goods with a total value of almost EUR 1.6 billion were exported from South Tyrol (+12.7% compared to the same period in 2021). The increase mainly concerned metals and metal products (+48.8%) and electronic and precision equipment (+48.3%). By contrast, a significant decline was recorded for transport equipment and related components (-25.3%). Analysing the data by country, there was a particularly significant increase in exports to the United Kingdom (+50.5%), the United States (+49.4%) and France (+35.7%) but increases also involved the two main trade partners of South Tyrol, namely Germany (+12.9%) and Austria (+31.3%). The most intense decreases, on the other hand, concerned exports to Sweden (-50.9%).



Export trends in South Tyrol

The following graph represents the value of foreign trade in imports (dark blue line) and exports (light blue line) in millions of euros between 2016 and 2022.

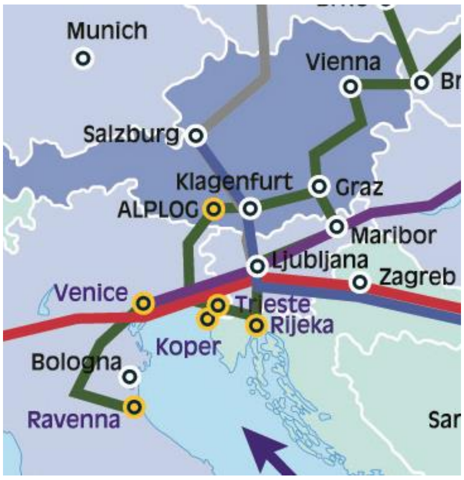


Foreign trade South Tyrol

4.2 Priority 2: Mobility/Logistic

4.2.1 Carinthia

Carinthia is the intersection of two important European transport axes: **the Tauern axis and the Baltic-Adriatic-axis.** Nearby harbours are Ravenna, Venice, Trieste, Koper and Rijeka. The following airports are in a range of maximum 1,5 hours from Klagenfurt and offer direct flights to European destinations: Klagenfurt, Graz, Salzburg, Ljubljana, Venice and Munich.



To force middle-term infrastructure goals and create an action plan, which specifies important measures to sustain, the expansion of the road and railway infrastructure is aimed. The Carinthian logistic hub **Villach-Fürnitz** represents a direct connection to the rail network and an important distribution centre for northern Italy and Slovenia. Is focuses on services in the field of logistics, 36 companies are settled there, e.g. GLS General Logistics Systems or Combi Cargo Terminal of Rail Cargo Austria. The development of a dry port is supported by NAPA (North Adriatic Ports Association) in Trieste.

Kühnsdorf represents a rail loading terminal, it is close to the highway A2 and next to the future "Koralmbahn", which is currently under construction.

The strongly export- and transport-oriented economy of Carinthia, and the international airport are of great importance. [29]

Climate and environment-friendly mobility of passenger and freight transport is crucial and the key for future-trendsetting and a sustainable business location.

Alternative mobility and new concepts help to strengthen the bus and rail infrastructure, e-mobility, bicycle and walking traffic. The accessibility has to be improved and environmental impact reduced.

In the long term it is about to increase the share of public transport up to 20 %, cycling and walking traffic to 40 % and decrease the individual traffic from 77 % to 40 %. The mobility needs are paramounted to the population. [30]

4.2.2 Styria

Due to the marginal position of Styria within Austria and the mountainous landscape in the north and in the west, the railway lines for goods transport are currently not competitive enough. Truck traffic is

[29] (Source: Economic Chamber of Carinthia, Standortprogramm Kärnten)

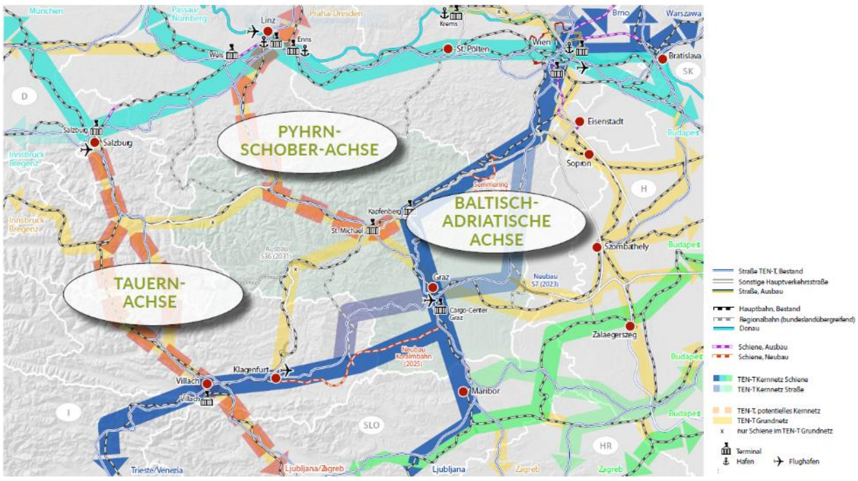
[30] (Source: Carinthian government, Mobility master plan 2035, page 4-6)

growing and ecologically inefficient. Especially the Pyhrn-Schober railway axis connecting Styria with Upper Austria and Germany has to be modernized in order to shift more transport from road to rail.

The extension of this axis to the southeast through Slovenia, Croatia and the Balkan region provides a great opportunity to attract future transport and thus be a further connection and feeder for the Alps-Adriatic region (international name of the corridor: Alpine Western Balkan railfreight corridor[31]) and a potential gate to the new Silk Road.

Progress is made on the Baltic-Adriatic-Axis with the Semmering-tunnel and the Koralm-railway, connecting Styria with Carinthia, to be finished by 2026. The intermodal railroad terminal, the Cargo Center Graz, is an asset, since it is situated at the crossing point of the Baltic-Adriatic and the Pyhrn-Schober-Axis. For Styria, high quality and high capacity access to the maritime ports of Koper and Triest and to Southern Germany is relevant.

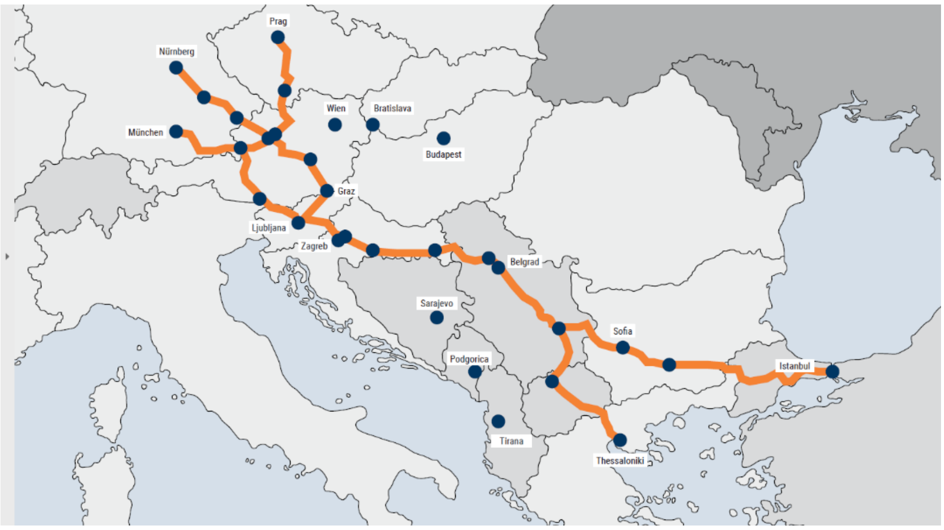
Generally, concerning international rail freight transport, waiting times at the borders should be minimized and the interoperability has to be improved.



Picture 1: Accessibility of Styria – focus: railway

Source: government of Styria

[31] Source: https://www.rfc-awb.eu/organisation/about-us/



Picture 1: Accessibility of Styria – focus: railway

Source: government of Styria

4.2.3 Slovenia

Investment in transport infrastructure

The investments in rail infrastructure have recently increased in Slovenia. However, more efforts will be needed to address the investment backlog in rail infrastructure which dates back several decades. In this context, the transport development strategy adopted in July 2015 and the national programme of development of transport until 2030 adopted in November 2017, are important steps and represent a comprehensive basis for developing the transport sector over the coming decades. The national programme envisages EUR 9 billion in infrastructure investments for the period 2016-2022, and a further EUR 7.9 billion to be invested by 2030.

The main obstacle to efficient maritime transport is the lack of modernisation of infrastructure and the insufficient inter-modality between maritime and rail transport. As such, it will be important to increase the capacity of the container terminal and upgrade the remaining infrastructure and equipment of the port of Koper and construct the second track on the Divača–Koper railway line.

The main focus of investments in the past was on the motorway network. However, the state road network infrastructure remained under-financed, both in terms of quality (state of roads deteriorating and in an urgent need of maintenance) and connections (especially those to border regions which are lagging behind), while the traffic steadily rose.

Competition in the rail market

No significant competition is present in neither the freight nor the passenger sectors of the Slovenian rail market. The freight market is predominantly in the hands of a state-owned company and there is no separation between the infrastructure manager and the transport operator. The infrastructure manager and the transport operator are operating under one single railway holding, which is continuously producing deficits. Besides the need for modernising railway infrastructure, it will be important to improve the performance of rail services, also in view of enhancing multimodality. The possibilities offered by EU funds, in particular the Regional Fund and the Cohesion Fund, as well as the Connecting Europe Facility, could be better used to address these issues.

Sustainable mobility

The relatively high number of cars and large volume of traffic transiting through Slovenia result in a serious problem of congestion on the motorways and contributes to the high energy and carbon intensity of the country's transport sector. The transition to more sustainable mobility is therefore inevitable, and will be promoted by various measures. Examples include promoting integrated public passenger transport, developing comprehensive strategies on urban mobility, incentives for electric recharging infrastructure, additional measures in terms of environmental taxation of vehicles and further work on a more refined application of the user- and polluter-pay principles on the motorway network.

Modal split

Slovenia records a high use of passenger cars, and car trips represented more than 86% of all passenger-kilometres travelled, which is five percentage points above the EU average. However, in rail passenger transport Slovenia is well below the EU average.

For land freight transport, the road transport covers the largest share of activity (two thirds) which is below the EU average. On the other hand, the rail freight transport represents an important share of one third, significantly above the EU average.

