







Towards a Mediterranean development model: micro start-up interoperating network

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# TREnD Project

Kick-off Meeting Reggio Calabria, IT 24-25 June 2019 Atelier di Architettura

#### **Problem**

1. EU policies have to be consistent with the characteristics of the entrepreneurial ecosystems of countries.

Country	Micro	Small	Medium	Large
Italy	95.08%	4.34%	0.49%	0.08%
France	95.08%	4.12%	0.66%	0.15%
Spain	94.08%	4.48%	0.6%	0.11%
Greece	96.79%	2.79%	0.37%	0.06%
Malta	93.48%	5.15%	1.17%	0.19%
Slovenia	94.84%	4.17%	0.82%	0.17%
Croatia	91.94%	6.64%	1.13%	0.29%
Portugal	95.21%	4.07%	0.63%	0.1%

- Family business (85% of the total)
- Main sectors (Food, Accomodation, Tourism, Agribusiness)







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#### **Strategic answers**

Small businesses in the Mediterranean have faced competition in different ways, such as:

- "Clusterisation", obtaining a "critical mass" that allow micro-entities to overcome the competition of large corporations while remaining small enough and maintaining control and management within the company's own family; (District model)
- **Specialisation** in high quality production protected by a strong brand (e.g. "Made in Italy");
- Taking advantage "from" the geographical location;
- Creating paths of **mutual engagement and collaboration** to strengthen the ties of interoperating entities facing the higher level of competition in local and foreign markets.





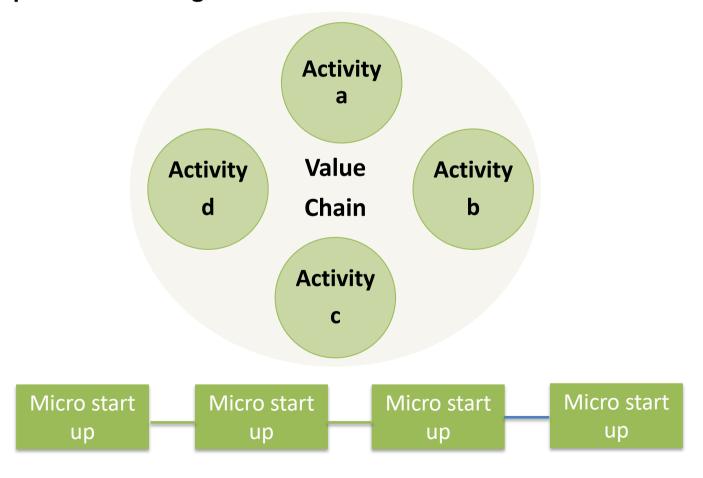


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#### Mediterranean Model. The Value Chain

Stimulate the creation of interoperating micro start-ups which share data, skills, brand and reputation along the "value chain" as a "survival strategy" and means of "competitive advantage"











#### **Paths of Innovation**

#### **Short-term based:**

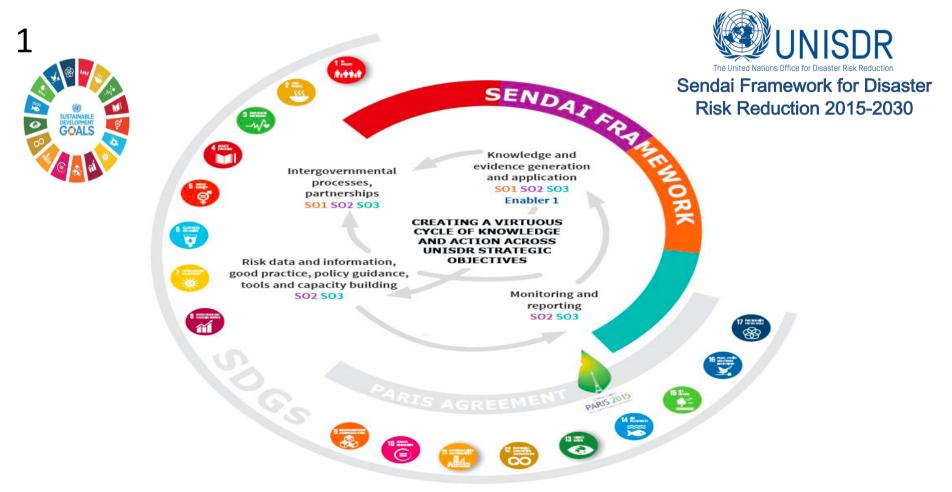
Focusing on a "Mediterranean way" of business creation "tailored" on natural, economic and social features of the area (micro and familiar-based companies)

