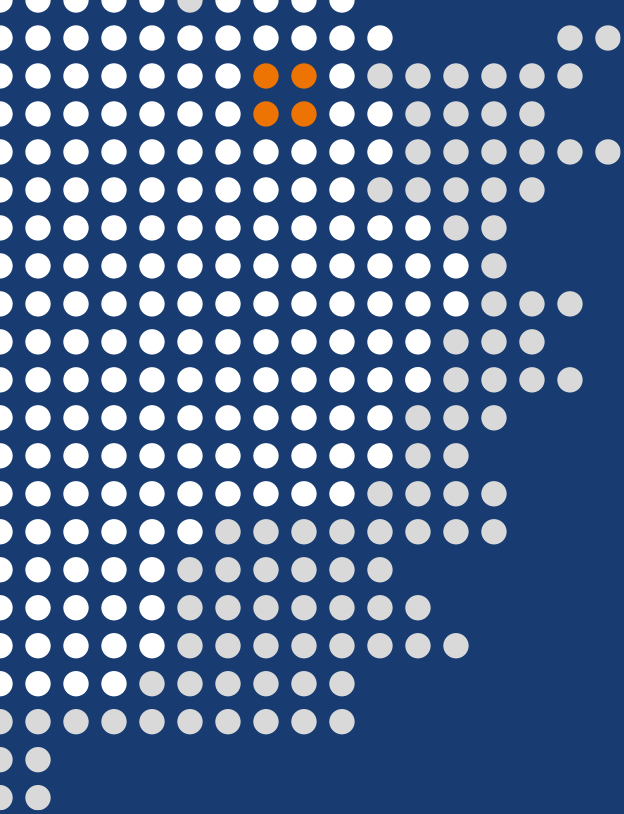




EXECUTIVE SUMMARY



# Executive summary

## 1. Introduction: The new map of Italy and the reasons behind the impact of the COVID-19 pandemic on the country's regional diversity

The publication of the second "Think Tank Basilicata" report coincides with a year which will remain in global memory, given the seriousness of the pandemic which has devastated it. The sudden arrival of this public health crisis has highlighted the intrinsic weaknesses of—especially Western—social-economic systems which, thanks to medical, scientific and technological progress, believed themselves "immune" to health risks relegated to less-developed areas of the world or times long-past. Faced with what were first health-related and then unprecedented economic and social consequences, the COVID-19 emergency has once again placed front-and-center the **role of the responsibilities of national, regional and local government and institutions** that are called upon to make unpopular choices in an on-going trade-off between safeguarding the health of individuals and protecting the economy.

For more than 70 years, the story in Italy has centered around the **North/South dichotomy**. It has always been split in two and these two parts have always co-existed in opposition: the metaphor of the North as the nation's "locomotive", hindered by the slow cars of the South of Italy, has become common knowledge, incontrovertible, around which economic policy is shaped. And as a result, over the last 20 years, public sector investment in the South has decreased by 27%. The principle—established by law—which mandates that at least 34% of public sector investment must be allocated to southern regions, was only reinstated at the end of 2019 in the "Milleproroghe" (Extension) Decree.

For an instant, COVID-19 has **redrawn this time-honored map**. The color-coding of the regions no longer follows the North/South pattern. It is dictated by the intensity of infection and although it is true that in the first wave the South has actually "spared" (triggering the exodus from the North to the South which many felt was a "betrayal"), in November 2020, Lombardy and Calabria—respectively, the richest and poorest regions—found themselves in the same "sick" group and, therefore, tinged "red". The reasons for this are striking. The former region because of how hard it was hit by the pandemic and the latter because—despite lower statistics—it lacks a healthcare system able to guarantee adequate response.

In essence, in the South, the pandemic has brought to the fore the structural weaknesses. Everyone has recognized this intrinsic weakness, a more pronounced state of inadequacy and ingrained problem areas that have required painful preventive measures.

Re-appraising the country's development policies, re-drawing the limits of growth—exactly as COVID-19 has derailed the old story of North vs. South in Italy—must be a goal to pursue **concertedly** and **methodically**.

In this case, method has much to do with **ideas**. When a crisis hits, the reactions depend on the ideas that are developed and, as painful as the crisis may be, it can be the harbinger of potential change. Relaunching the South is a function of "hard" (infrastructure, productive assets, etc.) and "soft" (human resources, knowledge, social fabric, etc.) aspects, but it is also a function of the quality and efficiency of the relationships and organizational structures which connect these elements and allow them to function by feeding productive activity and generating economic

and social growth. In Basilicata and all regions of Italy's south, the Mezzogiorno, this positive cycle is still too weak. Growth forecasts indicate a South which is very vulnerable, that has been hit hard by the effects of the pandemic, with a -9.7% drop in 2020 GDP. Concerning Basilicata, the effects will be even more amplified: according to the forecasting model of The European House - Ambrosetti in 2020 the regional GDP will fall between -9.9% and -12.5% in the worst scenario. Although it is true that GDP could be considered increasingly less a perfect measure of well-being of a community, there is no question but that this drop highlights an area that is suffering, especially in its internal zones that have always been more vulnerable because they do not attract the attention of government and institutions and are **far-removed from the opportunities for renewal and relaunching**.