Modal split for passenger transport (shares based on passe ger- ilometres)				
	Passenger cars	Buses & Coaches	Railways	Tram & Metro
Slovenia	86.3%	11.8%	2.0%	0.0%
EU-28	81.3%	9.3%	7.6%	1.8%

Modal split for freight transport (shares based on tonne-kilometres				
	Road	Railw ays	Inland Waterw ays	) Pipeline
Slovenia	66.7%	33.3%	0.0%	0.0%
EU-28	72.8%	16.6%	5.9%	4.6%

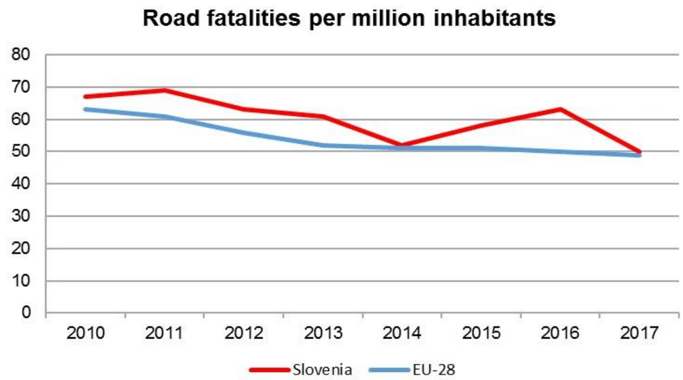
Source: EU Transport in figures, Statistical Pocketbook 2018

Performance of the logistics sector

According to the World Bank, the performance of Slovenia's logistics sector is ranked 35 among 160 countries analysed. Compared to the best performing in the region and in the world, Germany, it lags behind mainly in terms of international shipments and logistics competence. Still, compared to its own performance in 2010, it has improved on almost all the logistics subindicators of the World Bank Logistics performance indicator in 2018.

Road safety

Road fatalities peaked at 146 killed per million inhabitants in 2007 and since then have decreased substantially. Between 2001 and 2010, Slovenia decreased fatalities by 50% (EU average 43%) and further reduced road deaths by 25% between 2010 and 2017 (EU average: 20%).

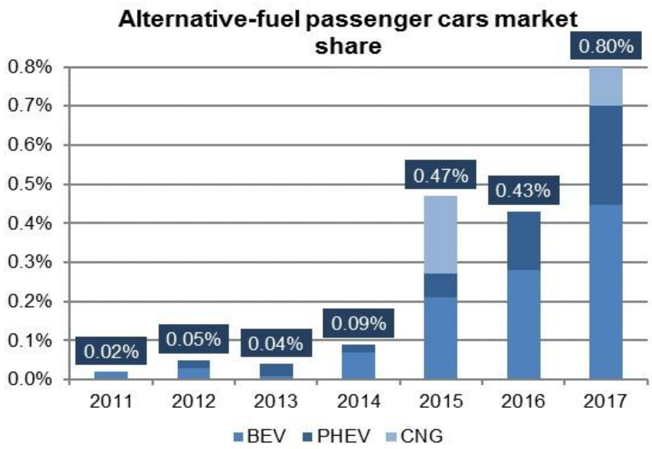


Source: DG MOVE - CARE data

In 2017, 50 dead per million inhabitants were reported, which corresponds roughly to the EU average (49). Slovenia, being a small country, is susceptible to yearly fluctuations in road safety performance, and trends can only be observed on longer time series.

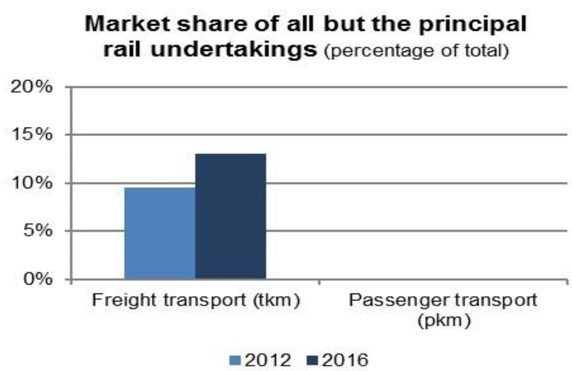
Alternative fuels in road transport

Slovenia puts emphasis on the development of the market for electric vehicles. It estimates a share of roughly 1% electric passenger cars on the road in 2020 and 16.9% in 2030. Measures are already in place or planned to reach these estimated shares (several tax exemptions and benefits, attractive incentives for purchase and for use of electric vehicles). According to the European Alternative Fuels Observatory, in 2018, Slovenia had 5 public charging points per plug-in electric vehicle (EU average: 8). CNG is considered to be the key alternative fuel for buses in the future.



Market opening in the railway sector

No major competition is present in neither the freight nor the passenger sectors of the Slovenian rail market. The freight market is dominated by a state-owned company (88%) and there is no separation between infrastructure manager and transport operator. Awarding of public service contracts is still done via direct award. There are doubts about the administrative capacity of the regulator, although progress was made by merging the railway regulator with the independent regulator for communications. Source: DG MOVE Rail Market Monitoring (includes domestic)

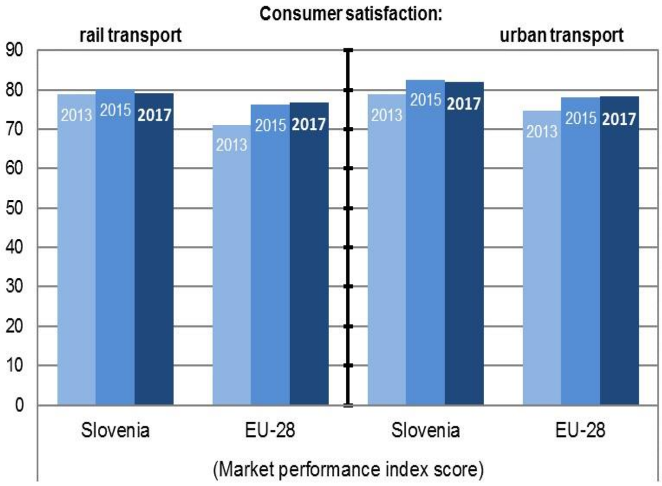


Consumer satisfaction with public transport

The consumer satisfaction with public transport is high in Slovenia and significantly above the EU average.

However, a special Eurobarometer survey in 2018 on the satisfaction with rail passenger services (Flash Eurobarometer 463) has shown that satisfaction with accessibility of rail services for passengers with reduced mobility is still below EU average.

SSSource: DG JUST Consumer Markets Scoreboard (composite index from 0 = 'low performance to 100 = 'high performance').



Completion of TEN-T Core Network in Slovenia

The TEN-T Core Network in Slovenia has been completed for the road part, but a lot is still to be done to complete also the railway network.

Road	Conventional Rail	High Speed Rail	Inland Waterways
100%	6%	0%	not applicable

Source: DG MOVE TENTec (The statistics reflect the official maps contained in Annex I of Regulation (EU) No 1315/2013. The term completed refers to "existing" infrastructure, which doesn't necessarily mean that infrastructure requirements, as stated in the above mentioned regulation, are already implemented. The time horizon for the completion of the TEN-T Core Network is 2030).

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4.2.4 County of Istria

The geo-traffic position of the County of Istria is characterized by a favorable geographical position - the proximity of European regions and countries. At the same time, in terms of traffic the County is unsatisfactorily connected with other Croatian regions.

As far as infrastructure is concerned, there is a good establishment of basic utility facilities (water supply, electricity distribution, gas infrastructure), good branching of the road network and a developed telecommunication and ICT system.

Pula Airport is able to accommodate larger aircrafts and due to favorable meteorological, technical and technological conditions it is used as an alternative airport for other Croatian airports and airports of nearby countries. Air traffic is extremely intense during the tourist season.

Regarding maritime transport in the County, in addition to ports open to public transport, there are also special purpose ports e.g. ports for nautical tourism. Port of Pula is of the particular importance - due to significant potential as an international cruise port. Establishment of the maritime (passenger) terminal in the Port of Pula is a strategic project.

The most significant investment regarding road infrastructure in the last twenty years is the construction of the so-called "Y" motorway. This motorway that was being constructed in several phases (the last one is in progress) has a significant impact on the economic and tourist development of the County.

In order to improve the traffic of passengers and goods it would be necessary to construct a full profile of the motorway all the way to the Slovenian border, and to connect Istrian road infrastructure to the motorways in Slovenia (Trans-European network for motorways - TEM).[32]
Technically outdated and uncompetitive railways are insufficiently connected to Croatian and international railways. The current utilization of rail transport of passengers and freight is minor compared to other forms of transport. Therefore, it is especially important for the County of Istria to establish better connection with the railway network in Slovenia, which is now insufficient. Development of the Istrian railways is directly related to its inclusion in the Slovenian and European railway system. [33]

In general, due to the characteristics of the Istrian economy, there is a high degree of seasonal oscillations in the use of road and other infrastructure. There is a necessity to continue investing in infrastructure, including public transport, taking into account the need for interoperability, intermodality and integration of the transport system.

4.2.5 Primorje Gorski Kotar County

TRANSPORT AND STORAGE

A total of 587 companies conduct business in the sector **(H) Transport and storage**. A vast majority among them are micro companies, 503 companies or 85.7%. There are 84 small, medium and large companies, which make up 14.3% of the total number of companies in this field.

Total revenues in the sector (H) Transport and storage in 2021 amounted to EUR 633 million, exports stood at EUR 229 million, imports at EUR 35 million.

[32] Source: Development Strategy of the County of Istria until 2020, page 129

[33] Source: https://www.istra-istria.hr/en/region-of-istria/general-information/traffic-infrastructure/railroad-traffic/

4.2.6 Friuli Venezia Giulia

Mobility and Logistic are two fundamental frameworks to define the competitiveness and attractiveness of a territory.

There are 2 types of infrastructures:

1. Economic infrastructures : they act directly on the territory development giving support to productive activities and encouraging the mobility of economic goods (road and railway networks, airports, ports, gas, electrical and digital networks etc.);
2. Social infrastructures: they act in an indirect way increasing human capital and general wellness (schools, public safety, public housing, hospitals, sport facilities etc.).

The relation between infrastructures and growth is positive but depends on their quality, efficiency and how the resources are used. These factors affect the productivity of the economic system, the localisation choices on the territory and the citizens' life and lifestyle.

Nowadays the new infrastructure on which people should invest, also in Friuli Venezia Giulia, are formation and innovation (schools, universities, low cost and fast digital networks and systems that encourage new enterprises.

Compared with 2009, the active enterprises in the transport and storage sector decreased of 23%. In particular, in 2018, the active enterprises in transport were 421 in Pordenone and 563 in Udine, 175 in Trieste and 131 in Gorizia.

In 2018, the active enterprises in storage were 51 in Pordenone and 133 in Udine, 204 in Trieste and 65 in Gorizia.

Available infrastructures for the establishment of enterprises in Friuli Venezia Giulia counts on 9 industrial parks:

a) Industrial area in Gorizia (http://www.csia-gorizia.it/),
b) Industrial area in Monfalcone (http://www.csim.it/it?set_language=it),
c) Industrial areas of Alto Friuli, Aussa Corno, Udinese and Cividale (https://www.cosef.fvg.it/),
d) Industrial area Ponterosso (https://www.ponterosso.it/),
e) Carnia industrial park (https://www.carniaindustrialpark.it/it),
f) Industrial area Maniago (https://www.consorzionip.it/),

Industrial area Giuliana (http://www.coselag.it/).

