



FIN-URB-ACT

Integrated Urban Actions for Fostering and Financing
Innovative Economies and SMEs

FIN-URB-ACT Final Report



April 2011

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FIN-URB-ACT

Integrated Urban Actions for Fostering and Financing Innovative Economies and SMEs

1. INTRODUCTION

1.1. The main idea of FIN-URB-ACT

FIN-URB-ACT addressed the theme of efficient and targeted local financial support structures for SMEs and innovative urban economies. The conviction of the project was that efficient structures on local level – where financial instruments meet non-financial assistance – can ease the access to finance for SMEs as a basic condition for fostering start-up and business growth. The basis of this support structure was a broad local partnership between key actors for SME support, such as local authorities, finance institutions, chambers and other business representatives, professional business support organisations, universities as well as qualification and training institutions. The main idea of FIN-URB-ACT was that it is not enough to create individual support tools. Moreover, the aim was to combine offers into comprehensive packages and to orchestrate the single actors in a way that synergy effects can be achieved and tasks can be streamlined and at the same time various groups of entrepreneurs with different needs and expectations can be reached.

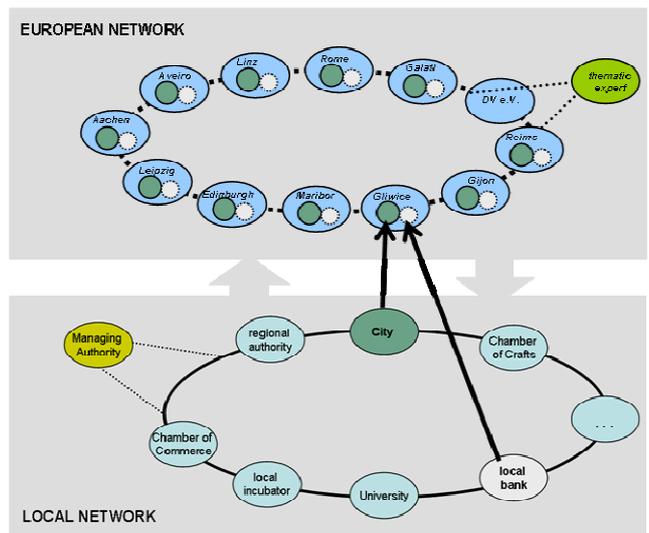
As SME policies are generally organised at higher administrative levels – with most funding sources for SME support available on regional or national level – many opportunities for financial and non-financial support do exist outside the direct access of cities (e.g. funding schemes financed from EU Structural Funds). Unfortunately, these are often not well connected to local economic development policies. They concentrate on general financial and economic logistics, without taking specific local economic contexts and potentials as well as existing local support structures into account. There are important gaps in linking local economic development with overall SME and regional/structural development policies. Hence the challenge for cities was also to elaborate concepts to make best use of existing support instruments adapted to the needs and potentials of their local enterprises.

1.2. FIN-URB-ACT an URBACT II Project

FIN-URB-ACT was co-funded by the URBACT II programme, 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. Under this programme, FIN-URB-ACT gathered cities from all over Europe that wanted to improve the performance and results of those local support partnerships by European benchmark, exchange, learning and capitalisation as well as by respective concrete local actions.

According to the URBACT II main principle the network acted on two levels: based on integrated Local Action Plans developed by the local partnerships (Local Support Groups), the project focused on developing and implementing tailor-made financial and non-financial support services, like one-stop-shops, micro-credits and other innovative funding schemes, incubators, business networks, SME surveys, mapping of existing support offers, information and training facilities. On a

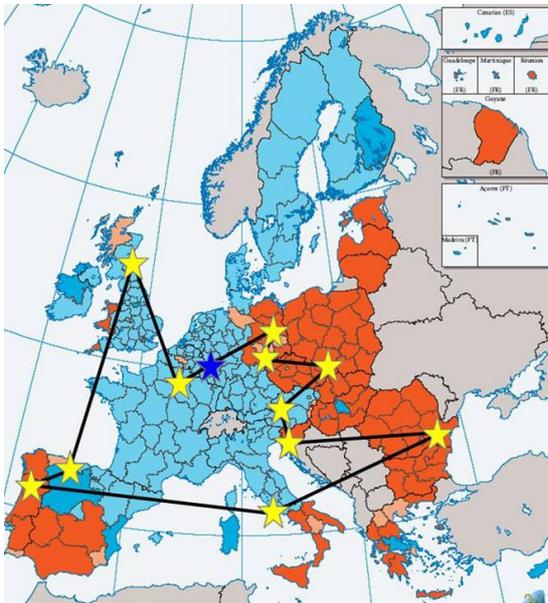


European level the FIN-URB-ACT network gathered, compared and reflected the local experiences for developing common best practices and conclusions for financial and non-financial SME support structures and instruments. On local level concrete urban networks between cities, financial institutions and other local actors were set up in the broadest possible way, in order to meet local needs when creating or bringing together financial and non-financial instruments. Also other SME related actors such as chambers, local banks or business representatives as well as research and training institutions as e.g. universities have been included into the local partnership.

1.3. The FIN-URB-ACT partnership

The FIN-URB-ACT partnership was composed of 11 partner cities. The City of Aachen in Germany took the lead part in the network. The other cities were Aveiro (Portugal), Edinburgh (UK), Gijón (Spain), Gliwice (Poland), Galati (Romania), Leipzig (Germany), Linz (Austria), Maribor (Slovenia), Reims (France) and Rome (Italy). Additionally the project was accompanied by the Lead Expert Patrick Fourquette, and the German Association of Housing, Urban and Spatial Development which acted as thematic coordinator. Moreover, the project was supported by the German and the European Savings Banks Association. The partners came from ten different countries spread all over Europe – with Edinburgh and Rome farthest North/South and Aveiro and Galati on the most

Western/Eastern part of the European Union; five are located in convergence and six in competitive regions according to the classification of the EU Cohesion Policy. The cities showed an



interesting mix of different sizes and economic structures. Most cities are bigger cities ranging from 300,000 (Galați) to 75,000 inhabitants (Aveiro) but constitute all important economic and functional centres for their regions. Only Rome (2.7 million inhabitants), Edinburgh (460,000) and Leipzig (500,000) are larger agglomerations holding also functions of national importance.

With the exception of Edinburgh, having an important number of bigger companies in the financial and service sector, in all other cities SMEs play a major role in their business structure, and for most cities it is especially the small and micro businesses as well as

start-ups that characterise their local business community.

The main challenges and difficulties they wanted to overcome with future activities mainly concerned two different issues:

- **Insufficient access to financial and non-financial services for SMEs:** Although in some cases there is a broad range of SME funding and advice offers, those are often not easily accessible for local entrepreneurs. Sometimes this is due to the complexity and lack of information and orientation; sometimes SMEs do not have the capacity and know-how to apply; and sometimes existing offers do not really target the local business community with its specific structure, needs and requirements. So quite often there are deficits for business niches or for specific enterprises, especially the very small and micro companies. Quite often there is start-up support, but not for the consolidation phase or for business transfers.
- **Deficits in specific advice and counselling services:** this concerns on the one hand targeted advice and mentoring of start-ups and self-employment for easing their access to financing and enhancing the success rate (e.g. by follow-up monitoring after granting micro-loans) as well as more specific consultancy and advice for more innovative start-ups which is important to enhance their innovation capacities and access to new markets and technologies. Especially the second issue often requires very specific expertise which is not available by “normal” business advice services.

Thus, the main challenge in terms of SME support for all cities is to really target existing support to local needs. This is described in the work groups.

The FIN-URB-ACT project was conducted in two phases. The first phase was the development phase that included the composition of the respective Local Support Groups and the setting of Local Action Plans (04/2008 to 10/2008), and the implementation phase with active work on local level and eight European network meetings, hosted by partner Cities, conducted from 10/2008 to 04/2011. During this phase the single activities of the Local Action Plans have been prepared and sometimes even implemented. During the work meetings on European level, the topics focused on four main work groups: Cities and Managing Authorities, Small Scale Projects, High-Tech and Innovative Projects, and Communication. The conclusions of these work groups are detailed in later chapters.

1.4. The budget

The following table provides an overview of the financial contribution for the project both by the cities and the URBACT Secretariat for the development phase:

URBACT II Operational Programme - FIN-URB-ACT													
TAB. 1.1 - FINANCIAL CONTRIBUTION BY PARTNERS AND SOURCES													
BUDGET ONLY FOR PHASE II - IMPLEMENTATION PHASE													
Sources	Lead partner Aachen	Partner 1 Gijon	Partner 2 Gliwice	Partner 3 Galati	Partner 4 Maribor	Partner 5 Einburg	Partner 6 Leipzig	External partner DV	Partner 8 Linz*	Partner 9 Reims*	Partner 10 Roma*	Partner 11 Aveiro*	Total
ERDF (URBACT)	54.460,00	54.100,00	36.100,00	36.100,00	36.100,00	40.600,00	57.600,00	0,00	40.600,00	40.600,00	40.600,00	57.600,00	494.460,00
City	23.340,00	13.525,00	9.025,00	9.025,00	9.025,00	17.400,00	14.400,00	0,00	17.400,00	17.400,00	17.400,00	14.400,00	162.340,00
Sub-total 1	77.800,00	67.625,00	45.125,00	45.125,00	45.125,00	58.000,00	72.000,00	0,00	58.000,00	58.000,00	58.000,00	72.000,00	656.800,00
Private co-financing (EU PP)								6.000,00					6.000,00
Total	77.800,00	67.625,00	45.125,00	45.125,00	45.125,00	58.000,00	72.000,00	6.000,00	58.000,00	58.000,00	58.000,00	72.000,00	662.800,00

2. CONCLUSIONS FROM THE SINGLE WORK GROUPS

2.1. Work Group I Cities and the Managing Authorities: the pathway to partnership

Following the methodology prescribed in URBACT II, and the recommendation of a previous URBACT project on access to finance for SMEs (ECO-FIN-NET), the partner Cities of FIN-URBACT put emphasis on developing solid partnerships with their Managing Authorities. They dedicated a specific work group on this subject to exchange their experience on this approach. Several MA decided/accepted to take part in the network meetings and their contribution always was very valuable. Incidentally, they also took advantage of the network meetings to exchange experiences with their colleagues of other regions/countries.

Financial support to SMEs requires access to funding

It is obvious to state that if the Cities decide to provide financial support to their SME communities, they have to secure access to funding. But it is not in the usual competences of the Cities to provide funding. As a consequence they need to look for other sources of finance. In fact the principal sources of public funding lie at regional or even national levels. This is the reason why the relationship with MA was of particular importance for the Cities.

Cooperation between Cities and Managing Authorities is mutually fruitful

For the partner Cities, the cooperation was clearly aiming at accessing various sources of funding that could be made available for the development of the local businesses, to generate local economic development. But for the Managing Authorities, the cooperation also had several advantages:

- The integrated projects prepared by the Cities involve a vast number of stakeholders in a single application for funding: for the MA, this means a more efficient use of human resources for advising and monitoring the projects than with a larger number of smaller applications.
- Information on the funding programmes can be coordinated and delivered to a larger number of stakeholders in a more efficient manner.
- Cities are public entities, submitted to strict control procedures, which ensures a certain level of guarantee on the quality of the projects' implementation. But it had to be made very clear since the very beginning of the projects that for the MA, participating in FIN-URBACT did not mean automatic approval of the resulting applications for funding. There must be no ambiguity about the possibility for both partners to keep their independence.

Cities should carefully identify the Managing Authorities and implementing bodies

Corresponding to their project, for SME support, the City of Galati finally identified three entities (for Integrated Regional Operational Programme, for Competitiveness of Economy and for Environment Protection) and the new programme for the Lower Danube Region may bring in a new entity.

Additionally within the MA, two levels need to be considered by the Cities: the design and the implementation of the support measures; in some cases, some capacity building can be required for the Cities' staff in particular to better understand the project funding conditions, especially in the case of structural funds. For this purpose, the Cities of Gliwice and Reims in cooperation with their MA have organised information sessions for their staff and the local stakeholders within the LSG.

It is the role of the Cities to take the first steps in contacting the MA for a new project

The Cities played a role of local coordinators in the projects; thus it was their role to inform the MA about the preparation of the new projects and collect the remarks from the MA, so that the projects could be designed in a viable manner. It is strongly recommended that this initiative be supported by the City hierarchy, all the better when some elected members are involved, such as in Aveiro, where a strong leadership was clearly evidenced, or in Maribor, with the project of revitalisation of the historical centre.

The respective roles of Cities and Managing Authorities

In order to build a fruitful cooperation, the respective roles of the Cities and the MA should be made very clear:

- The Cities are in charge of initiating the projects, forming the LSG, coordinating the preparation of the applications and coordinating the implementation of the projects. With their local legitimacy and their public status, they play a pivotal role in building integrated projects.
- The MA can provide information and advice on the most suitable source of funding; in some regions, they can play a role of “brokers” for public funding. With their regional position they also have the capacity to give the required critical mass to some local projects by putting them together with similar projects in other cities. This was the case in Edinburgh with the ESIF (East of Scotland Investment Fund) combining nine local authorities, or in Leipzig with the possibility of pooling at regional level the technical expertise required for a cluster.

No clear position could be taken on whether the MA had to be members of the LSG. Some MAs decided to become a member (important): in Aveiro, they were associated in the process of preparing the comprehensive support scheme “Aveiro Empreendedor”; in Rome, where part of the project consisted of preparing coordinated actions between the City and the MA at regional level, the MA had to be a member of the LSG; in Galati, the project was sometimes used as a test for the adequacy of support measures funded by the MA, so naturally the MA were closely associated in the LSG, and now this LSG progressively turns into a form of regional “think tank” for SME support (with the participation of other cities in the Region).

Other MAs followed the projects but did not wish to be involved as members in the LSG; they preferred to keep a more neutral position like in Gijon with the local Venture Capital Fund, or in Reims, with CREAREIMS, the network for local support to entrepreneurship. Finally, in Edinburgh, the MA took an intermediate position; they were an active member of the LSG, welcomed Edinburgh’s idea of setting up a loan fund and gave it a supra-local dimension and critical mass by associating eight other local authorities by keeping their neutral position at regional level.

In all cases, whether or not the MA decide to become members in the LSG, it is important that the Cities build regular links between the LSG and the MA, as it undoubtedly is a strong source of motivation for the LSG members who can see that their projects are really taken into consideration.

Relationships with the MA should be made official

It is natural that the first approach be initiated by the persons who are in charge of the projects. But experience in several Cities showed that persons may change their positions in the Cities or in the MA, and this should not jeopardise the projects. To prevent this risk, the FIN-URB-ACT Cities recommend that, at a certain stage of project development, a formal covenant be signed between the City and the MA, at least for the duration of the project. For instance this has been successfully achieved in Reims and Rome, with a letter of intent describing the content of the cooperation. Additionally, it clarifies the situation and relieves the staff in charge of the project implementation from a responsibility they cannot bear for a long time.

The “alibi” dimension of the FIN-URB-ACT project

FIN-URB-ACT was often used as a good alibi to test a new approach of projects by both parties, the Cities and the Managing Authorities. When initial rules had been designed separately by the local and the regional levels, it gave an opportunity to build (or rebuild) connections between these levels. For instance, in Galati, cooperation between the City and the MA was normal procedure, generally for projects concerning infrastructures, but it had not been applied to supporting SMEs, where a large number of local stakeholders are involved. The same situation prevailed in Aveiro,

Gliwice, Reims or even in Rome, where there was an urgent need to coordinate support actions between City and Region and eliminate redundancies.

This “alibi” dimension should not be underestimated and Cities in the URBACT projects should take full advantage of it. Of course it just needs to be played once as it can be capitalised locally for the future. Aveiro for instance is planning to use the same method for all the projects they will be in charge of.

2.2. Work Group II Financial support to small entrepreneurial activities

Several Cities in FIN-URB-ACT (Aveiro, Edinburgh, Galati, Gijón, Gliwice, Leipzig, Maribor, Reims and Rome) decided to work together on this issue because:

- it directly concerns the residents who think of making additional income or/and to make it their main activity; for some of them it is the only way to be part of the labour market,
- the private sector is not very interested in this segment as it is hardly profitable (at least at the beginning of activities),
- in some countries there may be an abundant provision of public support but the entrepreneurs declare that they cannot know or assess all the possibilities and ask for some form of coordination.

Supporting businesses is not the usual competence of the Cities; they generally lack expertise, they have no specific financial resources and, as public entities, they should be extremely careful not to be considered as involved in the management of private businesses with all the detrimental consequences in case of difficulties.

In this case, the integrated approach of URBACT, giving a coordination role to the Cities within a local network of competent actors, makes sense. The work group analysed such topics as mapping public support available locally, coordinated information points for the entrepreneurs, and analysed local business expectations in terms of financial support. They also analysed the operation of some financial support instruments that they intended to implement.

In particular, they prepared a common questionnaire that they used for surveys on their local business targets. Seven surveys¹ were conducted by the Local Support Groups; interestingly, although one could expect similar outputs since the requirements of the small businesses are supposed to be similar everywhere, the outputs were different. In fact these surveys gave a picture of the perception of the local realities by the businesses, and these realities are different. In this sense these simple surveys are an interesting instrument to fine tune the local support measures and the partner Cities in FIN-URB-ACT would recommend conducting such surveys as starting points for the preparation of a LAP:

- they can be precisely oriented to the subject to be analysed (here financial support),
- they can be precisely directed to the targeted businesses (some Cities decided to focus on start-ups, others covered all the small businesses),

1 Aveiro (P), Edinburgh (UK), Galati (Ro), Gijón (E), Gliwice (PL), Maribor (SLO) and Reims (F)

- the outputs can easily be appropriated by the LSG members to coordinate their actions, and they represent a sound evaluation of the initial situation. Incidentally, the survey in Galati was also used to redesign some measures during the mid-term evaluation of an OP.

The Cities prepared two types of actions:

a) specific financial instruments:

Leipzig implemented a micro-credit fund. It is run by the Municipality with technical contributions of the local chambers. Financially, Leipzig did not set up this fund with their regional MA, but took advantage of an existing support scheme implemented at national level by KfW with contribution of the European structural funds (national OP for the ESF). They made use of a dual leverage effect: the City financial contribution was increased by the local savings bank and this local capital was multiplied by five by the national contribution of KfW, which results in a total lever of eight times the capital invested by the Municipality. This factor easily shows the advantages of partnership!

Edinburgh initiated a local investment fund, but their MA realised that this instrument would be much more efficient if it had a larger critical mass; so they enlarged the fund operation to eight neighbouring local authorities and they drew on existing management expertise to increase efficiency and reduce management costs.

Gijón started the operation of a municipal venture capital fund aimed at supporting the development of high potential businesses and at securing their location in Gijón.

b) coordinated action plans to support local small businesses

Aveiro and Galati prepared comprehensive action plans to support entrepreneurship locally. Rome, Gliwice, Reims and Maribor have a more focused approach: Rome realised that their action should mainly comfort newly created businesses so that they can successfully pass their first three years of operation; Gliwice reorganised their information system for SMEs – together with the LSG members, they prepared a map of the instruments available in the Region for SME financial support and they built a new data base that they will publish on the Municipality website (thumbnail dedicated to entrepreneurs and investors); Reims redesigned their communication towards new entrepreneurs; while Maribor is preparing a revitalisation plan for the historical centre of the City with the modernisation of the small businesses in the commerce and craft sectors.