This is the context in which the second Think Tank Basilicata initiative has been organized. While its first report, "Energy for a Sustainable Future", was published in January 2019, just as Matera and Basilicata were facing a dynamic year as the European Capital of Culture, this 2020 report is being published at the conclusion of a year of mourning and fatigue. A year in which uncertainty about the future risks overshadowing any relaunch initiative, and action towards transformation. This is why, despite everything, the Think Tank Basilicata initiative has not missed a beat. It has made full use of every digital and innovative means possible to allow the public, business and government to have a place to discuss and capitalize on their ideas.

## 2. The second Think Tank Basilicata

The Think Tank Basilicata initiative was created in 2018 with the specific mission of developing a vision for the future of the Basilicata Region based on new directions for development and actively involving leaders in business and government and the community at-large and, through the initiative's ideas and proposals, triggering a concrete process of catalyzing the most positive energy and resources in Basilicata and southern Italy.

Work during the second year of the Think Tank Basilicata consisted of analysis combined with opportunities for listening, discussing and comprehending, as well as studies and proposals to bring together the various components of the region's political and social-economic framework. Specifically, its work involved:

- reuniting of the **Advisory Board** to identify strategic and operational approaches to capitalize on the region's competitive assets from an inclusive and sustainable perspective; The members of the Advisory Board are:

- Massimiliano Cesare (President, F2I SGR; President, Invitalia – Mediocredito Centrale);
- Valerio De Molli (Managing Partner and CEO, The European House – Ambrosetti);
- Enrico Giovannini (Professor, Economic Statistics, University of Rome "Tor Vergata"; ASviS spokesperson; former President of ISTAT and Minister of Labor and Social Policy);
- Roberto Pasolini (Deputy CEO & CSR, Total E&P Italia);
- Claudia Pingue (Head of the Technology Fund, CDP Venture Capital; General Manager, PoliHub);
- Gianni Riotta (Executive Vice President, Council for the United States and Italy; Pirelli Visiting Professor, Princeton University);
- Carsten Sonne-Schmidt (Country Manager, Total Italia; CEO, Total E&P Italia).

- organization of **four local Working Groups** designed as in-depth meetings with a number of local players (the business community, government and institutions, associations, research network and opinion leaders) to gather points of view and suggestions regarding the development path;

- organization of one-to-one meetings with regional and national players to gather **ideas and suggestions** from representatives of government, associations and the business community in Basilicata and southern Italy, and to examine the region's **opportunities for development**;

- preparation of the **2020 Report**, which contains:

- an updated picture of the **strategic-competitive reference scenario in Basilicata** to identify the region's structural needs by undertaking surveys of Basilicata and its economy using the most recent data available to offer an up-to-date picture of the reference context, highlight current trends and bring to the fore new aspects in the changes in social-economic dynamics;
- examination of **case studies and international benchmarks** to identify and analyze a number of examples tied to models, instruments and solutions utilized in other countries;
- preparation of **proposals** and **guidelines** to implement the vision developed for the region;

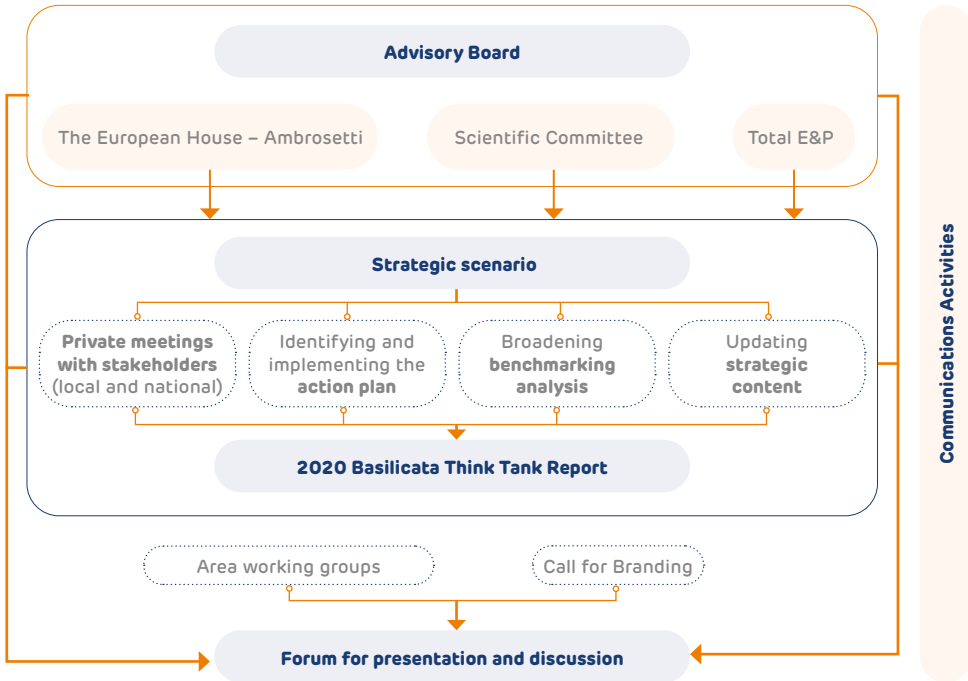
- organization of an **internationally-oriented public forum** (in digital format) to present the project results and proposals that would involve local and national political and business leaders, as well as leading foreign players.

