



Integrated urban actions
for fostering and financing
innovative economies and SMEs

Network with MA
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Connecting cities
Building successes



Leipzig subprojects in FIN-URB-ACT



AN URBACT II PROJECT

Initial Situation Project 1 - micro-credit

Objective: initiation of complementary financing models that are closely linked to local consulting services and customized to small-scale companies

Initial situation at the beginning of the project:

program of the State of Saxony with restrictive entry requirements
consulting services only upon application
transaction authority is not located in Leipzig

Project partners: City of Leipzig and Savings Bank (Sparkasse) with ugb- Startup Center, Chambers

Contact: Saxon State Ministry for Economic Affairs,
Labour and Transport (SMWA);
SAB (central development agency of the Free State of Saxony)

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AN URBACT II PROJECT

Results Project 1 - micro-credit

Start the micro-credit program as a pilot project Leipzig

(from 05/2010 - to 01/11:

113 interested persons/consultations, 30 granted loans)

Use of the national program, without regional bond

new partnership with KIZ gGmbH and DMI (German Microfinance Institut)

Municipality holds consulting services, technical support from new partners

financially backed up by the municipality and the savings bank Leipzig

Experience, status Februar 2011

Local micro-credit meets demand

new requirements on partnership models, structures, resources

(Necessity of specific program-based organizational structures)

Barriers:

applicable law / responsibilities / powers

(constitutions of the chambers, Municipal Law, Banking Law, etc.)



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AN URBACT II PROJECT

Initial Situation Project 2

Objective:

development / improvement of consulting services,
especially for BioTech startups and companies, individual offers,
access to further experts and expertise (nationwide)

Initial situation at the beginning of the project:

Leipzig – a young high-potential BioTech location
stabilization of the development is essential
access to technical expertise and finance above local offers is crucial

Projectpartner: City of Leipzig, Savings banks holding company
(S-Beteiligungen) / Founder Technology Fund Saxony (TGFS),
Bio-Net Leipzig, SMILE.medibiz, BIC Leipzig GmbH

Contact: BioSaxony, Ministry of Economic Affairs, Labour and Transport,
Ministry of Education and Science, Saxon Development Bank



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AN URBACT II PROJECT

Results Project 2

close networking Bio-Net, Leipzig – BioSaxony, Saxony
better access to network services
expansion of qualified foundation support
above all by SMILE.medibiz (ugb - Partner)

in 2011 - new location for established biotech companies

Experience

good cooperation with Managing Authorities
federal and state programs (innovation / technology transfer) meet the
needs of industries
focus is still on access to finance for further growth and internationalization
- in Eastern Germany

Financing models remain leading theme



Justification

Leipzig - City of small/micro -sized companies, priority on media & creative businesses, Potential for growth not optimized

Challenge: financing options for project-related tasks

Barriers: “traditional corporate policy”

new approach: investment in ideas and creative personalities

but: small(er), chanci(er), late(r) returns on investment, focussed on industry-based needs

(See: EU study, the entrepreneurial dimension of cultural and creative industries, Utrecht School of Arts, objectives of the Federal Initiative culture and creative industries)

New approaches to MA – City Projects

financing requirements of small companies is NOT a local issue

good perspectives for small-scale regional models

Prospects good, see regional programs:

Design / Netherlands; Brabant, Creative Economy / Upper Austria, etc.

Financing models remain leading theme



Recent Developments

PHASING OUT

Concentration of funds (on larger projects, higher investments)
No room for small-scale financing models and funding offers in cooperation with the regions / municipalities

Conclusions:

Focus lies on leading companies
Mirco companies are not adequately considered
no integrated approach

Concerns

regulations continue to exclude small companies
weakening of the established regional economic structures
(decline of business formations, employment level, economic growth,...)

Consequence: weakening of Region/ business locations

Conditions for financing models



Cooperation MA - Regions /Cities

Target: Complementing successful state programs according to regional needs and industry-specific requirements

Necessary conditions for success

Knowledge overview and in detail

more sophisticated view of economic development

comparison on the situation of the industries (international/national/local)

Development of cooperation on equal standing (Country, region, municipality)

Continuity, stability and quality in exchange



Implementation of the integrated approach

creating organizational, technical requirements

Chance of success:

More efficient use of resources → Economic Growth

Grazie Thanks
Danke **Merci** Gracias
Ευχαριστώ multumesc
Takk dziękuję dakujem hvala
Obrigado dziękować
tänan kiitos köszönöm aciu
Tack děkuji paldies
nizžik ħajr dank u wel