



FIN-URB-ACT

Integrated Urban Actions for Fostering and Financing
Innovative Economies and SMEs

Newsletter Final edition

Foreword

Dear Reader,

After a period of three years the project FIN-URB-ACT will end this April. Retrospectively, fruitful outcomes can be observed in the single partner cities. New structures have been created and older ones could be strengthened and modified. The administrative cooperation between the Municipalities and Managing Authorities has widened the horizon for new collaboration possibilities. In addition, this special cooperation allowed for interesting insights into various forms of organization in the respective partner cities.

Besides these structural experiences, projects on the European level also create a feeling of togetherness, a feeling of being one European Community that is able to commonly face future challenges.

The closing event in Gliwice in March has impressively shown that the FIN-URB-ACT network is strengthful enough to initiate changes that would otherwise not have been accomplished.

This edition offers you a review of the last three years of FIN-URB-ACT and some conclusions commonly made with our Lead Expert Patrick Fourguett and the partners. Moreover a short summary of the final conference of Gliwice and the main achievements by all partner cities as well as the last news.

Luise Clemens
Municipality of Aachen





Final conference in Gliwice summarised the work of FIN-URB-ACT



On 15 March 2011, the final conference of the URBACT project FIN-URB-ACT took successfully place in the Polish partner city of Gliwice. After the conference in Brussels that was held on 9 February on the particular topic of cooperation forms with Managing Authorities, the conference marked the second part of the two final public events.

During the one day conference the cities presented the main outcomes to a broad public audience from local and regional level, coming from SME support institutions but also further cities that are interested in participating in European projects. The deputy major of Gliwice, Mr Adam Neumann opened the conference and stressed the need of SME support policies for sustainable economic development and underlined the important role of cities within an integrated local support infrastructure.

During the conference, the city of Gliwice presented the work that has been done within the last years which mainly concerned the support of small scale projects. Gliwice focussed its work on a survey on specific needs of the local SMEs. The results of the survey were the basis for the further actions undertaken with the Local Support Group in Gliwice. One important outcome was the lack of visibility and information for entrepreneurs of the respective SME support facilities - one of the most serious barriers in access to finance and an issue that needs to be tackled in many cities. Consequently Gliwice is creating a webpage based on a map that gathers all SME support facilities and establishes a local information point in order to provide better and coordinated information and the respective contacts for businesses.

After the comprehensive presentation made by the host city all partners commonly highlighted the most important actions that have been done with the help of the FIN-URB-ACT project. The session pointed up the broad variety of possible support activities made by cities in SME sector. While the city of **Aachen** used FIN-URB-ACT to bring forward the establishment of a cross-boarder cluster in the high-technology sector, the city of **Maribor** developed an integrated concept for the revitalisation of small shops and crafts sector in the old city centre and the city of **Reims** used the project to foster comprehensive communication activities of the local network CREA REIMS that support SME

development through fairs and awareness raising events.

The city of **Aveiro** composed with its Local Support Group a comprehensive support package called "Aveiro Entrepreneurial" for SME support that includes a broad field of support policies covering the promotion of entrepreneurial culture, entrepreneurial education in schools, business incubation and business services for advice and finance and communication. Important for the city was the early involvement of the Managing Authority. The support package will be funded by an total investment of 1,2 Mio € for a period of 2 years, co-funded with 800.000 € by the ERDF. On Friday 11 April 2011, all 18 Partners have signed the agreement during an official presentation of the project. The Managing Authority made public that the financial agreement will be approved very soon.



The three partner cities **Edinburgh, Gijon and Leipzig** used FIN-URB-ACT to establish local and regional financial instruments. Edinburgh commonly created a regional investment fund (East of Scotland Investment Fund) with nine local authorities and strong involvement of the Managing Authority. Gijon conducted a feasibility study and established a 100% city funded Venture Capital Fund and the city of Leipzig successfully established a local micro credit fund. All three funds are fully operable now. Up to the moment the VC in Gijon is working on 10 applications. One of them has been already approved with an investment of 250.000 € and a further one is going to be approved shortly with an investment of 750.000 €. On 26 April a final local conference with the LSG members were held.

Also the ESIF has already one loan in appraisal and another one will be offered in the upcoming month. The city of Leipzig reported that since spring last year, when the MC fund became operable, 30 micro credits with a total amount of nearly 130.000 € have been successfully submitted to local applicants. It evidently shows the need and the feasibility of such an instrument.

The city of **Linz** used FIN-URB-ACT in order to institutionalise a round table of the local SME support facilities. Common discussions and negotiations resulted in a harmonised and targeted support infrastructure where each stakeholder provides its services according to the strengths and competences to the local business community. The method that led to this result was successfully applied by other FIN-URB-ACT cities and helped to detect gaps in the local support infrastructure.