The activities of the second phase of the Think Tank Basilicata also includes the **"Power2Innovate" Call for Ideas**, an initiative to promote southern Italy's startups and aspiring entrepreneurs with innovative ideas of great potential that could be applied in Basilicata. The end-goal is to provide a tangible sign in support of relaunching the region's social-economic fabric, especially given the generally difficult situation in which entrepreneurship, innovation and sustainability could represent the means for looking to the future. Specifically, this initiative included the involvement of the entire innovation and research network in southern Italy and the nation in general, culminating in the awarding of the six best ideas for the development of sustainable solutions that could be applied in Basilicata in those areas coherent with the region's strategic competencies: high-tech industry, agrifood, cultural heritage and tourism. The "Power2Innovate" Call for Ideas meets the commitment of the Think Tank Basilicata to focus on the ideas

and entrepreneurial strength of talents from which to draw the energy and spirit needed to develop the region. For this reason, the projects selected will become part of a six-month entrepreneurial acceleration program designed to hone the business model designed and developed by the Innovation & Technology Hub of The European House – Ambrosetti.

**Figure I**

Structure and activities of the Think Tank Basilicata initiative.  
 Source: The European House – Ambrosetti data elaboration, 2020.



The operational aspects of the project are overseen by The European House – Ambrosetti Working Group, comprised of: Cetti Lauteta (Project Leader and Manager of the Scenario for the South); Nevia Andrisani (Project Coordinator, Scenarios and Intelligence Area); Andrea Merli (Consultant, Scenarios and Intelligence Area); Vera Scuderi (Consultant, Scenarios and Intelligence Area); Giulia Tomaselli (Analyst, Scenarios and Intelligence Area); Luca Celotto (Analyst, Scenarios and Intelligence Area); Emanuela Verger (Senior Consultant, Events Area); Alice Vertemati (Secretary, Events Area); Rina Percio (Project Secretary).



### 3. Regional competitive position observatory as part of the “Basilicata: Energy for a Sustainable Future” vision

In the first report, the analysis of the socio-economic context in Basilicata provided an opportunity to map the **strong points** (strategic competences) and **weak points** (strategic needs) of the region, leading to the identification of a **vision for future development** that focuses on the concepts of sustainability, inclusiveness and innovation:

#### **Basilicata: Energy for a Sustainable Future**

“Becoming one of the most **sustainable** regions in Italy and Europe, continuously involved in the construction of an **inclusive society**, to safeguarding the **environment** and fostering the growth of the **agrifood and tourism chains** by focusing on its natural and cultural assets and on the contribution of its **youth** and **industry** to attractiveness, innovation and growth.”

This definition of the vision for Basilicata derives from the application of The European House – Ambrosetti local strategy methodology. According to this model, the strategic vision is the presaging of **what a region intends becoming** in the future and its development model, based on shared priorities, its vocation and unique expertise. The vision is based on the region’s **strategic competencies**, i.e., the **assets** it possesses. Specifically, at least **3 strategic areas** were identified to be promoted and used to plan Basilicata’s development: the strategic role of medium-large companies and capital-intensive supply chains; agriculture and agrifood as opportunities for the region; and Basilicata as a hub for tourism and the arts and culture industry.

Today, the opportunity to realize the “Energy for a Sustainable Future” vision is **more relevant than ever**. This is because it places comprehensive **regional sustainability** as the central issue. In other words, balancing the competing needs of the push towards technological and economic progress on the one hand, and the need to promote and preserve the individual and the local area, on the other.

This vision was developed with the goal of answering **Basilicata's 10 strategic requirements** identified during Phase 1 which—over the course of this year—were reinterpreted with the contribution of members of the Advisory Board. In particular, a **permanent monitoring dashboard** of the “8 thematic areas + 3 horizontal factors” was created as a strategic support tool available to government and institutions and decision-makers in measuring the progress, verifying the efficacy and efficiency of the actions taken and introducing corrections in the areas identified as being essential for the region’s development around its strategic competencies (high-tech manufacturing, agrifood, cultural heritage and tourism). The dashboard is comprised of **8 thematic areas**, i.e., the region’s sector-related needs, and **3 horizontal factors** which are the across-the-board, enabling factors of the thematic areas. **The Sustainability Roadmap referred to by the United Nations** and the National Sustainable Development Strategy for Italy (SNSvS) were taken into account when developing the dashboard. Overall, Basilicata ranks 15<sup>th</sup> in the general index of the “8 thematic areas + 3 horizontal factors” developed by the Think Tank Basilicata.

