

Urban N.O.S.E. Network of Social Enterprises

## L.A.P.s Compendium

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## Introduction

In the framework of the URBACT II programme<sup>1</sup> the Urban N.O.S.E. project aims at defining an European network of social enterprise incubators: the lead-idea is that social enterprises can represent the real engine of sustainable development in urban areas, improving the effectiveness of sustainable integrated urban development policies in Europe with a view to the implementation of the Lisbon-Gothenburg Strategy. Main challenges of the project are that one of facilitating the exchange of experience and learning among city policy makers, practitioners, local and regional authorities, in the field of sustainable urban development; of disseminating the experiences and examples of good practice and especially the lessons drawn and collected by cities, so ensuring the transfer of know-how upon sustainable urban development and promoting a "community of practices"; of assisting policy-makers, practitioners and managers of operational programmes to define action plans on sustainable development of urban areas, which may be selected in the framework of Structural Funds programmes; and of promoting the consolidation of social economy in the cities, by connecting the initiatives of social entrepreneurship to local development.

Over the past 25 years, the social economy sector has acquired greater significance, in terms of economic activity and in social policy planning. Social economy enterprises represent two million enterprises (i.e. 10% of all European businesses) and employ over 11 million paid employees (the equivalent of 6% of the working population of the EU): out of these, 70% are employed in non-profit associations, 26% in cooperatives and 3% in mutual societies. Social economy entities are enterprises, in their majority micro, small and medium size enterprises (SMEs). However, the concept of social economy is still understood differently across EU countries.

The Local Action Plans here reported are the result of the three-years exchange of practices, actions, models, experiences made at city scale to promote the vision of Social Economy Incubators going beyond the simply providing sheltered workspace. Indeed, an European network of Social Incubators would constitute a real innovation, in terms of methodology and policy tools, at all levels: it could gather smart new jobs and businesses mixing social, green, creative and knowledge economies' fresher ideas and their operational proposals. And each of the presented LAPs reproduce differences, but also similarities, in the way to conceive urban strategies, actions, timing, resources and outputs. However all of them conceived as strategic tools for specialising urban areas in social economy; developing a "community of practices on social economy"; recognising municipalities their leading role; building up a new participatory governance model of social policies able to meet emerging urban needs, and strengthening and promoting the role of Social Enterprise Incubators as important part of a strategy to address cyclic crises.

The LAPs you will see in the following pages are seven upon nine, as two of them, the one from Brighton & Hove (UK) and the one from Xativa (ES) are at the moment in the form of draft or still pending on translation services: you can find a very brief abstract of both into the appendix. Anyway, all the presented LAPs have, at their end page, a little table with references, contact persons, addresses and websites, that may be useful

<sup>&</sup>lt;sup>1</sup> URBACT is a European programme of exchange and learning which brings together practitioners and policy makers in partnerships from a variety of cities within the cohesion and competitive regions of the European Union (EU) and which connects cities on integrated development issues to promote sustainable urban development. For details see http://urbact.eu/

to those who have desire to deepen and learn more about the chosen LAP. Hoping that these LAPs may be forerunners of suggestion and stimulation for those who want to foster or design a city social strategy where the role and potential offered by the social economy incubators is conceived as the central pillar of the integrated and sustainable planning of the related cities.

## **Agrinion, Greece**





The purpose of the local action plan (LAP) of the city of Agrinion is focussed on the creation and sustainable operation of an Incubator of Social Enterprises in the city (ISEA – Incubator of Social Enterprises of Agrinion). However, during the process of developing the LAP, the need to expand the incubator to a wider Science Park emerged. Therefore this action plan deals with the establishment and operation of a Social Enterprise Incubator and Science Park (of Social & Innovative Enterprises) in the city of Agrinion.

### Overview and basic description of the background

Agrinion is the largest city and a municipality of the Aetolia-Acarnania prefecture of Greece, as well as one of the largest cities of Western Greece. The movement of the local populations towards the city has established Agrinion as the commercial and financial centre of the whole area. The basic agricultural products, such as tobacco and olive, shaped the local society by creating a "new city" which is not still fully developed.