Industrial Parks in Friuli Venezia Giulia

Additional support infrastructures:

- Airport Friuli Venezia Giulia spa
- Ports of Trieste, Monfalcone and Porto Nogaro
- Highway Venezia est-Trieste
- Highway Udine-Tarvisio
- Area Science Park
- Science and Technology Park “Luigi Danieli” in Udine
- Technological center “Polo tecnologico” in Pordenone
- Interport of Cervignano del Friuli
- Interport, wholesale center in Pordenone
- Fernetti-Trieste traffic-centre
- Auto-port of Gorizia

The railway infrastructure in Friuli Venezia Giulia covers 466 km

The motorway network in FVG is under concession of 3 managing body:

- ANAS spa: manages the RA13 Lisert- Cattinara motorway junction with RA14 Opicina - Fernetti branch in the province of Trieste;

- Autovie Venete spa: mangement of the A4 Mestre - Lisert (section in the regional territory: Latisana - Lisert); A23, Palmanova section – Udine; RA17 Villesse - Gorizia; A28 Portogruaro - Pordenone -; Sacile with future continuation towards Conegliano (stretch in the regional territory: Sesto al Reghena - Sacile)

- Autostrade per l'Italia: management of the A23, Udine section - Tarvisio (state border with Austria)

Two TEN-T corridors cross the region: The Mediterranean and the Baltic-Adriatic corridor. Along these corridors important nodes and points of interests are to be developed. The three dry ports (Pordenone, Gorizia and Cervignano and Trieste) and two ports (Monfalcone and Trieste) as well as the two border railway stations (Tarvisio Boscoverde and Villa Opicina) with connection to the Mediterranean TEN-T Corridor and Baltic-Adriatic TEN-T corridor represent those points of interest. Another important corridor is the oil corridor (TransAlpine Pipeline) connecting the

south of Trieste with Germany and the Czech Republic. The project TRIHUB (PORT INTEGRATED TRIMODAL COMPREHENSIVE HUB) aims at improving the railway infrastructure within the integrated management system (integration of flows of the port of Monfalcone) and with the

Hinterland (better connection of the port of Trieste with the dry ports and between the dry ports). There is a considerable amount of investments foreseen (financing through Rete Ferroviaria Italiana and Port System Authority).

The planned actions within the railway hub of Trieste cover the following locations:

- Trieste Campo Marzio (TSCM)
- PLT = Servola
- Aquilinia Station
- FREEeste
- Ex-Aquila (in progress).

4.2.7 Veneto

Increasing connections in the transport network, roads, railways, ports, airports and cargo terminals, is an essential condition for the development of industrial activities and the Veneto economy. Highways: 29 km per 1.000 km2, a good road density compared to the land area (22 km is the Italian average). The Port of Venice is one of the most important in Italy for volume of trade (more than 4,000 ships and more than 26,5 million tonnes of goods) and the first port of origin for Mediterranean cruises (2 million passengers). Airports: Venice-Treviso: 14 million passengers and more than 68,000 tonnes of goods; Verona: 3,5 million passengers and 3.900 tonnes of goods. The transhipment port of Padua is a logistics centre of excellence: 297.000 TEUs, more than 5,000 trains. The transhipment port of Verona “Quadrante Europa” is the best in Europe, more than 765.000 TEUs and more than 13.500 trains.

Veneto region: Transport Infrastructures and Logistics

Source: Unioncamere Veneto Trail Nord Est https://trail.unioncamereveneto.it/

4.2.8 Autonomous Province of Bolzano

South Tyrol is located along the European Scan-Med corridor on the south side of the Brenner pass. The Brenner route, along which South Tyrol is located, is the most important landside trade route between Italy and the Central European markets. In fact, approximately 70% of landside traded goods are transported via the Brenner pass. The most important infrastructure project in South Tyrol currently is the Brenner Base tunnel (BBT), linking Italy with Austria. Once completed it will be the longest railway tunnel in the world. The new tunnel, which will be completed in the 2030s, will drastically reduce travel times between Italy and Austria and at the same time increase capacity. It will be a game changer, both for freight and for passenger transport.

The BBT, together with its access tracks, is a highly needed infrastructure. In fact, today's railway line is already largely saturated and cannot serve additional trains. Apart from the infrastructural bottleneck, the Brenner railway – like any other cross-border railway – is subject to regulatory barriers that make operations expensive and slower.

Apart from the Brenner railway, there is also a motorway that connects Italy with Austria and Germany. The motorway on the Italian side is managed by Autostrada del Brennero SpA. The motorway is highly trafficked by both HGV and private vehicles. The goods transport by road is challenged by driving bans enforced by the Austrian Land of Tyrol. The Italy and Germany are both opposing the Tyrolean bans and are claiming that they are in open conflict with EU law. The European Commission is trying to find a negotiated solutions between Austria, Germany, and Italy. The Tyrolean driving bans include a night-time driving ban and a sectoral driving ban for certain goods. Furthermore, on the A13 motorway in Tyrol there is a doubled night-time toll for lorries.

In 2019, 54 million tonnes of goods were carried across the Brenner, of which 74% (40 million tonnes) by road in around 2.5 million heavy goods vehicles. The remaining 26% were transported by rail. Italy in 2018 exported a total value of good of EUR 90 billion across the Brenner. The main destination of these goods was Germany (61.6%), followed by Austria (10.5%) and Belgium (9.9%).

4.3 Priority 3: Research and Innovation

4.3.1 Carinthia

R&D Overview. Research and development attach a great importance in Carinthia, almost 80 % of the R&D activities are achieved by companies.

The »BABEG«, responsible for the business location Carinthia, is entrusted with the development of technology in Carinthia and pursues the goal of strengthening innovative ability and international competitiveness in all areas. Moreover it is shareholder of Joanneum Research Robotics, Carinthian Tech Research, Lakeside Labs, Lakeside Science & Technology Park, High Tech Campus Villach, build! Startup Center, Logistic Hub South and the Wood Competence Centre.

Carinthia has established internationally in the sector technology and innovation. 32 foreign companies have settled since 2017.

CTR Carinthian Tech Research performed a research achievement of more than 8 Million Euro. It is supposed to be integrated in »Silicon Austria Labs«, a research association of leading regions in Austria in the sector microelectronics.

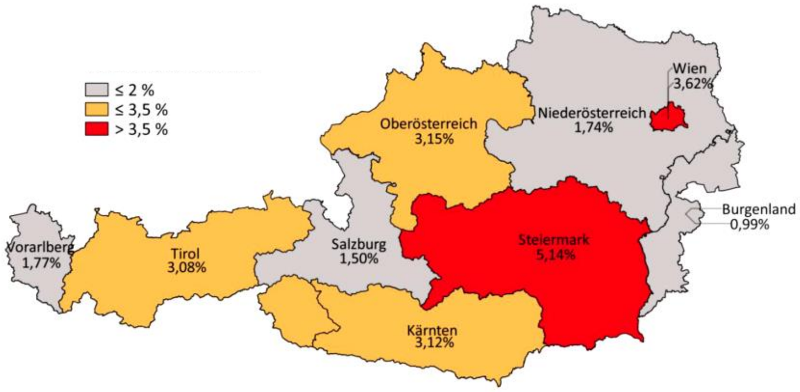
Furthermore Carinthias research and development sector will be supported by the University of Applied Ssciences and the Alpe-Adria-University of Klagenfurt to counter braindrain.

The »Silicon Alps Cluster« constitutes a network of partners from science, economy and public authorities, supported by the initiative »Silicon Austria«, and operates in the field of electronics and microelectronics. The headquarter is in Villach.

Infineon Austria, a global market leader company in Carinthia, announced an investment of 1,6 bn euro to develop the location Villach. With this investment volume a fully automatic chip factory for manufacturing power semiconductors will be established.

According to estimates of Statistics Austria the research quota should increase to 3,19% in 2018, to 3,2% in 2019. In comparison with other federal states Carinthia ranked 4th with 3,12% in 2015. 83 out of 2.522 patent registrations (3,3%) are made by Carinthia. The start-up intensity is below the austrian average, the first time since 2011.

Research quota 2015 [34]:



While exceeding the targets of the EU for 2020 (3%), the research quota still is below the Austrian target (3,75%). EU-wide, Austria still ranks 2nd behind Sweden (2016). Almost half of the gross expenditure of research and development is leaded by companies, followed by federal government and states.

The strong focus on technology funding instruments considers the variety of the economy structure and industry, and help to enhance research activities as well as the number of research enterprises. COMET-programmes emphasise the regional strengths due to technology-based bottom-up fundings, while thematic programmes enable transregional cooperations.

Sectors and action fields

3 action fields are identified until 2030:

- Industry and Smart Specialisation
- IT and Services
- Cluster and Smart Specialisation

»Industry and Smart Specialisation« is focused on the sector of manufacturing, this is due strong internationally linkages and a significant contribute in terms of research and development.

»IT and Services« addresses productivity increase in the service sector, for example healthcare and tourism.

»Cluster and Smart Specialisation« is the third action field. Cluster are networking instruments within research and development and provide important starting points for strategies of Smart Specialisation,

[34] Source: Statistics Austria (2017, online); own graphics

which mainly focus on regional strengths. Task of the FTI policy is to support established companies with regard to competitiveness, and to support the steadily changing economy.

Challenges and goals. The goal of increasing the research quota to 3% of the gross regional product until 2025 has already been achieved. Furthermore it is about to raise the number of research companies up to 25% until 2020. The priority is to strengthen cooperations between science and economy. The establishment of facilities as well as the expansion of current infrastructure should lead to access to national and international programmes. In a local innovative ecosystem research institutes, companies and educational institutes are cooperating and exchange intensely.

Supporting start-ups and digitisation still will be mainly focused by the policy. It is essential to help leading companies to innovate and SMEs with structural changes and global linkage. Carinthia intends to collaborate stronger with universities and further on there is a need to assist with funding programmes. [35]

4.3.2 Styria

Styria has undergone profound and successful changes over the last 25 years. The first successful transformation phase incorporated a production change from processes that were oriented towards basic materials to technologically advanced products and **increased R&D activities**. Styria has positioned itself successfully as a research and development location. The number of research oriented companies in Styria has also significantly expanded and the share of Styrian project sponsors, who participate in international research programmes, has been accelerated. Interaction between university research and industry provides the foundation for a strong position in cooperative research, e.g. through competence centers. Approximately a quarter of federal R&D promotions for companies are flowing into Styria.[36]

Styria can be characterised as **one of Europe's leading regions in terms of overall RTDI intensity**, both in comparison to other Austrian federal states as well as to other countries. Its R&D intensity of 5.15% sets it among the most intensively innovative regions of Europe (WIBIS, Wirtschaftsbericht 2021). In 2019, R&D expenditures totalled €2.618 Mio. – a sum amounting to 5.15% of regional GDP that year. Styrian companies stood for 75,6 % of R&D expenditures (WIBIS, Wirschaftsbericht 2021).