At the end of FIN-URB-ACT, some Cities realise that one of the requirements of many small businesses is about a real one-stop shop, which means a coordination of the local actors not only for the registration of new businesses, but for the entire life of businesses. In fact they wish every business could have one advisor chosen among one of the support organisations who could coordinate with the other support organisations to efficiently advise on a whole range of services. It is a difficult subject but if there is a solution to it, it probably is related to the operation of a LSG.

2. 3. Work Group III: Financial and non-financial instruments for high-tech and innovative projects

All cities are interested in having a strong development of innovative and high-tech projects and businesses in their region; high growth potential, a link with the economy of the future, attractive activities and jobs, positive image are some of the advantages that mean that no city would like to miss these opportunities. Many financial instruments have been developed for innovative projects but numerous factors play an important role and financial instruments are only part of them. This explains the complexity of the local support systems and the large number of specialised support organisations. Within FIN-URB-ACT this work group concentrated on complementary financial and non-financial instruments and service packages that contribute to the development and growth of high-tech and innovative businesses.

Targeted access to finance for high-tech and innovative SMEs

Theoretically the Cities have the possibility to intervene at each stage of the process. But it is usually not the responsibility of a public local authority to be involved in private business management, especially in high risk ventures and with minority interests. In practice, the Cities are interested in supporting these projects (and businesses) to allow them to grow, create jobs and wealth and later on, to keep them in their region. Usually Cities concentrate on their traditional roles and tasks and do not normally get involved in the business themselves, but ease the environment for business support. However, it was proved by a comprehensive feasibility study of the city of Gijón, that a Municipal Venture Capital Fund can act as a strong vehicle to support innovative businesses. The VC Fund is a mandate of the “*GijónInnova*” agreement achieved by the City Council and social stakeholders (business associations, trade unions) aimed at defining and implementing local policies on Economic Development and Employment. It is intended to be the most powerful tool to support innovative, high added value projects. The Fund is 100% local capital (City funded) and it will serve as a complement to regional and national instruments, which are already operating.

Start-ups need comprehensive support packages

Start-ups need comprehensive support packages including non-financial support mostly based on coaching/mentoring on technical (related to the business fields) and non-technical subjects (legal, marketing, patents, sales) and administrative services, financial support covering all the development phases of the project but mostly the initial phase with small and flexible seed capital, a good connection with bank(s), with public support schemes (at national and regional levels) and with private investors (business angels, venture capital funds). Business angels cover both dimensions of support: obviously financial support, as they can consolidate equity (which is a

funding source with a high leverage effect), but also non-financial support as they very often are good specialists in their investment sector(s) and they have expertise in preparing acceptable business plans. Comprehensive support packages were studied by the City of Gijón that is running the programme “GijónInnova”, where comprehensive funding and advice services being provided by local stakeholders or “Aveiro Entrepreneurial”, a comprehensive SME support package covering the fields of incubation, SME support, fostering entrepreneurship in schools and fostering entrepreneurial culture in the City of Aveiro.

Universities can play a decisive role in fostering an entrepreneurial attitude among students

Universities are in a position that enables them to teach the students and demonstrate to them that becoming an entrepreneur can be an option for their future. They also need to have the capacity to deliver basic comprehensive support packages to their entrepreneur students. They are expected to be able to bring in technical expertise that is critical in high-tech/technological projects. In this latter role, they often are the main source of expertise. That is the reason why their role is so important, as they are in a position to support the new entrepreneurs in assessing their technical risk correctly and to give them confidence in their projects. One important condition for this to be possible is that some teachers are entrepreneurs themselves or at least are open to entrepreneurship. Common counselling programmes of entrepreneurs coming from the practical side in combination with academics from the university has been established: e.g. the City of Aveiro via the PREBIZ programme or the Edinburgh Technology Transfer Centre (ETTC) which provide an important bridge between university laboratories and research institutions and the business world.

Not all high-tech projects need highly sophisticated support instruments

What has been seen in nearly all Cities is that, apart from technical expertise (which can be a complicated subject but which is traditionally expected from technical universities), many high-tech projects only need basic support during their start-up phase, such as small premises with cheap rent, administrative services, small initial funding, basic legal, accounting and financial advisory services. These projects generally form the majority of local start-ups. Cities should make sure that these basic services are also available locally, without useless (and expensive) sophistication.

Development of strategic alliances

The City of Linz has developed a mapping methodology of existing support facilities, indicating the particular position of each service provider in a comprehensive SME support infrastructure and

finding gaps within this structure. An intense exchange among all stakeholders has shown that the perceived competition among the stakeholders can be limited by strategic alliances, as it was recognised that there is a lower overlap of core competences than expected. The model is applicable to further Cities, like the City of Aveiro, which has tested the same methodology and the City of Gliwice, which intends to develop a similar process based on the same model. In order to establish interlinked alliances a long process of setting trust among the single stakeholders is a precondition. In the next step those alliances should be formalised to reach a necessary stability that is strongly needed by start-ups. Though efficiency, confidence and stable cooperation among stakeholders need long time to be established and constant meetings and a strategy to keep the networks alive needs to be elaborated. Cities can play an important role, as they can act as an important and necessary node. Consequently the competition among the single actors is lowered and a more specific and targeted advice and support can be provided.

Development of a critical mass for efficient support

Local support programmes require impressive funding that may look out of reach for many Cities. Thus a critical mass is needed to support innovative sectors efficiently. The City of Edinburgh provides a comprehensive complementary support infrastructure for innovative projects and forms an important cluster in particular for SMEs from the sector of life science. It is characterised by a strong interface between academic facilities, businesses and physical and virtual incubations that are centred around critical masses. An open innovation process among private and public stakeholders could be established. Such open innovation process is characterised through a high flow of tacit knowledge through various forms of cooperation ranging from loose networks up to contractual agreements of knowledge exchange among businesses, experts and educational facilities. In Spain, GijónInnova is a very comprehensive programme for innovative/high-tech sectors in Gijón. There, the supported sectors have been carefully selected in relation to the local strengths and the supported businesses have been targeted in a complementary approach with the region, so that overlaps are avoided. The City of Aachen is following a cross-border clustering project between Germany, Netherlands and Belgium, which is called TTR ELAt. In any case clusters seem to be the founding stone for efficient support activities. Therefore, the suitable territory to form these clusters with a significant mass can be found locally or within neighbouring regions.

Detection of promising projects

In order to find good projects with a clear chance to get access to funding through e.g. loans, business angels, or venture capital a careful assessment process is needed. Particularly, highly innovative projects cannot be simply regarded as normal businesses, but more as projects in a

complex development process. The high-tech incubator tech2b in the City of Linz therefore successfully uses the *Stage – Gate* process. This process is combined with comprehensive awareness campaigns and targeted scouting in local innovation networks, which are necessary preconditions coordinated by the City of Linz and the local stakeholders for SME support.

Access to expertise through external expert pools

Access to funding also requires access to various sources of expertise. While cities often provide well-endowed incubators, there is sometimes a lack of necessary expertise within such facilities. Thus training and technical assistance should be provided by external expert pools and specialist institutions. Such a programme has been developed in the City of Aveiro with Business PREVIEW. Within this programme advice and business conception as well as supervision of the implementation of new businesses by the stakeholders from university and external entrepreneurs are provided, in order to offer academic and practical guidance in a mutual fertilisation process for start-ups. The TTR ELAt project provides a pool of experts with an additional budget. The experts for innovative and high-tech projects need to be very close to the technology questions but at the same time they need to be experts on transferring research achievements into concrete projects. In addition, the attraction of external expertise depends on the cluster visibility, and thus reaching a critical mass is a crucial issue. Support for high-tech projects is far more complex in the sector of bio-technologies, where the critical mass for a cluster could be reached in Leipzig, the City in partnership with the savings bank, which has set up an ad-hoc organisation “Bio-City Leipzig” aiming at gathering local expertise and at providing a framework for the local network of research and local enterprises.

2.4. Work Group IV – Communication

Designing efficient support instruments is a good achievement, but the real goal is to design support instruments that are actually demanded and used by businesses. Thus, the crucial point of this working group was to elaborate and to show possibilities on how to spread the activities on SME support and how to communicate the offers effectively to the SMEs. The difference lies in the quality of visibility and in the communication policy at local level. SMEs make it a difficult exercise as they require continuity (stable and predictable environment) and most of the credibility is built on peer-to-peer information. Consistently designed instruments and a clear “red thread” are needed.

Within FIN-URB-ACT all Cities had a strong communication plan. The Cities have shown during the common work meetings that communication is one of the strengths of the daily tasks of the municipalities. They mostly have the capacity for communication and they have the capacity to put all local actors together. Different examples of day-to-day information and overall communication campaigns in e.g. the Cities of Edinburgh, Galati, Rome, Leipzig, Reims, Aveiro, Gliwice and Linz have been discussed.

External communication

External communication has to be done in order to reach various target groups, such as the business community and their representative organisations, the supporting organisations and the decision makers at higher level. In fact nearly all Cities had the experience that potential investors (in particular coming from outside) or entrepreneurs might be lost in an unclear labyrinth of information on diverse support facilities and services, products and events, as much valuable information co-exists without being really interlinked. An increasing use of web pages has been revealed as a valuable communication tool.

The City of Aveiro has created a communication strategy as part of the comprehensive SME support package “Aveiro Empreendedor”. Within the communication strategy a webpage as virtual helpdesk is being installed. Hence, Aveiro will use a one-stop model virtually in interlinking the ramification of diverse support facilities in a clearly arranged and thus more fruitful way in the form of an “integrated webpage”.

In order to raise the visibility of the support infrastructure the City of Gliwice created a website on the model developed in Edinburgh and they work on a Local Information Point in Gliwice, which will be placed in the Municipality Office. The information provided by the Information Point will be connected with a map of the public support scheme, as the SME survey that has been conducted in the City has shown that entrepreneurs need clear guidance in finding respective support facilities and experts providing the services needed.

In order to counteract those shortcomings the City of Linz has developed a mapping methodology to provide clear visibility of the local support facilities. An important outcome is a founders' compass (Gründerkompass) that provides a comprehensive overview of local services targeted to particular needs of each stage of the SME start-up phase.

The City of Rome has established a service that expects to send an e-mail to any new company just registered to the Chamber of Commerce, in which they thank the company for having opened an office in the Lazio Region and inform them about the current public and private instruments supporting the development of SMEs (e.g. Guarantee funds, VC funds, non-financial public services etc.). At the end of the mail it can also indicate the dedicated person and/or contacts, links, as well as a "hotline" dedicated to new companies.

Having set up the ESIF the communication by the City of Edinburgh is interlinked with an overall communication platform dedicated to business start-ups – the Business Gateway. It can act as good practice for external communication. The City is involved in the Business Gateway network, calling for expertise from the local Chamber of Commerce and other partners and profiting from the benefits of a regional/national network (quality, visibility, communication, support), which has reduced costs and improved know-how.

Within FIN-URB-ACT the City of Reims has put a strong focus on communication campaigns of the network CREAREIMS. This network unites all local stakeholders involved in business creation under the coordination of the Municipality. A survey by an external consultant has shown that there is also a strong need also for self-promotion of such a network. Consequently a common brand was developed and various events and communication tools have been prepared.

Internal communication

Internal communication of SME support tools needs to be done within the Municipality departments, so that the SME dimension is considered when measures affecting the businesses are envisaged. In the early stages the communication strategy of the Leipzig Microfinance Fund was directed towards the commercial banking sector. The aim was to better induce banks into providing micro-financing. Banks were approached with the request to provide financial contributions to the fund and to support the decision process on individual loans. Consequently the communication to local politics became more important. The aim was to receive the consent of the City Council to establish a micro-loan scheme and to reach a decision on funding for micro-loans. The City Council endorsed the FIN-URB-ACT project with a clear majority and unanimously agreed on the micro-lending scheme and on providing local financial support to the fund. Also the City of Gliwice focused on internal communication within the Municipality in order to raise awareness of SME support.

Discussions within the FIN-URB-ACT Local Support Groups have shown that in addition to municipalities, internal communication among the different stakeholders of the local SME support community is needed. The City of Linz and the City of Aveiro made this experience during the process of the mapping. It was a long process and careful negotiation with all related stakeholders was needed, when discussing the different positions and the respective tasks of each actor within the local SME support infrastructure.

Put raising awareness under umbrella events

The second strategic idea to use communications synergy effects is by using bigger events as overall hook to organise smaller events related to the same topic or area. So far, different events have often been carried out separately, like ones on suitable financial instruments incubating companies need to be competitive. Aveiro used the European SME Week 2010 and provided four different events carried out mutually by the members of its Local Support Group. The approach is similar in the City of Linz. They used the European Year of Creativity and Innovation and Linz as a European Cultural City 2009 to boost the creative industry sector in the city. The particular stakeholders might be more suitable for diverting people to local events and to attracting more potential stakeholders to contribute (reach critical mass) by exploiting these kind of umbrella events.

Teaching entrepreneurship

Moreover, communication issues included the task of teaching entrepreneurship and raising awareness among young people in order to show that being an entrepreneur can be a good opening and chance for future professional life. The City of Aveiro is involved in the comprehensive support package “Aveiro Entrepreneurial”, a tool to teach entrepreneurship in secondary schools. The City of Gliwice and the City of Galati started to cooperate with local academic institutions. Teaching entrepreneurship is efficient, if there is work on cases closely linked with local reality. The opportunities exist or may be implemented locally and students are taught through real life examples.

If students are connected with the local support organisations it means that their projects will normally be rooted locally and will develop locally if they are implemented. If cities support teaching programmes, they will wish that these programmes have local outcomes and this may be a way to guarantee that teaching programmes have positive returns for the local economy.

The experience made in FIN-URB-ACT, however, has also shown that close cooperation with universities is not always given. An academic institute is mostly tailored to one person (a professor). If this person it is not willing to cooperate or is simply not interested in an integrated approach it is difficult to install an exchange platform.

3. FIN-URB-ACT GENERAL CONCLUSIONS

3.1. Conclusions on the FIN-URB-ACT methodology

All local action plans are different

All Local Action Plans carried out by the FIN-URB-ACT partner Cities are different: some concern the implementation of direct financial support to SMEs with technical instruments such as the municipal micro-credit fund in Leipzig, the municipal venture capital fund in Gijón or the East of Scotland loan fund in Edinburgh. Others are new coordinated multi-annual actions in favour of local SMEs such as Aveiro Empreendedor in Aveiro, the comprehensive programme submitted to the Managing Authorities in Galati or the programme supporting the consolidation of new businesses in Rome. Some Cities took advantage of the legitimacy given by an URBACT project to initiate a long lasting local partnership such as Gliwice with their coordinated information centre for local SMEs or Maribor preparing the feasibility of a revitalisation plan for the City historical centre. Finally, other Cities have improved their local governance methods: Linz has implemented a new method to assure coordination between the stakeholders who deliver support to local innovative SMEs. An interesting aspect of this method is that it is based on preparing a consensus among the local partners in the fields they cover respectively, and that it could be successfully transferred to another partner City (Aveiro); accordingly this method could be considered as a good practice. Aachen needed to consolidate a partnership with stakeholders located in two neighbouring Member States and is initiating a Euroregion, while Reims has redefined the operation of their local support network for new businesses.

But FIN-URB-ACT initiated a process of change

What is clear in all partner Cities is that the FIN-URB-ACT project produced significant changes with the initial situations; as a consequence the partner Cities evaluate their Local Action Plans (and their level of satisfaction) not in absolute terms, but on the process of change that was implemented locally since the initial situations were very different in all Cities.

Cities are focal points for local integrated projects

FIN-URB-ACT demonstrated that Cities have the capacity to prepare integrated projects, being a recognised, efficient and accepted coordinating partner:

- for the local stakeholders who became members of the Local Support Groups. In this respect Cities have built long lasting partnerships and they recommend envisaging two levels of

involvement: a core group of local partners who will take part in all projects and ad-hoc partners who will be integrated when the subjects require it,

- for the Managing Authorities who generally appreciated this capacity to design and implement large scale projects, covering all dimensions of the actions, on a consistent territory, with all the local stakeholders. Additionally, Cities are public organisations, submitted to public control procedures and offering public guarantee. Few operators other than Cities have this capacity to build integrated projects with a territorial legitimacy and a public guarantee.

Partner Cities recommend that Managing Authorities be contacted in the initial phase of the project, but no definite position has been taken on the possible advantages of the Managing Authorities being a member of the Local Support Groups. Some Managing Authorities accepted being a member, others preferred to keep a more neutral position. But in all cases, the presence of the MA in the projects is an important factor that increased the involvement and the commitment of all other local stakeholders.

Cities must take the initiative

Generally the Cities took the initiative of contacting and involving the local stakeholders and the Managing Authorities; acceptance for this initiative was very favourable and all the partner Cities strongly recommend that Cities, who will play a pivotal role in the local projects, make the first steps in the direction of LSG members and the Managing Authorities.

Incidentally, FIN-URB-ACT sometimes was used as an “alibi” to contact all the partners as the project, with its official recognition by an “authority” at European level, gave legitimacy for this sometimes new approach. This alibi (where/when needed) was used just once, in the beginning of the local projects as the local partners immediately understood the potential benefits of this approach.

The Lead Experts, with their position of external “neutrality”, can also bring valuable contribution in these contacts, and the partner Cities recommend that the network experts be used for this purpose if necessary. The FIN-URB-ACT Cities would also recommend that the URBACT Secretariat and/or the national coordination units publish more information in direction of the MA on the necessity of participating in the URBACT projects. This does not mean that the MA should feel obliged to accept/finance the LAP; it means that the LSG members would appreciate receiving some feedback from the MA.

Funding programmes must have the possibility to “accommodate” integrated projects

If the Cities have an appreciated capacity to prepare and organise significant integrated projects, the funding programmes should, correspondingly, have the capacity to cover, to “accommodate”

such projects and this preoccupation should prevail at the initial stage when the funding programmes are designed. In this respect Cities recommend that they be consulted by the Managing Authorities in the initial stages of fund preparation so that they can express their views on the type of project that will come out during the next years. Various forms of consultation of the Municipalities by the MA have been considered in FIN-URB-ACT, more or less comprehensive, formal or case by case; no strict recommendation could be formulated on the geometry of this consultation process as situations can vary significantly in the regions in terms of size of cities, weight in the regional economy, relation with the hinterland ... but a “consultation platform” with the major cities in the Region could be an acceptable solution so that the funding programmes can include the urban dimension and the kind of integrated projects Cities can coordinate.

European exchange of experience

FIN-URB-ACT was not only an opportunity to design integrated Local Action Plans; it also was an opportunity to exchange experience between Cities of various countries, sometimes just to give evidence that different approaches are possible and allow for local innovation. A table of exchanges of experience has been drawn (document attached) and it shows how rich these exchanges were, between ALL partner Cities, coming from the former or the new member states. And it has to be noted that this table shows only part of the reality – exchanges between Cities – but there is no doubt that other members of the LSG also benefited from the contacts with other partners (when they had the possibility to participate in the network meetings). Representatives of the MA also indicated that contacts with their colleagues in other member states had been very fruitful and may lead to more innovative approaches in the procedures for fund management.