Social Enterprises (SEs) are enterprises or organisms of product trading or provision of services, of broader social mission. Several commercial enterprises consider themselves as high social entities (due to the reduction of unemployment, social responsibility), but the SEs set as their main objective serving the broader community rather than the immediate commercial gain. In most industrialized countries, organizations and social enterprises are grouped into the following categories:

- co-operatives;
- mutual societies;
- co-operations, organisms, urban non-profit enterprises, NGOs which are generally called «unions».

The contributions of social enterprises to the social – economic development normally deal with the provision of access to basic services (social, training and health) at the local communities, the contribution to the balanced use of local sources with the broader participation of local bodies; the contribution to the promotion of governmental models which support the local community at strategic decision makings; the creation of new work places as a result of the new services, favouring the use of weak categories in the job market.

## Problems to be faced, opportunities and solutions

Agrinion is now in a decline position after the cease of tobacco cultivation around city (main income source). The movement of the local populations towards the city has shaped the local society by creating a

"new city" which is not still fully developed. People living on disadvantaged areas, geographically isolated, where agriculture is the only and not always viable way of living need new resorts for their economic development. Moreover, over the last years Agrinion has attracted migrants and ethnic minorities and as a result the development of the "new city" is being delayed. However, among first priorities of the municipality are to support young people, to strengthen enterprises and to re-orientate local economy.

In relation to social entrepreneurial activity, the city authorities favour the conditions for the development of social economy activities in the city. Furthermore, there is experience from past programmes in local development (EQUAL, LEADER) which have already planted the seeds for partnerships. However, an issue that applies not only in the case of Agrinion but also to the whole Greek state is the lack of legal and funding framework for social enterprises. Entrepreneurial activity suffers from bureaucracy, thus making enterprises not very flexible. In addition, there are no strong local networks of associations, organizations, etc., for lobbying purposes, co-operation, networking and information exchange, especially for start-ups. There are also inadequate arrangements for people who face difficulties entering the labour market to have access to social enterprises. Furthermore, in Agrinion there is not enough skilled stuff and training mechanisms that support social enterprises. Concerning social innovation, the Region of Western Greece (RWG) allocates important scientific and technological distinction distributed in Organisms of Production of Knowledge and Institutions of R&T. However, there is a lack of supportive facilities and services, for new entrepreneurs with innovative ideas to implement their social business plan. There is a need for a special structure that would provide support to those who actively wanted to move into the productive sector, from the research and technological institutes and academia. Finally, a major problem in Agrinion is the low level of investment realization and attraction of private capital. Nevertheless, there are opportunities that the city of Agrinion can take advantage of, such as: new investments / programmes from the National Strategic Regional Funds (NSRF), creation of synergies with the new local University of Western Greece. Although, the current Greek economic crisis constitutes a constant threat, the emergence of Agrinion as a business pole with a social character can be an answer to the current economic crisis.

Consequently, ISEA (Incubator of Social Enterprises and Science Park at the Municipality of Agrinion) will be an organization of a particular structure, establishing mechanisms and services primarily targeted on promoting the creation, operation and growth of innovative – technological units and social enterprises. ISEA will contribute to the creation, operation and development of units and enterprises that focus on innovation, technology and know-how for the development of their activities, but with broader social impact. Indeed, ISEA will favour a wider local growth by using the Social Economy as an answer to the economic crisis, so allowing the emergence of Agrinion as a business pole with social character, also thanks to the synergies with the University of Western Greece, strong partner of the city also during the implementation of the Urban NOSE thematic network.

# Role of transnational work in developing solutions and benefits of transnational exchange for the LAP's conception

The importance of transnational exchange and comparison among partners has been fundamental for the conception and development, and will be also essential to the implementation of ISEA.

Indeed, comparing practices and experiences with other cities has allowed a better shaping of the Agrinion LAP and also a continuous process of enrichment, advising and benefiting of mistakes already made, as well as of success points which have been taken into the right account. Thus, without the transnational added

value offered by the Urban NOSE thematic network, the Agrinion's LAP would have been weaker and with more uncertain interventions.