The overall research infrastructure in Styria is strong by national standards and features five universities (four thereof located in Graz), two universities of applied sciences and two pedagogic higher education institutions with more than 55.000 students. Styria is currently involved in 24 of Austria's 41 competence centers, which bring together research institutions, universities and companies. The Styrian competence centers are focused on local key topics and core competencies. Around 1,200 people, mainly researchers, are employed here in Styria. There are several relevant non-university research institutes in Styria (e.g., a variety of Christian Doppler Research Association laboratories in various fields). A prominent actor in this regard is JOANNEUM RESEARCH

[35] Source: Carinthian government, Economic report 2017/2018, Source: Economic Chamber of Carinthia, Programme Location Carinthia

[36] Source: Economic Strategy Styria 2025, Office of the Styrian State Government, Department 12 Economic Affairs, Tourism, Sports, Unit for Economic Affairs and Innovation, 2016

Forschungsgesellschaft mbH as a professional public research institute, which focuses on applied research and technology development in the areas of materials, health, information and communication technology, water, energy and sustainability, as well as economic and innovation research.[37]

Challenges and strategic orientation
The global economic balance of power is shifting due to the rise of (former) emerging countries that compete more than ever with industrial Western zones in regard to location decisions on account of foreign investments and increasing R&D activities. Moreover, a multi-layered "new globalisation" can be observed. Competition no longer only takes place at product level, but also along individual production steps, immaterial capital (R&D, design, marketing, etc.) and digital data streams. The long-propagated knowledge society will no longer only be important in some areas, but become a reality for all industry branches.

For the domestic economy it is crucial to integrate additional companies in the innovation process and expand the spectrum of innovative services. Styria is to be especially successful in implementing regional know-how in value creation.

Innovation is the backbone for maintaining or expanding regional competitiveness. It is the only way to generate sustainable growth impulses. Distributing the innovation basis is a permanent objective. Many impulses for innovation promotion have already been implemented in recent years. A strong and dynamic form change in regard to how innovation processes are designed has manifested itself: Approaches such as "open innovation", digitisation and individualisation of solutions, increasing demand for services and intense time pressure require market proximity, customer orientation and flexibility. Service design, new business models, product/service combinations and social innovations are becoming increasingly important in addition to R&D.

Innovations increasingly require a quick transition from research results to marketable solutions. Thus, a central task of economic policy is to create more product and service innovations from existing research results through suitable incentives. Cooperation among science and industry is also to be intensified through international collaboration. Impediments to cooperation are to be dismantled. The designing process for R&D instruments and innovation support are concurrently sharpened by establishing a clear structure.[38]

4.3.3 Slovenia

Slovenia is a strong innovator but recent progress was limited and weaknesses persist. According to the 2017 summary innovation performance index Slovenia falls in the category of strong innovators with a score just below the EU average. More importantly, its performance change from 2010 to 2017 was rather moderate, with an increase of only about 1.4 % (European Commission, 2018). One of the main weaknesses is the reduced and inefficient R&D expenditure in the public sector. Slovenia **is also**

[37] Source: https://www.wirtschaft.steiermark.at/cms/dokumente/12875085_160361770/c35074c9/Wirtschaftsstrategie_Stmk_2030.pdf
[38] Source: Economic Strategy Styria 2025, Office of the Styrian State Government, Department 12 Economic Affairs, Tourism, Sports, Unit for Economic Affairs and Innovation, 2016

relatively weak in terms of the effects of innovation activity on competitiveness. This weakness is reflected particularly in the low shares of exports of knowledge-intensive services and of persons employed in high-growth enterprises. (Source: European Commission, Country Report Slovenia, February 2019, page. 32). According to the Global Entrepreneurship Monitor (GEM) Slovenia performs poorly in business education and technology transfer, scoring only 3.37 and 4.20 out of 9 points, respectively. Both are below the EU average (GEM, 2018).

Innovation performance across Slovenia's regions is uneven. East Slovenia is a moderate innovator, though it has improved its innovation performance over time. In contrast, West Slovenia is a strong innovator albeit with a decreasing innovation performance. (Source: European Commission, Country Report Slovenia, February 2019, page. 32).

Slovenia has not yet reached the R&D-intensity target of 3.0 % of GDP. Slovenia's investment in R&D is slightly below the EU average and remains dependent on EU funds. In 2017, Slovenia's overall R&D intensity was 1.86 % of GDP. (Source: European Commission, Country Report Slovenia, February 2019, page. 32).

The share of innovative enterprises in Slovenia is decreasing and lags behind the EU average. In the period 2014-2016, 40 % of all enterprises in Slovenia carried out innovation activities, and this share was 6 pps higher in the period 2012-2014. Looking at the shares per enterprise segment, only about 34 % of small companies carried out innovation activities, while the share rises to 80 % in large ones (Statistical Office of the Republic of Slovenia). The employment share in fast-growing firms within innovative sectors is well below the EU average. In Slovenia, only 3.2 % of the workforce was employed in fast-growing firms in innovative sectors, whereas the EU average was 4.8 %. This indicates at a lack of dynamism, which is especially pronounced in innovative parts of the economy (Source: European Commission, Country Report Slovenia, February 2019, page. 33).

Most SMEs in Slovenia have a low innovation capacity. They tend to be poorly integrated in domestic, regional or international clusters, with a low potential to attract critical mass investment and to develop large-scale innovations. A lack of sufficiently equipped R&D units in SMEs (low absorption capacity) seriously limits the opportunities for science-industry cooperation. Only 19.9 % of Slovenian enterprises are engaged in co-operations with government, public or private research institutions. 14.4 % of Slovenian enterprises co-operate with higher education institutions (European Commission, 2014). The research interests in most of Slovenia's (small) firms lie in cost reduction and relatively routine improvements in their processes. Their "R&D" or development departments mostly perform routine procedures, such as quality control and testing. Investing in knowledge is not seen as part of their competitive strategy. In contrast, firms from the highly impactful medium-and high-tech segments (e.g. the automotive sector, machinery) are more intensively involved in science-industry links. (Source: European Commission, Country Report Slovenia, February 2019, page. 33).

4.3.4 County of Istria

Unfortunately, at the level of the Istrian County there are no concrete official data related to research and innovation. However, trends in Croatia are also present and visibile in the County of Istria.

According to European Commission[39] investment in public and private R&D and digitalisation would help to support the economy's capacity to innovate, if acting in synergy with investment in the education system to improve people's skills.

New input-based tax incentives were legislated in July 2018. It was expected that the new rules will have a positive impact on R&D performance and innovation as they focus on the most segments with the most pronounced deficit of R&D investment – small and medium-sized enterprises and basic research.

Croatia is an emerging innovator[40] - by reducing the gap between it and the EU innovation leaders. Total Research and Development (R&D) intensity of the Gross Domestic Product – GDP, increased from 0,83 % in 2015 to 1,25% in 2020. This is still below the average of EU (2,32%). More balanced regional distribution of R&D expenditure remains a challenge.

The framework conditions for businesses to innovate and invest in R&D require further improvement. In 2020 businesses' R&D expenditure increased to 0,6 % but this is still low comparing to EU average of 1,53 %. Public sector support for businesses has been especially low. In 2019 it was 0,038 % compared to the EU average of 0,196%. Since 2018 signs of significant relative increases have been noted.

To improve these conditions and promote business innovation, Recovery and Resilience Facility reform is oriented (through tax incentive shemes and its' legal framework), to encourage the private sector to increase its R&D investment intensity.
Croatia continues to produce scientific outputs of modest quality and struggles to foster science-business cooperation. Public expenditure on R&D financed by businesses (% of GDP) remains notably low.

In order to promote[41] knowledge transfer and the commercialization of innovation, Recovery and Resilience Plan includes, among other things: wide-ranging reforms; remodeling of the funding system of universities and public research organisations, and improving the efficiency of R&D and innovation support programmes.

4.3.5 Primorje Gorski Kotar County

The Croatian research and innovation system has evolved over the last decade into a complex system of various institutions and measures directed to build innovation-driven growth. One of Croatia's strategic objectives, in line with the Europe 2020 Strategy, is to improve scientific excellence. Regarding this objective, i. e. the increase in international visibility and reputation of the Croatian scientific community, but also the development of the economy and society as a whole, the National Science Council adopted the criteria for the establishment of scientific Centers of Excellence. The purpose of the scientific Centers of Excellence is the further development of Croatian science and its

[39] Source: European Commission: County Report Croatia 2019, SWD(2019) 1010 final

[40] Source: European Commission: County Report Croatia 2022, SWD(2022) 613 final

[41] Source: European Commission: County Report Croatia 2022, SWD(2022) 613 final

inclusion into the European Research Area, as well as encouraging participation in the EU research programmes and other international programmes.

4.3.6 Friuli Venezia Giulia

Friuli Venezia Giulia is one of the most dynamic Italian regions in research and innovation[42].

In 2016, the total R&D expenditure represented 1.57% (the third highest results among Italian regions) of regional GDP (Eurostat, 2019), a result which is higher than the Italian average (1.37%), but still below the European average (2.04%), (Eurostat 2019).

The amount of regional R&D expenditure represented about 2.5% of national R&D investment: app. €582m (Eurostat 2019), of which 45% in the public sector (Government sector, Higher Education sector) and 55% in the private sector (Business enterprise sector, Private non-profit sector).

The Scientific and Innovation System (SiS) of Friuli Venezia Giulia comprises a wide range of important organisations, both public and private, and is a "Science Network of Excellence" to foster the valorisation of the scientific potential for economic and social purposes. The Region hosts multi-sectoral science and technology parks such as the AREA Science Park, member of OpenLab network and other innovation mediators and certified incubators such as Luigi Danieli Science and Technology Park in Udine, the Pordenone Technology Pole, the Innova FVG Consortium and BIC Incubatori Srl.

Other entities contribute to creating this very favourable environment for the development of innovation and technology transfer, such as the Universities of Trieste and Udine, the Higher International School of Advanced Studies (SISSA), the MIB School of Management of Trieste, the ELETTRA Sincrotrone Trieste Research Centre and a wide range of top level, also internationally, research organisations working mainly in the fields of life sciences, physics, mathematics, environment, engineering, and human and social sciences.

Patenting activity is diffused: in 2012, 217 EPO patents per million inhabitants were applied, much higher compared to the Italian (60) and the European average (113).

In Friuli Venezia Giulia 231 registered innovative start-ups and 33 innovative SMEs are active in the driving sectors of services, software production and IT consulting, R&D activities, information services and studies, consultancy, industry (computer, electronic, electric and optical products, machinery) (2019 Centro Studi CCiaa di Pordenone-Udine)

[42] Sources:
Invest in Friuli Venezia Giulia, http://www.investinfvg.it/cms/it/
European Commission, Regional Report FVG, https://ec.europa.eu/growth/tools-databases/regional-innovation-monitor/base-profile/friuli-venezia-giulia

4.3.7 Veneto

The Regional law May 18, 2007, n. 9, in article 13, sets out the guiding principles of regional planning for innovation. In the process of developing RIS3 Veneto, the principles at the regional innovation policies level have been crossed with community policies and the needs of the territory in terms of research and innovation.
Four areas of smart specialization have been identified –Smart Agrifood, Smart Manufacturing, Creative Industries, Sustainable Living.

Smart Agrifood
In view of the scenarios that will be outlined in the next few years in energy-environmental matters and which lead to hypothesize, for Europe, a substantial change in the economic exploitation of the rural world, the Venetian research system has planned several possible actions aimed at improvement and innovation of primary systems of plant and animal production, and processes related to their processing, transformation, conservation. The objective is to help ensure sufficient supplies of safe, healthy and high-quality products and other bio-based products, developing highly sustainable, safe and efficient primary production systems, also in order to accelerate the transition to a sustainable European bio-economy. Similarly, the Venetian system will have to be able to exploit, enhancing them, even those productive areas destined for no-food purposes and the remaining areas with greater added value.