The city of **Rome** and the city of **Galati** both used FIN-URB-ACT to strengthen the SME dimension in the respective Operational Programmes and where involved in the reprogramming of the regional operational programme through a close cooperation with their Managing Authorities. As a successful consequence the new reprogrammed operational programme for the Region of Lazio contains a part for funding SME and the Managing Authority accepted the informal request to finance the Local Action Plan for Rome. The regional operational programme is now under examination of the Commission and after the formal acceptance, the Region of Lazio will decide the way to finance the Local Action Plan of the city of Rome.



FIN-URB-ACT

Integrated Urban Actions for Fostering and Financing
Innovative Economies and SMEs

The city of Galati was facing a situation with three Managing Authorities concerned by SME matters and they involved all of them in their common discussions : the local representation of the Ministry of Economy for the OP on competitiveness of the economy, the regional administration for the implementation of the IROP (integrated regional operational programme consolidating nine regional sub-programmes at national level) and the regional representation of the Ministry of Environment protection for waste treatment unit with the other members of the Local Support Group. Galati is now establishing after the ending of the FIN-URB-ACT a permanent regularly work group with its LSG members.



The final conference in Gliwice officially marked the end of FIN-URB-ACT however all the partner shows that the achievements made within the past years will remain and moreover, they will be used as starting point for new approaches of SME support in providing financial – and non financial instruments. The project successfully demonstrated that cities can play a decisive role within the local support infrastructure.



3 years of FIN-URB-ACT Some conclusions made by the Lead Expert Patrick Fourquette and the partnership



The FIN-URB-ACT project comes to an end and we currently are drawing its conclusions. They will be published in the final report that will be published in the coming weeks. Already some impressions were collected during the network final meeting that took place in the partner City Gliwice on 15 March:

1. Generally the partners are satisfied with their participation in this project.
2. They are pleasantly surprised with the outputs that go well beyond what could be expected from such limited budgets.
3. In the field of financial support to SMEs, where Cities generally play a minor role, the partner Cities realised that they could bring a substantial contribution, not so much in terms of additional funding schemes, but rather in arranging a favourable local environment where all stakeholders could propose their services in a consistent coordinated framework. FIN-URB-ACT gave the Cities the opportunity to take the initiative in contacting all local actors so that they could together prepare an integrated project where the Managing Authorities could also be associated.
4. The local actors and the Managing Authorities generally welcomed the initiative by the Cities, and this clearly illustrates the federating role that the Cities can play. In fact there is no wonder that they can play this role as they have very specific advantages:
 - they are the essence of the local dimension,
 - completely legitimate in providing adapted support services on their territories,
 - they have a public status, which in this case means guarantee and control.

The main question of the project was: what role can Cities play in supporting their local small businesses financially? Cities generally have limited expertise in small business finance and they can hardly take the responsibility to be directly involved in private business management. All FIN-URB-ACT experiences lead to the fact that Cities can be good, recognised coordinators. Consequently it is logical that local partners and Managing Authorities turn to the Cities as project coordinators. And the Cities envisage to follow the same method, not only for financial support to SMEs but also for other subjects as well. With this FIN-URB-ACT project, the partner Cities have given rise to many expectations: the project started as an opportunity, it develops into a new competence, which may become a new responsibility.

Contact

Lead Partner

City of Aachen
Luise Clemens
Aureliusstraße 2
52064 Aachen, Germany
Phone: +49 241 432 7680
E-mail: luise.clemens@mail.aachen.de

Thematic Coordination

German Association for Housing, Urban and Spatial Development
Jonas Scholze
Littenstraße 10
10179 Berlin, Germany
Phone: +49 30 2061 3250
E-mail: j.scholze@deutscher-verband.org

The FIN-URB-ACT network



FIN-URB-ACT PARTNER CITIES:

- Aachen (Germany)
- Aveiro (Portugal)
- Edinburgh (United Kingdom)
- Galati (Romania)
- Gliwice (Poland)
- Gijon (Spain)
- Leipzig (Germany)
- Linz (Austria)
- Maribor (Slovenia)
- Reims (France)
- Rome (Italy)
- German Association for Housing, Urban and Spatial Development (Germany)

URBACT is a European exchange and learning programme promoting sustainable urban development.

It enables cities to work together to develop solutions to major urban challenges, reaffirming the key role they play in facing increasingly complex societal challenges. It helps them to develop pragmatic solutions that are new and sustainable, and that integrate economic, social and environmental dimensions. It enables cities to share good practices and lessons learned with all professionals involved in urban policy throughout Europe. URBACT is 181 cities, 29 countries, and 5,000 active participants. URBACT is co-financed by the ERDF Funds and the Member States.



Source cover picture: Edinburgh Inspiring Capital www.edinburgh-inspiringcapital.com



FIN-URB-ACT is co-financed by the European Union under the URBACT II programme.

