

**Industrial Liaison Offices (ILO) for empowerment of a cross border Digital,
entrepreneurial and professional skills network**

ILOFORDIGITAL

JOINT ANALYSIS

Apulia Region, Italy

Molise Regione, Italy

Vlora Region, Albania

Korçë Region, Albania

Montenegrin Employers Federation,
Montenegro

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BACKGROUND

The **ILOFORDIGITAL** project is an ambitious and innovative initiative to create a cross-border network for the development of digital, entrepreneurial and professional skills, with a focus on capacity building of **Industrial Liaison Offices (ILOs)**. Supported by an international partnership of academic institutions and support organizations and funded under the Interreg IPA South Adriatic 2021-2027, this project is designed to address the challenges of digital transition, the valorisation of research outcomes, and technology transfer.

The geographical areas involved include **Apulia, Molise, Montenegro and Albania**, territories that share specific socio-economic dynamics and a shared need to strengthen the link between the academic and business worlds.

ILOFORDIGITAL fits into a broader strategic context, in line with EU priorities, such as the **S3 - Research and Innovation Strategy for Smart Specialization**, the EU Strategy for the Adriatic and Ionian Region (EUSAIR) and the Digital Agenda, as well as with regional and national initiatives, such as the PNRR in Italy and the entrepreneurship incentive programmes in Albania and Montenegro.

The project aims to address shared problems such as the shortage of advanced digital skills, the difficulty in accessing funding for research and innovation, and the brain drain phenomenon that plagues especially the most peripheral regions. Through the creation and strengthening of Industrial Liaison Offices (ILOs), ILOFORDIGITAL aims to stimulate the creation of new enterprises, start-ups and academic spin-off, foster technology transfer and promote a sustainable innovation culture.

The ILOs, as the core of the project, assume a dual role: on the one hand, they act as mediators in **technology transfer** and in the **valorisation of research results**; on the other hand, they actively **support small and medium-sized enterprises, start-ups and academic spin-offs** in their innovation journey. The initiative also includes the provision

of specific **training programmes** for ILO managers and local stakeholders in order to enhance the digital and entrepreneurial skills needed to meet the challenges of the global economy. Through strong transnational cooperation and the consolidation of the ILONET network, the project aims to create an innovation ecosystem that promotes sustainable and inclusive growth in the participating regions.

THE SOCIO-ECONOMIC CONTEXT

The regions involved in the **ILOFORDIGITAL** project present heterogeneous socio-economic characteristics that reflect the challenges and opportunities of each territory.

Apulia (Italy): this region in southern Italy is characterised by the presence of a solid entrepreneurial system, with a growing propensity for innovation and digitalisation, especially in the fields of agriculture, tourism and information and communication technologies (ICT).

Apulia is confirmed as a region with a modern and diversified economy, which focuses on innovation, the valorisation of human capital and the development of strategic sectors to strengthen the competitiveness of its entrepreneurial ecosystem. Regional policies for start-ups and SMEs are part of a broader strategy that integrates **the Smart Specialisation Strategy (S3)**, **SmartPuglia2030** and the recent **Mare a Sinistra Strategy**, promoted by the region to enhance Puglia's role in the Mediterranean and stimulate the attraction of talent, capital and new business opportunities.

The region stands out for its strong vocation for research and innovation, with an ecosystem that includes universities, research centres, business incubators and technology hubs. The role of **Industrial Liaison Offices (ILOs)** in Apulia's universities is crucial in facilitating technology transfer and supporting the emergence of spin-offs and innovative start-ups. Through projects such as ILOFORDIGITAL, Puglia is strengthening digital and entrepreneurial skills, stimulating the creation of new enterprises and fostering the growth of existing ones.

One of the key elements of the regional strategy is the attraction and exploitation of talent. Puglia is working to create a favourable environment for the return of highly qualified young people and to attract professionals and investors from abroad. The **Mare a Sinistra Strategy** fits into this context, aiming to position Puglia as an innovation hub in the

Mediterranean area, fostering cross-border collaborations and exploiting its strategic position to promote the internationalisation of local businesses.

Policies to support start-ups and SMEs are multi-layered, with financial incentives, incubation and acceleration programmes, and tools to facilitate access to international markets. The main investment sectors include agribusiness, aerospace, sustainable energy, innovative tourism and ICT. Digitalisation is central to economic growth, with incentives dedicated to the digital transformation of companies and the development of new technologies.

Access to finance is facilitated by regional and national instruments offering non-repayable grants, soft loans and venture capital funds for start-ups and innovative SMEs. Among the most relevant programmes are the **National Recovery and Resilience Plan (PNRR)**, which allocates substantial resources to the digital and green transition, and European funds such as **Horizon Europe**, which support research and development in technology.

Another relevant aspect of regional policies is the creation of a more inclusive and sustainable **entrepreneurial ecosystem**. Puglia is promoting measures for female and youth entrepreneurship, encouraging the participation of women and young people in the start-up world. In addition, the ecological transition is a strategic objective, with incentives for companies that invest in circular economy, renewable energy and reduction of environmental impact.

The *Mare a Sinistra strategy* further reinforces this vision, proposing Puglia as a crossroads of trade and innovation in the Mediterranean. The sea is not only a natural resource, but an element of identity and an economic opportunity to be exploited through the development of sectors such as the blue economy, sustainable coastal tourism and maritime logistics. The region aims to create new connections between the local production fabric and international markets, fostering the growth of innovative start-ups operating in areas related to the sea economy, sustainability and digitalisation. Overall,

Apulia is building a favourable environment for innovation and entrepreneurship, relying on a combination of financial incentives, adequate infrastructure, bureaucratic simplification and targeted development strategies. With the integration of *the Smart Specialisation Strategy* and the *Mare a Sinistra Strategy*, the region is preparing to face the challenges of the future, consolidating its role as a hub of innovation and entrepreneurship in the Mediterranean.