European labelling

Being a partner in a project recognised by a European programme is an additional dimension in itself; for some partner Cities, it gave legitimacy to contact local stakeholders to form the LSG and convince them that they should take part in the project. It also legitimised the approach to the MA, for a new project with a new modus operandi. For some, it is an element of visibility at European level that improves (moderately) the image of the Municipality. But in all cases, internally it justified the expenses to cover some extra costs (even modest) that are not normally incurred in the daily operation of a Municipality.

It is interesting to note that this dimension of European labelling was very important in the beginning of the project but dwindled regularly, except for the financial aspects; this is the evidence that the methodology was completely assimilated and that its benefits became obvious for all.

Procedures can be simplified, particularly concerning the petty expenses that form the majority of the budget lines, there is a new possibility to use lump sums and per diem. This is even more evident if we consider that Cities as public bodies are already submitted to all forms of public control at various levels.

The URBACT II methodology is a good practice in itself

For most of the partner Cities involved in FIN-URB-ACT, the URBACT II methodology, the main characteristics of which are:

- initiative and coordination by the City,
- creation of a LSG for design and implementation of the project,
- participation of a MA,
- exchange of experience with other European partners,
- support of an experienced expert,

was innovative and resulted in unexpected outputs, especially if we refer to the modest budgets that were allocated initially. They all consider this methodology as a good practice in itself that could/should be used for many other projects of which the Cities are in charge.

Some aspects can be adopted easily: those with a local dimension. The formation of the Local Support Group and an early contact with the MA can be carried out easily by the Cities, especially once they had the experience of an URBACT project, as these aspects do not require “special costs”, i.e. costs that do not form part of the daily operation of the organisations.

For these actions, the Cities recommend that, at a certain stage of development, the relations with the stakeholders be “institutionalised”; at the beginning of the project they probably started on a personal basis, but after some time, in order to guarantee some stability and to make sure that the local project can be carried out successfully till its finalisation, these relations need to be confirmed and “officialised” by a covenant, at least for the duration of the LAP.

The European dimension requires more attention in terms of detection of partners in the other member states, selection of competent experts and coverage of costs for the organisation of the meetings in various countries:

- *detection of partners:*

The output of a network heavily depends on the contributions of each of its members. The partner Cities in FIN-URB-ACT consider that their partnership has been well balanced and successful. But they also realise that they were very lucky in their selection of the 11 partner Cities as this partnership was only based on very limited prospection, personal contacts, word of mouth... They recommend that some support tool be implemented by the URBACT Secretariat to facilitate the detection of possible partners based on transparent and objective criteria. They suggest that a “partnership” thumbnail be created on the URBACT web page, offering the possibility to all interested partners to publish a half-page advertisement with the main characteristics of the partner and the project they have in mind. Of course the use of advertisements would not be compulsory for partners nor would it imply any responsibility of the Secretariat.

- *selection of experts:*

The current system with the roster of accredited experts on the URBACT website seems satisfactory for the partners. It offers advantages in terms of transparency, number/choice of experts and simplicity of selection procedure.

- *coverage of network costs:*

For the approved projects, the network costs are covered by the partners’ contributions and by a subsidy. This subsidy has a dual dimension:

- it is the materialisation of the “good quality” of the project which internally gives legitimacy to taking part in this project: “soft” dimension,
- it covers costs that are normally not eligible to the partners’ budgets (travel costs, organisation of meetings, expertise...): “hard” dimension.

After the experience of taking part in FIN-URB-ACT, the partner Cities would like to have the opportunity to set up a European network and implement the URBACT II methodology to find solutions for several problems they face, without being bound by the necessary rigidity of the URBACT programme, e.g. calendar of the calls, procedures, etc. In other terms, they wish this methodology could be mainstreamed. The “soft” dimension can be overcome in the hands of experienced professionals, the “hard” dimension requires an innovative procedure; the partners suggest that some investigation be made in the direction of forming networks of a tandem City/MA covering their own costs through the City contribution and a small local subsidy (in the budget line for technical assistance in the OP, for instance) so that each “tandem” would cover their own costs in the network and would contribute to the shared network costs in equal parts. This would ensure good motivation for Cities and MA to cooperate and would make the method very flexible in terms of calendar and choice of subjects.

In conclusion, for the 11 partner Cities, FIN-URB-ACT proved to be a very fruitful project, and its outcome goes well beyond what can be expected from such limited budgets. The added value concerned not only the technical aspects of financial support to local SMEs. It also related to changes in the relationships with the local actors, new understanding of the mutual dependency between local and regional levels, and it could become a test for the implementation of new forms of finding solutions with a European dimension.

Overview on the meetings and exchange activities of the FIN-URB-ACT network

MEETING	CITY	DATE	MAIN TOPIC
Preparatory Meeting	Brussels	September 2008	general preparation of the topics and the work groups
Kick-Off Meeting	Aachen	January 2009	political kick-off, SME support infrastructure in Aachen
Work Meeting 1	Aveiro	June 2009	universities and high-tech businesses
Work Meeting 2	Linz	October 2009	creative industries
Work Meeting 3	Edinburgh	February 2010	role of local banks in the SME support infrastructure
Work Meeting 4	Gijon	June 2010	access to finance for small shops and crafts
Editorial Meeting/ Work Meeting 5	Maribor	November 2010	Integrated concepts for the revitalisation of city centre,
Conference with MA	Brussels	February 2011	public political conference on EU level on the topic of cooperation between Cities and MA
Final Conference	Gliwice	March 2011	public presentation of the results

3.2. Table filled in by the FIN-URB-ACT Partners exemplifying the knowledge exchange with FIN-URB-ACT

learned from partner city	Aachen	Aveiro	Edinburgh	Galati	Gliwice	Gijon	Leipzig	Linz	Maribor	Reims	Rom
Aachen		planning and development of operational programme cooperation with the MA	development of customized finance products with the region				cooperation in developing a local fund for micro-lending	incubators of creative economy, customized products; financing services excellent cooperation with banks		communication and marketing of activities	cooperation between the region and the city
Aveiro			financial instruments to support SME		entrepreneurial academy	financial instruments to support SME, support structure for town centre revitalisation	financial instruments to support SME	mapping of support services to foster entrepreneurship and local SME, creative community		communication strategy	
Edinburgh	regional cooperation platform in North Rhine-Westphalia; clustering and cross boarder activity	university spinouts and high growth businesses; how different business angels are in Portugal		strong links with Chamber of Commerce; Galati Uni and entrepreneurship teaching	academy of entrepreneurship	centre management. shop fronts; cooperation with banks	micro-finance fund	creative industries incubation; creative community	incubator	communication strategy approach	strong links to MA (Lazio region)

Galati	cross-border cooperation with Belgium and Netherlands	interested in the adapted guideline for SMEs	model of cooperation between public authorities, Chamber of Commerce and banks; Edinburgh Science Triangle		teaching entrepreneurs by academy of entrepreneurship	platforms of entrepreneurial development	cooperation between local and regional institutions ; micro-lending fund	inspired by the idea of joining industry and arts and stimulating both in new directions	method of town centre management/ open commercial centre	organisation of entrepreneurs fair and publicity on media	network among market actors under the Municipality of Rome umbrella
Gliwice		construction of map public support scheme, idea of communication presented by Aveiro in Edinburgh. One of the steps undertaken by The Municipality of Aveiro was communicating their LSG and LAP activities during events which take place in the city connected with entrepreneurship.	we found the idea of Business Gateway interesting, resolution to our problem (lack of knowledge and information. It might be an applicable instrument in Gliwice but of course on the limited, local level.			although it was not the topic of LAP planned in Gliwice we found the idea of city centre management very interesting, could be useful for own revitalisation projects		construction of the map of public support scheme			

Gijon	Cluster oriented networks; cooperation within TTR ELAt triangle	cooperation between MA and cities; policy on communication	Business Gateway Internet platform; Scottish Development International, Edinburgh Science Triangle	strong cooperation between MA and cities	academy of entrepreneurship, training and urban regeneration as a common goal		micro-credit fund, cooperation between stakeholders, crucial financing scheme for entrepreneurs	teaching entrepreneurship (Johannes Kepler Universität); mapping methodology of entities which support SMEs	cooperation (private/public; local/regional) for development of town centre management	entrepreneurs' fair "Salon Entreprendre"	strong cooperation between MA and cities
Leipzig	business incubator creative economy; cooperation with savings bank "Sparkasse"	cooperation with planning and development of operational programme	development of customized finance products with the region	cooperation with planning and development of OP				excellent cooperation with banks and employees; Customized products; financing services measures creative economy		communications and marketing of activities	
Linz		model of Linz regarding the mapping of support infrastructures is applicable to other cities, consequently a detailed description is useful and a further development as a good practice is possible	various financial instruments that could be interesting also for Linz				micro credits being provided to various branches locally, this should be proofed in Linz as well				

Maribor	long-term goals and solutions in regard to development and support for innovative companies	effective approach to public-private partnership, business angels	support for SME, cooperation of numerous institutions			town centre management, revitalisation of the centre					
Reims		In Reims, we have a network CREA Reims but we need to open this network to new contact and the mapping methodology of local SMEs support structure will be copied for the reflexion in 2011. interested in the result of the survey, the notion of one-stop-shop						in Reims, we have a network CREA Reims but we need to open this network to new contact and the mapping methodology of local SMEs support structure will be copied for the reflexion in 2011 creative industry in the city	promotion activities entrepreneurial culture		cooperation between the region and the city
Rome	regional cooperation platform in North Rhine-Westphalia and cross-border cooperation	cooperation with the MA, fairly approach to public-private partnership in supporting SMEs	Business Gateway is an interesting model	cooperation with planning and development of OP	academy of entrepreneurship	support structure for town centre revitalisation	microcredit fund	very good instruments for supporting creative industry	public/private cooperation for development of town centre management	communication strategy	



4.1. Local Action Plan City of Aachen

Initial Situation

The City of Aachen, with a population of nearly 260,000, is situated directly on the border with Belgium and the Netherlands and is Germany's westernmost city.

Historically, the Aachen region used to be strong in steel production and textile industry as the region had been one of the important coal-mining districts in Europe during centuries. In the 1970s the first mines closed and this process continued until 1997. Consequently nearly 15,000 miners and another 5,000 workers in supplier companies lost their jobs. While the tertiary sector saw an above-average growth at the same time, regional politics had to start taking an early look at how to compensate for the huge loss of jobs: active structure transformation was the motto, new technologies were in demand. The most important factor for an economic renewal in the region was a feature which is specific for the Aachen region, namely the importance of local R&D institutions. Their regional research and technology potential has always been Aachen's number one location factor. The Aachen region has an outstanding technical and scientific structure, headed by RWTH Excellence University of Aachen, one of West Europe's largest technical universities, together with Aachen University of Applied Sciences and several private and public research institutions, including Juelich Research Centre, the largest interdisciplinary research centre in Germany, and three Fraunhofer Institutes of applied research. These institutions provide a research and innovation structure of a density which can be offered by only a few regions in Europe.

Aachen's economy is based on the following growth clusters:

- ICT,
- automotive (supply industry, R&D for motor technology),
- health & medical industry (from spas over Life Sciences to medical technology),

- new materials,
- engineering (as a transversal feature resulting from the excellent output of engineers coming from Aachen university),
- energy (legacy of Aachen's industrial history, now excelling in alternative energy: solar, windmills, R&D).

However, due to its border location, Aachen still suffers from an image of periphery and does not have the visibility which actually would fit its economic power and ability to innovate.

Accordingly, the following goals have been identified in the baseline study:

- The creation of jobs in the knowledge economy.
- Ensuring close cooperation and collaboration within the transnational city network TTR ELAt.
- Counteracting brain drain.
- Supporting and restructuring consulting for SMEs.
- Creating a transnational cooperation system for SMEs.

The Local Support Group

The Local Support Group is composed of several actors listed below which are all members of the 'Gründerregion Aachen':

- Ministry of Economic Affairs and Energy of the State North Rhine-Westphalia;
- Department of Economic Development and European Affairs (City of Aachen);
- Regional Development Agency for the Technology Region Aachen (AGIT);
- Aachen Savings Bank (Sparkasse Aachen);
- Savings bank's from Düren, Euskirchen;
- Bank of Aachen;
- Volksbank Euskirchen;
- VR-Bank Nordeifel eG;
- Aachen's Chamber of Commerce (IHK Aachen);
- University of Aachen (RWTH Aachen);
- Aachen University of Applied Sciences (FH Aachen).

The following are the most important contacts:

Organisation	Name of the representative	Position in the organisation	Expected contribution to the LSG	E-mail
City of Aachen	Thomas Hissek	Department of economics	crucial link between LSG and network	Thomas.Hissel@mail.aachen.de
Ministry of Economic Affairs and Energy of the State North Rhine-Westphalia	Dr. Claudia Schulte	Department objective II funding programme	accompanies the project	Claudia.Schulte@mwme.nrw.de
Aachen Savings Bank	Patrick Mackenstein	Assistant to the board of directors	active in LSG	Patrick.mackenstein@sparkasse-aachen.de
Regional Development Agency for the Technology Region Aachen (AGIT)	Ralph-Peter Meyer	Director	active in the LSG	r.meyer@agit.de
IHK Aachen (Chamber of Commerce and Industry)	Michael Bayer	Vice-Chief executive officer of chamber	active in LSG, leads LSG	michael.bayer@aachen.ihk.de
University of Aachen (RWTH Aachen)	Bram Wijlands	Department of technology and innovation transfer	accompanies project	bram.wijlands@zhv.rwth-aachen.de

Actions done

At the beginning of the project there has been extensive collaboration within the Local Support Group. Meetings and discussions in the context of the preparation of the kick-off event on 3 November and 17 December 2008 took place as well as a common evaluation thereafter. In this framework the City of Aachen, together with the Gründerregion, the Chamber of Commerce and the AGIT, worked out a detailed picture of the situation of young entrepreneurs in Aachen. Finally the AGIT, the Gründerregion, the Chamber of Commerce and the City of Aachen worked out the main activities of the Local Action Plan: verifying quality management and efficiency of communication structures within the region. Accordingly the LSG organised a workshop on 25 February 2010 which focused on the topics: how to generate more start-ups (quantity) and sustainable start-ups (quality), how to reduce the drop out quota (efficiency) and to make better use of network resources (effectiveness). The Gründerregion used the outcomes to strengthen the communication between its members. Moreover, it aims to organise a second workshop.

Additionally some interesting workshops have been attended. Together with the AGIT, the City of Aachen used the invitation of the Region Champagne-Ardenne to join the International

Businessmen Exposition INNOVACT in Reims. INNOVACT is a European Forum for innovative founders and young founding companies in the field of technology. The discussion topic was: In which economic fields (high-tech cluster, business incubators, university, and marketing) could the LSG Aachen and the LSG Reims cooperate?

Furthermore the City of Aachen, together with representatives from the LSG, participated in the URBACT Local Support Group National Seminar on 26 May 2009, in the URBACT LSG Conference on 5 November 2009 together with the IHK and in the Workshop "Ideen-Mining" at the University Münster together with the AGIT.

In addition many meetings with the AGIT took place in order to refine the project draft "towards Top Technology Cluster". The project focuses on the fact that Aachen is a border region. Thus, high-tech companies have disadvantages compared to those located in metropolitan regions. The project has been approved by mid-December 2010 and will start at the beginning of 2011. It will concentrate on building up and strengthening cross-border cooperation between the promising branches (modern materials, life sciences, ICT, and energy) and on establishing contacts which might lead to concrete projects or products since most companies and institutionalised network initiatives do not have "Euregional" contacts and knowledge of neighbouring sub-regions. Cross-border cooperation will also be strengthened by establishing a structure of business development: business developers will continue to accompany companies interested in cooperation with other companies, universities or research institutes by giving expert monitoring. Aachen's role within this project will be to give SMEs access to expertise and to establish cross-border contacts. TTC is embedded within the network "Top Technology Region Eindhoven – Leuven – Aachen" (TTR ELAt). The network TTR ELAt aims to strengthen local high-tech companies' business development, and it is working out cross-border possibilities, especially with regard to the topic "brains". Important for FIN-URB-ACT is moreover that TTR ELAt aims to work on institutional development in order to adjust different regional and national legislation regarding cross-border funding possibilities for innovative companies. Additionally within TTR ELAt, Aachen is active in the working groups "brains" and "institutional development". This cooperation creates a strong network within the TTR ELAt region which will encourage common activities in the future regarding the recruiting of high potentials.

Furthermore an interesting contact between the LSGs of Aachen and Linz could grow. The incubator Tech2be from Linz visited Aachen's technology centre and the Municipality. Two topics were particularly interesting for both cities and will probably lead to common activities: Linz has interesting structures regarding the creative sector, especially its linkage of creative industries to innovative and high-tech branches; Aachen would like to realise something similar in the near future. According to the communication with other partners, strengthening the

creative sector is a topic of great interest for the network. Therefore, Aachen and the DV have started to firm up possible common activities within the network even after the project's end (probably INTERREG), dealing with creative industries. The feedback from the partners has been positive. Accordingly the search for a respective funding perspective has started. Thus, the network stays actively in contact.

As it had been agreed upon in the baseline study, the Gründerregion initiated workshops in order to inspect its structures. But the whole process of restructuring is very complex and rather long so that it can only be completed within the institution and by its members. Thus, it has been expected that this process is more long-term oriented and cannot be completed within the timeframe of the project. Accordingly a reorientation of the project occurred with more focus on the other challenges depicted in the baseline study, namely transnational cooperation of enterprises and brain drain. In this regard the LSG is facing a responsive role since it is very active within the transnational city network TTR ELAt. The focus has been put on the following issues: How can enterprises, aiming for transnational cooperation, be supported? How can border barriers be overcome? How can enterprises gain access to transnational funding? Accompanied and supported by FIN-URB-ACT effective work on those issues could be continued.

Accordingly the project "towards TTC" has been proposed, approved and is about to be started this spring. By aiming to build up and strengthen cross-border cooperation and to establish contacts which might lead to concrete projects or products, this project addresses the issue of transnational cooperation of enterprises which has been depicted as a problem in the baseline study.

What has been planned to do in the future?

For the future, besides the continuation of already approved projects, the cities are planning to submit a project proposal "Euregional Brain Gain" in the framework of counteracting brain drain. It is the aim of this project to attract "brains" to come to the region for working and finally staying. Thus, this proposal aims to counteract brain drain, another identified problem of the region. Beyond, within the framework of TTR ELAt, a third project, "Innovationsfonds", has been created with the aim of providing financial support for enterprises. For the future general ongoing and extensive collaboration within TTR ELAt is planned.

In addition to TTR ELAt the LSG was able to create another network together with INNOVACT in Reims and Tech2be in Linz from which a fruitful exchange of experiences and ideas could be derived and which will give some incentives for the future. Within FIN-URB-ACT further collaboration regarding "Creativwirtschaft" is desirable.