**Figure II**  
Basilicata's “8 thematic areas + 3 horizontal factors” Source: Think Tank Basilicata, 2020.



The general index provides an overview of the region's ranking. However, to gain a better understanding of what determines Basilicata's standing in relation to the "8 thematic areas + 3 horizontal factors" (and, therefore, be able to develop the strategic choices for the region), the individual composite indicators and their KPIs must be analyzed. The dashboard is constituted, in fact, of **63 Key Performance Indicators** (KPIs) that are updated annually and cover a 5-year period, for a total of over **6,600 pieces of information** held in the Think Tank Basilicata database. After being normalized, the individual indicators constitute the basis for elaborating the various **composite indexes** for each thematic area and horizontal factor.

The dashboard's 63 indicators show slight progress in the region which has improved compared with the previous five years in **48%** of the KPIs. In addition, from analysis of dashboard results, a **polarization** emerges in Basilicata's ranking in the "8 thematic areas + 3 horizontal factors". Basilicata's ranking is concentrated in the extremes of the standings (primarily the worst), while there are few thematic areas in which it is ranked in the middle.

Specifically, it is the **#1 region** in Italy in the thematic area of promoting its **industrial competitiveness** in the region's strategic sectors, proof of Basilicata's **strong industrial proclivity**. Basilicata is ranked #1 in Italy for **growth in real GDP per person employed** between 2016 and 2017, with cumulative growth between 2010 and 2017 of +13.7 percentage points. In terms of industry, Basilicata is also #1 in Italy for **added value in industry** compared with the economy as a whole: **32.4%** vs. the national average of 23.9%. The strategic role of **medium-large companies and capital-intensive supply chains** is confirmed in a strategic area of the region and the industrial plants in the region can act as stabilizing factors and facilitators in promoting the transition towards a new economy that is more innovative and sustainable by aiding in the building of small- and medium-sized companies which are able to take part in larger value chains.

The region is also ranked well in the thematic area involving promotion of **agrifood and tourism supply chains** as local, national and international "attractors", where it ranks **3<sup>rd</sup>** after Apulia and Calabria. In terms of agrifood, Basilicata is in **2<sup>nd</sup>** place in

Italy (after Molise) for **added value generated by the agrifood sector** compared with the economy as a whole, at 7.3% (3.3 p.p. more than the Italian average). For tourism, Basilicata is the **#1** region in Italy for growth of foreign tourists compared with 2010: **+197.1%** in less than ten years. Unquestionably, Matera – 2019 European Capital of Culture played a major role in this, but Basilicata's first place ranking had been **consolidated earlier**. In fact, in 2018, the rate of growth of foreign tourists compared with 2010 was 167%, higher than any other region.

Regarding the thematic area of reorganization of the **public health system** towards a **local and decentralized model**, Basilicata is **9<sup>th</sup>** on a national level, within a "**mixed picture**". In fact, the region is **#1** nationally for **flu shots administered to those over 65 years of age**. On the other side, however, the region is ranked near the bottom in a number of KPIs, starting with **life expectancy in good health at birth** (19<sup>th</sup> and among the regions in which it has risen less in recent years), **number of physicians per 100,000 inhabitants** (18<sup>th</sup>) and **hospital beds available** (17<sup>th</sup>).

It also has a poor ranking in the thematic area of **combating the migration of young people**, where the region is ranked 16<sup>th</sup> nationally. The emigration of young people represents an enormous **social and economic loss** for the region. In fact, in Basilicata, the combination of a low birth rate and youth migration has resulted in a loss of **38,000 young people** (between the ages of 18 and 30) over the last 20 years, the equivalent of **6.9% of the population**.

Also, in the thematic area of upgrading **infrastructure** (in all areas), Basilicata is seriously behind the rest of the country and ranks **16<sup>th</sup>** nationally in this composite index. Its infrastructure is insufficient, as shown by statistics for local services: 19<sup>th</sup> region in Italy for **seats/km** offered by local transport (1,122 per inhabitant, 4 times less than the national figure), **17<sup>th</sup>** for families with public sector **connection problems** (4<sup>th</sup> worst, given this is a reverse indicator, and it continues to worsen), **17<sup>th</sup>** for families with wide band **connection** (5.3 p.p. lower than the Italian average, although it is rising) and **13<sup>th</sup>** for **water distribution** problems.

These statistics show that action must be taken to improve **governance and "team work"**, including with neighboring regions, one of the horizontal factors identified for the region's development, in which Basilicata is ranked worse—in **last place** on

a national level. According to the European Quality of Government Index, Basilicata ranks **18<sup>th</sup>** in Italy in the **Public Administration quality** pillar (20 out of 100 and half of the Italian figure) and **19<sup>th</sup>** regarding corruption (8 out of 100, just a little over one-third of the Italian figure). It is also the **#2** region where **civil cases** are the longest (**765 days**, and although the number is diminishing, it is still nearly a year longer than the Italian average).