## Plan strategy and activities proposed

The ISEA Local Action Plan of Agrinion bases its strategy upon a wider social mission, aiming at protecting the environment (University spin-offs), caring of health services, favouring a sustainable and alternative tourism, as well as a sustainable agriculture (cultivator groups and solidarity purchasing groups), promoting the cultural heritage protection, along with the research and the new technologies.

Special focus will be given to:

- Environmental services
- Support SMEs from the agro-food sector
- Start-ups & spin-offs from the departments of the University of Western Greece
- Specific measures to strengthen the third sector services
- Strengthen networking & clustering activities in the agro-food sector

The ISEA Incubator will act as an umbrella - its basic role will be the development of social enterprises, by encouraging the sharing of resources which derive from various regional sources. The Incubator will negotiate contracts with private businesses and public organizations and will develop special know-how on the elaboration of such contracts for social enterprises. It will be used for the exchange of best practices, not only at a national level but also on a European/international level, due to its strong points of service:

- > Knowledge production at the local community & improvement of dexterities.
- > Information management for funding.
- > Support during the start-up of social enterprises.
- Encouragement of local collaborations (public and private).
- Promotion of networking actions & establishment of relationship with public sector.

ISEA, thus, will provide physical accommodation for the enterprises which involves: synergies, spirit of collaboration and rivalry, ideas, identity, etc.; technical support (internet, communication, meeting & exhibition rooms, etc.); administrative, legal, economic support; training and advisory services (business plan, marketing, new markets, etc.); know-how transfers; networking at a local, national, international level, etc.. In order to accomplish the support and promotion of enterprises, the development of two significant units within the organizational structure of ISEA are foreseen:

- 1. **Innovation Centre and the Incubator**: the support and development of innovative units will be favoured through their establishment in these structures. Their degree of development will determine in which structure they will be included.
- 2. **One-Stop-Shop of assisting services**: provision of services and information to the hosted enterprises of ISEA at a single access point by the following organizations:
  - > Industrial Property Organization (IPO)
  - > Offices of technological development organizations of GSRT:
  - > MIRTEC SA (Metallurgical Industry)
  - > ETAT SA (Food Industry)
  - > CLOTEFI SA (Clothing & Textile Industry)
  - > CERECO SA (Ceramics Industry)
  - Hellenic Organization for Standardization (ELOT SA)

The ISEA premises will be chosen among the following and already available options:

- o Property of Municipality
- o Chamber property
- o University property
- $\circ$  Historical / industrial buildings of public property to be renewed
- o New construction at private property paid by the whole partnership

## Key actors

Main involved actors are:

- Municipality of Agrinion
- · Commercial Chamber of Aitoloakarnania
- University of Western Greece
- Developmental companies
- Banks, financing mechanisms
- Unions, Associations, NGOs
- · Local enterprises
- Local training centres (IEK, KEK)
- Others

For ISEA has been designed a management board: the organizational structure and staffing regarding a flexible, economical and sustainable form for ISEA can briefly be presented as follows:

- 1. Board of Directors (7 positions)
- 2. CEO & General Manager (1 position)
- 3. Secretariat (1 position)
- 4. Financial & Legal Services (1 position)
- 5. Promotion & Public Relations (1 position)
- 6. Development & Project Management (1 position)
- 7. Technical Services (1 position)

Besides the Board of Directors, a total of six members staff has been foreseen. From these, three, namely the CEO & General Manager, the Secretariat, and the Technical Services positions are needed and will be fully paid by direct revenues - rental services - of ISEA (regular staff). The remaining three will be paid only from ongoing programmes undertaken by ISEA (temporary staff). If the overall income/revenues of ISEA are more than adequate, then further staffing and segmentation of work can be planned.

## Supporting programmes and funding sources

The total investment cost of ISEA is estimated to be EUR 660,000.00 for a fully equipped building with 600  $m^2$  useful area – apart the land value.