- **Molise (Italy):** the second smallest region in Italy, it is characterised by a limited but resilient production fabric. The agrifood, tourism and construction sectors represent the main areas of economic development. However, Molise faces significant challenges, such as a declining population and low investment attractiveness, which make the role of ILOs crucial in supporting local enterprises and fostering innovation.

In the context of the **Molise** Region, the development of start-ups and SMEs is closely linked to local, regional, national and European incentives, which are fundamental tools for fostering economic growth and innovation in the territory. The Molise Region faces structural challenges related to the size of its production system and the need to strengthen the entrepreneurial fabric, but at the same time it has identified strategic sectors and tools to stimulate a more dynamic and competitive ecosystem.

Regional economic development policies focus on an **integrated strategy** that aims to support the creation of new businesses and to strengthen existing ones through subsidised financing, innovation incentives and internationalisation measures. One of the main objectives is to counter the negative trend in the birth rate of enterprises, which has shown a steady decline in recent years. This phenomenon is due to structural economic factors, difficulties in accessing credit and the lack of generational change in the production fabric.

To stimulate **entrepreneurship**, special attention is paid to innovative start-ups and SMEs operating in high-tech sectors. The region aims to improve the conditions for access to funding, facilitating the provision of subsidised loans and non-repayable incentives for investments in innovation and research. In addition, it encourages the creation of business **incubators and accelerators** to accompany new businesses in their first years of activity, thus reducing the mortality rate of companies and encouraging sustainable growth.

A crucial aspect of Molise's development policies is bureaucratic and administrative simplification, which is considered essential to attract investment and foster business competitiveness. The region is working to reduce regulatory barriers and speed up **authorisation processes**, in order to make the area more attractive to new production sites and business initiatives.

The key sectors on which investments are focused include agribusiness, sustainable tourism, circular economy, renewable energy and technological innovation. Agribusiness, in particular, is considered a strategic asset for Molise, with strong growth potential thanks to the valorisation of local production and export opportunities. In tourism, the Region is focusing on a development model that favours experiences linked to nature, culture and food and wine, exploiting the growing demand for experiential and sustainable tourism.

Another focus concerns the strengthening of synergies between enterprises, universities and research centres to foster technology transfer and the development of innovative projects. To this end, Molise is investing in strengthening the **research and innovation ecosystem**, encouraging public-private partnerships and **participation in European programmes** such as Horizon Europe.

With regard to access to credit, the regional banking system is experiencing some criticalities, with a slowdown in loans to businesses and households due to rising

interest rates. However, the region has put in place financial support tools for SMEs, such as microcredit and guarantee funds, in order to facilitate access to the capital needed to start up and grow businesses.

On the **digitalisation** front, Molise is promoting investments for the adoption of new technologies and the increase of digital skills in enterprises, with a particular focus on SMEs that need tools to improve productivity and operational efficiency. The integration of digital technologies in the manufacturing and service sectors is considered a priority to increase the **competitiveness** of local companies and foster their insertion in national and international markets. Another important aspect is support for **youth employment and female entrepreneurship**.

The region has activated specific incentives for companies that hire young talent and for start-ups led by women, with the aim of stimulating the active participation of new generations and categories traditionally less represented in the business world. The main support measures for businesses include incentives for innovation and research, financing programmes for start-ups, funds for internationalisation and facilities for the ecological transition. The regional support instruments are integrated with the opportunities offered by **the National Recovery and Resilience Plan (PNRR)** and the **European structural funds**, thus strengthening the possibilities for growth and development of Molise's enterprises. The long-term goal of Molise's development policies is to transform the region into a favourable environment for entrepreneurial growth, attract investment and talent, and create a more dynamic and resilient business ecosystem. In order to achieve these goals, it will be essential to continue with targeted support policies, infrastructural interventions and systemic actions aimed at strengthening the competitiveness of the territory.

- **Vlora (Albania):** Located along the Albanian Riviera, Vlora is a region with an economy mainly driven by agriculture, fishing, tourism and manufacturing. In

recent years, Vlora has experienced growth in the ICT sector and in the adoption of digital technologies, but significant gaps remain in the digital and entrepreneurial skills of the local workforce.

In the region of **Vlora**, the growth of start-ups and small and medium-sized enterprises is supported by a system of incentives at local, national and European level, aimed at promoting entrepreneurship and innovation.

Located along the southern coast of Albania, Vlora enjoys a strategic geographic position that favours the development of key sectors such as tourism, agribusiness, energy and manufacturing. Local and national economic policies aim to create a favourable environment for the creation of new businesses by simplifying administrative procedures and improving access to finance.

One of the main objectives of the regional strategy is to strengthen the entrepreneurial ecosystem through **financial incentives and incubation programmes for start-ups**. At the local level, municipal and regional authorities offer tax breaks and infrastructure support for start-ups, with a focus on the priority areas identified in the **S3 - Smart Specialisation Strategy**. This strategy has highlighted six key economic development areas for Vlora: agriculture and fisheries, manufacturing, energy, tourism, ICT and Business Process Outsourcing (BPO). In this context, start-ups operating in these areas benefit from specific support programmes, including soft loans and incentives for research and development.

National measures to support entrepreneurship include tax breaks and non-repayable funding for companies that invest in innovation, digital transition and environmental sustainability. The Albanian government has implemented policies to simplify the bureaucratic process involved in setting up new businesses, reducing registration times and digitising administrative services. Access to credit remains a major challenge for entrepreneurs, especially for start-ups, but

microfinance instruments and guarantee funds have been introduced to facilitate initial investments.

A key role in the development of the entrepreneurial fabric is played by universities and research centres, which collaborate with the private sector to foster technology transfer and advanced digital skills training. The **University of Vlora 'Ismail Qemali'** has established business incubators and innovation labs to support start-ups and facilitate the connection between academia and business. Among the most relevant projects, **the Smart City Hub** and **the Business Incubator** represent reference points for the creation of new business initiatives and the development of innovative solutions in strategic sectors.