4.2. Local Action Plan City of Aveiro

The initial situation

In the baseline study presented at the end of 2008, the City of Aveiro wanted the Local Action Plan to address different aspects for improving the local financial and non-financial support system, namely:

- Define the best funding structure considering, on the one hand, the existing programme funds at regional/national level and on the other, the needs and challenges of local SMEs;
- Identify the needed tools to make SMEs' access to funding schemes easier;
- Define a strategy with the purpose of involving/committing all relevant actors for a common objective and therefore to establish a new partnership that would stimulate the communication and benchmarking among them;
- Identify and develop new forms of non-financial support that can be used as a success factor for new enterprise;
- Identify new financial instruments that can be used by entrepreneurs to implement their enterprises ideas, such as micro-credits, risk capital or specific incubators;
- Establish a new area for enterprises incubation: The Innovative University, as well as a new awareness on entrepreneurial spirit, will make it necessary to set up a new incubation centre for spin-offs, start-ups, business growth and R&D activities. The Baixo Vouga sub-region in which Aveiro plays an important role, intends to establish a sub-regional net of incubation areas. Therefore, the Local Action Plan will be essential to achieve this common goal, inside the sub-region of Baixo Vouga;
- Foster employment: The Lisbon Agenda is essential and Aveiro will contribute in promoting competitiveness and employment on their territory.

It was also stressed that the City of Aveiro would expect from the European network with other Cities or Regions that were dealing with improving their entrepreneurial environments to debate and exchange ideas on:

- suitable cooperation frameworks with Managing Authorities,
- methods for assessing highly innovative activities (e.g. by pooling existing expertise and support packages for innovative projects),
- small business advisory support schemes,
- non-grant financial instruments,
- incubation activities and experiences with start-ups from universities,
- general education strategies.

The composition of the LSG

The Local Support Group of Aveiro is a multi-tasked group that includes all the major local and regional actors addressing the issue of Economic Development, and more specifically, support to SME and promote of entrepreneurship. The diversity of the LSG embraces universities, national institutions, banks, Mutual Guarantee society, local and regional chambers, incubation centre, high-schools and media.

n°	family name	first name	gender	language spoken*	your organization name	type of your organization**	your position	activity of your organization
1	Ferreira	Pedro	Male	Portuguese	Municipality of Aveiro	Qty Hall	Expert	Municipality of Aveiro - Qty Council or responsible for Economic Development and Education
2	Cester Costa	André	Male	Portuguese	Municipality of Aveiro	Qty Hall	Coordinator project FIN-URB-ACT	Municipality of Aveiro - Economic Development and Structural Funds Office
3	Direito	António	Male	Portuguese	Municipality of Aveiro	Qty Hall	Head-Office Education	Municipality of Aveiro - Economic Development and Structural Funds Office
4	Geraldo	Rosa	Female	Portuguese	Municipality of Aveiro	Qty Hall	Expert	Municipality of Aveiro - Economic Development and Structural Funds Office
5	Martins	Lidia	Female	Portuguese	Comissão de Coordenação e Desenvolvimento da Região Centro	Managing authority	Expert	Managing authority
6	Rainho	José	Male	Portuguese	UAATEC	University	Coordinator	Support business creation, support raising financing, entrepreneurial training and mobility of entrepreneurs
7	Quinha	Ostina	Male	Portuguese	Grupunave	Business Incubation	Director	Business Incubation and Fostering entrepreneurship
8	Miranda	Osória	Female	Portuguese	IAPMEI	National administration	Director	Support SMEs
9	Bajouca	Arménio	Male	Portuguese	Associação Comercial de Aveiro	Chamber of Commerce	Expert	Legal Support to local shopkeepers
10	Ribeiro	Ana	Female	Portuguese	Escola Profissional de Aveiro	Training and Educational Institution	Expert	Training and Educational Institution
11	Rita	Elisabete	Female	Portuguese	AIDA	Industrial Association	Chief Executive	Represent, defend, promote and support of the industrial businesses of the District of Aveiro

n°	family name	first name	gender	language spoken*	your organization name	type of your organization**	your position	activity of your organization
12	Magalhães	Hugo	Male	Portuguese	AGR	Association	Director	AGRSs mission is to revitalize the center of the city
13	Ferraz Alves	José	Male	Portuguese	BPI	Bank	Director	Financial products
14	Gonçalves	Marco	Male	Portuguese	Norgarante	Financial support	Director	Norgarante provides guarantees to companies and their shareholders studying solutions of joint access to capital markets.
15	Ribeiro	Pedro	Male	Portuguese	Inova-Rta	Association	President	Inova-Rta - Association of Companies for an Innovation Network in Aveiro, is a nonprofit organization that has as its aim the creation and consolidation of a telecommunications group that contributes to the development and competitiveness of the region of Aveiro.
16	Almeida	Carlos	Male	Portuguese	IPAM	Training and Educational Institution	Manager	IPAM is a school of marketing, mainly target to the markets and business and focusing on research projects with practical application of theoretical areas that provide results in business.
17	Marques	António	Male	Portuguese	IEFP	Regional Administration	Director	Definition of training programs according to the needs identified in the local labour market
18	Luz	Ricardo	Male	Portuguese	Invicta Angels	Association	President	The Invicta Angels is an informal club of investors, operating primarily in northern and central regions, and has ideal areas of investment such as the ICT, nanotechnology, and sustainable construction.
19	Soares	António	Male	Portuguese	AAAUA	Association	President	Development of several activities in order to support former students of the University of Aveiro
20	Lagarto	Vasco	Male	Portuguese	Radio Terra Nova	Radio	Director	News Dissemination
21	Bonito	Ana Luisa	Female	Portuguese	AHRESP	Association	Expert	Provide all kind of support to the members of AHRESP

LAP Summary

The priority challenge that was presented to Aveiro was the development of concepts that strengthens the existing structures and instruments, adjusting them to the needs and reality of the SMEs. The methodology implemented, in accordance with the URBACT guidelines, that oblige the creation of strong synergies between all relevant local and regional stakeholders, in order to develop an integrated strategy with the contribution of the Managing Authority Coordination and Development Commission for the Centre Region, was one of the most important strengths within this project, that today is extremely relevant for some of the positive outputs already achieved. It was extremely relevant for the completion of the Local Action Plan, the interaction between local and regional economic, political and social agents.

Local Action Plan Overview:

Strategic axes	Target group	Goals	Indicators (two years)
Support to SMEs	Small and medium sized companies	<ul style="list-style-type: none"> . To support company creation and financing . To supply relevant information related with their business and new markets for investment . Promote products and services provided by those companies 	<ul style="list-style-type: none"> . 16 Projects approved within FICA (investment Fund of Aveiro); 3 Seminars; Prebiz: support to the creation of 20 new enterprises; Characterization Business Study of the Region of Baixo Vouga; Promotion of Internaitonalisation – “Silicaon Valey”; 1 Survey and Summary of the Economic Situation in the Region of Baixo Vouga
Business Incubation	Start-ups (companies of less than three years) Entrepreneurs	<ul style="list-style-type: none"> . To provide guidance/review of legal, accounting and financial issues . To provide coaching and mentoring by experienced expertise's . To maximise knowledge acquisition, experience exchange between target group and relevant actors . To support the creation of innovative companies to promote sustainable development in strategic areas of the local economic development, such as ICT, <i>new materials</i>, creative industries and tourism 	<ul style="list-style-type: none"> . Support the creation of 15 new enterprises . Training for more than 100 young companies workers, Idea contest: more than 30 potential projects; 10 workshops Investor Readiness Arena: 6
Fostering Entrepreneurship in school	<ul style="list-style-type: none"> . Primary and Secondary School students . Higher Education Students . Teachers 	<ul style="list-style-type: none"> . To motivate the adoption of entrepreneurial behaviors in students and teachers . To adopt methodologies of teaching and learning, predominantly active, in which the student is the main focus in the classroom . To rely on education as a local developer, guaranteeing an education environment of excellence . To promote equal opportunities of access to education, infrastructures of information and knowledge 	<ul style="list-style-type: none"> . Primary School: 900 students . Secondary School: 300 students . 2 classrooms with ICT technology - 45 sessions to foster entrepreneurship
Fostering an Entrepreneurial Culture	<ul style="list-style-type: none"> . Young Entrepreneurs . Women Entrepreneurs . Entrepreneurs in strategic areas for the local economic development . Unemployed 	<ul style="list-style-type: none"> . To promote social responsibility . To promote interaction and dialogue between companies . To promote the establishment of platforms of entrepreneurship promotion . To implement specific events to foster an entrepreneurial culture . To promote the creation of highly-qualified jobs . To encourage the creation of individual business and jobs, offering the necessary tools to achieve it 	<ul style="list-style-type: none"> . 12 workshops: . 8 events . 6 inter-managerial sessions - 15 potential projects - 1 “Young Creator” Contest - Number of participants in workshops for female entrepreneurs: 100
Communication	All Project Partners	<ul style="list-style-type: none"> . To facilitate the exchange of information and knowledge, between partners or between different target groups, through the creation of a knowledge and information platform; . To create a dynamic support network to companies and entrepreneurs; . To develop a territorial marketing tool to promote Aveiro as a city to live, work, study and invest 	

After two years of working closely with our Local and European partners, the strategy to support and promote SMEs in Aveiro led to a Local Action Plan defined as “Aveiro Entrepreneurial” that defined five strategic axes: Support to SMEs; Business Incubation; Fostering entrepreneurship in schools; Fostering an Entrepreneurial Culture; and Communication.

For the implementation and feasibility of the project, future actions must encounter the needs of the different publics, at different stages of the “life-cycle” of an entrepreneur, idea or business.

Therefore, we expect this project to contribute to the positioning Aveiro and its Region, as a sustainable multifunctional network, with a vibrating urban culture, based on the capitalisation of the distinct elements of the city, to create products with added-value, using knowledge, technology and creativity as inspiring sources for the creation of a new innovative urban economy.

Example of one action to be developed – PREBIZ:

The Bizness PREVIEW is a programme developed by IPAM – The Marketing School under the project “Aveiro Entrepreneurial”. This programme's mission is to anticipate possible problems in the business conception, as well as to advise and supervise the implementation of a new business. The professors from IPAM and successful entrepreneurs of the region of Aveiro will be the main actors involved in this process.

Through a close and honest relationship, we intend to share experiences and know-how, in order to encourage or discourage the implementation of projects that reach us from potential entrepreneurs.

The know-how of an entrepreneur is far more important and experienced than a college professor; on the other hand the professor is immediately more updated on the subjects that he lectures. The merger between these important references ensures the success of Bizness PREVIEW and the capacity to reach potential entrepreneurs of the region.

In the first place we will evaluate the ability of the potential entrepreneurs to lead the project which they propose to implement. Afterwards the business idea will be assessed by entrepreneurs and college professors invited to the project. If the proposal is feasible, we will provide suggestions to improve the business idea and present some financing solutions. On the other hand, if the proposal is considered ineffective, we will prepare a document summarising all the handicaps of the project, so that the entrepreneur can improve and re-apply for our support.

The Bizness PREVIEW intends that all of the companies established with our support, have an average life expectancy of more than two years, in order to consider that the investment in Aveiro is not a risk.

Aveiro: Comprehensive Communication Strategy:

The Local Action Plan of Aveiro is based on different pillars comprising the promotion of Entrepreneurship Culture, promotion of entrepreneurship in schools, business incubation and support for SMEs. For all these four pillars of the LAP in Aveiro an overall communication and dissemination strategy was developed under the common brand “Aveiro Entrepreneurial” in order to have a visual identity for all involved partners and stakeholders.

The objectives of the communication and dissemination strategy are to diffuse the information and raise the awareness about the project with the general target audience, to promote participation and to further reinforce ties with target audiences. The general flow of information should be optimised between the project partners and to maintain mechanisms for effective and timely communication. In order to raise the awareness of external stakeholders, links will be established with further projects of similar initiatives in order to take advantage of potential synergies. Finally, the results will be communicated to entities who might be interested in the project.

The target audience comprises three different levels. First, there is internal communication to the project partners. Second, there is the external audience which comprises various stakeholders like potential entrepreneurs from the academic, commercial and industrial side, young entrepreneurs (primary, secondary and vocational schools), incubator projects, SMEs as well as science, technology and innovation support organisations. The third level of the target audience addresses a general audience like the community, media, policy makers, public entities and the FIN-URB-ACT network.

Of particular interest is the creation of the integrated webpage, as it reflects the main Ideas of the FIN-URB-ACT project approach. So far, the members of the Local Support Groups present their support facilities and services, products and events on their own webpage so that much valuable information co-exists without being really linked. In fact potential investors (in particular, those coming from outside) or entrepreneurs might be lost in an unclear batch of information. Hence, Aveiro is going to use in the near future the one-stop model virtually to interlink diverse support facilities in a clearly arranged and thus more fruitful way in the form of an “integrated webpage”.

The main goals are to provide knowledge of references in the field of innovation, creativity and entrepreneurship. In the future the integrated webpage should not just act as an Information Point for external users, but also as a platform for the relationship between providers and to

disseminate all information related to the topics of innovation, creativity, financing and entrepreneurship (e.g. information on financing possibilities, local innovative companies, research and development institutions, local policies, opportunities for cooperation and collaboration, etc.)

The budget on the LAP

During the project implementation the City of Aveiro created the FICA (investment Fund in the City of Aveiro). The city invested €50,000 in the creation of this fund, and until now has had two projects approved. This was the only investment made by the city not included in the budget lines of the FIN-URB-ACT project.

During the project duration, our main objective was not only to design an integrated approach, but also to have access to funding for its implementation. The cooperative work with the Managing Authority gave us the opportunity to prepare a proposal for SIAC (specific programme under MAIS CENTRO). The actions presented under the LAP from May 2011 to April 2013, will be co-funded by ERDF. For that period we estimated an investment of €1.2 million, with a ERDF co-funding of €800.000.

It is important to stress that the LSG members have decided on the establishment of common protocol to monitor the implementation of the LAP and propose new actions. This protocol will be signed for a period of four years.

4.3. Local Action Plan City of Edinburgh

Initial situation:

The overall objective of Edinburgh's Local Action Plan was to help to address various aspects of the local support policy to SMEs, including better knowledge of existing financial and non-financial support schemes, access to private funding and better access to finance for small projects including self-employment as well as inward and outward communication.

Local Support Group

Organisation	Name of the representative	Position in the organisation	Expected contribution to the LSG	E-mail
East of Scotland European Partnership	Gordon McLaren	Chief Executive	Advisory and linking into Local Action Plans	gmclaren@esep.co.uk
Lloyds TSB	David Metcalfe	Head of Wholesale Banking	Involved in discussions about suitable private sector finance support for SMEs	David.Metcalfe@LLOYDSTSB.co.uk
Royal Bank of Scotland	Craig Reid	Business Relationship Manager		fraser.lusty@eu.nabgroup.com
Clydedale Bank	Fraser Lusty	Business Banking Partner		Craig.reid@rbs.co.uk
Edinburgh Chamber of Commerce	Roger Horam	Projects & Partnerships	Management and day-to-day running of the programme	Roger.horam@edinburghchamber.co.uk
Federation of Small Business	Graham Russell	Edinburgh Branch Chairman	Available for surveying and dissemination	gr@themillwarehouse.co.uk
Napier University	Ed Craig	European Projects Director	Bringing in finance issues for university start-ups	e.craig@napier.ac.uk

The mapping of support services includes the range of business support services available across the region. It is almost completed and will be published on the City website. It will be coordinated by the Scottish Enterprise in conjunction with the local authorities.

Relations with the MA have been good for a long time but FIN-URB-ACT opened an opportunity to present projects in a more innovative way: for instance, the ESIF combined innovative design in operational mode and innovative implementation of funds, through good cooperation with the MA.

Another example can be found in the implementation of ESF with the “Smart Exporter” procedure, built up from local level, and extended to the whole territory of Scotland by opening partnership to other Chambers of Commerce and involvement of the Confederation of local authorities, fast tracked by the MA. Additionally ERDF LUPS funding has been secured.

Survey on information and participation of target businesses

The mapping of business support provision shows that there are a number of generic offerings already in place that operate on a regional (Scotland-wide) and local basis and are also applicable to a segmented market of high growth, medium growth and universal businesses. The products and services are available as face-to-face and/or virtual offerings in both one-to-one and one-to-many formats. The range of services is from the high growth, key sectors (including renewable, life sciences, tourism, digital markets, financial services, food and drink etc.) to the social inclusion/under represented/deprived individuals – ethnic minorities, young people, females, people disadvantaged because of where they live, old people etc. There are some specific strong high growth areas – Incubation for Digital Markets (Alba) and Edinburgh Science Triangle – and funding for high growth businesses that includes R&D, co-investment etc.

Small scale funding includes the Edinburgh Business Loan Fund aimed at small businesses in the regeneration areas and the project has also developed links to the Capital Credit Union, which will shortly be able to provide funding to businesses. The business survey went out to over 4,500 businesses and had 53 responses of which 39% were sole traders, 55% micro and 6% small businesses. Of the respondents, 40% had a turnover in 2009/10 of less than £50k and 57% only worked in the domestic market; 80% started in the last four years.

Eight-one percent were unhappy with access to loans and cited problems such as availability, red tape, lack of knowledge (business and advisers) and being too targeted; 95% believe that

grants should be available at start-up with a simple, clear, logical application and decision-making process; 65% had heard of the loan guarantee scheme, but 60% had not used it.

Ninety-seven percent of respondents used Business Gateway advisers and 82% were happy (and even stated it had improved over the last ten years), as opposed to the 42% who had used accountants, lawyers and banks as advisers, with only 38% happy.

Design of a financial support instrument for small sized projects

Due to the financial crisis, the strong cooperation that was supposed to be developed with Lloyds TSB and the Royal Bank of Scotland did not take place. The ESIF was set up instead, initiated in Edinburgh and extended to the eastern part of Scotland with the participation of nine local authorities, drawing on the experience and the expertise of the West of Scotland Loan Fund.

The East of Scotland Investment Fund (ESIF)

East of Scotland Investment Fund Key Facts

Description	Loans for the creation, development and growth of small and growing businesses in the east of Scotland.
Value	Loans of up to £50,000.
Eligibility	Businesses with commercially viable proposals that may experience difficulty in raising all of the required funding from the usual commercial sources.
Additional Info	Applicants must demonstrate that at least 50% of the total funding package is being provided by the private sector. Interest rates are fixed, currently at 6%, for the duration of the loan with the maximum repayment period being five years.

The ESIF is a new investment loan fund, projected initially over five years, for the East of Scotland to benefit new and growing businesses which have good, commercially viable proposals, but have experienced difficulty in raising finance from mainstream commercial sources. The fund will be modelled on the successful West of Scotland Loan Fund (WSLF).

The project will run from the 1 September 2010 to 31 March 2015. The Loan Funds objectives are job creation/safeguarding of jobs, business start-up, business growth and gap funding by offering loans up to £50,000.