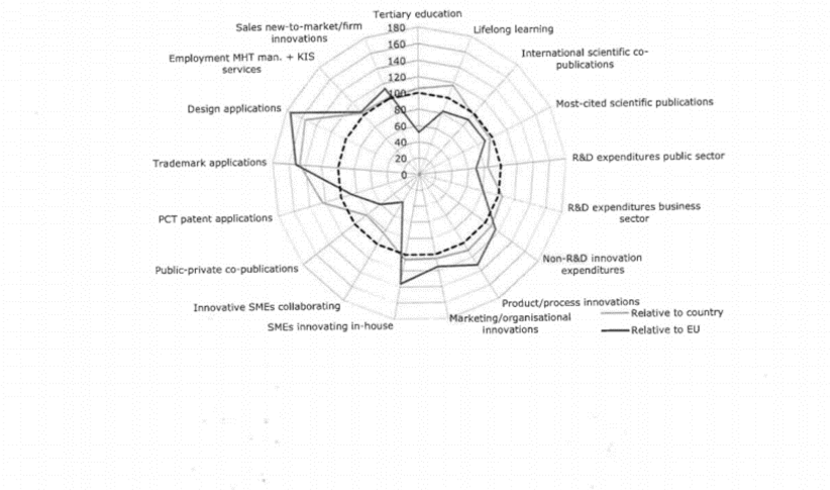
Smart Manufacturing
The evolution of automation and new organizational models towards intelligent and advanced production and design systems boasts a series of experiences capable of producing interesting applications in various industrial sectors (besides advanced mechanics) such as, for example, refining and processing of materials, chemicals, production of electrical and electronic equipment. The enabling technologies are the most common research context and with greater implications and applications both as a production element and in the service of different production systems. The concept of "intelligent factory" is also one of the main activities of interest to the Region: control systems, ergonomic production spaces, industrial robotics, simulation and advanced calculation applications.

Creative Industries
The continuous need for production innovation is generated by multiple factors such as the close relationship with consumers' changing expectations and preferences, fast technological advances, global competitiveness, requires integrated answers. Product design, the study of materials, production processes, the supply chain, communication and branding, are knowledge capital already present in the regional system. The research actions planned for the benefit of this specialization sector are mainly oriented towards the development of new materials (through the application of biotechnologies and nanotechnologies), the innovation of creative and sustainable production processes and the enhancement of products. The targeted development and up-take of new technologies should not only be an advantage for the production but will have to offer solutions to favour the originality of the products and customer satisfaction. For example, new environments for product display, 3D visualization and virtual or augmented environments, new tools for online marketing, shared digital spaces and multimodal and creative interaction are important.

Sustainable Living
This area of specialization, undoubtedly the most multidisciplinary, involves the integration of enabling technologies, ICT and advanced materials in the first place, with the needs emerging from society and its challenges. In particular, energy efficiency, safety and environmental/urban reconversion / regeneration / recovery, housing conditions and the enhancement of cultural heritage are the

guidelines that motivate research actions. These issues, aimed at improving the well-being of cities and their citizens, take into consideration phenomena such as active aging, the abandonment of industrial areas or the recent natural disasters, which represent the challenges facing Veneto in the years to come.

With reference to the European Regional scoreboard, the following representation is the state of innovation in the Veneto Region.



4.3.8 Autonomous Province of Bolzano

In order to be able to offer highly skilled professionals, attractive jobs and further training opportunities, South Tyrol will proceed to invest in the continuous promotion of innovation and progress. In the period between 2007 and 2017 the region registered 100 public funded projects. Therefore, South Tyrol is and continuous to be an attractive economic and living environment with excellent prospects.

In 2018, EUR 207.8 million were spent in South Tyrol for internal research and development activities. Expenditure increased by EUR 44.2 million compared to 2017 (+27.0%). This increase is attributable to the increase in capital expenditure by companies. 63.3% of this expenditure was made by private enterprises, the rest is divided between government and non-profit institutions (20.8%) and universities (15.9%).

In 2018, South Tyrol was below the national and European average for R&D as a whole. The R&D share in the province of Bolzano reached a value of 0.84%, still far from the targets set by the 'Europe 2020' strategy, which aimed for R&D investments of 3% of Gross Domestic Product (GDP). This is an indication that the territory still has a lot of work to do in this direction.

An ever-growing community of currently around 900 researchers, entrepreneurs, start-ups and students concentrated on South Tyrol's innovation and calls NOI Techpark. With a lot of networking and a wide range of services, the innovation hub helps to initiate R&D projects, promote new talents and start-ups and make local companies fit and competitive for the future.

4.4 Priority 4: Labour market, education, VET

4.4.1 Carinthia

Labour market. The unemployment rate has decreased significantly and is 18.3% below the previous years. The number of employees increased by 2% compared with the previous year.

The labour market development is increasing steadily within the last 10 years. Meanwhile the share of women in Carinthia exceeds still the Austrian annual average. There is still a considerable need to catch up in terms of the income level.

Since 2016 the unemployment rate in Carinthia decreases and the annual average 2022 was approximately 5 % vs 8% in 2021. Also the youth unemployment, which is a challenge in Carinthia, has been decreasing steadily.

In summary the dynamism of the labour market is despite corona pandemic, skyrocketing raw material prices and and exorbitantly high energy prices extremely positive.[43] We are heading toward full employment within the next month.

Unemployment. The structural development of the labour market is still challenging in terms of qualification and long-term unemployed people.

Education and Training. With regard to competitiveness and productivity, knowledge and skills are essential key factors in a service society, which is characterised by labour market. The substantially impact on career and "protection" against unemployment depends on the educational level. Insufficient qualifications leads to social and economically pursues, for example the lack of young high qualified manpower, lost economic growth, as well as the lost of productivity. Due to that fact, qualification and investment have a huge impact on attractivity and development of the business location. Mainly focus of Carinthia is "Apprenticeship and Matura", the establishment of new study programmes, the expansion of the Alpe-Adria-University of Klagenfurt in the technical sector, and a vast range of adult education and training.

Well-trained, qualified and motivated employees are strongly required to innovate, grow economically and master the challenge of digitisation. Moreover, entrepreneurial mindsetting has to be integrated in our school sytem.

New innovative products, technologies and services only can be developed with the support of qualified personnel. [44]

Challenges and goals. Demographical trends of Carinthia shows a drastically decrease until 2050. Low economically growth, rising infrastructure costs, a lack of skilled labour and business settlement as well as expansion, will be the results. Thus, education of skilled labour should be focused and it needs an action plan for that. For example, establishing new study programmes will strengthen the business

[43] Source: Kärntner Arbeitsmarkt » Alle Daten | AMS
[44] Source: Carinthian government, Economic report 2017/2018, Source: Economic Chamber of Carinthia, Programme Location Carinthia

location and furthermore the digital transformation – a lack of skilled labour in the technical and IT sector will be prevented.

A close alignment of the economy and vocational schools will lead to a higher level of apprenticeship and its image. Entrepreneurship and economy should be embedded within the teaching plans, therefore economic correlations can be conveyed.

Last but not least traineeships and funding programmes support to integrate recognised refugees in the labour market as quick as possible. [45]

4.4.2 Styria

As an annual average for 2021, there were 523.241 (WIBIS, Wirtschaftsbericht 2021) workers, 109.265 (Österreichische Sozialversicherung) of whom were foreign employees. A total of 37.179 people are registered as unemployed (down by 10.731 people compared with the previous year). In 2021, the unemployment rate was 6.5%, which is below the Austrian average (8.0%). In the same year, the unemployment rate for young people (up to 25) was 9.4% in Styria; the unemployment rate for older unemployed people (50+) was 8.2% (calculated using the national method) (Steiermark Arbeitsmarkt 2021).[46]

Well-trained and dedicated "minds" are a decisive factor for current economic location development. Training is provided through cooperation between company and vocational college within the dual system. Tertiary education institutions with universities and technical colleges, which exist in abundance in Styria, are another form.

The state has a high quality of live and good preconditions for the development of a knowledge-based production society. For Styria, the large number of technical research and training facilities and the diversity of scientific disciplines are a location advantage with scarcity value within Europe. More than half of technical university researchers in Austria work and teach in Styria. However, universities are also confronted with challenges, in particular related to various forms of "**brain drain**".[47]

Challenges and strategic orientation

The potential of employees in Styrian companies can only be prospectively utilised to the full extent based on a clear commitment to the promotion of technology and innovation while ensuring qualified training and the acceleration of networks that connect research and economic praxis. The rules of the game are no longer the same as at the turn of the century. The economy and society are subject to constant change, which requires consistent adaptation with regard to location characteristics. Interdisciplinary and cooperative action, as e.g. expressed in "open innovation" processes, are becoming increasingly important. Challenges and opportunities can be identified by openly addressing

[45] Source: Economic Chamber of Carinthia, Programme Location Carinthia

[46] Source: https://wibis-steiermark.at/fileadmin/user_upload/wibis_steiermark/studienpool/Wirtschaftsbericht%202021.pdf

[47] Source: Economic Strategy Styria 2025, Office of the Styrian State Government, Department 12 Economic Affairs, Tourism, Sports, Unit for Economic Affairs and Innovation, 2016

long-term trends, and these opportunities should be utilised in order to position oneself as an innovative and flexible location amongst the global competition.

Falling birth rates and rising life expectancy have resulted in increasing older population strata. This demographic change directly affects businesses: People remain in the work process longer as fewer young people are coming up. The total available work force potential must be utilised to a greater extent in order to counteract the shortage of professionals through intelligent training and further training programmes. Demographic development occurs unevenly across different regions. Populations in cities and nearby areas are growing while population decline and overageing are observed in peripheral areas. For rural areas holding on to qualified workers and remaining attractive as a business location has become a critical challenge.

High migration and large-scale refugee movements also pose new challenges for Styria. Participation in the labour market is an essential anchor point for integration within society. Styrian companies play an important role by opening themselves up to people with various experiences, cultural backgrounds and competences and utilising associated opportunities for economic development and innovation in a targeted manner.

A qualified work force is one of the most important resources in a knowledge-focused production and service society. The availability of qualified employees is decisive for the performance capability of the economy. Today, the demand for specialists already poses a challenge and will further intensify in the coming years due to demographic developments and social value changes. Strengthening human potential is therefore crucial.

The number of specialists in technical areas will further decline due to demographic processes if countermeasures are not implemented. The reform of the educational sector requires a clear change, which can only be realised in partnership with all involved parties and especially concerns the educational policies of the federal government and the state. Modernising the education system, including consistent, individual potential promotion beginning at pre-school age, promotion of technical and scientific interests through state and federal initiatives and the increase in attractiveness of pertinent study courses is just as important as the promotion of an entrepreneurial mindset in school education and the modernisation of teacher training e.g. through the modularisation of teaching professions or coupling of apprenticeships with higher education (Matura). The greatest potential lies in breaking through traditional, gender-specific professional training paths, which persist until today. A qualitative, coordinated education and professional orientation can be an important instrument in this regard.[48]

4.4.3 Slovenia

Slovenia has a generally well performing education system, but it could be improved in certain areas and sustained for the future**.** (Source: European Commission, Country Report Slovenia, February 2019, page. 28).