The labour market in the Vlora region is characterised by a strong demand for digital and technological skills, particularly in the ICT, tourism and logistics sectors. However, local companies face difficulties in finding highly qualified professionals, due to a mismatch between the skills offered by the education system and the needs of the market. To fill this gap, vocational training and skills upgrading programmes have been initiated, financed at both national and European level.

At the European level, Vlora benefits from funding from the **Horizon Europe**, **Erasmus+** and **COSME programmes**, which offer opportunities for growth and internationalisation for local businesses. Involvement in cross-border projects facilitates cooperation with international partners and the transfer of best practices, strengthening the innovative capacity of the local productive fabric. Furthermore, participation in Albania's accession agenda to the European Union is progressively aligning the legal and regulatory environment with European standards, fostering a more transparent and competitive business environment.

A sector with great potential for development in the region is the **blue economy**, which includes activities related to the sea and coastal resources, such as sustainable fishing, maritime tourism and shipping. The port of Vlora is a key

infrastructure for trade and logistics, with growth prospects linked to investments in modernisation and digitalisation of port services. Coastal tourism is booming, with a growing interest in experiential and sustainable tourism, which enhances the natural beauty of the Albanian Riviera and the cultural heritage of the region.

Another area of great importance is **renewable energy**, with a focus on wind and solar power. Vlora is at the centre of national policies for **energy transition**, with incentives for the development of clean energy plants and the improvement of energy efficiency in businesses. The adoption of sustainable technologies represents a growth opportunity for innovative start-ups and local SMEs that can access specific funding for research and development of eco-sustainable solutions.

In terms of digitisation, Vlora is making significant progress through investments in **ICT** and **digital services**. Local businesses are adopting new technologies to improve operational efficiency and access wider markets, while training in digital skills is becoming a priority to ensure skilled employment for young talent. Government initiatives are promoting the use of technology to simplify administrative procedures and improve access to public services, creating a more innovation-friendly environment.

An area of great interest for youth employment and attracting foreign investment is the **Business Process Outsourcing (BPO)** sector. Vlora is emerging as a hub for companies offering outsourcing services, thanks to competitive labour costs and a growing number of young people with language and digital skills. This sector offers employment opportunities in areas such as customer service, software development and business process management, contributing to the economic diversification of the region. Overall, the Vlora region is facing a phase of economic transformation, focusing on innovation, digitisation and sustainability to strengthen the competitiveness of its business system. The development strategies adopted

aim to create an environment conducive to the growth of start-ups and SMEs by improving access to finance, enhancing infrastructure and fostering collaboration between businesses, institutions and academia. By progressively aligning with European standards and strengthening entrepreneurship support networks, Vlora is preparing to become **a magnet for investment and talent**, consolidating its role in the regional economic landscape.

- **Korçë (Albania):** this region in south-eastern Albania is characterised by a strong agricultural and manufacturing tradition, with an increasing focus on innovation and digitalisation in order to boost the local economy. Government policies to support start-ups and innovative companies are a key element in fostering economic development.

The **Korçë** region is emerging as an emerging centre for the development of startups and small and medium-sized enterprises in Albania, thanks to a **system of national, local and European incentives** aimed at supporting entrepreneurship and innovation. The region's business environment presents challenges related to the need to modernise the productive fabric and improve access to finance, but at the same time offers significant opportunities for the creation of a more dynamic and competitive entrepreneurial ecosystem.

Regional development strategies aim to foster the creation of new businesses and consolidate existing ones through support measures that include financial incentives, incubation and acceleration programmes and training projects for entrepreneurs and workers. The growth of the **ICT** sector, the strengthening of **sustainable tourism** and the focus on the **agri-food industry** are the pillars of Korçë's economic development. The main objective is to attract investment and talent, creating a favourable environment for experimentation and innovation.

A key element of the region's business landscape is the presence of tax incentives and rebates for companies that invest in innovation and digitisation. The Albanian government has introduced measures to reduce the tax burden on start-ups and simplify the administrative procedures for their establishment. Among the most

relevant initiatives, the **Law on the Support and Development of Startups** provides tax breaks, grant funding and mentorship programmes for start-ups. In addition, the government has launched a national programme called **Start-up Albania**, with the aim of creating a favourable ecosystem for entrepreneurial growth by improving access to credit and internationalisation opportunities. At the regional level, Korçë is investing in the development of **business incubators and co-working spaces** to support young entrepreneurs and facilitate the creation of new ventures. **The Fan S. Noli University of Korçë** plays a key role in this process, offering training programmes in entrepreneurship and technology, as well as collaborating with the private sector on technology transfer and innovation. **The Korca Technology and Innovation Hub** is one of the most significant examples of this synergy, promoting integration between academia and the local productive fabric. The labour market in the Korçë region is characterised by a growing demand for digital and technological skills, particularly in the agrifood, tourism and ICT sectors. However, local businesses face difficulties in finding qualified personnel, due to a mismatch between the skills required and those offered by the education system. In response to this challenge, training and skills-upgrading programmes have been initiated, with a focus on getting young people into the labour market. The University of Korçë is strengthening its commitment to training professionals with advanced digital skills, contributing to the creation of a talent pool for local businesses. Access to credit is one of the main difficulties **for start-ups and SMEs** in the region. The Albanian banking system is still characterised by high interest rates and limited availability of financial instruments dedicated to start-ups. However, the government has launched microcredit initiatives and guarantee funds to facilitate access to the capital needed for business start-ups and growth. In addition, European programmes such as **Horizon Europe, Erasmus for Young Entrepreneurs** and **European Structural and Investment Funds (ESIF)** offer funding opportunities for SMEs and innovative start-ups in the region.