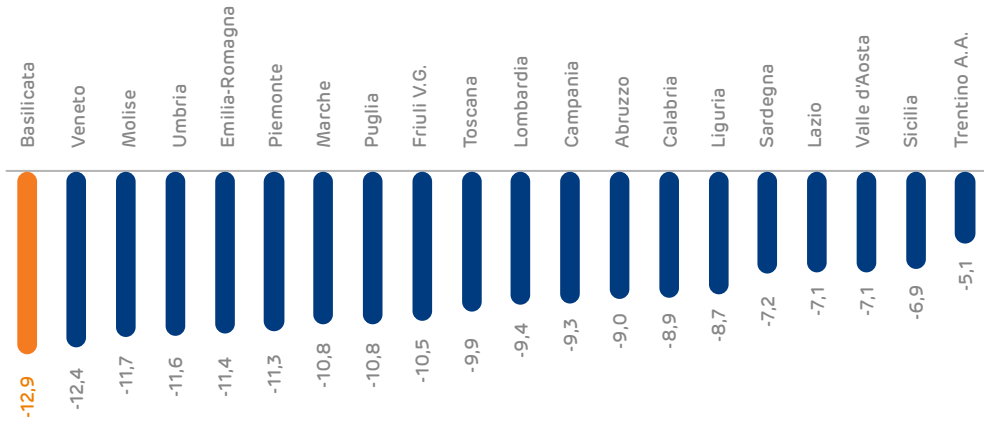
It is in this context, already characterized by a number of difficult aspects, that the COVID-19 pandemic emergency hit. From a public health and epidemiological standpoint, in the first phase of the emergency, **Basilicata's** capacity to fight the spread of the virus was excellent, thanks to its competence and rapid response of the regional government in implementing initiatives that were followed by the population, a characteristic of the local culture. The region's environment also acted in its favor (open spaces, small and well-distributed communities, etc.). In fact, in terms of **managing the emergency**, Basilicata showed itself to have a number of advantageous aspects. **Low population** and a population concentrated in **small, isolated towns** facilitate the ability to control potential danger and, if necessary, isolate any areas of high-risk. In a certain sense, these elements (which are often considered to be negative), in this context, improve the resilience of the region.

The public health emergency connected with the spread of the COVID-19 pandemic quickly became an unprecedented **social-economic crisis**. In October 2020, the *Economic Outlook* of the International Monetary Fund forecast a baseline scenario of a worldwide **collapse in GDP** for the current year of 4.4%, compared with the 3.4% increase estimated before the COVID-19 emergency. Italy is no exception to this with an estimate for 2020 of **-10.8%**, according to the **model developed by The European House – Ambrosetti**. It would be the third-worst year in over 150 years, bringing the absolute value of GDP to 1996 levels. Alongside the impact on GDP, the spin-offs for employment are just as significant. In the first six months of 2020, **800,000 jobs** have already been lost, compared with the same period in 2019. Despite the ban on firings introduced by the government during the pandemic and extended along with unemployment benefits because of COVID-19, OECD forecasts predict a loss of **up to 1.5 million jobs**.

**Figure III**

Reduction in Gross Domestic Product in Italian regions compared with 2019 (p.p.), 2020e.  
 Source: *The European House – Ambrosetti elaboration based on SVIMEZ regional forecasts, 2020.*

Despite the fact that, in the initial phase, the public health crisis affected primarily some northern regions, the economic effects of the pandemic involve all Italian regions and, in fact, the regional forecasts developed by SVIMEZ<sup>1</sup> for 2020 indicate a nation **“united” by an unprecedented recession**. In **southern Italy**, an average decrease in GDP of **8.2%** is expected, although with some major regional differences due to specific characteristics of the productive system and varying levels of economic integration in the regions. First place for the drop in GDP for this COVID-19 year goes to **Basilicata (-12,9%)**, despite the fact it was only marginally affected by its spread, followed by Veneto (-12,4%), one of the regions worst-hit by the virus.



<sup>1</sup> SVIMEZ is the association for industrial development in southern Italy. It is a private sector, non-profit association founded on December 2, 1946 whose purpose, according to its by-laws, is to promote, in the spirit of efficient national solidarity and with a unified perspective, the study of economic conditions in Italy's south in order to propose concrete action plans.

These impacts are part of a pre-COVID-19 context whose trends indicated a **partial recovery in southern Italy between 2014 and 2018** following years of a major drop in GDP. Specifically, **Basilicata** had demonstrated a significant ability for recovery, with a **cumulative growth in regional GDP of 12.5%** over the period 2014-2018, and it is the only region in the South that returned to 2008 GDP levels, with a positive differential between the value for 2018 and that before the financial crisis in 2008. Therefore, the current emergency risks **interrupting the significant growth trend seen in Basilicata in recent years**, which would have major impact on certain sectors, in particular the **automotive** sector.

From the standpoint of employment, 240,000 jobs had already been lost in southern regions of Italy in the first six months of 2020, accounting for 62% of the total unemployment estimated by the end of this year, although with different dynamics from one region to another. While the downward trend is confirmed in all the regions, in the first half of 2020 the economic fabric of Basilicata reported a much lower job loss rate than the average for southern Italy and even for many of the other southern regions. The data for **Basilicata** show a **reduction of 1.9% in the number of people employed** compared to the previous year, plunging all the way to the extreme figure of 6.9% for Calabria.