The proposal is being developed by a strategic partnership of Local Authorities in the East of Scotland which are working together to improve the availability of loan finance for SMEs in their area. A formal partnership is being established (the East of Scotland Investment Fund – ESIF) Partnership, which will provide a robust governance and accountability framework for effective management of the fund across the operating area. A detailed ERDF application was submitted by Fife Council Development Services on behalf of the East of Scotland Local Authorities on 9 October 2009. Fife Council Development Services have been closely involved with the WSLF over the last year to review options for augmentation of the Fife Investment Fund and have since facilitated a series of meetings of the ESIF partners to explore replicating the WSLF model. These meetings established that there was a strong interest in developing a similar fund in the east and have developed a cost-effective means of taking the proposal forward.

Administration of the fund will be managed by the WSLF under a contract arrangement with the established ESIF Partnership. This will enable the partnership to operate with minimal overheads and gain from the experience and expertise in the early stages of developing the project. It will also result in greater economies of scale, promote collaboration between regions and accelerate development of the ESIF. There will of course be a requirement to ensure that appropriate contractual compliance and monitoring processes are in place.

The funding model consists of investments in the fund by the subscribing member authorities and the matching ERDF those funds attract. In addition, the revolving nature of the fund, consisting of capital and interest loan repayments shall ensure that money is recycled and businesses benefit from the continued funding availability.

The Loan Fund is made up from three sources of funding totalling £5 million in year one. Local authorities are going to contribute £1.8 million, matched by major banks up to £1.86 million. The initiative is supported by £2 million in European Regional Development Funding.

The relationship and the role between the Cities and the Managing Authorities was definitely important and it was really complementary. The Managing Authority has bettered the city's access to EU funding and realised that the leverage effect of local authorities' own funds, the private sector banks and the Social Investment Scotland.

Communication campaigns were conducted on ESIF and other support schemes with leaflets, websites, local and national with the Business Gateway.

Business Gateway is a national programme, available in the Scottish Enterprise (the regional Economic Development Agency) area as the first point of contact for services to business. It delivers for those interested in setting up in business, or those who are setting out in business a range of business advisory services, business information (e.g. finance, employing people, sales & marketing etc.), start-up courses, business workshops and events (e.g. marketing, accounts, e-business, people and general management) and provides signposting to other public sector services. With the contact channels through a website and a phone number, there is the possibility to deliver the required advice directly to the client or to refer prospective clients to the various workshops and events. This is to ensure that when clients see business advisers on a “one-to-one” basis they are already well prepared and can make best use of the time available to them. The Business Gateway service is currently outsourced to a number of contracted suppliers throughout the Scottish Enterprise area. Locally the delivery of Business Gateway is provided through the Chamber of Commerce. The website and the contact centre are managed centrally by Scottish Enterprise.



4.4. Local Action Plan City of Galati

Galati: General description (geographic, economic, social)

- Galati is the capital of Galati County, with a population of 293,000 inhabitants;
- The city is found at 130 km from the Black Sea shoreline and at approximately 250 km from Bucharest, Kishinev (Republic of Moldova) and Odessa (Ukraine);
- At the moment, local economic activities are concentrated on the iron and steel industry (Arcelor Mittal S.A. Galati, the Integrated Iron and Steel Works Galati), shipbuilding and naval industry (Damen Shipyard Galati, Elnav Galati, the Institute for Research and Naval Engineering Galati);
- Main exports include steel, industrial goods, cereal, cattle and timber;
- Galati city has five harbours on the Danube river, and the Galati naval fleet is the biggest one on the Danube river and secures 60% of the total national river transport.

Culture and education

- Galati is one of the academic sites of Romania with two universities (Lower Danube University and Danubius University) and other educational institutions;
- Galati is the residence of the Orthodox Archiepiscopate of Lower Danube;
- Galati is also an important cultural centre with several museums and theatres, several public libraries, a botanical garden, a sculpture park lining a promenade of several kilometres along the left bank of the Danube river.

Local Support Group

The Local Support Group created within FIN-URB-ACT comprises long-term collaborators in the SMEs domain (Chamber of Commerce, Danubius University, Romanian Commercial Bank) as well as the Management Authorities for national programmes which can be used as financing sources (Regional Operational Programme, Operational Programme for Increase of Economic Competitiveness, Operational Programme for Environment).

In terms of the communication campaign, several actions were undertaken at lead partner level. Special leaflets and press releases were prepared, with general information about the project and with information on every action undertaken within the project. These leaflets were

distributed to each partner, including Galati. At partner level, the communication materials were further distributed to the members of the Local Support Group.

name	organisation name	type of organisation	position	activity of the organisation	e-mail address
Luminita Mihailov	South-East Regional Development Agency	managing authority	Director	Intermediate Body for the 2007-2013 Regional Operational Programme	adrse@adrse.ro
Silvia Buhlea	Intermediary Body for the SOP Environment, South-East Region	managing authority	Director	Intermediary Body for the Operational Programme for Environment	Silvia.Buhlea@posmediu.ro
Stela Curt Mola	Territorial Office for SMEs and Cooperation	managing authority	Interim Chief of Office	Intermediate Body for the Operational Programme Increase of Economic Competitiveness	stela.curtmola@aippimm.ro
Dan Lilion Gogoncea	Chamber of Commerce, Industry and Agriculture of Galati	association	President	business network	ccia@cciagl.ro
Viorel Ariton	Danubius University	private company	Prorector - Scientific Research	education	variton@univ-danubius.ro
Lavinia Paraschiv	Romanian Commercial Bank	private company	Head of EU Office for the South-East of Romania	banking	lavinia.paraschiv@bcr.ro

Description of the main problems identified at the level of local SMEs during the implementation of FIN-URB-ACT

Overview of the main problems identified during the implementation of the project. Outline of how these findings have affected the LAP:

- Encouraging local SMEs to branch out in more sectors which are under-represented in the region has been a long-term goal of the SME stakeholders and the project was the perfect catalyst on this issue.
- The Municipality of Galati together with the Local Support Group deployed two questionnaires aimed at the local SME environment. The first questionnaire was only at Galati partner level, while the second was a project activity which took place at every partner level, using a common set of questions.

Through these methods the LSG was able to identify the main issues requiring a solution in the Local Action Plan.

Objectives of the Local Action Plan

Creating a Support Group for SMEs which will continue the initiatives of the current LSG

- Describes the steps being taken to preserve and expand the Local Support Group after the end of the FIN-URB-ACT project; presents how the measures initiated during the project will be continued and improved.

Knowledge Sharing Initiative

- Project idea to be implemented together with the local universities; funds can be accessed through the Sectorial Operational Programme Increase of Economic Competitiveness (axis 2.1).
- The objective of the project will be to enable new techniques and ideas to be embedded into the business and offers the learning institution the opportunity to offer its students experience in a real work place and to test the results of the implemented methods.
- The FIN-URB-ACT network will remain active even after the end of our project. The dynamics of the network have been great from the very beginning and the experiences shared by our partners shape our plans and expectations.

Training Seminars

- A series of projects to be developed together with Local Support Group, members of the Chamber of Commerce, Industry and Agriculture, which will utilise the staff, expertise and materials of the Romanian Business School in Galati (school under the tutelage of the Chamber).
- The proposed projects can be submitted for financing under the Sectorial Operational Programme Human Resources Development.

Teaching Entrepreneurship

- A series of pilot projects to be developed together with Galati's two seats of learning – the Lower Danube University and LSG member the Danubius University.
- The projects will concentrate on the urgent need of correlation between the academic curricula and the requirements of today's work-market and businesses.
- The proposed projects can be submitted for financing under the Sectorial Operational Programme Human Resources Development.

Financial guideline for SMEs

- A simplified scheme meant to enable time conscious SMEs to quickly identify possible financing sources based on their activity domain.
- A shortlist of the most common elements required in developing and implementing any project.
- The Financial Guideline allowing members of the SGSME to easily direct the SMEs towards the institution best able to help them.
- Creating an improved framework of local taxes in order to help and stipulate innovative businesses.

LAP Outcomes and/or Outputs

- access to qualified people to initiate and help implement new projects for the business
- test innovative solutions for business development - micro-credit schemes
- increase the competitiveness and profit of the business
- increase of skill of the business' existing staff
- the opportunity for researchers and students to test in a real environment their ideas and practices

- a greater synchronisation between the curricula and the actual need of the business environment
 - increased skill of the local workforce
 - help in professional reorientation for long-term unemployed people for recycling industry and innovations in social care
 - increase in projects which obtain funding due to the greater expertise of the applicants
 - strong cooperation between MA and cities
-

4.5. Local Action Plan City of Gijón

The Initial Situation (what issues needed to be addressed)

Gijón (280,000 inhabitants) is the largest city in the Spanish region of Asturias; the largest one of the Asturias Metropolitan Area (circa 700,000 inhabitants); and the 15 largest in Spain.

Gijón has been for centuries an industrial city but, having been one of the most important manufacturing centres in North Spain, now the industries are either gone (coal mines: about 2,000 workers in their “Good Old Days”) or lost weight (shipyards: from seven in the mid. 20th Century to one; steel mills: from 25,000 employees – Avilés included – to 8,500). So, the heavy industries have made way for new types of industry and services companies. Nowadays, the micro-businesses and SMEs play the most important role in bringing jobs and wealth to the city.

Gijón is a Pioneer in Spanish Local Development. In the mid '80s, a Technical Dept. for Local Development was created within the City Council (the first one in the region). In 1988, an agreement for Local Development of Gijón was signed by the City Council, the Regional Government and the Spanish Government. In 1996, the Local Agency was set up on the basis of the already existing Technical Dept, for Local Development. It is an independent entity within the City Council. The Municipal Centre of Enterprises (and the Science and Technology Park) are accountable to the City Council's Local Agency. In 2000, the first in a series of agreements which are the main feature of Gijón's policy for Local Development took place. Since then, every four years after the Local elections, the newly elected Mayor and Councillors sign an agreement with the main local social stakeholders: the trade unions and the business association. This agreement contains the guidelines for the policies aimed at Economic Promotion and Employment for the coming four years. It is not literature, there are no abstract ideas or objectives to be achieved; there are specific measures to be undertaken, specific actions to be carried out, specific indicators and figures to be achieved and there are specific budget lines allocated for the implementation on every action.

In the year 2008, the last of those public–private agreements was launched: The so-called “*Gijón Innova 2008-2011*”. The total budget is €477,388,601. The structure of this Agreement consists of five Axis: Axis 1 – Employment (€60,530,276 allocated); Axis 2 – Training (€17,866,651 allocated); Axis 3 – Information Society (€4,269,912 allocated); Axis 4 –

Economic Promotion and Innovation (€341,120,000 allocated); and Axis 5 – Commerce and Tourism (€23,601,762 allocated).

The stakeholders who were the signatories of the above mentioned agreement had detected some weaknesses in local SMEs as well as in the field of local support structures to SMEs. Those weaknesses have been tackled with the help of FIN-URB–ACT. One important challenge was the consolidation of the consulting services for enterprises and the support instruments for the business network. Moreover, in order to enable a permanent diagnosis about self-employment, micro-enterprises, SMEs and cooperatives, there was a need for a monitoring tool. For improving access to markets it was also necessary to better inform and orient local enterprises concerning existing programmes for entrepreneurial internationalisation. In terms of physical infrastructure there was a need for new premises for innovative and technological enterprises. Finally, SMEs' access to finance was tough sometimes, and there was a need to draft and develop innovative policies aimed at easing SMEs' access to funds.

Concerning access to finance, there were deficits in the area of micro-loans and venture capital. There was a need for consolidation of micro-financing, being more targeted to new entrepreneurial projects, SMEs and micro-enterprises. There was also a need of a powerful tool to support innovative projects, and a Venture Capital Fund was foreseen to carry out VC investments in emerging enterprises and micro-enterprises, especially in those related to R&D and innovation.

The composition of Gijón LSG

Gijón LSG is composed of several municipal departments: the Deputy Mayor for municipal support to SMEs and entrepreneurs is the project's Political Coordinator. It also involves the Municipal Business Centre (as Technical Coordinator), the Science and Technology Park, the Agency for Local Development, the Department of International Affairs, and the Department of Communication; the Regional Ministry for European and Economic Affairs is also involved (Managing Authority); the Trade Sector is represented by the Regional Business Association and the Local Shopkeepers' Union; and the financial and banking sector is represented by the Regional Mutual Guarantee Society; the most important banks and savings banks located in the town; and the local company responsible for managing VC entities.

family name	first name	organisation name	position	e-mail address
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Fernández Antuña	Montserrat	Gijón Municipal Centre of Enterprises	Head of Dept.	mfantuna@cmegijon.es
De la Fuente Díez	Pablo	Gijón Municipal Centre of Enterprises	European Projects' Officer	pfuente@cmegijon.es
González Espina	Gonzalo	Gijón Science and Technology Park	Manager	ggespina@pctg.net
Rodríguez Martín	Enrique	Gijón City Council	Head of International Affairs Dept.	eirodriguez@gijon.es
Gonzalez García	Teresa	Gijón Municipal Agency for Local Development	Head of Quality of Employment Dept.	tggarcia@gijon.es
González Méndez	Laura	Gijón Municipal Agency for Local Development	Officer at Quality of Employment Dept	lgmendez@gijon.es
Robles Castro	Laura	Regional Ministry for Economy and European Affairs	General Director for European Affairs	laurarc@princast.es
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Herrero Casado	Santiago	Cajastur	Office Manager	sherrero@cajastur.es
Vigón Bautista	Nieves	La Caixa	Office Manager	nvigon@lacaixa.es
Torres García	Jesus	Torsa Capital SCECR	General Manager	itorres@torsacapital.es
Cubiles Vázquez	Eduardo	Torsa Capital SCECR	Officer	ecubiles@torsacapital.es
Fernández Martínez	María	Gijon City Council	Head of Communication Dept.	mfmartinez@gijon.es

LAP: What we did together during FIN-URB-ACT

LSG realised that local policies should address the following specific problems:

- Insufficient knowledge (by the local authorities and even the private stakeholders) about the actual situation of local SMES: which problems, challenges and difficulties they should overcome for their consolidation and growth;
- Lack of knowledge (by the SMEs and micro-enterprises) about existing resources;
- Underperformance of available financial instruments;
- Financial crisis, which will make access to finance even more difficult;
- Lack of venture culture.

So, action number one of Gijón LAP was: to carry out a diagnosis study about the demand of SMEs in financing.

At the beginning, it was planned that the regional university (“Universidad de Oviedo”) would be in charge of this study. In the end, it was decided to carry out a more comprehensive survey, focused not only on financing but also in other issues related with creation, consolidation and growth of SMEs and micro-enterprises. This diagnosis study was made by the consultants “Audidores Consultores” with the help of the regional university and the Municipal Centre of Enterprises. The outcome of this study was 18 conclusions and 17 suggestions for improvement of the local public services.

FIN-URB-ACT helped in drafting a part of the questionnaire. Moreover, the benchmarking study made with the data obtained from Gijón and other project partners’ studies has shown some gaps to be filled by Gijón local authorities.

Action number two was: Adaptation of existing public support instruments:

The outcome of the study together with the acquired experience of the municipal entities in charge of local development and enterprises support allowed discovering the gaps in the public financial support package, to understand the reasons for the relatively poor performance of some instruments and re-design these instruments in line with the small businesses’ requirements.

FIN-URB-ACT has made possible the exchange of experience with other project partners, focused either on the improvement of underperforming financing schemes, or at setting up new financing instruments.

Action number 3 was: Organisation of information and training seminars on basic and advance financing supporting schemes.

LSG acknowledged that, despite efforts, a significant number of SMEs and micro-business were ignorant, or almost ignorant of the existing public schemes to support access to finance. Thus, some seminars and workshops have been organised, targeted to SMEs as well as to small businesses' advisers (public and private) and small business associations.

Action number 4 was: To do a feasibility study for a Venture Capital Fund.

LSG members decided to carry out a feasibility study for a Venture Capital Fund because The Economic Development Department of the Municipality had identified some innovative businesses, related to large local enterprises that looked promising in terms of growth and job creation, but whose financial situation should be consolidated. The outcome of this study was in favour of setting up a venture capital fund.

The Venture Capital Fund was set up and approved by the Spanish Commission for the Stock Market. Nowadays it is fully operative. It seeks investments in both established innovative high value added business projects and newly created projects, as well as the development and expansion of small and medium enterprises with potential growth and a highly skilled management team. Priority sectors are: Information and Communication Technologies (ICT); Nanotechnology; Biotechnology; Plant protection products and services; Advanced and high added-value Services to Industry; and products and services regarding Clean Energy.

Main features of the Venture Capital Fund:

Initial assets: €6,000,000

Duration: Ten years after its creation (this term may be extended or shortened in two years by decision of its Investment Committee).

Investment Types: Investments will be directed towards the strengthening and creation of technology-based firms, the promotion of the R+D+I and the implementation of new activities in the surroundings of the Science and Technology Park of Gijón and other technological enclaves of the city.

Business sectors targeted: Venture Capital Fund seeks investments in both established innovative high value added business projects and newly created projects, as well as the development and expansion of small and medium enterprises with potential growth and a highly skilled management team. They will be priority sectors (Information Technology and Communication (ITC); Nanotechnology; Biotechnology; Plant protection products and services; Advanced and high added-value Services to Industry; And products and services regarding Clean Energy

Sectors which are expressly excluded: Armament and facilities for defence, general government, Financial Sector and Real Estate.

Geographic Area: Gijón, but up to 10% of the Fund's initial capital can be invested in other municipalities or even abroad, as long as this will serve the business development in Gijón.

Diversity of sectors: the maximum amount invested in a particular sector will be 25% of the total assets of the Fund.

Investment per project: the maximum amount invested in a particular project will be 15% of initial assets of the Fund.

Duration of investment: between three and five years, although different durations may be allowed by the Investment Committee.

What will be done in the future?

One of the most relevant outcomes of FIN-URB-ACT is that it has established a structure for the standing monitoring of SMEs' needs, for verifying the effectiveness of local policies, and for drafting and implementing new policies. In this way, we have seen that some instruments have worked quite well until recently (like our microcredit scheme), some are not performing well because of the crisis. LSG member address this problem and propose some measures to tackle this. On the other hand, training seminar, workshops, and other forms of communication should be carried out regularly, not exceptionally, and some LSG members should play an important role on this. And finally, LSG should seek innovative ways of supporting SMEs access to finance along with FIN-URB-ACT partners.



4.6. Local Action Plan City of Gliwice

Initial Situation

In the year 2008, when the City of Gliwice expressed an interest in the realisation of the FIN-URB-ACT project, it already could have been considered as an economic and education centre. Due to economic changes since 1989 Gliwice was passing through a complex and profound process of transformation. After two coal mines were closed down in the 1990s the city was experiencing an economic growth based on knowledge-based enterprises, mostly in a field of modern technologies. These economic changes have proven the importance of SME activities in local economy. SMEs make up 99% of all companies registered in Gliwice (total number of companies is about 20,000). A great advantage for the business development of the city is its location close to the A4 and A1 motorways and the existence of the Gliwice sub-zone of Katowice Special Economic Zone. Key business and employment sectors are car production and the automotive components industry as well as services.