Tourism represents a sector with great development potential for Korçë. The region relies on a sustainable tourism model that enhances the region's natural

and cultural resources, with a focus on food and wine and experiential tourism. Businesses active in this sector can benefit from dedicated incentives for digitisation, international promotion and the creation of innovative tourist packages. The Municipality of Korçë is investing in the redevelopment of the historical heritage and modernisation of the tourist infrastructure, in order to make the region increasingly attractive to national and international visitors. Another area of growth is the **ecological transition** and the development of renewable energy. Korçë is involved in solar and wind energy projects, with dedicated incentives for companies that invest in low environmental impact solutions. The adoption of **circular economy models** and the improvement of energy efficiency in local businesses are among the priorities of the regional sustainability strategy. In terms of digitisation, the region is making progress with investments in **ICT and digital services**. Local businesses are adopting new technologies to improve productivity and efficiency, while training in digital skills has become a priority to ensure skilled employment for young people. The government is promoting the use of digital technologies to simplify administrative procedures and improve access to public services, helping to make the business environment more innovation-friendly. Also for the Korçë region, an area of great interest for business development is **Business Process Outsourcing**, which is attracting foreign companies due to competitive labour costs and a young population with language and digital skills. This sector offers employment opportunities in areas such as customer service, software development and business process management, contributing to the economic diversification of the region. Overall, the Korçë region is going through a phase of economic transformation, focusing on **innovation, digitalisation and sustainability** to strengthen the competitiveness of local businesses. The development strategies adopted aim to create an environment conducive to the growth of start-ups and SMEs by improving access to finance, enhancing infrastructure and promoting collaboration between businesses, institutions and academia. By progressively aligning with European standards and enhancing entrepreneurship support networks, Korçë is preparing to become a centre of

attraction for investment and talent, consolidating its role in the regional economic landscape.

- **Montenegrin (Montenegro):** a small state that is investing significantly in the ICT sector, which is considered a pillar of economic recovery. The presence of innovative start-ups and the harmonisation of ICT regulations with EU standards offer significant opportunities for start-ups and technology transfer. However, the shortage of advanced digital skills and the brain drain phenomenon remain critical challenges for the country.

Montenegro is undergoing a phase of economic transformation characterised by increasing support for start-ups and SMEs, both at local and national level. The main objective of economic policies is to strengthen the country's competitiveness through financial incentives, innovation programmes and investments in strategic sectors. The creation of an environment conducive to entrepreneurship is considered a key element in sustaining economic growth and attracting capital, especially in a context where digitisation and internationalisation of businesses play an increasingly crucial role.

Support measures for **start-ups and SMEs** in Montenegro are multi-layered and include tax incentives, investment funds and specific programmes for research and development. The government has implemented a number of reforms to simplify the bureaucratic procedures required to start a business, reducing registration time and facilitating access to finance. **The Development Bank of Montenegro (DB)** is one of the main instruments to stimulate economic growth, through the provision of soft loans, interest subsidies and financial guarantees. The objective of these instruments is to support SMEs and promote the creation of new jobs by improving the competitiveness of Montenegrin companies.

Montenegro's business ecosystem is strongly influenced by foreign direct investment (*FDI*), which has increased significantly in recent years. The

government has activated specific measures to **attract international investors**, offering tax and financial incentives for projects that exceed a certain investment threshold and create new jobs. Investment attraction policies focus on strategic sectors such as tourism, renewable energy, ICT, agribusiness and manufacturing. In particular, the technology sector is emerging as a pillar of economic development, with Montenegro having fully harmonised its ICT regulatory framework with EU standards.

To support innovation and digital transformation, **the Innovation Fund of Montenegro** provides financial and technical support for the development of new technologies and innovative products. Funding programmes focus on early-stage start-ups, research and development projects, university-business collaboration, internationalisation of innovative companies and the integration of digital technologies into traditional production sectors. Special attention is paid to women-led businesses, with specific support programmes to foster female entrepreneurship and inclusion in the labour market.

Access to credit for start-ups remains one of the main challenges for Montenegro, but microfinance instruments and guarantee funds have been introduced to facilitate initial investments. In parallel, the authorities are working to improve market conditions and reduce the fragmentation of the economic system, so as to foster the growth of start-ups and SMEs even in the less developed areas of the country.

A key role in business support is played by **Industry Liaison Offices (ILOs)** and science and technology parks, which facilitate technology transfer and the link between academia and the manufacturing sector. **Science and Technology Park (STP)** of Montenegro and **Innovative and Entrepreneurial Centre ‘Technopolis’ in Nikšić** are among the main facilities dedicated to innovation, offering incubation for start-ups, co-working spaces, mentoring services and support for technology commercialisation. In addition, there are several **Business Incubators** and

Business Info Centres operating in various Montenegrin cities, offering consulting, training and networking services for start-ups.

Montenegro's development strategy also includes a strong focus on digitisation and the adoption of new technologies. The government has initiated digital skills training and upgrading programmes, with the aim of bridging the gap between the skills required by the market and those actually available. A recent survey revealed that 74% of companies are unaware of **educational offerings** to improve digital skills and that there is a strong need for courses in digital marketing, cyber security, use of artificial intelligence tools and data management. Continuing education is therefore a priority to ensure the competitiveness of Montenegrin companies and to foster youth employment.

The labour market is constantly evolving, with a growing demand for professionals specialised in technological and digital sectors. The country's universities, including **the University of Montenegro, the University of Donja Gorica and the University of the Mediterranean**, are expanding their educational offerings to meet the needs of the market, with courses focusing on economics, engineering, tourism, ICT and innovation. However, the unemployment rate among graduates remains high, prompting the authorities to strengthen job placement programmes and incentives for companies to hire young talent. **Tourism** is a leading sector of the Montenegrin economy and represents a key opportunity for the development of local SMEs. The government is stimulating the digitisation of the tourism sector, supporting companies that invest in innovative solutions to improve the visitor experience and promote the country internationally. **Green transition** is another strategic objective, with specific incentives for companies investing in renewable energy and low environmental impact solutions. On the regulatory side, Montenegro has **simplified business registration procedures**, aligning with European standards to ensure a more transparent and investment-friendly environment. The time for registering a company has been reduced to a few days and tax incentives

have been introduced for new businesses. In addition, companies located in less developed areas can benefit from an eight-year tax exemption, provided they operate in key sectors and create a minimum number of jobs. Overall, Montenegro is taking significant steps to improve its business ecosystem and strengthen the growth of startups and SMEs. The implementation of policies aimed at digitisation, innovation and sustainability is creating new opportunities for local and international businesses, contributing to the modernisation of the Montenegrin economy. Integration with EU development strategies and increasing cross-border cooperation are also opening new perspectives for the country's future, consolidating its role within the regional economic landscape.