#### Mentoring for early-bird stage of business creation

#### Mid-long Term approach:

Transition toward "enhanced companies" that have the ability to overcome institutional, legal and financial shortages

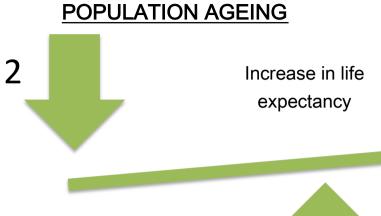
Adopting "tailored" strategies means understand and assess key societal risks and transformations



#### SFDRR Priority n° 2: Strengthen disaster risk governance

Fostering coordination across relevant institutions and actors and by promoting, enhancing and supporting collaborative networks among stakeholders at global, national, regional and local level for policy implementation.

#### The public policy perspective

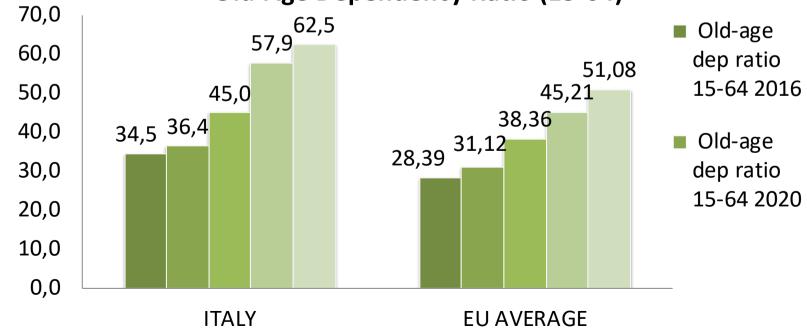


ITALY 19,1 19,5 20,4 21,3	EU Commission: Table III.1.4: Life expectancy at 65 - Men							
ITALY 19,1 19,5 20,4 21,3								
	Country	2016	2020	2030	2040			
EII 19.0 19.5 10.6 20.6	ITALY	19,1	19,5	20,4	21,3			
EU 10,0 10,3 19,0 20,0	EU	18,0	18,5	19,6	20,6			

Increase in social care expenditure in times of financial shortages for PAs

EO Commission. Table III. 1.5. Life expectancy at 65 - Women									
Country	2016	2020	2030	2040					
ITALY	22,5	22,9	23,8	24,7					
EU	21,6	22,0	23,0	24,0					

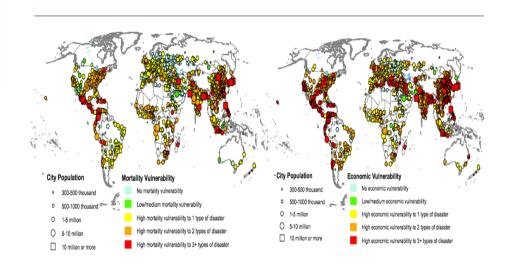
#### **Old-Age Dependency Ratio (15-64)**



#### **Local Government Perspective**

New (?) challenges and wicked policy problems: ("smart") cities and disasters

- Cities are the "missing link" of the model.
- Cities are «in the trenches», in terms of exposure and vulnerability to disasters.
- > 3.5 billion people lives in Cities
- Cities occupy just 3% per cent of the Earth's land, but account for 60-80% of energy consumption and 75% of carbon emissions
- ➤ In the last decade, natural disasters have affected over two billion people. Economic losses are rising — from \$50 billion each year in the 1980s, to over \$400 billion each year in the last decade.
- Local Governments are 'last mile authorities' where, ultimately, decision and enforcements for DRR policies become concrete actions (UNISDR).