[48] Source: Economic Strategy Styria 2025, Office of the Styrian State Government, Department 12 Economic Affairs, Tourism, Sports, Unit for Economic Affairs and Innovation, 2016

The Apprenticeship Act, in force since December 2017, is trying to link education and practical experience. By October 2018, only 186 out of approximately 12 000 students in vocational education and training are enrolled in one of the eight different programmes that link work experience with classroom education. 20 % of the curriculum is flexible, making the apprenticeship adjustable to labour market demands. According to the Ministry of Education, the main disincentive for higher participation in vocational education and training or apprenticeship is low wages. (Source: European Commission, Country Report Slovenia, February 2019, page. 28)
Knowledge and skills are insufficiently adjusted to the current and future needs of the economy. The structure of students enrolled in educational programmes and the skills of workers are adjusting only slowly to labour market changes. Reading, mathematical and digital skills of older generations as well as of people with a low level of education are relatively poor (Government of Republic of Slovenia, 2017). According to a 2017 business survey, 64 % of companies in Slovenia encounter difficulties when searching for adequately skilled personnel (SPIRIT, 2017). Differences in unemployment rates between sectors are relatively large compared to other EU countries, which could point at sectoral mismatches in supply of and demand for labour. Stronger links between employers and the education sector and investments in a better alignment of education curricula with labour market needs could contribute to reinforce the labour market relevance of skills in the working-age population and a better match in labour demand and supply. (Source: European Commission, Country Report Slovenia, February 2019, page. 28).

Labour market performance continues to improve, although certain challenges remain. Activity and employment rates continued to increase in 2018 and are currently at 79.7 % and 75.5 % respectively (Q3 2018). The unemployment rate is at 5.2 % (Q3 2018), close to the pre-crisis level.
Long-term unemployment is still above pre-crisis levels and almost half of the unemployed aged over 50 have been out of the labour market for 2 years or more. (Source: European Commission, Country Report Slovenia, February 2019, page. 26).

4.4.4 County of Istria

The situation in the Republic of Croatia regarding labour market and education has an impact on the County of Istria. According to the European Commission[49] reforms are planned to improve the quality and labour market relevance of secondary vocational, higher and adult education. The aim is to implement labour market policies and to develop appropriate skills to match current and labour market demand. Also, there's a priority in developing skills necessary for the green and digital transitions. There's a mismatch between graduates' education and skills and labour market needs. Too much focus on theoretical knowledge and not enough practical skills development in vocational education and training, are the reason for such situation. At the same time reforms are planned to develop early childhood education, extend mandatory instruction time, and better align secondary, tertiary and adult education with market needs.

[49] Source: European Commission: County Report Croatia 2022, SWD(2022) 613 final

The labour market of the County of Istria stands out according to the dynamism in terms of labour supply and demand and a lower unemployment rate (compared to other Croatian counties). Average unemployment rate in 2021. was 3,8 %. However, in the phase of growth of the Istrian economy, all the economic sectors had the problem of the shortage of skilled workforce. Also, low level of labour mobility and seasonal employment are characteristic of the County.

When compared to the average of the Republic of Croatia, in the County of Istria[50] there is the below-average share of the population without completed or with incomplete primary school and above-average share of the educated population with completed secondary and higher education.

Croatia is one of the EU Member States with the largest participation in VET (Vocational education and Traning. Most IVET (initial VET) programmes are for three or four years.[51]

In addition to promoting the dual education system, Pula County Chamber carries out a number of activities in cooperation with employers and schools in order to motivate students to enroll in vocational occupations. However, there is still very weak interest in vocational occupations, especially the three-year long ones.
Therefore, additional efforts and promotion are needed in order to increase enrollment rate. This is a long-term process in which not only institutions and employers, but also students and their parents need to participate.

The County of Istria will have to face quite a few challenges[52] in the coming years. It will be necessary to embrace more agile and effective adjustment to the needs of the labour market and education. Innovative methods of education and lifelong learning must be introduced, as well as employment and human resource management policy.

4.4.5 Primorje Gorski Kotar County

Unemployed persons - As of 31st May 2022, there were 6.216 unemployed persons in the County of Primorje-Gorski Kotar, which is 546 less than in the previous month, and 2,172 unemployed persons less than in May 2021. Of the total number of unemployed in May 2022, there were 3,512 unemployed women (56.5%) and 2,704 unemployed men (43.5%).

In the total number of unemployed persons in May 2022, 812 persons (or 13.1%) were without work experience, which is 16.4% less than in May 2021. The remaining 5,404 people (86.9%) had previous work experience. Out of that number, 3,045 (56.3%) were women, and 2,359 (43.7%) were men.

Observed by activity, before registering as unemployed, the largest number worked in trade (926 or 17.1 %), activities of providing accommodation and preparing and serving food (723 or 13.4 %) and in processing industry (691 or 12.8%).

[50] Source: Development Strategy of the County of Istria until 2020, page 169
[51] Source: CEDEFOP (2020): Vocational education and training in Croatia
[52] Source: Human Resources Development Strategy of the County of Istria 2021-2027 – draft version

Employed persons. The total number of employees on 31st May 2022. is 116.123 in the County of Primorje-Gorski Kotar, 55 .409 are women (47%).

In Croatia, the largest number of employees is found in the following activities: trade – 21,33%, the processing industry – 17,32%, the tourism and hospitality industry – 11,92%, construction – 11,30%, transport and storage – 9,98%, Professional, scientific and technical activities – 8,44% and all other activities – 19,69%.

Education is the key success of society. Primorje-Gorski Kotar County is the founder of 59 elementary The University of Rijeka is a modern European university and center of excellence whose impact extends beyond the region. With a total of 11 faculties and 4 departments, it is a research, science, and education-oriented university that supports social and economic development in community, the City of Rijeka, and the wider region.

Lifelong education

Orientation towards lifelong learning is a strategic commitment of the Polytechnic of Rijeka. For the purpose of lifelong learning, various professional development programs are conducted. The goal of implementing these programs is to increase competitiveness and greater adaptability of individuals to new circumstances in the labor market.

4.4.6 Friuli Venezia Giulia

Besides three universities and advanced training organisations, Friuli Venezia Giulia boasts 4 Higher Technical Institutes, which develop training courses in the sectors of “Made in Italy”: mechanics and aeronautics, ICT, life technologies and sustainable mobility.

Moreover, an addiitonal wide network of high schools, technical and commercial centers and professional training organisations is active and closely collaborates with the managers of the regional clusters and industrial development consortia. The Region is also committed in the implementation of qualified training projects customized on labor market’s needs for an effective placement of human resources in the area.

As regards Apprenticeship, the relevant Act which is in force since December 2014 defines the apprenticeship like a permanent contract aiming at training and occupation of young people (between 18 and 29 years old). It should last at least 6 months and maximum 3 years and during this the trainee should gain technical-professional and specialised skills.

Also mobility allowance workers or unemployed can be employed as trainee, without an age-limit.

The traineeship is integrated by the public offer and it could be internal or external to the enterprise and it should give trainee basic and transversal skills. This offer in Friuli Venezia Giulia regards: contracts and enterprise-organisation, safety and accidents prevention, communication and empowerment, foreign languages, digital competence, sense of action and entrepreneurship.

Enterprises can also provide by themselves these skills, but it must be done in suitable places with people who have good skills and abilities and the Region support them to ensure the quality of the given traineeship.

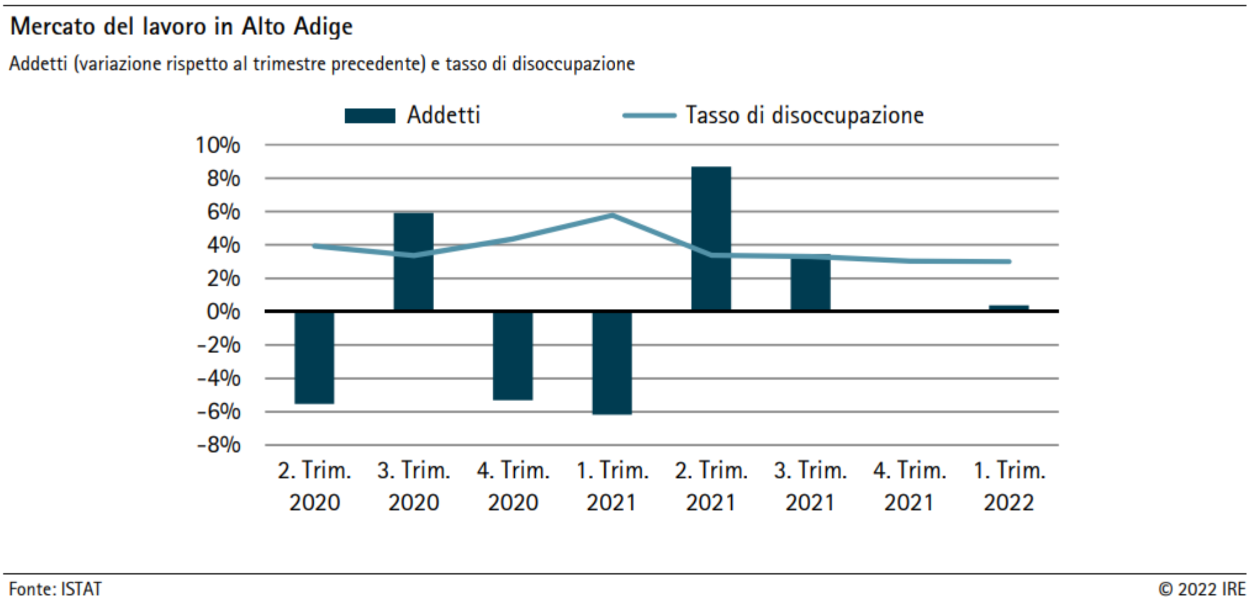
4.4.7 Veneto

Pre-school represents a point of strength in the education system of Veneto, presenting a participatory rate of 93%. School drop-outs (8,4% of young people) is falling and inferior to the national level (15%). Along with improvements in participation and education levels, results have been positive in terms of **efficiency of education**, measured through the students' competences. On this matter, in 2015 primary schools of Veneto settled on the national average, both in the subjects of Italian and maths. Above Italian averages are also obtained by third graders of primary school, both in Italian and maths, with scores of respectively 212 and 213.
Overall, training levels improve; the gap with the rest of Europe reduces; cultural participation grows and high study titles ratios rise with a protective factor in respect to the difficulties to find a job. The rate of transition from secondary school to university in Veneto settled in 2014 on the value of 50,5%, even though dropping as compared to 2013 (56,8%). In Italy, in 2015, 25,3% of Italians between 30 and 34 achieved a university degree. In Veneto, the percentage has been equal to 26,4% (of which 32,3% women and 20,6% men), still lower than the threshold value settled by the goals of Europe 2020 (40%). Graduates that one year after receiving their degree declare to be working are less than half for the Ca' Foscari university (49,3%) and IUAV university (46,5%) of Venice, whereas Verona presents a percentage of young workers equal to 61% and Padua a 50,6%. In Italy and Veneto, the percentage of Neet youth (not in education, employment or training) continued to raise in 2015, touching respectively the 25,7% and 17%.