In all these areas, the ILOFORDIGITAL project aims to address common challenges such as the need to increase the innovative capacity of enterprises, improve digital skills and promote cooperation between universities, enterprises and institutions.

TOWARDS A DIGITAL AND CROSS-BORDER ENTREPRENEURIAL ECOSYSTEM

The key and strategic element of ILOFORDIGITAL is the creation of territorial and international networks to foster knowledge exchange, innovation and economic growth. In this context, **the University of Bari**, Lead Partner and territorial representative of Apulia, intends to strengthen connections with neighbouring regions and strategic countries in the Mediterranean, such as **Molise**, **Albania** and **Montenegro**, through institutional collaborations, trade exchanges and joint innovation programmes.

The aim is to create synergies between territories with similar characteristics, improving the attractiveness of the whole area and facilitating the transfer of skills, technology and investments. This process is realised through the promotion of cross-border cooperation projects in key sectors such as environment, innovation, tourism and industry, and through the adoption of measures to various actors, including regional institutions and local government bodies, companies and start-ups interested in operating on an international scale, universities and research centres to foster academic exchanges and innovation projects.

From an operational point of view, ILOFORDIGITAL aims at the creation of an **integrated economic ecosystem** between Apulia, Molise, Albania and Montenegro, facilitating the promotion of technological innovation and research through international cooperation projects.

To realise these objectives, each project partner envisages specific instruments that finance cross-border cooperation projects and mobility plans for students and researchers, aimed at fostering the exchange of expertise and the creation of academic networks. Joint innovation hubs are also promoted to develop shared technologies To support the internationalisation of businesses, incentives are also provided for exports

and the promotion of local products. Finally, the improvement of logistical connections will be pursued through the strengthening of ports and transport infrastructure.

Business development measures and international networking strategies aim to make the regions involved in the project an attractive ecosystem for start-ups and innovative companies, while promoting economic and cultural synergies in the Mediterranean. The integration of these two areas will enable each partner to position itself as a **hub of innovation, sustainability and economic growth**, thus fostering the development of an increasingly competitive and internationally connected region.

COMPARATIVE SWOT ANALYSIS

The regions covered by the *ILOFORDIGITAL* project partners share an economic and business environment characterised by growth opportunities, but also by structural challenges that need to be addressed in a coordinated manner. The **comparison** between the partners highlighted the need for a strategic approach that enhances territorial specificities and fosters a more integrated and resilient digital and entrepreneurial ecosystem.

S	Strengths	W	Weaknesses
Puglia	Advanced R&D ecosystem. S3 strategy. Incentives for innovation.	Puglia	R&I-business collaboration to be consolidated. SME digitisation to be strengthened. Alignment of labour supply and demand.
Molise	Entrepreneurship initiatives. Incentives for start-ups. Business incubator.	Molise	Low enterprise digitisation. Difficulty in finding skilled personnel. Labour demand-supply gap.
Montenegro	Government commitment to digitisation. Tourism potential. EU funds.	Montenegro	ILOs to be strengthened. Limited SME digitisation. Lack of specialist skills.
Vlora, Albania	Alignment with European standards. Demand for digital skills. Support for start-ups.	Vlora, Albania	Limited capacity of ILOs. Poor university-business collaboration. Need for advanced skills.
Korçë, Albania	Government support for entrepreneurship. Online public services. Cross-border cooperation.	Korçë, Albania	Shortage of skilled personnel. TTOs mostly on paper. Low participation in EU projects.
O	Opportunities	T	Threats
Puglia	European funds (PNRR). Digital market growth. Development of innovative supply chains.	Puglia	Shortage of skilled personnel. Talent drain. Infrastructure gap.
Molise	Funding programmes. Development of specific sectors (agri-food).	Molise	Digital divide. Cultural and economic divide with other regions. Depopulation.
Montenegro	Entrepreneurial ecosystem development. Training programmes. Cross-border cooperation.	Montenegro	Political and economic instability. Digital and infrastructure gap.
Vlora, Albania	Government initiatives for start-ups. Growth tourism. Cooperation with neighbouring regions.	Vlora, Albania	Digital infrastructure gap. Brain drain. Bureaucracy and corruption.
Korçë, Albania	Customised training programmes. Demand for digital skills. EU funding.	Korçë, Albania	Political instability. Lack of confidence in digital innovation. Stereotypes and low attractiveness.

Strengths

The **strengths** of the project lie in the presence of universities and research centres with a strong educational offer in the technology sectors, particularly in the regions of Apulia and Molise. IT districts and innovation poles represent key hubs for attracting talent, fostering the development of start-ups and the growth of the digital sector.

The Mediterranean quality of life is a competitive attractor, not only for tourism but also for creating favourable conditions for young professionals to stay. In addition, the increasing focus on digitalisation among the younger generations, especially in Albania and Montenegro, offers significant development prospects.

Cross-border cooperation between partner regions is a further strength, fostering synergies and joint projects for economic and technological growth.

Weaknesses

The most critical **weaknesses** that emerged from the partners' discussions concern the lack of advanced digital skills, which penalises several strategic sectors such as public administration and agriculture.

The difficulty in attracting private investment is a major obstacle, made more complex by inadequate infrastructures and inefficient mobility services. Furthermore, the mismatch between supply and demand in the technology labour market creates a rift that prevents companies from growing and innovating quickly. Last but not least, there is also a lack of confidence in digital innovation among certain segments of the population, especially among entrepreneurs who are less young and less accustomed to technological transformation.