The educational and scientific importance of Gliwice is created by the existence of such institutions as the Silesian Technical University with approximately 35,000 students, the Academy of Entrepreneurship in Gliwice or the outlets of the Polish Academy of Science – Institute of Theoretical and Applied Informatics, Institute of Chemical Engineering and Institute of Carbochemistry. Nevertheless, conditions of local economy development in Gliwice still needed to be improved. The integration of all local actors (administration, R&D and business sector) was found to be essential and therefore the real needs and requirements of SMEs needed to be recognised. For easing access to finance more comprehensive information for SMEs on existing sources of financial support as well as new, additional financial support instruments were necessary.

The overall objective of the activities planned in the project was to improve the situation of local SMEs and their access to financial and non-financial support by strengthening the partnership between the local administration and the SME community, defining actual needs of local SMEs and the establishment of suitable instruments for their support (access to finances, information, advisory etc.)

The actions planned to achieve the above mentioned goal included:

- Conducting a survey on the expectations of the local SME;

- Cooperation with the Regional Guarantee Fund in the aim of creation of more attractive guarantees scheme for local SMEs;
- Creation of the map of public support schemes;
- Organisation of Local Information Point for SMEs;
- Conducting communication campaign.

The composition of Local Support Group

Taking the main goal into consideration, Gliwice invited into cooperation institutions which offer financial or non-financial support for SMEs. As Gliwice is part of the Silesian Metropolis it was decided to invite, not only institutions which are settled in Gliwice, but also those which operate within the Metropolis and are easily accessible for local entrepreneurs. The composition of the Local Support Group in Gliwice stayed the same during the whole project.

n°	family name	first name	your organisation name	activity of your organisation
1	Szulc	Tomasz	Local Development Agency	Expertise in SMEs needs and consulting
2	Bilewicz	Ewa	Local Development Agency	Expertise in SMEs needs and consulting
3	Zarzycki	Andrzej	Chamber of Craft and Entrepreneurship	Expertise in SMEs needs
4	Jablonski	Wieslaw	Chamber of Craft and Entrepreneurship	Expertise in SMEs needs and consulting
5	Widera	Grzegorz	Bank BGŻ	Expertise in finances and investments
6	Mendel	Izabela	Silesian Regional Loan Guarantee Fund	Expertise in finances and investments
7	Golbik	Marta	Academy of Entrepreneurship in Gliwice	
8	Spyra-Grzesik	Marzena	Academy of Entrepreneurship in Gliwice	
9	Stolicki	Radoslaw	Upper Silesian Agency for Enterprises Restructuring	Expertise in SMEs needs and consulting
10	Gabryel	Bozena	Silesian Foundation of Support for Enterprises	Expertise in SMEs needs and consulting
11	Kotra	Jacek	Scientific technological Park "Technopark Gliwice"	Expertise in SMEs needs and consulting
12	Winkler	Grzegorz	Silesian Centre of Entrepreneurship	Expertise in public financing

Local Action Plan – activities conducted during the project realisation

Survey on the expectations of the local SMEs

The survey was conducted on a questionnaire created partially during partners' meetings and partially during LSG meetings. Questionnaires were sent by e-mail to over a thousand local SMEs and we received 100 answers.

Main conclusions from the survey were:

- Lack of information – one of the most serious barriers to access to finance;
- Unsatisfying level of entrepreneurs' knowledge;
- Low position of business support institutions as sources of information;
- The Internet was the most popular source of information for local entrepreneurs.

Results of the survey were a basis for further actions undertaken within the Local Support Group.

Mapping of public support schemes – preparation and plan of implementation

The conclusions from the survey emphasised the need to create a comprehensive, regularly updated and easily accessible source of information. The idea of a map of public support schemes in Gliwice was created on the patterns elaborated by partners from Linz and Aveiro. A survey for institutions offering the support for SMEs was prepared. The outcomes should provide Gliwice with full information of financial and non-financial instruments offered by the institutions, availability of instruments on different stage of enterprises' development and main conditions under which support is delivered. Dissemination of the surveys and creation of a necessary database is planned to be conducted in the second quarter of 2011 by the Municipality of Gliwice.

Establishment of new support instrument

The initial idea presented in the baseline study was to give an incentive to the banks so that they could be more active in funding local SMEs. This goal was thought to be achieved through a cooperation of the Municipality with Regional Guarantee Fund. Silesian Regional Loan Guarantee Fund covered up to 50% of the loans offered to businesses. The idea was

to increase the guarantee percentage to 80% by an additional financial commitment of the Municipality in Silesian Regional Loan Guarantee Fund.

Currently, in time of the crisis, banks introduce a more restrictive credit policy, which relates to the height as well as to the type of collaterals. That is why guarantees offered by the Guarantee funds or other institutions are nowadays not sufficient for banks which demand material collaterals. Such a change in banks' policy forced us to redefine our objectives. This issue was deeply discussed by the members of Local Support Group and the decision was made to concentrate on activities which under such circumstances will be more effective. The initial plan of cooperation with Silesian Regional Loan Guarantee Fund has been postponed and will be taken into consideration when banks will consider guarantees as valuable collateral again.

Local information Point for SME

Although entrepreneurs indicated in the survey that the most popular and expected source of information is the Internet, some of them still do not perceive the Internet as a trustful source of knowledge and information and underline the need and importance of personal contact while searching for information and support. Local Information Point was opened in the facility of one of the LSG members – Local Development Agency. The Point offered the information connected with setting up business, possibilities of external financial and non-financial support and consultancy in fields of preparing business plans, financial management, accountancy and marketing. Discussions within Local Support Group revealed that some competences of the Local Information Point are also part of other institutions operating in the region. What is more, the Municipality observed numerous entrepreneurs or people who would like to set up a business, looking for support in the Municipality and simultaneously the number of entrepreneurs or future entrepreneurs asking for support, reported by the Point was unsatisfying. Taking the above into consideration a decision was made to change the initial idea of Local Information Point. A new Local Information Point is planned to be closely connected with the management of the map of public support scheme and will be based in the Municipality Office, in the City Development Bureau. The Municipality Office seems to be more obvious and transparent a place for entrepreneurs to look for such information, especially because entrepreneurs are obliged to visit the Municipality Office to register their business.

Local Action Plan – activities planned to be conducted after the project realisation

Mapping of public support schemes – implementation

The Municipality will be responsible for creation and management of the map of public support schemes. Prepared surveys will be sent to local and regional public support institutions which can offer financial and non-financial support for entrepreneurs settled in Gliwice. Gathered information will be formed in the database and will be available on the Municipality's website in a section which is devoted strictly to local entrepreneurs. Apart from the "Map" there will be also actual information of interest to entrepreneurs (e.g. new tenders for support from EU published by Managing Authority, conferences, launching new support instruments). There will be a person in the Municipality responsible for gathering local and regional information as well as for the implementation of the "Map". Map of public support schemes is thought to be realised and developed mostly by constant contact with the representatives of local and regional institutions offering support for SMEs.

Local Information Point

Local Information Point in Gliwice will be placed in the Municipality Office. The information provided by the Point will be connected with the map of public support scheme. Discussions within the Local Support Group showed there are a lot of local or regional institutions which offer support for SME and hire specialists who can provide entrepreneurs with information so another similar instrument is not necessary. The survey revealed that the main problem for entrepreneurs is to find these institutions and specialists. That is why the Local Information Point, on a basis of the map of public support scheme, will match an entrepreneur with the institution which offers the support instrument sought or at least will show what kind of support each entrepreneur can expect.

Communication campaign

Developed map of public support scheme instruments will be published in the form of leaflets and disseminated in Municipal Office and Information Point. What is more, information of the new database created for local entrepreneurs on the Municipality website will appear in local media, Information Point and will be also communicated by LSG members and other institutions which will be interested in cooperation with the Municipality in this field. Gliwice found the idea of communication presented by a project partner from Aveiro interesting and applicable: Local Action Plan activities will be communicated during events which take place in the city and are connected with entrepreneurship.



4.7. Local Action Plan City of Leipzig

Initial situation:

The reluctance of the local private banking sector to finance SMEs poses a considerable problem to Leipzig's local economy. As nearly 90% of local enterprises have five or less employees and must be considered as small businesses, the demand for external finance via loans is large by number but small by average loan-sum.

Small loans (below €10,000) are unprofitable for the banking sector. The standards for deciding on and for handling small loans are the same as for larger loans whereas the revenues earned from interest and fees are minimal. The need to back-up small loans to SME with a higher rate of liable equity due to the Basel-accord is an additional obstacle.

Composition of the Local Support Group

Local partners

Within the Municipality of Leipzig the Office for Economic Development is the body responsible for organising the FIN-URB-ACT participation and the Local Support Group. Besides the City administration, the political level was also involved. Moreover, the responsible officers as well as the decision-making bodies of the other partners were also involved (e.g. professional chambers, banks, etc.). The following local organisations were involved in the Local Support Group:

- City of Leipzig
- Leipziger Unternehmensgründerbüro – ugb
- Industrie und Handelskammer
- Handwerkskammer
- BIC Leipzig GmbH
- BIO-NET LEIPZIG Technologietransfer GmbH

Activating banks for providing better access to finance for SME has long been on the agenda of the City of Leipzig's Department for Economic Development. Early in the FIN-URB-ACT in URBACT project it became clear that local banks would not substantially alter their procedures and conditions for small loans to SME. The local savings bank also terminated their initial planning to set up a micro-lending scheme assessing that such a scheme could not be run without financial losses in the management of the scheme in addition to the risk of further losses from unrecovered loans.

The City then addressed the labour agency and the regional ESF micro-loan funds of Federal State of Saxony/Freistaat Sachsen to alter their respective conditions for small loans and thus provide better access for SMEs in Leipzig and the region. The labour agency which runs a loan scheme for start-up companies created by unemployed tends to be very restrictive in the evaluation of the potential of new businesses. Federal State of Saxony/Freistaat Saxony with its ESF micro-lending programme is restrictive on loan-sums below 10.000€ and runs a very complex and time-consuming application procedure. However, neither institution was ready to reduce their barriers for SMEs.

At this stage it became evident that the City would have to establish an independent micro-lending scheme. This scheme would have to avoid the existing red tape to micro-finance and would have to provide wide access without impeding and transgressing the lending schemes run by public services (labour agency and Federal State/Freistaat) or by the commercial finance sector.

In order to fulfil these requirements it was decided that the private banking sector and the public support structure for SME should be included in the local micro-lending scheme. The cooperation with public funding was achieved by combining the local micro-lending with the ESF-micro-lending scheme financed by the ESF Operational Programme of Germany. To activate local banks, all banks were addressed with the request to support a local micro-lending scheme that would provide finance to SME below the threshold of commercial lending.

The local savings bank declared that they would engage in providing a local lending scheme with equity and by supporting the decision on individual loans but would not engage in the administration and management of a local micro-lending scheme. To the City of Leipzig this was a substantial break-through because the engagement of a local bank on such terms ensures the compliance of a public micro-lending scheme with commercial activities and thus prevents the risk of running a public support scheme that is not compliant with competition regulation.

Micro-credit Fund

In May 2010, the City Council of Leipzig established a local micro-lending programme with a portfolio of €200,000. The programme was established as a pilot project with a run-time until the end of 2012. The portfolio supports a revolving fund, where repaid loans and interest from previous loans can be used for further loans. Of the total funding, the City provides €25,000, the local savings bank provides €15,000 both as first loss security. The ESF OP for Germany provides the remaining €160,000 as back-up security for the portfolio. The management of the funds is run by the local business start-up office, which is a unit of the city administration's Department for Economic development. The board deciding on the micro-loans has one representative from the local savings bank and two representatives from the city administration.

In February 2011 the local micro-lending scheme has provided 25 loans, which is approx. one per week. Two loans have been repaid already. The average loan-sum is approx. €3,000. The recipients are 50% male and 50% female. Approx one-third of the recipients receive additional needs-tested support from the labour agency. Fifty percent of the businesses financed were less than one year old. In the first half-year of its existence it is generally agreed that the local micro-lending scheme has been successful already in closing a substantial gap in financing micro-businesses. If the current tendencies prevail, the micro-lending scheme will easily use up its portfolio and may even need to receive additional equity to continue its activities.

On the very concrete issue of providing better access to micro-finance for small businesses the Leipzig experience in activating banks has been positive under the condition that the city provides adequate structures for cooperation with the commercial sector. In addition, the Leipzig experience has been that cities will not be successful in trying to directly influence commercial banking strategies on lending.

These experiences and the concrete approach Leipzig took were shared with the Partner Cities of URBACT at the Meeting in Edinburgh and in consecutive meetings. Leipzig, in return, particularly profited from experiences with the banking sector at Gijón and Edinburgh.

Communication of the Micro-Credit Fund

In the early stages the communication strategy of the Leipzig Microfinance Fund was directed towards the commercial banking sector. The aim was to better induce banks into providing micro-finance. Banks were approached with the request to provide financial contributions to the fund and to support the decision process on individual loans.

Consequently the communication to local politics became more important. The aim was to receive the consent of the City Council to establishing a micro-loan scheme and to reach a

decision on a funding for micro-loans. The City Council endorsed the FIN-URB-ACT project with a clear majority and unanimously agreed on the micro-lending scheme and on providing local financial support to the fund.

Compliance of the local scheme with other public funding for SMEs and an additional strand of communication led to local Chambers of Commerce, chambers of small crafts and particularly to the Ministry of Economy of Federal State of Saxony/Freistaat Sachsen on the regional level.

With the establishment of the micro-finance fund the communication strategy has focused on the target group, i.e. on small and micro-businesses existing and in the start-up process. FIN-URB-ACT has contributed to brochures and flyers addressing potential lenders. The experiences and intermediate results of Leipzig activities in FIN-URB-ACT have also been shared with the national Ministries of Economy and of Labour and Social Affairs and also with DG Employment on the occasion of meetings not in the immediate context of FIN-URB-ACT.

Finally and in line with the design of the project, the experiences in providing local micro-finance have been intensively communicated with the Partner Cities and Regions of the FIN-URB-ACT Project.

SEPT Programme and Support

SEPT uses the broad know-how of German SMEs, both good examples and experiences of SMEs as well as those institutions that foster and promote SME development. The SEPT programme bundles the following activities:

Besides an International MBA Programme in SME development which SEPT is offering at Leipzig University and the Technical University in Hanoi, Vietnam, PhD programmes in the field of development and promotion of SMEs, Research and Training Programs in the field of SME promotion and training, SEPT also addresses local start-ups and offers different activities to promote and support them.

One of these initiatives is SMILE (Self-Management Initiative Leipzig), a support programme for start-ups, which addresses students, employees and alumni from the Leipzig region. The initiative is developed in cooperation with the Chair of Marketing of the University of Leipzig, the Leipzig Graduate School of Management (HHL), the Academy for Engineering, Economy and Culture Leipzig (HTWK) and the Helmholtz – Centre for Environmental Research (UFZ) Leipzig and financed from the Development Bank of Saxony (SAB) and the European Social Fund (ESF). The initiative focuses on the development of entrepreneurial skills in the environment of the universities in Leipzig.

SMILE offers seminars and workshops, which supports entrepreneurs and start-ups to discover and develop their potential and abilities. Since its start in 2006 more than 3,000 people have joined the seminar and as a direct result from the initiative more than 250 businesses were founded. In 2008 the sister project – Smile.medibiz – was founded. Smile.medibz specialises in supporting start-ups and spin-offs in the area of biotechnology and medicine. In practice, the idea of SMILE is not limited to coaching and capacity building. The SMILE support team offers overall assistance for the development of a company: they screen potential ideas on expected demand and the entrepreneur's personality; they support the entrepreneur in developing a business plan; they assess the application on its market potential and verifiability and ease the access to finance, which might even include accompanying an entrepreneur to the bank. Therefore a broader network exists with local and regional partners like the Economic Office of the City of Leipzig. The interdisciplinary team of 13 employees with diverse entrepreneurial backgrounds, skills and experiences operates in a highly professional and flexible fashion to bring the best ideas to the market. SMILE founders have won several business plan competitions. Furthermore, SEPT offers consultancy services for SMEs and promotion institutions in cooperation with private partners. 'SIL' (Service Innovation Lab) – founded in 2008 and funded by the Federal Ministry for Economy and Technology –specialises in the consultancy for innovation processes and the transfer of technologies in the crossroad of university and service companies. The focus of 'SIL' lies in the medical sector and creative industries. SEPT works closely with local and regional partners such as the City of Leipzig, especially the office for economic development and the ugb-start-up centre in Leipzig. The founders can draw additional value from the resulting synergies. During the coaching by SMILE or SMILE.medibiz founders can be involved in the cluster networks with support of the office for economic development and network for their start-up projects. The aim of the joint initiative is to offer entrepreneurs from the university in Leipzig the best possible conditions. Leipzig's experience shows: needs-based specialisation of bids for founders increases the success; Leipzig is an important site of humanities education; SMILE and the municipality of Leipzig want the expansion of counselling start-up services for these target groups. Following the strategic focus for the Creative Industries in Leipzig, SEPT is actually developing several projects in the design as well as in the media sector. Based on the strong orientation of the higher education institutions in Leipzig towards social and cultural sciences as well as art and music, the interests of SEPT lie in the development of service solutions for the market entry and growth of young companies from the creative sector.

4.8. Local Action Plan City of Linz

Initial situation

The Local Action Plan addressed the following overall objectives on specific problems and topics:

The City of Linz has decided to focus its Local Action Plan on the establishment and further development of the creative and innovative industry sector. This objective is also related to the organisation of the Cultural Capital of Europe in 2009 which shall, among others, serve as a further booster for this industry sector with high growth potential. The Local Action Plan was realised through the formalisation of a network of all the relevant local stakeholders (“local round table”), who, under the chair of the Municipality, implemented the Local Action Plan considering the expected input from the FIN-URB-ACT exchange.

Single Activities and Steps within the Local Action Plan

For fostering the local creative and innovative industry sector in Linz, activities were foreseen in the field of mapping existing support offers, analysing business requirements and needs and better promoting existing support.

1. *Mapping public support measures applicable to innovative and creative industries in Linz.*

Under the guidance of the Johannes Kepler University, Institute for Entrepreneurship, an Internet homepage will be prepared compiling existing public support offers available for innovative and creative industries in the Linz SME community. This will be based on a respective survey/documentation, including short descriptions of the support measures for SMEs and related web links. The compilation will gather existing national and regional support measures which are tailor-made for Linz, Upper Austria. The survey will have a maximum volume of ten pages and will be circulated among the participants of the local round table organisation for complementary information and updating.

Output:

The Gründer-Kompass which was published by the economic chamber of Upper Austria, the homepage of the City of Linz and the founding of the ARGE Gründen.

2. Survey on the requirements of the local target businesses

An Internet survey will be conducted on a representative number of local businesses of the target group to collect detailed information on their requirements and needs in terms of access to finance and related support services. The questionnaire and evaluation will be also conducted by the Institute of Entrepreneurship. Other FIN-URB-ACT Cities may participate in this survey to find comparative facts. Complementary exemplary business case studies will be conducted by means of interviews.

Outcomes of the survey:

The survey was conducted in August 2009 as a semi-structured online-questionnaire with a response rate of 11% (165 business owners out of 1580). Founders from all branches of the creative industry have participated in the survey. However, most of the responding entrepreneurs came from the advertising and ICT sectors.