The annual operational costs (regular expenses) are estimated as  $107,800.00 \notin$ y, the annual income as  $40,320.00 \notin$ y (from rents & service fees), creating thus demands of  $-67,480.00 \notin$ y in order to ensure sustainability.

As break-even point for this incubator, a useful area of 1,123 m<sup>2</sup> is estimated (for renting) and thus a 1,123 /  $0.7 = 1,600 \text{ m}^2$  total area of buildings.

The proposed sources of funding for the initial setting of the incubator will be sought from the following sources (according to priority):

- 1. Region of Western Greece, Municipality of Agrinion,
- 2. Chamber of Commerce of Aitoloakarnania
- 3. Organizations of knowledge production (universities, research centres)
- 4. Venture capitals, funding organizations
- 5. Enterprises of high technology (from the Region of Western Greece, Greece, abroad)
- 6. Production units

It is foreseen an initial financing for the creation of the incubator and pilot application from the National Strategic Reference Framework for the Region of Western Greece (2007-2013). But they will also favour business capitals; National & European programmes; along with proper funds (initial capital, rents, provision of services) and consultation and advisory work for the creation and initial support offered by the Patras Science Park.

Finally, it is desirable that at least the fixed and initial operating costs would be financed from an appropriate programme in the frame of the National Strategic Reference Framework 2007-2013. However, the highest revenue originates from the corresponding positive results of the enterprises hosted in ISEA.

### Timing

The LAP of Agrinion defines actions for the next three years, and also discusses the risks of failure in the application and implementation of the Local Action Plan for the current programming period (2007-2013), thus relying on the more concrete possibilities offered by ERDF and ESF structural funds for the next programming period 2014-2020.

## **Expected outputs**

The ISEA objectives are described by presenting in detail the services to be developed to make attractive the settlement of social enterprises, as well as the attraction of foreign companies, especially SMEs to participate to a network of affiliates. For the continuous development of ISEA, provision of advanced services is required, which are fully described in the LAP. This section also deals with benefits for the Region of Western Greece and in particular Agrinion. Furthermore, the required and already available infrastructures are described.

From the LAP approach, as well as the estimated financial figures i.e. fixed costs, operating costs, expected revenues and thus the net financial results, the following are concluded: indeed, the projected financial performance of the ISEA is regarded as positive; positive results are expected from the companies that will settle or will be linked to ISEA; a significant increase of the companies that invest at the exploitation of knowledge with encouraging corresponding figures for employment growth and anticipated revenue are expected; the return rate of the initial investment, as well as the corresponding period for the return on investment, can be considered as satisfactory, thus suggesting that the investment is viable.

Taking into consideration the multilateral, positive benefits from the proper action plan of ISEA, it is expected that the operation of ISEA will be a long-term reciprocal activity as a Business Development Mechanism. The size of the expected effects on entrepreneurship, employment, competitiveness and turnover are regarded as significantly important, thus advocating the implementation of the LAP. The magnitude of the expected results in the employment, competitiveness and social benefits are considered as exceptionally remarkable and fully support the undertaking of the investment.

## Information sources

Name of the initiative	I.S.E.A. Local Action Plan: Incubator of Social Enterprises in the	
	municipality of Agrinion	
Country/region/city etc.	Greece/Western Greece/Agrinion	
Administering organisation(s)	Municipality of Agrinion	
Contrat dataile of administering	Dependentia Zourperco	
Contact details of administering	Panagiotis Zounaras	
organisation(s)	nzounoros@ogripio gr	
	pzounaras@agrinio.gr	
Interviewed person	Vagelis G. Papadakis	
	Patras Science Park S.A.	
	vgp@psp.org.gr	
	www.psp.org.gr	
	Tel.: +30 2610 911571	
Other documentation sources	http://www.econ.upatras.gr/en/people/faculty/tsekouras	
	www.psp.org.gr	
	http://www.ceid.upatras.gr/prosopiko/faculty.htm#1	
	http://scgroup.hpclab.ceid.upatras.gr/faculty/stratis/stratisgr.html	
	http://scgroup.hpclab.ceid.upatras.gr/faculty/stratis/stratisgr.html	
Website URL	http://www.cityofagrinio.gr/en	