Opportunities

The **opportunities** offered by the European context and regional strategies are numerous and represent an important lever for growth. Technology transfer and stronger connections between universities and businesses can accelerate the transition from research to industrial application.

The presence of emerging sectors, such as aerospace, the blue economy and innovative agri-foodstuffs, offers real room for growth, especially in Apulia. International mobility and

exchange programmes between students, researchers and entrepreneurs foster the circulation of expertise and the development of strategic partnerships.

The increasing focus on sustainability and digitalisation, supported by European funds and national innovation strategies, offers partner regions a competitive advantage that can translate into new development opportunities.

Threats

Threats identified by territorial analyses include the cultural and structural gap with Northern European countries that makes partner regions less attractive for investments and highly qualified professionals. Precarious working conditions, characterised by lower wages and unstable contracts, risk encouraging the flight of talent to more competitive markets.

The weight of stereotypes on Mediterranean regions, perceived as less dynamic from an entrepreneurial point of view, is a further obstacle to the valorisation of human capital and local resources. Finally, geopolitical instability and rapid technological change create uncertainty, making long-term strategic planning complex for the companies and institutions involved.

INTEGRATED DEVELOPMENT STRATEGIES

In light of these considerations, the *ILOFORDIGITAL* project must focus on integrated strategies to strengthen the capacity of local institutions to respond effectively to community needs. The improvement of digital infrastructure, the creation of targeted training paths to close the skills gap and the support of youth and female entrepreneurship are essential elements to promote sustainable growth.

Based on benchmarking, joint development **strategies** should include the need to **improve communication strategies** to raise awareness of the opportunities available at local and European level among citizens and entrepreneurs. Creating clear, targeted and accessible messages is crucial to reach new generations and stimulate active participation.

Furthermore, it is crucial to adopt a **more participatory approach** in development policies, involving local communities in the definition of innovation strategies. Listening to the real needs of territories will reduce the mismatch between demand and supply of skills, improving the effectiveness of support programmes.

Investment in **networking** and **cross-border cooperation initiatives** will be crucial to amplify the impact of local actions and foster the emergence of new partnerships. Access to international markets, the creation of joint research networks and the development of innovative start-ups in a global context can help make partner regions more competitive.

Finally, enhancing the **attractiveness of the region** requires systemic interventions in areas such as welfare, mobility and working conditions. Making these regions more welcoming for professionals and investors means not only improving access to services, but also promoting a development model based on quality of life, sustainability and social inclusion.

The integrated approach outlined by the *ILOFORDIGITAL* project represents a concrete opportunity to overcome structural barriers and build a robust, resilient and internationally oriented digital business ecosystem

Integrated logistics and digital infrastructure

The **integration of logistical and digital** infrastructures between the regions involved in the ILOFORDIGITAL project represents a strategic opportunity to strengthen commercial and technological connections between Italy, Albania and Montenegro. The **improvement of connectivity** between the ports of Bari and Vlora and the **logistics infrastructures** of Montenegro is a key element for the economic development of the Adriatic-Ionian area, allowing for greater fluidity in the transport of goods and people, more efficient management of port operations and modernisation of services through the adoption of advanced digital solutions.

The context analysis conducted in the partner territories has highlighted how logistics and transport represent a strategic sector for regional **competitiveness**, but at the same time an area in which challenges persist related to infrastructure **efficiency**, environmental **sustainability** and **digital integration**. The ports of Bari and Vlora play a fundamental role as exchange hubs between Europe and the Balkans, while Montenegro represents a junction point for trade flows to South-Eastern Europe. However, the port and logistics infrastructures in these areas need work to improve their operational capacity, reduce transit times and ensure more sustainable management of maritime and land traffic.

The project involves close collaboration between public institutions, businesses and universities to ensure that the innovations introduced are aligned with market needs and European strategies for sustainable mobility. The adoption of **policies of cross-border cooperation** between the ports of Bari, Vlora and Montenegro will enable the sharing of know-how and best practices for the development of more modern and efficient infrastructures.

The implementation of these strategies will strengthen the role of the Adriatic-Ionian area as a strategic hub for international trade and advanced logistics. The integration of physical and digital infrastructures will help create a more connected, sustainable and resilient ecosystem, capable of responding to the challenges of the future and promoting balanced and inclusive economic development.

Joint strategy for talent attraction and human capital

Attracting qualified talent and optimising human capital are crucial challenges for the regions involved in the ILOFORDIGITAL project. The phenomenon of the **brain drain**, or the flight of talent to more advanced economies, is particularly relevant in areas such as Molise, Albania and Montenegro, where young professionals often leave their country in search of better career opportunities and more competitive salaries. If this trend is not countered, there is a risk of further impoverishing the local productive fabric and reducing the capacity of businesses and institutions to innovate and compete at an international level. To address this critical issue, the project aims to develop a joint strategy that makes the areas involved more attractive to talent, through the creation of new professional opportunities, collaboration between universities and businesses and the promotion of international exchange programmes.

One of the key tools of this strategy is the definition of shared **policies for attracting talent**, aimed at creating an ecosystem in which young graduates, researchers and highly qualified professionals can find prospects for growth and innovation without necessarily having to emigrate. Integration between the partner regions will enable the construction of a more dynamic **cross-border labour market**, in which skills can circulate freely and find employment in strategic sectors such as ICT, environmental sustainability, agro-industry and digital tourism. Through tax incentives, start-up incubation programmes and scholarships for emerging talent, local governments and the institutions involved in the project will be able to create an environment that favours the return and retention of highly qualified human resources.

At the same time, the project will promote **greater interconnection between universities and businesses**, favouring the creation of training and professional programmes that respond to the real needs of the labour market. The context analysis has highlighted how in many of the regions involved there is a misalignment between the skills required by companies and those offered by traditional study programmes. To bridge this gap, **joint training programmes** will be set up that involve companies directly in defining the curricula and in creating work-based learning experiences. The aim is to make study programmes more practice-oriented, increasing the employability of young people and reducing the mismatch between the supply and demand of skills.