Summary of the outcomes of the survey

The results show a heterogeneous picture concerning the awareness and future usage of support measures, like information, training, consulting, coaching, networks, finance. In particular, the survey has shown once more that the Upper Austrian Chamber of Commerce plays a crucial role on-site for the support structure for local founders, as 95% of the respondents are aware of the founder services of the Upper Austrian Chamber of Commerce. In comparison, the awareness of, for example, the Creative Community Network is much lower, with only 42% of the respondents being aware of it.

Regarding the premises, it came out that only a quarter of the entrepreneurs work at home. Fifty-six percent have an office outside of their home or in a start-up centre/business incubator (5%). Seventy percent of the entrepreneurs are sole proprietors. An interesting point is that the larger the founder team is, the more often offices in start-up centres/business incubators are used.

Regarding the financial needs it can be stated that there is no real lack of funding opportunities. Moreover one of the most important requirements is that the possibilities to establish contacts and cooperation among the entrepreneurs should be reinforced. Almost one-third of the entrepreneurs carry out long-term cooperation with colleagues from the same branch. Only 12% do not cooperate at all. Almost 40% of respondents want to intensify their networking activities in the future.

Besides this, training needs were detected in the fields of legal questions (one-third), soft skills like sales and negotiation training, reputation management and self-development and coaching

(one-quarter). Additionally, creativity workshops and support in the exchange of experience, business administration and management skills (only 15%) were indicated.

Final considerations derived from the survey by Prof. Kailer

The results of the survey highlight different items that can be taken into consideration for further development policies and strategies. First, there is a **gender difference in the use of the provided networks** and a **difference between the level of knowledge and the use of different support offers**. Furthermore, the local support programmes are quite well known, contrarily to the European ones, which are almost unknown. That also applies to the access to finance. The closer the access points, the better. Marketing strategies for network support structures need to be well organised. Additionally, synergies between different types of local activities in combination with the development of a common “brand” should be implemented. This should be especially done for industry-specific homogeneous networks, as the survey shows that they are more appreciated by entrepreneurs than the heterogeneous ones.

Output:

A survey with special results in the field of creative and innovative industries was made, which was worked on by different partners of the Local Support Groups and is further in progress with work on the different results.

3. Establishment of the “Round Table”

The local project partners set up periodic meetings. The objective was the continuous joint exchange of information about support proposals and development projects, offering a large and comprehensive support network for all the business life phases (start-up preparation, founding, growth phase etc.) and to jointly agree on and develop further proposals.

Following a deeper description is given on what has been done:

Stakeholders from the SME support infrastructure in Linz offer a broad range of services. The challenge of the mapping approach was to point out which of those services is the real core competence of each partner. Thus, at the beginning the group of actors was faced with negotiations in order to find the right composition of all the partners, also in order to avoid the limitation in its role of providing business support services and competences. Thus the ARGE was primarily communicated inwards to the involved entities. The fact is that some members offer important services in a broad way and act as a one-stop shop model, which many SME start-ups want to have. There is a need for a high level of expertise for the development as, for

example, high-tech incubators. In this respect it was a political communication approach to the partners.

Having done negotiations and a map scheme indicating the position of all actors, the result was a strategic alliance with complementary partners in a strategic network approach. The entire process had a duration of one and a half years, to become a running network.

The written outcome of this network was the draft of the “Gründerkompass” (founders’ compass), a brochure, where all support facilities with its core competences are described, so that entrepreneurs can easily see whom to contact with specific questions concerning their businesses.

Many advantages can be derived by this system. There is limited competition among the different stakeholders. For these kinds of networks a basic confidence among all members needs to be given. And a minimum cooperation tradition that has developed over a certain time is a precondition. However, the stakeholder can concentrate on their specific competences without losing customers, as through the network customers can be placed from other partners.

In January 2010 the members of the above mentioned working group attended a founders’ fair at the Johannes Kepler University in Linz and during 2010 the group became consolidated. In quarterly meetings the internal structures have been elaborated. Now there is the challenge to start external work with founders.

Outputs:

This round table group has met many times in the meantime and has gathered all the partners who care about start-ups, which led to the establishment of the ARGE Gründen which cares for the different problems and needs in the creative und innovative industry concerning start-ups.

4. Awareness-raising and organisational events

In 2010 several events took place to raise awareness of the established network and the work of the ARGE “Gründen” and to communicate the possibilities and competences of the network. Furthermore, a short movie on the work of the network was made.

Output:

From the start of the project in January 2009 until now we have performed different events alone or together with our partners. For example:

Event 3.2.2009 “Kannst du Wirtschaft, sprichst du Kunst?”

Event 30.6.2009 "Galerien am Wort"

Event 18.9.2009 "Innovation Academy"

January 2010 till June 2010 different workshops for the start-ups

Event 10.2.2010 "Gäng ma doch aufs Salzamt"

Event 14.4.2010 "Creative Symposium"

Event 27.5.2010 "Von der Idee zur Selbständigkeit" – different informations in local papers as well as broadcastings in the TV and radio

Event 30.6.2010 "Edison Award – granting to special start-ups in different categories"

Planned for the future:

Currently a Founders' Agenda is being elaborated, indicating events of the particular stakeholders in order to set a platform and to limit concurrence situations. Furthermore, ideas for competitions and the information event "Tec Days" together with the incubator tech2b are planned for 2011. The help of the participation of FIN-URB-ACT and the thematic of SME finance in the creative industry sector has helped to elaborate a sustainable network to support the local founders.

Local Support Group:

Organisation	Name of the representative	Position in the organisation	Expected contribution to LSG	E-mail
Federal Government of Upper Austria	Mag. Eva Zsigo	Director of Economic Department	Expertise in public grants	eva.zsigo@ooe.gv.at
Federal Government of Upper Austria	Dr. Günther Knötig	Director of the Department for Spatial Planning	Expertise in regional economic situation	guenther.knoetig@ooe.gv.at
Federal Government of Upper Austria	DI Andreas Mandlbauer	Project Manager	Expertise in regional economic situation	andreas.mandlbauer@ooe.gv.at
City of Linz	Dr. Barbara Kovsca-Sagmeister	Project Manager	Expertise in local economic situation	barbara.kovsca-sagmeister@mag.linz.at
Sparkasse Oberösterreich Bank AG	Mag. Robert Schernhuber	Director of the Public Grants Department	Financial expertise	robert.schernhuber@sparkasse-ooe.at

OÖ. Kreditgarantiegesellschaft m.b.H.	Anton Grottenthaler	Managing Director	Financial expertise in the investments sector	grottenthaler@kgg-ubg.at
OÖ. Unternehmensbeteiligungsgesellschaft mbH	Anton Grottenthaler	Managing Director	Financial expertise in the investments sector	grottenthaler@kgg-ubg.at
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Wirtschaftskammer OÖ	Dr. Gerald Silberhumer	Managing Director Gründer-Service	Expertise regarding SME start-ups	gerald.silberhumer@wkooe.at
techcEnter Linz-Winterhafen	DI Georg Spiesberger	Centre Manager	Expertise regarding SME needs	spiesberger@techcenter.at
tech2bGründerzentrum GmbH	Mag.(FH) Markus Costabiei	Managing Director	Expertise regarding SME needs	markus.costabiei@tech2b.at
Clusterland OÖ.	Mag. Regina Leutgeb	Project Manager	Expertise in consulting SMEs	regina.leutgeb@clusterland.at
Johannes Kepler University Linz	Dr. Norbert Kailer	Uni-Professor, Director Institut Unternehmensgründung und -entwicklung	Expertise in corporate finance	norbert.kailer@jku.at
CATT Innovation Management GmbH	DI Wilfried Enzenhofer	Managing Director	Expertise in research consulting	enzenhofer@catt.at



4.9. Local Action Plan City of Maribor

The Initial Situation

According to the baseline study², the Local Support Group (LSG) agreed to establish a web portal within the FIN-URB-ACT Project. The web portal would systemise and provide SMEs with:

- Information on various public tenders expected to be published within activities performed for the European Capital of Culture (ECC). Maribor namely applied for ECC 2012 in 2007 in cooperation with several partner cities. Based on the related ECC plan of investments and activities, the LSG assumed that there would be numerous activities launched by the ECC secretariat and management body, partner cities and other involved organisations during the ECC preparatory and implementation stages, that could be interesting for SMEs (e.g. design and construction of planned premises, provision of goods and services related to development, organisation and implementation of the ECC programme).

As planned, the portal should also provide links to other institutions providing SME funding and promotion-related activities, such as:

- Systemised and updated information on sources of finance available for SMEs, including a complete list of specific EU programmes for SMEs;
- Database on available business sites and premises offered by the Municipality of Maribor.

Once established, the SME “public procurement portal” should remain active and available for SMEs also after 2012, integrating information on future public tenders on goods and services to be published by towns, institutions and organisations.

Activities related to establishment of the web portal included:

- Feasibility study;
- LSG liaison with the ECC secretariat and the management body;
- Development and design of the portal contents, agreement on the host and establishment of links to other SME support organisations;

² Baseline Study Final, by Patrick Fourquette, Christian Huttenloher, Sonja Gierecker, Aachen & Brussels, October 2008

- Raising awareness and promotion of the web portal among SMEs.

As originally planned, establishment and development of the web portal should have been done by experts, while LSG should monitor and advise on activities during the implementation stage.

In addition, Maribor was specifically interested in obtaining information and good practice under the project in the field of town centre management for revitalising high streets or urban neighbourhoods or small rural towns in cooperation between all stakeholders involved in the area.

Aim of the Local Action Plan adjustment

The LSG started its activities related to the above action plan in 2008. Unfortunately, all the ECC activities have been substantially postponed, mostly due to lack of funds to be provided for the ECC at the national level. The line ministry adopted final decision to support the ECC project as late as in 2011, and the ECC management body was also established at the beginning of 2011. Therefore, the LSG was not able to implement the planned FIN-URB-ACT activities related to the ECC. Additionally, as established during initial analysis, development of the planned web portal independently would require additional funds, which were clearly not accessible at the time.

Accordingly, during the first half of 2010, the LSG had to reconsider and redefine the original Local Action Plan. The idea was to focus on a narrower list of activities with broader practical outcomes.

The process was supported by the FIN-URB-ACT Lead Expert, Mr. Fourquette (Gijón, 2010). Consequently, the LSG agreed to focus on the **revitalisation of the historical city centre**, with a special aim of supporting SMEs operating in the area.

Based on that, the LSG was enlarged (see item 4 below), involving a representative of GIZ Stari Maribor (Association of Old Maribor) – a NGO that has been involved in the development of cultural and economic revitalisation of the old centre of Maribor for many years. GIZ Stari Maribor includes 80 members and over 200 associated members. GIZ acts as a representative of the business community operating in the old centre. Its main aim is to recognise and promote common needs of the business community against the municipal offices and other institutions, develop and submit proposals on improvement of operating conditions to the City Council and lobby for their adoption. GIZ also acts as a link between the business community and different institutions involved in development, organisation and implementation of cultural, tourist and social activities in the old city.

The outline of adjusted action plan was elaborated and agreed during the study visit to Maribor by the FIN-URB-ACT Lead Expert, Mr. Fourquette, and the FIN-URB-ACT Thematic Coordinating Partner, Mr. Sholze (July 2010), covering strategic issues related to revitalisation of the old city centre. The concept was further presented and discussed at the FIN-URB-ACT partner meeting and workshop held in Maribor in November 2010.

The adjusted Local Action Plan

Based on advice and assistance provided by the FIN-URB-ACT Lead Expert, the LSG decided to link activities and institutions dealing with individual fields of revitalisation and to include additional activities into an integrated concept of revitalisation of the historical centre covering economical, cultural and social aspects. The LSG has also taken into account findings and recommendations provided by the URB-ACT expert, Mr. Gaetano Molura, under the URB-ACT project "Support for Cities" (2007).

The concept is based on an idea of developing the historical city centre for the benefit of its inhabitants and visitors into a nice place to live and lively place to visit, taking into account the needs of its inhabitants and expectations of its visitors, introducing modern technologies (e.g. energy saving in restructuring of old buildings) and management and marketing concepts (such as professional management), utilising and supporting all its broad potentials of cultural, social, administrative and other institutions, ECC and other cultural, entertaining and other events, and promoting further development of the SME community operating in the area.

The adjusted Local Action Plan covers the following topics³:

1. Analysis of the current state of different activities related to revitalisation of the historical centre of Maribor;
2. Definition of the needs and expectations of main stakeholders: residents, visitors-tourists, businesses operating in the area;
3. SWOT analysis;
4. Development of the vision and strategic goals;
5. Integrated action plan on economic, cultural and social revitalisation of the historical centre covering five main fields and linking plans and activities intended and implemented by different institutions in individual fields:
 - Traffic regime: access to the historical city for residents, businesses and visitors, parking;

³ Summary Adjusted Local Action Plan is enclosed (Annex I)

- Revitalisation and reconstruction of buildings, streets, squares (involving new technologies, energy saving, etc.);
 - Revitalisation and restructuring of activities: public services, business and commercial services, shops, catering, cafés etc.;
 - Various events for residents and visitors during the whole year at all adequate sites;
 - Tidiness and attractive look;
6. Organisational issues: integrated approach in implementation of the action plan:
 - Professional management;
 - The role of municipality and other main stakeholders;
 - Coordinated and joint action of main players;
 - Information and promotion support, including information on premises and information on financial sources available for SMEs;
 7. Necessary links to and support from other fields (e.g. economy, tourism, local regulations, legal environment etc.);
 8. Budgetary issues and envisaged projects to implement planned actions;
 9. Formal approval of the Action Plan on Revitalisation of the Historical City Centre by the City Council.

Composition of the Local Support Group

The Local Support Group has been slightly changed, including a new member from GIZ Stari Maribor and some additional changes in position of previous members:

Organisation	Name of the representative	Position in the organisation	E-mail
Ministry of the Economy	Marlen Skarlovnik	Adviser	Marlen.Skarlovnik@gov.si
Development Projects and Investment Service – Project Office (Municipality of Maribor)	Andreja Budar	Project manager	andreja.budar@maribor.si
Culture and Youth Office (Municipality of Maribor)	Daniel Sajko	Head of cultural department	daniel.sajko@maribor.si ;
Finance and Budget Office (Municipality of Maribor)	Zdenka Pišek	Head	zdenka.pisek@maribor.si
Mayor's Office (Municipality of Maribor)	Katja Lenič Šalamun	Adviser	katja.lenicsalamun@

			maribor.si
Tourist Board (Municipality of Maribor)	Vesna Male	Adviser	vesna.male@maribor.si
City Council (Municipality of Maribor)	Daniel Blejc	Member	daniel.blejc@modan-i.si
Hypo Alpe-Adria-Bank d.d.	Liljana Adanič	Ptuj Branch, Manager	Liljana.Adanic@hypo.si
SKB Societe Generale Gr	Anamarija Šprah	Revidicom d.o.o Certified Auditor	anamarija.sprah@triera.net
Chamber of Commerce and Industry of Štajerska	Maja Anastasija Henke	Expert	info@stajerskagz.si
Cultural and Performance Centre Narodni dom Maribor	Vladimir Rukavina	Director	gogo@nd-mb.si
Economic Institute Maribor - Regional SME Promotion Centre	Viljenka Godina	Director	Viljenka.godina@eim-mb.si
MRA, Maribor Development Agency	Vladimir Rudl	Director, EEN	vladimir.rudl@mra.si
MRA, Maribor Development Agency	Peter Ekart	Adviser	peter.ekart@mra.si
GIZ Stari Maribor	Tatjana Mileta	Director	mileta.tatjana@gmail.com

Activities Accomplished during the Project

The adjusted Local Action Plan (LAP) was drafted during the study visit of the FIN-URB-ACT Lead Expert, Mr. Fourquette, and the FIN-URB-ACT Thematic Coordinating Partner, Mr. Sholze, in Maribor (July 2010). The concept was further presented and discussed at the FIN-URB-ACT partner meeting and the workshop held in November in Maribor. Based on that, the summary document was prepared in January 2011 and agreed by the LSG.

Simultaneously, there were several actions covered by the LAP either implemented or ongoing, as follows:

1. LSG studied and discussed previous and ongoing actions, documents and plans dealing with individual fields of revitalisation (such as spatial documents, renewal of old buildings, development and implementation of cultural and social events etc.) in order to define key areas to be covered by an integrated action plan for revitalisation;
2. Between October 2010 and January 2011, the LSG members consulted municipal experts in charge of spatial planning, renovation of buildings, traffic arrangements and local legal

framework, making them aware of the old city revitalisation concept being developed under FIN-URB-ACT and obtained their support;

3. LSG liaised with experts involved in preparation of strategic documents of Maribor (two overall strategic documents, and strategic guidelines on tourism were accomplished) in order to raise awareness of the FIN-URB-ACT LAP topics ;
4. In June 2010, the LSG accomplished an analysis on SME financing AND needs. The investigation was based on a questionnaire and involved a target group of 50 micro and small enterprises.
5. In order to define the needs and expectations of main stakeholder groups, the LSG prepared and implemented an investigation based on a questionnaire for key stakeholders: residents, of the historical centre, visitors-tourists, tourist guides and agencies, and businesses operating in the area. The investigation was implemented during the period November 2010 – January 2011;
6. An overview of financial sources and EU programmes available for SMEs was prepared in the form of a brochure and published on the Maribor Development Agency's website. It will be linked to the municipal website and websites of SME support institutions operating in Maribor.
7. The database of premises available for SMEs is being developed (expected to be accomplished by end of March 2011). A draft version of the web database has been elaborated and an agreement on cooperation with the regional chamber of industry and commerce and regional Chamber of Crafts was achieved. Once the database is established, it will be linked to the municipal website.
8. SWOT analysis, the vision and (some) strategic goals were drafted at the workshop held during the FIN-URB-ACT partners meeting in Maribor (November 2010), completed and agreed by the LSG;

Activities Planned for the Future

The adjusted LAP is a document that includes long-term strategic goals and actions planned to be implemented over a period of several years. It will require a coordinated approach of different municipal offices and cooperation with key stakeholders from other institutions. It will have to be further detailed in the form of implementing projects and actions, and it requires active involvement of the city management. As such, the document should be formally presented and adopted by the City Council. The procedure might take several months. The LSG will submit a proposal for the procedure in April 2011.

4.10. Local Action Plan City of Reims

The initial situation in Reims

The issue of SMEs' funding is mainly an issue for the project owner. The City of Reims has realised that businesses usually face problems in their third year of existence. This is often in the development phase, but can be traced back to the initial setting up of the project, when there was a failure to anticipate its liquid assets and investment needs for the future. The project owner has to make a funding plan for at least the first three years of the project. It is therefore on this basis that the City of Reims would like to assist with its LAP.

Local action Group introduction

Background

In 2001, the Economic Direction of the City of Reims took the initiative in linking the setting up of business support structures within the "partners' start-up" network.

Network

The Network is not a business or physical entity, it has no legal responsibility. It is the gathering of ten start-up support structures into the basin of Employment of the City of Reims (ADIE – AFPA- BOUTIQUE GESTION- CCIRE- CHAMBRE DE COMMERCE- CHAMPAGNE- ARDENNE ENTREPRENDRE- Incubateur Régional/ICAR- PEPINIERES D'ENTREPRISES H. FARMAN- REIMS INITIATIVE- VILLE DE REIMS). Each of these structures keeps its identity and autonomy but develop a series of actions under the same identity: CREAREIMS.