4.4.8 Autonomous Province of Bolzano

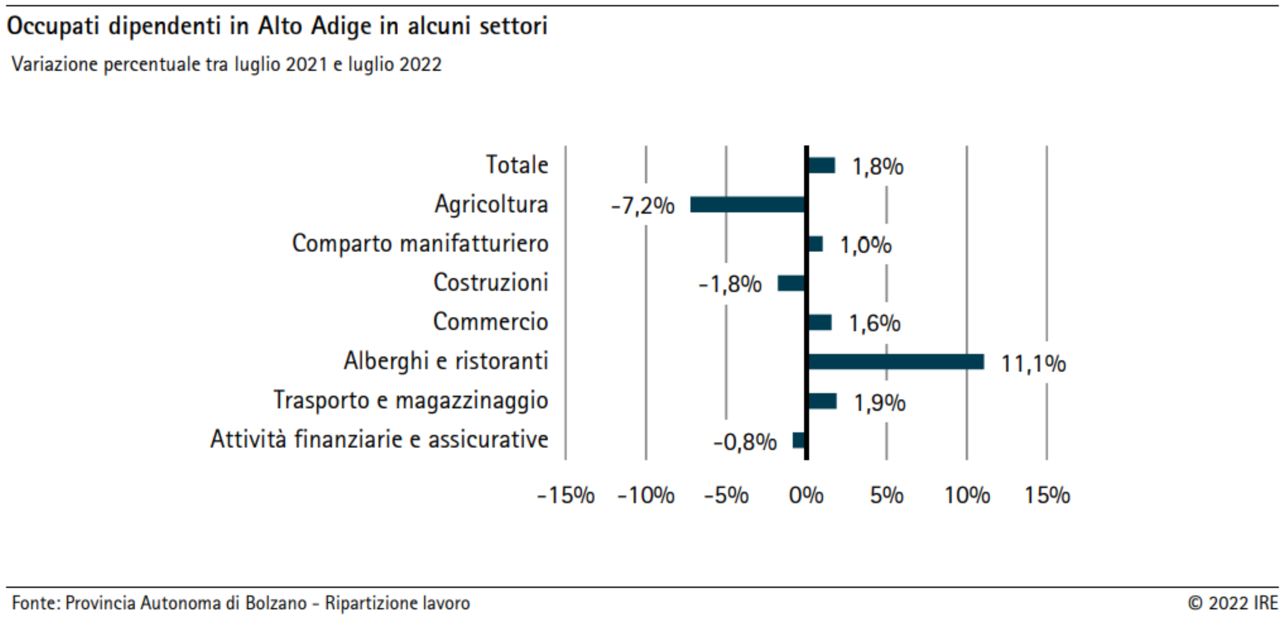
Labour market

The unemployment rate in the region is far below the European average and stays around 2.9%. In 2019, on average 3 out of 4 South Tiroleans were employed.
In the first quarter of 2022, between January and March, the number of employed persons in South Tyrol averaged 260,000 units, while there were 7,900 job seekers. Compared to the same period in 2020, the number of employed (+12.8%), while the number of jobseekers decreased significantly (-43.8%). The rate of unemployment, at 3.0%, remained stable compared to the previous quarter but was 2.8 percentage points lower compared to the same quarter in 2021.



Labour market in South Tyrol

The following graph represents employed persons in South Tyrol by economic sectors. It can be seen that between July 2021 and July 2022 employees in the tourism sector increased by more than 10%, remaining the sector with the highest number of employees. On the other hand, the workforce in agriculture decreased by 7%.



Employees in South Tyrol by sector

Education

In the province of Bolzano there are three distinct school systems (German-speaking, Italian-speaking, and Ladin-speaking), which differ in their functional and administrative organisation, depending on the language spoken. In the Italian schools in South Tyrol, the number of students dropping out of school before the end of compulsory education and training is less than 1%, which is far below the national average. In the province of Bolzano, only 0.05% of students drop out of compulsory education (8 out of 17,000 pupils) before the age of 16 - compared to 1.17% in Italy -, while 56 out of 17,000 students, again in the 2018/19 school year, did not fulfil their compulsory education until the age of 18 (0.3%) -

compared to 3.82% in Italy. Generally, the highest levels of early school leaving are in the peripheral and outermost municipalities of the province.
According to the political class, the next goal in this area is to work on prevention, the important thing is to succeed in bringing to zero the school drop-out rate of children under 16 years of age and to succeed in accompanying to the completion of studies those children who leave school after having reached the age of 16, but without any qualification.

Training and professional schools
The vocational training centres distributed throughout the province provide basic training (qualification), post-qualification training and vocational maturity through courses covering sectors such as agriculture, mechanical engineering, electronics, graphics, food, handicrafts, construction, business services, trade and sales, tourism, the hotel industry, and social professions.
There are 28 vocational schools in the province of Bolzano:

- 20 German-language schools,
- 7 schools in Italian,
- 1 school in the Ladin valleys, where both German and Italian are taught.

Vocational Training Centres also offer courses for workers who want to update their skills, professional courses, and apprenticeships.
In addition, in recent years there has been an intensive exchange of knowledge between the Styrian Chamber of Economy and the Chamber of Commerce of Bolzano for the so-called "Talentcenter" that is being set up. This will be used to test secondary school students on their cognitive and practical skills in order to facilitate their career choice.

University and research
The **Free University of Bolzano** is an excellence of the territory, located in one of Europe's most attractive regions, at the crossroads of the German and Italian economic and cultural worlds. Trilinguism in teaching and research, a high degree of internationalisation and excellent facilities are the characteristics that make unibz special and contribute to its high positions in national and international rankings.
Another relevant institution is the South Tyrol's innovation district, **NOI Techpark**. It represents a stimulating surrounding for companies, institutions, and the university to collaborate on research and development projects. A place where 900 entrepreneurs, researchers, start-ups, and students are working for an ecological and economic conversion of society. At NOI, research is practice oriented. The needs of companies give rise to scientific work. The research is focused on four technology fields: Green, Food, Digital, Automotive & Automation.
Moreover, the multidisciplinary research centre **Eurac Research** addresses the greatest challenges of the future: keeping societies healthy, fostering intact environments, promoting sustainable energy, and developing well-functioning political and social systems. The centre develops concrete solutions for regional problems which can then be applied globally and is linked to research networks all over the world with partners in more than 50 countries, on five continents.
Finally, the **Laimburg Research Centre** is specialised in agriculture and forestry as well as in the agri-food sector and is primarily concerned with applied research aimed at increasing the competitiveness and sustainability of South Tyrolean agriculture in order to guarantee the quality of agricultural products. Every year, the centre's 150 employees work on 350 projects and activities in all fields of South Tyrolean agriculture, from fruit and wine growing to mountain agriculture and food technology.

Chapter 5: SWOT Analysis of Alps-Adriatic Region

Strengths

- Excellent potential for the development of a strong SUSTAINABLE and GREEN economy due to natural (high level of biodiversity in terms of landscape, flora, fauna) and cultural resources (crossroad of Latin, German & Slavic culture)
- Strategic geopolitical and geographical position: connected to two transport axes of the TEN-T network (Mediterranean and Baltic–Adriatic corridor)
- Export oriented economies with intensive cross-border trade relations
- Some parts of the Alpe Adria area with the highest R&D intensity are among strongest innovative regions within the EU
- Strong manufacturing industry, resulting in a strong competitiveness in machinery, mechanical appliances, electrical machinery as well as in emerging fields like health tech, eco tech, etc.
- Well-developed R&D community (universities, technology transfer centres, competence centres, innovation hubs, etc.)
- Highly educated and skilled workforce
- Long tradition, strong links and cross border collaboration between institutions representing & supporting SME (chambers of commerce or similar)
- Rich experience of institutions representing & supporting SME in the implementation of EU projects as well as in the contribution to EU support programmes

Weaknesses

- Small number of leading companies (on a global scale) within the region
- Unbalanced or disproportionately developed public transport infrastructure (railway network/infrastructure)
- Weak awareness of an "Alpe Adria identity" among the regional business community
- Different regulation systems (legal frameworks) of business activities within the region
- In general slow alignment of legal frameworks, set by national/regional authorities, as well as of enterprises with rapid economic and societal changes

Opportunities

- EBiodiversity, cultural heritage and multiculturalism representing an integral part and added value of the Alpe Adria identity/brand
- Becoming an environment friendly (RES, EE, e-mobility) business region based on the application of emerging technologies
- Enhance the existing joint potentials within the service and manufactory sectors in order to develop an "Alpe Adria brand" and strengthen the attractiveness of the Alpe Adria region as a sustainable green business and living area
- Foster the integration of leading companies or other companies in the Alpe Adria region, having sufficient innovation capacities to develop global value chains
- Access to a number of EU funding instruments and programmes (e.g. centralised EU programmes, cross- and transnational Interreg programmes)

Threats

- Demographic development (falling birth rates and rising life expectancy increasing older population strata) and skilled labour shortage (!)
- Fast technological developments in the field of renewable energy (e.g. e-mobility and hydrogen drive solutions) pose problems for traditional industrial sectors
- Aging population, long term lack of skilled force

Chapter 6: EU regional programmes in the Alps-Adriatic area

6.1 The European Structural and Investment Funds – ESIF 2021-2027

Cohesion Policy targets all EU regions and cities in order to support job creation, business competitiveness, economic growth, sustainable development, and improve citizens' quality of life. In order to reach these objectives, € 392 billion has been allocated for a period of 7 years from 2021 to 2027.

Cohesion Policy is delivered through specific Funds:

• the European Regional Development Fund (ERDF): to strengthen economic, social and territorial cohesion in the European Union by correcting imbalances between its regions. ERDF will enable investments in a more competitive and smarter Europe, through innovation, digitisation and support to small and medium-sized businesses, as well as greener, more connected, by enhancing mobility, more social and closer to its citizens, by supporting employment, education, social inclusion and locally development

• the Cohesion Fund (CF): to support the field of environment and transport in the less prosperous EU Countries like Bulgaria, Czechia, Estonia, Greece, Croatia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Portugal, Romania, Slovakia and Slovenia.