International exchange programmes will play a central role in retaining talent and making partner territories more attractive to professionals from abroad. Through the creation of transnational academic and entrepreneurial networks, young graduates and researchers will have the opportunity to access training and work experience in several countries, developing advanced skills and building professional connections that will help them enter the local job market. These programmes will include internships in innovative companies, joint research projects between universities and international centres of excellence, as well as mobility programmes that allow young people to gain international experience without necessarily having to leave their home territory.

The expected **impact of** this strategy will be twofold: on the one hand, the regions involved will be able to count on a more qualified workforce that is better integrated with the needs of the local economic fabric; on the other hand, the creation of an environment conducive to innovation and professional growth will contribute to strengthening the overall competitiveness of the cross-border economic system. Cooperation between universities, businesses and public institutions will be crucial to the success of the initiative, ensuring a synergistic and coordinated approach to talent management and the development of human capital.

In the long term, the joint strategy for attracting talent and developing human capital will result in an increase in skilled employment opportunities, a greater capacity for innovation on the part of companies and a reduction in the brain drain, thus helping to make the regions involved more resilient and competitive on the global stage.

Development of common strategic sectors (Blue Economy and Sustainable Tourism)

The promotion of the **Blue Economy and Sustainable Tourism** is a fundamental pillar of the cross-border strategy of the ILOFORDIGITAL project. The regions involved share a unique environmental and cultural wealth that can become the driving force for a more sustainable and integrated economic development. However, the context analysis highlighted the need to adopt more structured approaches for the management of natural resources and for the promotion of the territory with a shared perspective, avoiding fragmentation and overlapping in the strategies for tourism and environmental development.

The project involves the implementation of joint initiatives to promote sustainable tourism and common natural resources, promoting development models that are environmentally friendly and at the same time capable of generating economic value and employment. The Blue Economy, understood as the set of economic activities linked to the sustainable use of marine and coastal resources, will be at the centre of these interventions, with particular attention to the protection of biodiversity, the intelligent management of water resources and the promotion of low environmental impact tourism practices.

One of the main objectives is the creation of joint **projects for sustainable tourism**, which favour greater integration between the regions and improve the overall attractiveness of the Adriatic-Ionian area. The strategies will focus on promoting local features such as nature reserves, unspoilt coastlines, marine protected areas and

historical and cultural heritage, through an approach that combines innovation and tradition. The enhancement of the **digital tourism offer**, with the use of immersive technologies such as augmented reality and virtual reality, will improve the visitor experience and make even hard-to-reach places accessible. In addition, the project will support the **creation of cross-border ecotourism itineraries**, encouraging sustainable mobility between the different destinations and promoting outdoor activities such as trekking, cycle tourism and experiential tourism linked to local traditions.

At the same time, **common territorial marketing strategies** will be developed, aimed at creating a unified and recognisable image of the territory. Currently, the tourist promotion of the regions involved is fragmented, with separate campaigns and brands that do not always communicate the complementary nature of the offer. To overcome this critical issue, the project will work on defining a shared visual and narrative identity that can strengthen the perception of the territory as an integrated and sustainable destination. Through coordinated digital campaigns, interactive storytelling and joint participation in international fairs and events, it will be possible to increase the visibility of the area and attract quality tourism, more attentive to sustainability and the discovery of local resources.

Cooperation between institutions, tourism companies and local communities will be essential to ensure the success of the initiatives and to create models of participatory governance in the management of tourism and natural resources. The objective is to build a more resilient tourism ecosystem, capable of facing the challenges related to climate change and transformations in global tourism flows, and to promote a development model that focuses on economic, social and environmental sustainability.

In the long term, these strategies will contribute to strengthening the competitiveness of the regions involved, generating **increasing economic value for local communities** and positioning the Adriatic-Ionian area as a reference point for sustainable tourism and the development of the Blue Economy. The integration of innovative practices and the

creation of a stable collaboration network between the territories will guarantee a lasting impact and promote a harmonious and shared growth process.

CONCLUSIONS AND FINAL REMARKS

The joint and comparative analysis conducted within the framework of the ILOFORDIGITAL project has revealed a constantly evolving entrepreneurial ecosystem, characterised by significant opportunities and structural challenges that impose the need for integrated and coordinated strategies. Strengthening innovation, digitisation and cross-border cooperation emerge as key elements to support the growth and competitiveness of start-ups and SMEs in the regions involved.

One of the main strengths that emerged is the strong vocation for innovation, supported by structured incentives for business support. The regions involved, including Puglia, Molise, Vlora, Korçë and Montenegro, share a growing commitment to promoting entrepreneurship, facilitated by structural funding, European funds and regional development programmes. The improvement of digital infrastructure, the creation of technology hubs and the expansion of incubators and science parks are a pillar for the transformation of the local economic landscape. Furthermore, the strengthening of the synergy between universities, research centres and the private sector is accelerating technology transfer and business competitiveness.

Despite these positive prospects, critical issues remain that limit the full development of economic potential. Access to finance for start-ups, particularly in the early stages of growth, continues to be an obstacle, complicated by rigid bureaucracy and complex credit procedures. In addition, the limited availability of venture capital reduces the ability of companies to expand and compete on an international scale.

The mismatch between the skills required by companies and the existing educational offerings remains a major problem, with an obvious shortage in digital and technological skills. The regions of Vlora and Korçë, in particular, are facing a significant emigration of young talent, thus reducing local innovation potential. Montenegro, while showing signs of growth, also needs more consolidation of the link between research and business to maximise the opportunities offered by digital transformation.

Emerging opportunities arise from integration into European programmes and regional development strategies, which are geared towards strengthening international connections and cross-border collaboration. Cooperation projects, such as those under the EU Strategy for the Adriatic and Ionian region (EUSAIR) Strategy and European cohesion funds, open up prospects for growth through exchanges of best practices, advanced training and access to new markets.