Objectives

The meetings have permitted to get to know each other, to work together and to improve the tools and procedures to rationalise the necessary steps.

Thus, the initial objective is to work horizontally within the Network, not to get rid of the existing nor create a further structure. A single referrer, different according to each file, who met the creators of enterprises ("entrance door") would steer and monitor the creator of the project. This must seek to improve the exchange of information between professionals.

The final objectives are to permit the creator of enterprise to be given a high standard of welcome, to be guided and provide him support and follow-up. These objectives will increase the follow-up rate of creators of enterprise at the end of some junction stages at three, five or even seven years. The Network, with a high standard of quality support, will make the creator of the enterprise aware of the need for a funding plan for three years forward. In this way, from the beginning he will have the appropriate funding research to compare to his whole project.

Means – actions

CREAREIMS first entered into a training programme the agents from the different structures which comprise it, then worked on achievement of common communication tools and participation of the Network in different local or national events (INNOVACT, SALON DES ENTREPRENEURS, Train de la Création, Bus des entrepreneurs). Since 2008, the Network has sought to increase its visibility and has created a new logo.

The Local Support Group

CREAREIMS is a network of 11 non-commercial organisations. The main aim of this network is to improve its services provided for the benefit of entrepreneurs (new or bought companies). Reims chose CREAREIMS network as the LSG for the FIN-URB-ACT project. Often, companies have some financial problems during the first three to five years of their business. The best way to remedy it, is to think ahead of the potential problems of firms, by stepping-in firmly to implement a mid-term business plan with new entrepreneurs. The most empowered local organism is CREAREIMS network.

Organisation	Name of the representative	Position in the organisation	Contact
Reims Initiative	O. FIQUET	Director	reimsinitiative@pepinierrefarman.com
Réseau Entreprendre	H. GALLI and now : N. BIANCHI	Director Project manager	champagne-ardenne@reseau-entreprendre.org
ADIE	B. HUBERT S. BARBIER P. NGOU	Director Project manager Project manager	champagne@adie.org
Chamber of Commerce and Industry Reims (CCIRE)	A. SWIRSKY E. VANDENBOSSCHE P. D'OLIVEIRA	Project manager Project manager Project manager	andre.swirsky@reims.cci.fr eric.vandenbossche@reims.cci.fr philippe.doliveira@reims.cci.fr
Chambre de Métiers	P. JEANSON and now : M. FEGHOUL	Project manager	mfeghoul@cm-marne.fr

AFPA	J. ZION and now : Fatima DUPONT	Project manager	crea@afpa-reims.fr
Boutique de Gestion	L. ATIGUI	Director	boutique.de.gestion.champagne@wanadoo.fr
L'Incubateur Régional au sein de l'Agence pour la recherche et l'Innovation en Champagne-Ardenne" (CARINNA)	C. MERLET	Project manager	incubateur@carinna.fr
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Pépinière d'entreprises	O. FIQUET	Director	contact@pepinierefarman.com

Actions done during FIN-URB-ACT with the LSG and the Managing Authority

Cooperation with the MA: Regional Council of Champagne-Ardenne

In order to make the Regional Council aware of FIN-URB-ACT project, the City of Reims and the Regional Council worked together on a convention project. Regular exchanges have taken place between the both administrations so that they formalised a partnership. The Regional Council of Champagne-Ardenne participated in the FIN-URB-ACT network meetings during the meeting of CREA network, the personnel of the Regional Council submitted the Feder's plan of action on the creation and innovation to CREA network.

Local Action Group: CREAREIMS Network

- On 29 January 2009 the Consultant Office came and made a depiction on the survey about the CREA REIMS Network, within the LAP Network.
- On 13 February 2009 CREA REIMS met in AFPA: this meeting followed the one held on 29 January which showed the survey results from the consultant. This survey highlighted the strong satisfaction by creators of enterprises towards benefits and the active network members, but, there was a reserved perception on the network offerings,

as such with the necessity of developing the communication and making the current existing links more visible within CREAREIMS.

So the City of Reims wished to bring to business creators its commitment in the FIN-URB-ACT project. During the different meetings of the LSG instruments have been created to increase the visibility of the CREA network, such as the objective about the LAP.

The network produced:

- flyers to introduce the forum on business creation;
- flyers to present the network and all the members of CREAREIMS;
- a catalogue about presentation of different contributors present during the forum; this catalogue announced also the different workshops which were held;
- an overall page dedicated to the presentation of the FIN-URB-ACT programme;
- a guide to business creation;
- website;
- communication in the city about entrepreneurship;
- communication in the city about entrepreneurship for women;
- communication about the price of CREAREIMS for juniors;
- communication on the price of CREAREIMS in the competition “talents”;

Some events with examples of communication and visibility of the LSG:

- On 2 October 2009: Forum of business creation installed by the CREA network. The network met during the forum of 2 October: During this forum, the network asked students to complete a satisfaction study on the visitors and thus, to permit them to work on its visibility.
- 03/05/10: There was a meeting between the city and university about the competition CREA Reims Junior.
- 28 and 29 October 2010: the event “Salon Entreprendre”. Participation of all members of the LSG. Visibility of the LSG. Communication on the logo “CREAREims”.
- 02/12/10: Exhibition for creators in the district "Croix-Rouge" of the city with some partners and with the LSG.
- 16/12/10: Exhibition for creators in the district “Wilson” of the city with some partners and with the LSG.
- 21/09/10: The LSG, the network CREA has a prize in the concours "Talent". Talent is a regional competition for creators. It was the official ceremony to give the prize to the creator, with press and many elected persons present.

Originally the impact was measured as the percentage of new projects and businesses contacted and supported by at least one member of CREAREIMS. Only projects registered in the register of Commerce were concerned as the Chamber of Crafts did not wish to publish their list of new businesses. Projects registered directly and only in the Social Security register (professional activities) were also not covered, but in fact they normally require no or limited support.

This method was rather simple but reasonably accurate (with the approximation of the crafts sector); in particular it gave useful information that the network covered around 30% of the new businesses. This percentage has increased very little during the last few years, from 29% five years ago to a current 33%. This data lead to the conclusion that the communication campaign should be focused on the network to increase its visibility and thus the number of supported projects/businesses.

Reims was also concerned with the limits of the database, in particular the fact that the crafts sector could not be part of the evaluation process. To circumvent this limit, Reims decided to change the method of obtaining the list of new businesses; instead of compiling the lists from the register of commerce only, they acquired the lists from the national statistical institute (INSEE). Now the list is comprehensive and additionally it can also give information on the survival rate of businesses. This is a paying service and the little budget allocated to the LSG was used partly to cover this expense.

The decision of the next period

A work group from FIN-URB-ACT carried out a survey of the expectations of local SMEs of their access to available support funding. The survey is being sent to local business, including micro-businesses (self-employed). In Reims, the survey was conducted in April 2010 from a database of 179 firms. These firms were accompanied by one member of CREA Reims. The main results for the network CREA were:

- only 40% of the interviewees know that loan guarantees exist;
- about provision of infrastructure (land, premises, incubators, etc.), 70% of the interviewees are ignorant of its existence and only 25% are interested in this type of support; the remaining 5% do not have other expectations.

They said that they have strong need for:

- one-stop shop providing general information;
- professional information services;
- advice or consultancy on specific businesses;

- specific training courses;
- financial services like guarantees, loans, grants.

So, actually, with the network CREA Reims, we have focused on a communication campaign about the existing offers for the CREA network. The outputs of the survey conducted revealed that local entrepreneurs do not see the network as a one-stop-shop.

After deeper analysis (for instance, the visibility of the forum in relation to CREA Reims), the problem does not come from the communication itself, but from the network which is a difficult concept to publicise. The members of the network clearly see the advantages of grouping their efforts, but the users do not make the effort (and do not need to do so) of analysing the components of the network.

They just indicate their need for a single adviser who would be fully aware of their individual project and could guide them through the various support services and support organisations. In consideration of and regarding the fact that the financing of the City of Reims with the partnership of the Chamber of Commerce was very important (around €100 K), the City of Reims decided for 2011 to stop this communication campaign for financing CREA Reims. The network CREA Reims (the member of the LSG) is composed of professional technical people and the city wants the role of the network changed to be more technical and less about the campaign communication. For the next period, the network CREA Reims will continue to work on the benefits of this network for creators.

The survey on SMEs' expectations will not only be a basis for further project activities, but will also be the ground for LSG discussions on how to better target the support schemes to actual SME requirements. The elective representative municipality is interested in creating a one-stop shop.

For future, the budget and relation with the Managing Authorities

During the implementation of FIN-URB-ACT, the relationship with the Managing Authority has developed significantly. During 2010, for the first time, the Managing Authority organised several information seminars for the network CREA Reims and disseminated information on existing possibilities for funding. The Managing Authority has financed with the European Fund another city "CREA Châlons". So, several projects are now in preparation with the view of submitting them to European funding through the Managing Authority :

- relation a one-stop shop and region level;
- preparation of an incubator on art and design.

4.11. Local Action Plan City of Rome

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 - **Area, Budget and Timing**
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Methodology

In order to better identify the operational objectives and develop the necessary actions to achieve them, the Rome Local Support Group (LSG) has been established, taking account of the general and the specific Project FIN-URB-ACT, as well as the operational objectives of LAP, and then identified the key market players in public and private institutions operating locally, which had the authority and a proven track record in managing financial and non-financial support to existing businesses, those in the start-up and self employment .

In order to improve operations and efficiency within the LSG, a small group of thematic experts was formed, the Action Learning Set (ALS), with the task of drawing up proposals to be discussed during the meetings of the LSG and prepare documents to be shared with LSG in view of the meetings of FIN-URB-ACT partnership.

Tasks

- Ensure the establishment of a sustainable and financial LAP;
- Identify, support or validate the extent to which the project is really able to offer the City and the City as the project;
- Disseminate the project results in the provincial capital of the Lazio Region;
- Request political support and institutional framework to ensure a real change through the adoption of the LAP.

Local Support Group Partners:

1	Managing Authority – Lazio Region	7	University of Rome “Roma Tre”
2	Rome Municipality	8	Creaimpresa – New business creation
3	Unionfidi Lazio (Guarantee scheme)	9	Federlazio – Entrepreneurs Association
4	BIC Lazio – Business Innovation Centre	10	Banca delle Marche (Invited)
5	Unicredit Banca	11	Confcommercio (Invited) – Entrepreneurs Association
6	University of Rome “La Sapienza”	12	Trade Unions (Invited)

Working process

- Identification of priority issues which brings together the activities under the LAP;
- Identification of major problems related to the specific issue and its connections with the possible causes and effects;
- Definition of the general goals of the Plan, which are observable and measurable;
- Definition of a small number of specific objectives to be achieved;
- Definition of the activities to be undertaken to achieve the objectives and expected results in terms of outcomes and outputs.

General objectives

The Local Action Plan is focused on cooperation between Roma City Capital and Lazio Regional Administration for coordinated action to support the development of new and start-up businesses. LAP is divided into four operational axes:

LAP on four operational axes

- 1. Build a stable and continuous cooperation between Rome Capital and Managing Authority;**
- 2. Create an operating network between key market players to support new and start-up businesses;**
- 3. Develop and strengthen the capacity for growth of new and start-up businesses;**
- 4. Communicate and disseminate results.**

Axis 1 Build a stable and continuous cooperation between Rome Capital and Managing Authority

State of initial situation

Occasional and not stable cooperation between Rome and Lazio Managing Authority:

- Not good institutional and political relationship
- Fairly weak operative collaboration

This cooperation aims to develop a coordinated action in order to support self-employment, micro-enterprises and start-up businesses and built a network with all main public and private organisations engaged in supporting SMEs.

Actions:

- Managing Authority in ULSG
- Training day
- Calendar of Meeting
- Managing Authority + Municipality of Rome + Experts of ERDF

Specific objectives

- Improvement of Institutional Relations
- Strengthening collaboration

Outputs

- Nine Bilateral meetings
- MA in LSG
- Three Rome + MA + ERDF expert meetings
- Two events

Outcomes

- Letter of intent
- Institutional Relationship enhanced
- Stronger operative relationship
- Shared LAP focused on start up and new businesses
- Rome LAP is been included into the ROP by Lazio Region M.A.
- Lazio Region "*Project Lab*" (ENPI CBC Med)

Axis 2 Create a network amongst market actors coordinated by Municipality of Rome**State of art of initial situation**

- Lack of a local network amongst structures and instruments operating in supporting start-up and new business development;
- Aim of the Network is to support SMEs, business start-up in self employment, by increasing the level of efficiency and effectiveness of local instruments which deal with the creation and development of micro and SMEs).

Diagnostic

- Mapping of existing funding measures at European, national, regional and local levels in support of target companies;
- Mapping of the financial and non-financial instruments to support the development of target companies;

- Mapping of the management structures that support the development of target companies at local level.

SWOT analysis

- *Strengths*
 - Different actors (public and private) in supporting the development of enterprise;
 - Different active tools and measures in supporting the development of enterprise;
- *Weaknesses*
 - Difficulty of access to information for the target businesses;
 - Absence of a network between structures and instruments operating in the development of new businesses in the network;
- *Opportunities*
 - Willingness of banks to participate in local networks;
 - Availability of new financial engineering instruments;
- *Threats*
 - Dispersion of resources and ineffectiveness of the instruments and measures to support enterprise development;
 - Mistrust of SMEs' target towards tools and support measures for enterprise development.

Activities

- Identified key public and private actors at various levels involved in supporting SMEs;
- Participation of the major key market players in the LSG;
- Subscription of a letter of intent between key market players in the LSG;
- Identification of possible ways and integrated actions to support SMEs target.

Specific Objectives

- Establish a regional network of actors to support the development of enterprise;
- Strengthening instruments and measures to support SMEs born less than 24 months.

Outputs

- 12 Public/private members in LSG
- 12 LSG meetings
- Six ALS Meetings
- Two events

Outcomes

- Built an informal network;
- Created a shared LAP;

- Realised “lobby” actions to support for funding LAP;
- Exchanged and up-dated info on target SMEs.

Axis 3 Develop and strengthen the capacity for growth of new and start-up businesses

This action aims to increase the survival rate of new and start-up businesses through:

- Strengthening entrepreneurial skills;
- Improving financial skills of entrepreneurs;
- Fighting the structural fragility of the target SMEs;
- Strengthening information actions toward the target SMEs.

Diagnostic

- Analysis of data on birth and survival of SMEs in the first 24 months of activity (Source: ISTAT, Archives Active Enterprises (ASIA) available data);
- Analysis of the major causes of death of new businesses;
- Analysis of the level of business culture;
- Analysis of knowledge of financial and no financial instruments in support of enterprise development.

SWOT analysis

- *Strengths*
 - High birth rate of business and new entrepreneurs.
 - Good economic performance of new businesses.
 - Presence of both public and private structures and instruments, active in supporting the development of new businesses.
 - Widespread presence of banks.
- *Weaknesses*
 - High mortality rate of SMEs in the first 24 months of activity.
 - High financial fragility.
 - Lack of entrepreneurial culture.
 - Lack of awareness and use of financial and non-financial instruments in support of enterprise development.
- *Opportunities*
 - Presence of public support for the development of new businesses.
 - Presence of public training agencies.
 - Availability banks to participate in local networks.
 - Availability of new financial engineering instruments.

- *Threats*
 - Dispersion of resources and ineffectiveness of the instruments and measures to support enterprise development.
 - Mistrust of SMEs target towards tools and support measures for enterprise development.
 - Economic weakness.
 - National and international competition.

Activities

- A selection panel of target companies.
- Invitation to participate in the initiative.
- Collection and analysis of data from the target SMEs in four main areas: Finance, Market, R & D, Bureaucracy.
- Preparation and administration of the questionnaire.
- Organisation of workshops and focus groups focused on a single issue of the four macro axes.
- Assessment of the specific issues raised during the workshops and focus groups.
- Design, programming and implementation of operations divided into four phases:
 - Information and Guidance;
 - Training;
 - Mentoring and coaching;
 - Support for access to finance.
- Final event – Network industry – Fiera – new businesses present themselves to the market.
- Real time communication to new born businesses just registered to Chamber of Commerce.
- **Outputs** (depending on the amount of the final budget)
 - 6,000 entrepreneurs / start-ups selected.
 - 6,000 Invitation to workshop.
 - 10 workshops.
 - 12 focus groups by thematic area.
 - 40 mentoring and coaching actions.
 - 5 mentors and coaches involved.
 - 22 Training initiatives.
 - 5 trainers.
 - communication events (from the communication plan).

- **Outcomes** (depending on the amount of the final budget)
 - entrepreneurs who participated in the workshop.
 - entrepreneurs who have taken advantage of mentoring and coaching.
 - Average percentage of survival of the companies involved.
 - Media appearances.

Axis 4 Communicate and disseminate results

This action aims to communicate and disseminate the results of Rome LAP.

Specific objectives

- Expand the network of companies involved in the project.
- Develop new forms of cooperation between the actors involved.
- Disseminate an integrated model of action to fight the structural fragility of the target SMEs.

Activities

- **Website**
 - The website plays a supportive and complementary to other communication activities in the plan. The web pages will also host environment for discussion and contact between the different stakeholders involved in the project (businesses, banks, various public and private actors in supporting the development of enterprises).
- **Newsletter**
 - Editing, creation and sending of a monthly electronic newsletter complementary to web pages.
- **Social Networks**
 - Use of the main social networks (Facebook, Twitter) to publicise the initiative and to collect contacts with companies interested in participating in the project.
- **E-mail service**
 - Organisation of an email service to satisfy those newborn entrepreneurs just joined the Chambers of Commerce seeking specific information regarding the activities of the project.
- **Media Relation**
 - Organisation of a communication campaign involving major media organisations at local level (TV, radio, printed newspaper, electronic newspapers).

Outputs (depending on the amount of the final budget)

- N.....
- N.

Outcomes (depending on the amount of the final budget)

- N.....

Budget, Funding and timing**Area of intervention**

- Rome Capital to be extended to provincial capitals

Estimated Budget

- €2 million for Rome Capital +.....

Timing

- 18 months
 - Preparation 6 months
 - Implementation 12 months

Conclusion and recommendations

- **Recommendations**
 - Importance of the coordination between Cities and MA especially when the City represents a significant part of the regional economy as it is the case in Rome and Lazio.
 - Added-value of a formalised agreement between City and MA.
 - Necessity to overcome administrative issues and find immediate solutions so that procedures do not become a barrier to action development.
 - LSG is a work method applicable to other subjects.
 - The principal added values of FIN-URB-ACT for Rome were to organise the partnership with the MA and prepare a LSG.
 - The big question: will the public Administrations be able to keep this methodology alive after FIN-URB-ACT?
 - A formal agreement, in this sense, is kindly recommended.
 - To design the support scheme for micro-businesses with all the stakeholders.

FIN-URB-ACT. Outputs

- LSG methodology;
- Managing Authority in LSG;
- Experiences, strategies, actions and exchanges validated at National and European level.

ANNEX: CONTACT LIST FIN-URB-ACT NETWORK

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URBACT II

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

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