#### Points of contact with the smart city domain:



In many cases, "smart cities" failed to plan for future threats:

- lack of planning and preparedness
- Leading to massive damages, public service and critical infrastructure disruptions and losses as a result of disaster events
- Disaster risks management requests "moving beyond a purely techno-centric understanding of the phenomenon"
- Transition from reactive and techno-centric to **holistic**, *integrated* and <u>collaborative approaches</u>

A «smart answer» is needed!





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#### The Public Policy Dimension of the problem

- Public policy fragmentation and ineffectiveness, together with a certain sense of mistrust towards local bureaucracy prompt the adoption of innovative strategies, rooted on the idea of multi-level and collaborative governance
- Service **co-production**, civic engagement and ICT exploitation are key success factors that enable public value creation.
- Resilient approach that empowers (civil) society to be able engaging with and adapting to change and uncertainty when facing risk and complexity
- Assuming a proactive and forward-looking mindset that goes beyond recovery and 'bouncing back initiatives', seeking to build (ex ante) and enhance (on-going) community capacity when facing external shocks.
- *Collaborative decision-making process* to mitigate the complexity of many policy sectors and to tailor strategies and solutions to societal risks.



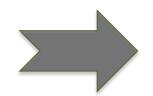




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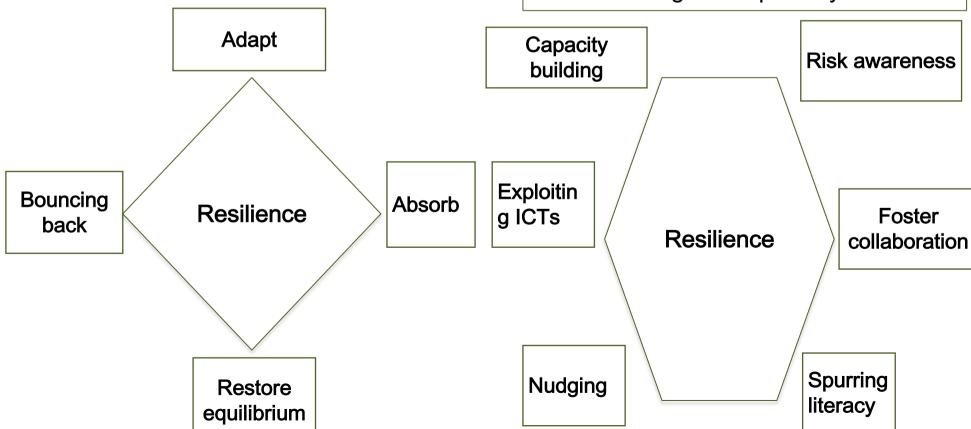
#### REACTIVE APPROACH

Learning from the shock Restoring equilibrium



#### PROACTIVE & HOLISTIC APPROACH

**Building Resilient Cities** Influencing community' behaviours Fostering start-up ecosystems









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- Key role of accounting and information systems for integration and coordination of the activities and of the whole system
- Disasters, urbanisation and ageing challenges might "foster" urban regeneration and the creation of start-up at local and regional level
- Exploiting the "collaborative advantage" and the replicability of the Mediterranean model at different scales, sectors and contexts (agribusiness, tourism, ICT, social care services, transport etc.) despite geographical and linguistic barriers.
- Foster mechanism for enhance city attractiveness, achieving systemic social change and disseminating social value

## Thanks for your attention Domenico Nicolò & Carlo Vermiglio