The recovery stage of 2021 is expected to be even more varied on a regional basis with respect to the impact of COVID-19 in 2020. If the **rebound of Italian GDP in 2021** is as high as the forecast +4.6%, according to SVIMEZ the **recovery of southern Italy as a whole will be only half (+2.3%)** that of the Central and Northern regions (+5.4%). The three northern regions leading the recovery of Northern Italy are Veneto, with +7.8%, Emilia-Romagna with +7.1%, Lombardy with +6.9% and the Trentino region, which is only Italian region expected to recover – in just one year – all the GDP points lost in 2020. With reference to the regions of southern Italy, **the most reactive in 2021 will be Basilicata**, where the GDP is expected to grow by 4.5% in 2021, compared to 2020, despite the permanent gap of 8.1 percentage points with respect to pre-crisis values.

In this framework, characterized by different challenges for the future of southern Italy and Basilicata, the crisis generated by the COVID-19 emergency may actually be a turning point and provide the opportunity for rethinking the entire model of development of the area. This unprecedented historical epoch could turn out to be a new starting point to transform some of the weaknesses that have historically plagued growth in the south, and particularly in

the Basilicata region, into strong points in a **process of building value** for the positive features of the region. From the standpoint of its socio-economic context, until now Basilicata has been able to count on a number of distinctive strong points: its **employment rate** is one of the highest in the south (51.5% at the end of 2019 compared to the average of 45.1% in southern Italy) and its exports account for a significant portion of added value (23%). Moreover, the productive system of Basilicata boasts the presence of several **major multinational companies** (FCA, Total, ENI, Ferrero, Barilla, etc.) that serve as elements of stability and resilience within the local economic system.

In an **evolutionary view of society**, in the medium/long-term prospect of the post pandemic scenario, there is a clear need to "make good use" of the lessons that the COVID-19 emergency has brought to light. No one wants to go back to the world of "before", which was caught unprepared and was so quickly overcome by the pandemic. The COVID-19 emergency can, indeed, give new **transformative impetus** to economic models, opening the way to the great challenges and opportunities that are waiting to be seized. The vast resources necessary to achieve this can be found concretely in the **Next Generation EU Plan**. This is particularly significant for the regions of southern Italy that even in the period prior to the COVID-19 outbreak had still not completed their alignment with the average national growth rates.

The European institutions reacted with energy to the challenges posed by the emergency, reaching important **agreements on the use of tools and solutions**. Between the end of April and mid-July 2020, the European Union assembled a toolkit for the relaunch and resilience of the economies of the European Union, which they dubbed Next Generation EU, allocating funds for €750 billion, which will go to integrate the budget of the Multiannual Financial Framework (MFF) that the Union is making available to the member countries for the seven-year period 2021-2027. In addition, for the first time in the history of the EU, part of these resources will be financed through issuance by the European Commission, of **Eurobonds**. The member countries will be able to benefit from a total of about **€1,850 billion** in the 2021-2027 period. According to the projections of the Ministry of Economy and Finance, based on agreements at the European level and still in the process of negotiation<sup>2</sup>, Italy should be able to benefit from about **€205 billion** in the next

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<sup>2</sup> The parameters taken into consideration are: population, per capita GDP; for the first two years, the average unemployment rate between 2015 and 2019, while from 2023 this criterion will be replaced by the reduction of the national GDP between 2020 and 2021 as a result of the pandemic.



six years<sup>3</sup>. The Italian government has prepared and sent Parliament its guidelines for the National Recovery and Resilience Plan, dividing them into **six mission designations**: 1) digitalization, innovation and competitiveness of the productive system; 2) green revolution and ecological transition; 3) infrastructures for mobility; 4) education, training, research and culture; 5) social, gender and geographical equity; 6) health.

Within this basic outline, southern Italy will be the area to benefit the most from the resources made available by the European bodies. In fact, of the €65 billion in subsidies provided by the European Recovery Plan, **34% will have to go to southern Italy**. These resources will be integrated in a complementary manner by regional and national co-financing which should amount to about €80 billion. In this scenario, the resources available to southern Italy for the seven-year period 2021-2027 could reach **€140 billion**, or 1% of the Italian national GDP. However, the ability to implement a change, exploit the opportunities offered and develop the projects identified, will depend first of all on the system of **governance** and its **ability to manage the resources** at its disposal. In this connection, it is important to point out that the funds allocated in the latest round of European financing (2014-2020) at the end of 2019 are only 82% of the funds available.

In addition to the European resources, there are also vast energy resources, an important asset for the Region that is home to the **largest onshore oilfield in Europe**, on which there are two concessions: Val d'Agri (granted in 2001) and Gorgoglione (granted in 1999). Between 2010 and 2019, the resources collected by the region in the form of royalties from just one of those concessions, Val d'Agri<sup>4</sup>, generated an average income flow of about **€108 million annually**, equivalent to about a third of the regional expenditure for transportation and mobility rights. In the last ten years, the Basilicata Region has collected **over €1 billion in the form of royalties**. On the basis of an estimate made by the Think Tank Basilicata and considering the full-scale production of the two existing concessions, Centro Oli Val d'Agri and Tempa Rossa, it calculates that Basilicata can count on resources for a little more than €1 billion (in the mid-term scenario).