• the European Social Fund Plus (ESF+): it is the EU's main instrument for investing in people. It will provide an important contribution to the EU's employment, social, education and skills policies

• the Just Transition Fund (JTF): new instrument of Cohesion Policy, in the context of the European Green Deal aiming at achieving the EU climate-neutrality by 2050. The JTF supports the territories most affected by the transition towards climate neutrality to avoid regional inequalities growing.53

The European Territorial Cooperation (Interreg programmes) as part of the ERDF are aimed at strengthening cohesion between regions across national borders and are organised under multiple strands:

Cross-Border (Interreg A) - Approximately €6.5 billion (72% of the total Interreg budget)54

European Cross-Border cooperation, known as Interreg A, supports cooperation between NUTS III regions from at least two different Member States lying directly on the borders or adjacent to them. It aims to tackle common challenges identified jointly in the border regions and to exploit the untapped growth potential in border areas.55Within the NAAN network the following projects would be implementable: Interreg VI Italy-Austria, Interreg VI Italy-Croatia, Interreg VI Italy-Slovenia, Interreg VI Austria-Slovenia, Interreg VI Slovenia-Croatia.

[53] https://sfe.lnl.infn.it/the-european-structural-and-investment-funds-esif-2021-2027/

[54] https://ec.europa.eu/regional_policy/en/policy/cooperation/european-territorial/

[55] https://ec.europa.eu/regional_policy/en/funding/erdf/#1

Transnational (Interreg B) - Approximately €1.6 billion (18% of the total Interreg budget)

Transnational cooperation, known as Interreg B, supports NUTS level 2 regions of the Union, including outermost regions, covering larger transnational territories and considering, where applicable, macro-regional strategies or sea-basin strategies. This strand involves regions, which often share similar societal, economic and geographic characteristics or problems.

There are 15 Interreg transnational programmes, among which the Interreg Alpine Space, Danube Region, IPA Adrion, Interreg Alpine Space and Central Europe would be the most significant for the NAAN Network.

Interregional (Interreg C) - Approximately €552 million (6% of the total Interreg budget)

Interregional cooperation, known as Interreg C, works at pan-European level, covering all EU Member States and more. This strand builds networks to develop good practice and facilitate the exchange and transfer of experience by successful regions throughout Europe. For the period 2021-2027, four interregional cooperation programmes will continue: Interreg Europe, Interact, URBACT and ESPON.[56]

Integration of Outermost Regions in their neighbouring environment (Interreg D) - Approximately €316 million (3% of the total Interreg budget).

This strand, new for 2021-27, will strengthen the cooperation of Outermost Regions of the EU (namely French Guiana, Guadeloupe, Martinique, Mayotte, Reunion Island and Saint-Martin (France), Azores and Madeira (Portugal), and the Canary Islands (Spain)) with neighbouring third countries. The ambition is to stimulate economic exchanges among regional partners and foster their mutual development.

6.2 Interreg Alpine Space programme

The Interreg Alpine Space programme is an Interreg B programme. It is financed through the European Regional Development Fund (ERDF) as well as national contributions from its seven Partner States. For 2021-2027, the programme has a budget of € 107 million ERDF. It represents a region with more than 80 million inhabitants, covering a surface of 450.000 km². It spreads across the borders of seven countries (Austria, France, Germany, Italy, Liechtenstein, Slovenia, Switzerland) that share geographical and environmental characteristics and challenges. The Interreg Alpine Space programme area covers some of the most important European metropolitan areas as well as remote rural areas, which explains its diversity in terms of economic activities and demographic situations.[57]

The Programme will fund specific Objectives:

Priority 1: Climate resilient and green Alpine region

- Promoting climate change adaptation and disaster risk prevention, and resilience, considering eco-system-based approaches
- Enhancing protection and preservation of nature, biodiversity and green infrastructure, including urban areas, and reducing all forms of pollution

Priority 2: Carbon neutral and resource sensitive Alpine region

[56] https://ec.europa.eu/regional_policy/en/policy/cooperation/european-territorial/
[57] https://www.myresearchconnect.com/wp-content/uploads/2022/02/Interreg-2021-2027-The-Next-Generation-of-Cooperation.pdf

- Promoting energy efficiency and reducing greenhouse gas emissions
- Promoting the transition to a circular and resource efficient economy

Priority 3: Innovation and digitalisation supporting a green Alpine region
- Developing and enhancing research and innovation capacities and the uptake of advanced technologies
- Reaping the benefits of digitalisation for citizens, companies, research organisations and public authorities

Priority 4: Cooperatively managed and developed Alpine region
- Enhance institutional capacity of public authorities and stakeholders to implement macro-regional strategies and sea-basin strategies, as well as other territorial strategies

6.3 Interreg CENTRAL EUROPE Programme

Central Europe is a core area of the European Union. Interreg CE covers regions and cities from nine EU Member States: Austria, Croatia, Czech Republic, Germany, Hungary, Italy, Poland, Slovakia and Slovenia. The current programme area will be enlarged in 2021-27 by the region of Braunschweig in Germany. With an area of more than one million square km, the programme affects the lives of about 148 million people, which share a common history and cultural identity. At the same time, the territory is characterised by structural differences between regions with growing urban and industrialised areas and rural or peripheral areas often characterised by lower competitiveness and shrinking populations. The programme priorities will have to respect the horizontal principles of sustainable development including environmental protection as well as equal opportunities, non-discrimination and gender equality.

The Programme will fund specific Objectives:

Priority 1: Cooperating for a smarter central Europe
Strenghtening skills for smart specialisation, industrial transition and entrepreneurship in central Europe

Priority 2: Cooperating for a greener central Europe
2.1 Supporting the energy transition to a climate-neutral central Europe
2.2. Increasing the resilience to climate change risks in central Europe
2.3. Taking circular economy forward in central Europe
2.4. Safeguarding the environment in central Europe
2.5. Greening urban mobility in central Europe

Priority 3: Cooperating for a better-connected Europe
Improving transport connections of rural and peripheral regions in central Europe

Priority 4: Improving governance for cooperation in central Europe
Strengthening governance for integrated territorial development in central Europe

The total budget of the programme amounts to EUR 280.779.751, out of which EUR 224.623.801 are co-financed by the European Regional Development Fund (ERDF). The ERDF co-financing rate is 80%.[58]

6.4 The Danube Transnational Programme

The programme area covers nine Member States (Austria, Bulgaria, Croatia, Czech Republic, Hungary, Germany – Baden-Württemberg and Bayern, Romania, Slovakia and Slovenia) and five non-EU Member States (Bosnia and Herzegovina, Moldova, Montenegro, Serbia and four provinces of Ukraine), being composed of 70 NUTS-2 regions. The area makes up one fifth of the EU's territory and it is inhabited by approximately 114 million people. The variety of natural environment, the socio-economic differences and cultural diversity of the various parts of the area may be perceived as major challenges but actually represent important opportunities and unexploited potential. Compared to other EU macro-regions, the Danube region has the highest number of countries – and at the same time the highest share of border regions. Apart from Germany all states are part of the programme area with their entire territory.

Specific objectives of the Danube Region Programme 2021 – 2027

Priority 1: A smarter Danube region

- Enhancing research and innovation capacities and the uptake of advanced technologies.
- Developing skills for smart specialisation, industrial transition and entrepreneurship.

Priority 2: A greener, lower carbon Danube region

- Promoting renewable energy.
- Promoting climate change adaptation and disaster risk prevention, resilience, considering ecosystem-based approaches.
- Promoting access to water and sustainable water management.
- Enhancing biodiversity, green infrastructure in urban areas and reducing pollution.

Priority 3: A more social Danube Region:

- Enhancing the effectiveness and inclusiveness of labour markets and access to high quality employment through developing social infrastructure and promoting social economy.
- Improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure.
- Enhancing the role of culture and tourism in economic development, social inclusion and social innovation.

Priority 4: A better cooperation governance in the Danube region:

- Enhancing the institutional capacity of public authorities and stakeholders to implement macro-regional and sea basin strategies, as well as territorial strategies.[59]

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[58] https://www.interreg-central.eu/Content.Node/discover/programme21-27.html

[59] https://ogpae.gov.md/wp-content/uploads/2022/06/Newsletter-2-Danube-Transnational-Programme-in-Moldova.docx-1.pdf

Each project has to involve at least three directly financing partners from three different countries of the programme area: the lead partner and at least two Project Partners. At least one partner must be a beneficiary from a Member States of the programme area.[60]

In the period 2021-2027, the Danube Region Program will receive EUR 165.4 million in ERDF funding. In addition, the European Commission will provide the program with EUR 30 million in federal funds from the Instrument for Pre-Accession Asistance (IPA) and EUR 17.7 million from the Neighbourhood, Development and International Cooperation Instrument (NDICI). Including national co-financing, the Danube Region Program thus has a total budget of EUR 266.4 million.61

6.5 Interreg IPA ADRION

Interreg IPA ADRION, the new name of the Programm should mark the strong bond of the Programme with the pre-accession countries (IPA), which this time will cover a wider area of cooperation for the access of North Macedonia. In the frame of all Interreg Programmes, IPA ADRION will be actually the only transnational Programme based in the Adriatic-Ionian region, as to highlight its function of a bridge in strengthening the relations with the Western Balkans and factually supporting the EU enlargement process. Interreg IPA ADRION will have a larger cooperation area moving from 8 to 10 partner states. The Programme will include, besides the former states: Albania, Bosnia and Herzegovina, Croatia, Greece, Italy, Montenegro, Serbia and Slovenia, the North Macedonia, and the Republic of San Marino. The new configuration will also overlap with the EUSAIR participating countries so that both bodies will be perfectly aligned.

Considering its larger cooperation area, Interreg IPA ADRION will also benefit from more financial resources, especially for the non-EU countries that will make up the new Programme. This will be an opportunity for the potential beneficiaries of those countries to become also more engaged with project coordination. The EU contribution will reach 136,6 MEUR that will result into more granted projects.

The Programme will fund specific Objectives:

Priority 1: more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity

- Developing and enhancing research and innovation capacities and the uptake of advanced technologies
- Developing skills for smart specialisation, industrial transition and entrepreneurship

Priority 2: greener, low-carbon transitioning towards a net-zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular

[60] https://www.interreg-danube.eu/relevant-documents/programme-main-documents

[61] https://www.oerok.gv.at/kooperationen/etz-transnational-netzwerke/danube-region-2021-2027

economy, climate change mitigation and adaptation, risk prevention and management, and sustainable urban mobility

- Promoting climate change adaptation and disaster risk prevention, and resilience, considering ecosystem-based approaches
- Promoting the transition to a circular and resource-efficient economy
- Enhancing protection and preservation of nature, biodiversity, and green infrastructure, including in urban areas, and reducing all forms of pollution
- Promoting sustainable multimodal urban mobility, as part of a transition to a net-zero carbon economy

Priortiy 3: more connected Europe by enhancing mobility

- Developing and enhancing sustainable, climate-resilient, intelligent, and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility

Priority 4: Better cooperation governance

- Support the EUSAIR governance and macro-regional implementation
- Promote exchanges and capacity building, among public administration to support the enlargement process
- Support networks, platforms and clusters to facilitate the exploitation and spread of knowledge, experiences as well as to encourage cooperation with mainstream programmes, Interreg or programmes directly funded by the European Union. [62]

[62] https://www.adrioninterreg.eu/index.php/2022/03/10/looking-ahead-taking-a-sneak-peek-at-the-new-interreg-ipa-adrion-programme/