The digital and ecological transition is a strategic lever for the future, with targeted incentives for the adoption of sustainable technologies and innovative solutions. Sectors such as sustainable tourism, renewable energy and the blue economy are acquiring an increasingly central role, particularly in Apulia and the coastal areas of Vlora and Korçë, where the sea economy could become a development engine for start-ups and SMEs.

On the other hand, partner regions face macroeconomic threats and increasingly intense global competition. Market volatility and economic instability may undermine the ability of companies to attract investment and access new financing. Excessive dependence on public funds could also undermine the long-term sustainability of companies, making them vulnerable to possible reductions in European funding.

The infrastructure gap between different regions, especially in Molise, Albania and Montenegro, limits competitiveness compared to better-connected European areas. Talent drain remains a common challenge for all partners, with the risk of losing qualified resources to more developed markets if attractive working conditions and a stimulating business ecosystem are not created.

To address these challenges and ensure a lasting impact, financing strategies for start-ups need to be strengthened by widening accessibility to private capital and simplifying procedures for accessing public funds. Improving digital and physical infrastructure is a priority in order to reduce the territorial gap and increase the competitiveness of the regions involved. Investment in training and upgrading digital skills must be aligned with

market needs, reducing the mismatch between supply and demand. Furthermore, the promotion of policies for the attraction and return of talent can boost the permanence of qualified resources and counteract the *brain drain*.

Apulia, with its *Mare a Sinistra* strategy, proposes itself as a reference model for other regions, enhancing its strategic position in the Mediterranean to attract investment and generate skilled employment. Strengthening the connections between universities, research centres and enterprises facilitates technology transfer and the internationalisation of local companies. Access to European programmes and the creation of collaboration networks on a Mediterranean scale could significantly amplify the growth possibilities of the entrepreneurial ecosystem.

Structured collaboration between local and international actors will have to be a pillar for the adoption of long-term policies capable of guaranteeing the growth of the economic fabric, the creation of new employment opportunities and greater attractiveness of the territorial ecosystems involved. The future of the Mediterranean economy will depend on the ability to build solid connections between local and global realities, strengthening human capital and promoting innovation as a driver of competitiveness.

ILOFORDIGITAL has the potential to become a driver of change, stimulating shared strategies to strengthen the business and digital ecosystem of partner regions. The creation of an integrated strategic vision, involving institutions, businesses, universities and citizens, is key to transforming these territories into globally competitive innovation hubs. Only through a collective commitment will it be possible to promote a development model that combines innovation, sustainability and inclusion, strengthening the position of the Mediterranean regions in the international scenario.

Next steps

In order to create the cross border Digital, entrepreneurial and professional skills network, and starting from the context analysis and the SWOT analysis, the ILOFORDIGITAL partners commit themselves to move a step forward and work closely to reach the following long term actions:

- **Establish a cross-border governance body** composed of representatives from institutions, universities, businesses, and civil society to coordinate actions and monitor progress;
- **Co-design and deliver cross-border training programs**, focusing on digital skills, green transition, business development, and emerging sectors (e.g., blue economy, renewable energy);
- **Promote mobility schemes** for students, young professionals, and researchers between regions to facilitate knowledge exchange and practical learning;
- **Promote, in collaboration with the Regions, the launch of a talent retention and attraction programme**, including incentives for young professionals to stay or return, particularly in Vlora, Korçë, and Montenegro;
- **Promote, in collaboration with the Regions, the strengthening of the digital infrastructure and connectivity** in lagging regions (e.g., Molise, Montenegro, rural Albania), ensuring equal access to innovation tools and platforms;
- **Expand technology hubs, incubators and science parks** through cross-border partnerships, leveraging existing assets in Apulia and other advanced regions;
- **Foster innovation ecosystems** by incentivising collaboration between universities, research centres and private companies to support R&D and technology transfer;
- **Promote the Creation of a cross-border start-up financing platform** to pool resources, connect with venture capital, and simplify access to funding opportunities;

- Lobby for the simplification of the bureaucratic procedures for accessing public funding and European programmes, especially for early-stage start-ups;
- Develop, in collaboration with the Regions, joint investment strategies to attract private capital and international investors to the region;
- Organise regular joint events, such as hackathons, innovation labs, and entrepreneurship bootcamps, to stimulate cross-border collaboration and peer learning; Facilitate the exchange of best practices and successful models (e.g., Apulia's "Mare a Sinistra" strategy) across all partner regions;
- Engage regional and national policymakers to support the integration of ILOFORDIGITAL recommendations into long-term strategies.

Next goals

Thanks to the cross-border cooperation created by the above-mentioned project, one of the next goal is to invite partners to submit new Interreg projects with the aim of **strengthen the logistical connections** between these areas, through investments in physical and digital infrastructures. The creation of new connections and optimisation of existing ones will favour greater intermodality between maritime, rail and road transport, allowing for improved integration of supply chains and reduced environmental impact of the logistics sector. In this context, the digitalisation of port and logistics infrastructures becomes a key element in increasing operational efficiency and guaranteeing better coordination between the players in the supply chain.

The modernisation of logistics infrastructures involves the adoption of advanced technologies for the management of flows of goods and people. The implementation of **digital port management platforms** will optimise loading and unloading processes, reduce waiting times and improve operational safety. The use of systems based on artificial intelligence and big data analytics will enable real-time monitoring of goods movements, predict possible congestion and optimise logistics planning. The integration of blockchain for cargo tracking will ensure greater transparency in commercial transactions and a reduction in bureaucratic inefficiencies. At the same time, the

upgrading of infrastructure for the electrification of ports and the introduction of technologies for the reduction of emissions will contribute to making the maritime and land transport sector more sustainable.

Improvements to digital and logistical infrastructures will have a significant impact on the area's economic dynamics, favouring the growth of sectors linked to exports, advanced logistics and international trade. Local businesses will benefit from a more efficient transport network, which will reduce distribution costs and make products more competitive on international markets. In addition, greater integration between ports and logistics infrastructures will help to stimulate new investments in the transport sector and sustainable mobility, creating opportunities for economic development and employment in the regions involved.