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3 The final value may undergo some changes based on the macroeconomic performance of the individual EU countries.

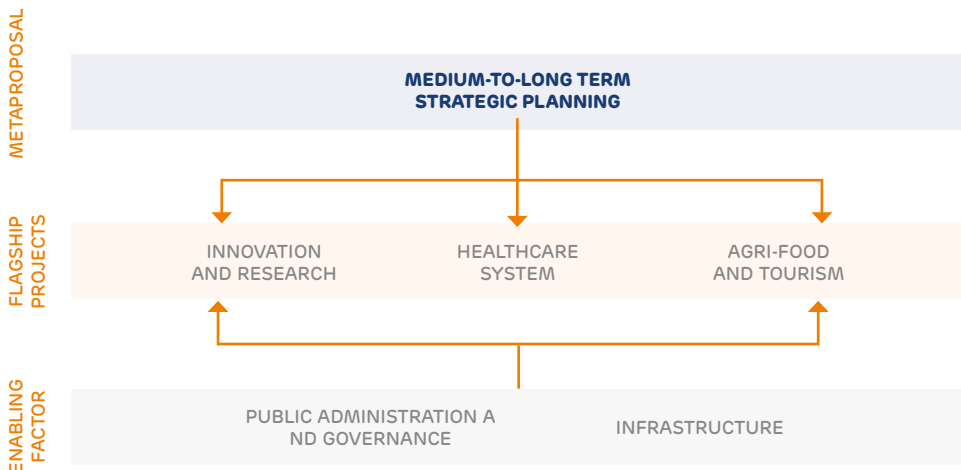
4 The extraction of hydrocarbons by the Gorgoglione concession began in 2020.

Even taking account of the current socio-economic crisis, **royalties represent an important and invaluable resource for the region**. They may be used both for initiatives that lessen the environmental impact directly tied to oil drilling, as well as longer-term initiatives to support public investment to provide incentive for the creation and development of new economic activities that will strengthen Basilicata's economy and employment once hydrocarbon reserves in the ground have been depleted, thus creating positive spin-offs for the entire community and safeguarding the future development of the region.

#### 4. Strategic orientations and flagship projects to implement the vision

After mapping the many critical points connected with Basilicata and its future prospects for development, from infrastructural needs to those related to governance, from the low rate of innovation to the loss of human capital, in line with the evolutionary vision summarized by the motto "Energy for a sustainable future", the Think Tank Basilicata has developed a series of proposals for regional development according to a multilevel logic that defines the priorities for action and a schedule for the actions.

**Figure IV**  
The proposals outlined by the Think Tank Basilicata. Source: Think Tank Basilicata, 2020.



The starting point of the plan consists of the **metaproposal** to implement **medium/long-term strategic programming**. Concretely, the proposal consists of formal and structured acceptance by the Basilicata Region of the **vision** detailed by the Think Tank Basilicata adding it directly to the regional statute and including it in the official programming documents, identifying a number of specific goals supported by a targeted plan of action. At the same time, it recommends that the regional governance adopt the regional "**Dashboard**" outlined by the Think Tank Basilicata to monitor the strategic dimensions of the region, also in its dealings with the other regions. In this way, the dashboard could be used within the strategic regional plan, also as a tool to review the actions introduced and the relative quantification of impacts. Above all, it could be a tool for assessing the impact of projects connected to the national and European resources for the post-COVID recovery.

The plan of action then focuses on three specific areas of action represented by the **healthcare system**, the ecosystems of **innovation and research**, the **agrifood and tourism chains**. By virtue of a range of **flagship projects**, each of which identified by specific benchmarks testifying to their concrete **feasibility**, it would be possible to give **new impetus to the Region, affecting in addition the optimism** of its citizens, its enterprises and institutions.

Finally, the proposal emphasizes the need to act on the two points identified as enabling factors for the development of the area and overall implementation of the vision: **Public Administration and Governance** and **Infrastructure**. Without concerted action on these two fronts, the other actions proposed, even if they were undertaken, would risk producing weaker positive effects, failing to achieve their foreseeable potential.

## A. Innovation and Research - Launching academies focused on strategic skills for Basilicata

Considering the severe lag in innovation and research afflicting the region, it is essential to give urgent implementation to a distinctive innovative response. Specifically, the proposal consists of establishing an Academy focused on developing strategic local skills. This would be a location – both physical and virtual – that would be devoted to training, exchanges of experience and the spread of knowledge with the ultimate goal of fostering the creation of specialized **skills** appropriate to the area, in line with the needs of the main industries and the local business structure, contributing to train a new managerial class and create an important **spin-off** with occupational fallout.

