



Good practice

Invest in Alentejo Initiative

Working Group: Territorial

Member State, Region: Portugal, Alentejo

Thematic areas: Competitiveness and Innovation, Jobs and Skills



Basic project details

Lead organisation:

ADRAL - Alentejo Regional Development Agency - Portugal

Partner organisations:

ACOS, AED Cluster Portugal, Aicep Global Parques, APS, A Comunidade Intermunicipal do Alto Alentejo, Comunidade Intermunicipal do Alentejo Central, Community services/non-profits in GRÂNDOLA, Comunidade Intermunicipal do Baixo Alentejo, EDIA, ERTA, IPBeja, IPPortalegre, University of Évora, and all the municipalities in Alentejo.

Initiative duration: January 2016 – Ongoing

Overview and objectives

The initiative seeks to position the Alentejo region as an attractive destination for foreign direct investment (FDI), with the goals of driving sustainable economic growth, enhancing the competitiveness of small and medium-sized enterprises (SMEs), and promoting economic diversification. Building on the successes of previous initiatives, it aims to leverage existing networks and relationships while showcasing the region's key infrastructure, research and development capabilities, and business sectors in alignment with the region's Smart Specialisation Strategy (EREI). Additionally, the initiative focuses on increasing the region's international visibility, fostering strategic partnerships, and empowering local businesses to expand into global markets. It also aims to address the challenges posed by demographic changes and the decline in the population of tertiary-educated individuals.

Key objectives includes attracting significant foreign direct investment that surpassed initial expectations, fostering collaboration, and strengthening networks among essential regional stakeholders.

Context

The initiative intends to address the following challenges and limitations:

- The region faces low population density and an ageing demographic, which hinder economic growth and social dynamism;
- A small regional market and limited economic mass restrict business opportunities and the attraction of investment;
- The business structure is fragile, characterised by a predominance of micro-enterprises and limited cooperation, which impedes innovation and competitiveness;
- There is a pressing need for improved skills and innovation to enhance the region's competitiveness and attract high-value investments.

Target groups

The target group of the initiative focused on enhancing the competitiveness of SMEs and promoting economic diversification in the Alentejo region.

Actions

Investment promotion, strategic partnerships, and international visibility campaigns.

Financial allocation

Total budget: Ca. EUR 2 000 000

EU co-funding: Yes

Sources of funding:

- EU funding: EUR 1 700 000 via the Alentejo 2020 / Alentejo 2030 ROP - ERDF (2014-2020) / ERDF (2021-2027)
- Private funding: EUR 300 000



Working Group Insights

“In agreement with the other members of the Territorial WG, I selected the “Invest In Alentejo Initiative” for its comprehensive approach to attracting foreign direct investment (FDI) and promoting economic diversification in the Alentejo region. It builds on the successes of previous initiatives, showcasing the region’s key infrastructure, Research and Development (R&D) capabilities, and business sectors. The initiative addresses the challenges of demographic change and declining tertiary educated populations by promoting sustainable economic growth and enhancing the competitiveness of small and medium-sized enterprises (SMEs).

By establishing the Alentejo region as an attractive destination for FDI, the initiative has driven sustainable economic growth, enhanced the competitiveness of SMEs, and promoted economic diversification. This has led to increased job opportunities, development of new skills, and improved infrastructure, making the region more appealing for talent attraction, development, and retention”.

DANIEL JANEIRO

Coordinator of the External Relations and Foreign Investment Department at ADRAL – Alentejo Regional Development Agency

Results

The initiative has yielded several key results that demonstrate its effectiveness.

- **Attracting significant FDI:** Successfully drawn substantial foreign direct investment, exceeding initial expectations;
- **Fostering collaboration:** Strengthened networks and fostered collaboration among key regional stakeholders;
- **Promoting international visibility:** Effectively promoted the Alentejo region internationally, increasing its visibility and recognition in strategic sectors;
- **Facilitating internationalisation:** Assisted local businesses in expanding into global markets through internationalisation efforts;
- **Diversifying the regional economy:** Contributed to the diversification of the regional economy by attracting investment in various sectors.

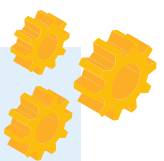


Success factors

- **Strong institutional leadership:** ADRAL's leadership and experience in regional development ensured effective coordination and implementation of the initiative.
- **Strategic partnerships:** Collaboration with regional stakeholders, including businesses, municipalities, and other entities, fostered a cohesive approach.
- **International networks:** Leveraging international networks, such as the European Association of Development Agencies (EURADA), facilitated access to knowledge, best practices, and potential investors.
- **Targeted approach:** Focusing on key sectors aligned with the region's strengths and opportunities ensured effective resource allocation and maximisation of impact.
- **Effective communication:** A comprehensive communication strategy promoted the region's investment potential and attracted international attention.

Implementation challenges

- **Some areas experience low tourist density,** impacting economic opportunities.
- **Maintaining momentum during the Pandemic:** The COVID-19 pandemic disrupted international travel and investment activities, necessitating adjustments to the initiative's timeline and strategies.
- **Addressing regional disparities:** Ensuring that the benefits of FDI and economic growth reach all parts of the Alentejo region, including less developed areas.
- **Skills development:** Ongoing efforts are required to adapt the skills and knowledge of the workforce to meet the demands of new investments and industries.
- **Promoting long-term sustainability:** Balancing economic growth with environmental protection and social inclusion is essential for the initiative's long-term success.



The conclusion of our expert Daniel Janeiro, Coordinator of the External Relations And Foreign Investment Department at ADRAL – Alentejo Regional Development Agency

“The key highlight of the Invest In Alentejo Initiative is its comprehensive approach, encompassing investment attraction, SME competitiveness enhancement, and economic diversification, all while aligning with the region’s Smart Specialisation Strategy. The success of this best practice is mainly based on the fact that we did not try to reinvent the wheel -we based this initiative on the successes of previous initiatives”.

Useful sources

Official website: <https://investinalentejo.pt/en/>

Contact

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Website: https://ec.europa.eu/regional_policy/policy/communities-and-networks/harnessing-talent-platform_en