The qualifying element distinguishing the Academy would have to be its **model of participatory governance** through the collaboration of three categories of stakeholders:

- the **Basilicata Region** as promoter and financial backer;
- the **University system** (or specialized training bodies) to facilitate the development and strengthening of the competencies required and promote their dissemination throughout the area;
- a number of **private partners** with a reputation for excellence in the various relevant sectors, to transfer specialized know-how and serve as a national and international point of reference.

In light of the importance of issues related to sustainability and the transition toward circular models of production and consumption, it seems strategic that the first pilot Academy should be the "**Circular Economy Academy**". However, the Basilicata Academies should be developed in a **synergistic manner**, in terms of the scientific sectors and organization models applied, with those launched **in adjacent regions** (Campania, Apulia and Calabria) in a view of **star-shaped specialization** in which each region focuses on the selected fields to complement one another.

## **B. Localized Healthcare - Developing a more accessible and widespread regional healthcare system and launching a regional pilot project of experimentation in telemedicine**

The COVID-19 emergency has highlighted the urgent need to bring investments in the public and private healthcare sector back to the center of attention. For this reason, the operating proposals have been divided into two synergistic sectors: strengthening the regional healthcare system by making it more specialized and accessible, and offering new advanced digital services.

The first step consists of **strengthening local structures**, improving the overall quality level of the medical services provided, and facilitating access to the services, also through an improved and more widespread distribution throughout the area. Alongside this, the regional healthcare system needs to be strengthened by means of a program of **investments in excellence and specialization** of the system that would foster local skills in order to improve the effectiveness of response to the needs of protection and treatment of the citizens:

- identifying the **areas of excellence** in which to become a **point of reference** for southern Italy and the rest of the country;
- **investing in research in these fields** in order to attract businesses, researchers and private investment.

A first step in this direction is represented by the Program Agreement recently signed for the establishment of the first **Master's Degree Course in Medicine and Surgery** at the University of Basilicata. The project is an indication of the region's intention to concentrate on education and health, two fundamental sectors of the public good. Following its establishment, the University of Medicine will need a **plan of promotion and internationalization** in order to become an Italian excellence capable of attracting investment and human resources, and becoming a stimulus for the region's young people not to go abroad.

The second type of action recommended to strengthen regional healthcare concerns the start of a **program of regional experimentation in telemedicine** for southern Italy, and the country

as a whole, that will make it possible to digitalize the entire sector of family doctors and specialists, and enable them to monitor the health of their patients:

- developing **clinical surveillance systems**, telemedicine, teleappointments, teleconsultation, telecooperation and tele-monitoring using dedicated software and hardware;
- building an underlying **info-structure**, available for use simultaneously by the various stakeholders involved, capable of collecting and monitoring data;
- providing healthcare **tools and equipment** (pulse oximeters, electrocardiographs, portable ultrasound machines, etc.) to local healthcare facilities, family doctors or directly to patients.

### C. Agrifood and tourism - Reinforcing synergies among SMEs to increase internationalization

In view of the significance of the agrifood supply chain and the sector of tourism for the Basilicata Region, it is fundamental to **encourage training but also synergies among SMEs**, to support their growth and internationalization. To this end, a range of complementary tools may be used. Above all, it is essential to develop initiatives that build networks and aggregate small and medium enterprises in order to overcome the current situation of **fragmentation** and take advantage of economies of scale, exploring **pathways of innovation** (also in collaboration with large companies and universities) and participating in international events with the support of the public institutions.

The Think Tank Basilicata also proposes to create effective **training programs and assistance in the processes of** internationalization and digitalization, in collaboration with large companies that already have solid experience in the field of **management, technological transformation and internationalization** for the benefit of SMEs and micro-companies, which are often an essential productive resource for those same large companies.

Finally, in favor of the tourist sector, it will be possible to develop tools that can permit tourists, after returning home, to relive their experience and maintain their ties to the region, also in view of another visit. One possibility is linked to the creation of a regional **B2B and B2C marketplace** for the sale of the agrifood products of Basilicata, in an extended and inclusive view. In this way, in addition to maintaining the bond between the area and its visitors, there would be an important return from the standpoint of the positioning of the Basilicata brand, with the international business exposure of all its producers and promotion of the agrifood heritage of the region.

Finally, by putting a spotlight on the natural beauty of the Basilicata Region, it would be possible to suggest a concrete project to relaunch the attractions of its internal areas, undertaking a pilot project for the Sauro Valley. This area is home to a number of towns with powerful attractions for their cultural and scenic value as well as for the traditional crafts, foods and wines. It has never been properly exploited and could reveal itself as a source of socio-economic development for the entire region. Starting from these peculiarities, the Think Tank Basilicata proposes the realization of a **digital portal dedicated to the Sauro Valley**, which would structure the tourist, artisanal, food and wine offering as a system. At a time when tourism has been almost entirely nullified, the only strategy for the promotion of an area becomes that of **advertising** (and possibly selling) its products **through digital channels**, enabling people to discover the fine products and beauty of the place and thereby **building tourist demand for the future**. The project, initially devoted to the towns of the Sauro Valley, must have the ambition to grow and expand to the regional level for the promotion of the tourist offering, cultural activities, food and wine products and crafts of Basilicata.



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