## Alcobaça, Portugal



The Local Action Plan (LAP) of the city of Alcobaça is concentrating on the creation and sustainable operation of an Incubator of Social Enterprises for the organization and implementation of awareness and training oriented to Social Economy and Social Enterprise. It also contributes to manage environmental problems, due to the high local emissions of CO<sub>2</sub>, by rewarding the most environmentally friendly social businesses, reducing the tax burden for 'green' social enterprises, encouraging the use of public transport, that brings people to the city centre (electric minibuses).

## Overview and basic description of the background

The Municipality of Alcobaça lies in the central region of mainland Portugal (NUTS II) in the West sub-region (NUTS III), lying 100 km north of Lisbon. This Council comprises 18 parishes, with them the status of towns and one city (Alcobaça, the county seat). Only two are classified as predominantly rural: Alpedriz and Vimeiro. Its total area is 408.14 km<sup>2</sup>. The territory is very uneven, being able to distinguish four types of landscapes: urban, rural, mountains and beaches.

According to the latest data, the total population of the Municipality of is 55,617 inhabitants (men: 27,344; Women: 28,273), representing 11.66% of the total population of the district of Leiria and 0.52% of Portugal. Its population is scattered, focusing mainly in four urban centres.

Various cultural facilities that exist in Alcobaça, mostly, are owned and managed by the municipality. Most of them concentrated in the headquarters of the Council in the town of Alcobaça. In these areas occur the most relevant cultural events, both in terms of performances of music, dance, theatre, cinema and in the specific case of the Library, it is where you can find a large number of publications (books, magazines, newspapers, etc.). Also the monastery Santa Maria de Alcobaça, managed by IGESPAR (body under the Ministry of Culture), is usually the venue of several initiatives for cultural purposes, such as classical music concerts (chamber, baroque) and entered the festival Cistermúsica, Annual Conventual Fair of sweets and liquors.

In many parishes, there are several recreational associations, which receive annual grants by the Municipality, and which occasionally have parties more geared to their local populations, where exhibiting

some recipes. Apart from several equipment listed, you can say that Alcobaça is a city with a great cultural offerings, high quality, taking into account its little size.

Nevertheless, some social problems need to be addressed, like boosting Social Networks, supporting the various associations working in the area of solidarity and social support (PSS's), facing the growing unemployment, above all among youngsters and women, offering educational and vocational training towards the new economies and in the direction shown by the Lisbon and Goteborg strategies.

### Problems to be faced, opportunities and solutions

Apart from the already mentioned social problems, mainly characterised by a growing unemployment mostly affecting young people and women, a particular stress has to be put on environmental issues, as in theory there are several programs and political commitments (and in fact many steps have been taken to reduce pollution levels in water, solid waste, etc.). However, there is an awareness of individual measures for environmentally friendly actions, but there is not a great awareness of actions harmful to the environment in the medium and long term.

As well, economic problems are arising in sectors that have traditionally been the hallmark of the County to major employers, such as ceramics, which are now in decline, surviving only those units that work mainly for export and have some consolidated structure: number of employees, volume of relevant business, etc..

Agriculture is also a sector with great importance, especially for the cultivation of fruit. With the widespread farming of other European countries and even Asia, the regional and even national production became more expensive than foreign products, so that the latter are more in demand. The lack of support for farmers also hinders the development of their business.

Tourism is another sector that has huge potential in this region, but for lack of openness by the various operators and agents, it becomes difficult to establish new partnerships and create new alternatives, new tourism programs. The current operators are not receptive to new "products" that could help develop tourism in other ways, taking advantage of the immense landscape that exists in Alcobaça.

Cultural relevant events concentrated in the town of Alcobaça, wide divergence of tastes and cultural preferences within the county could enrich the local background, thus favouring a sustainable expansion of this sector and, above all, of the related economies; but local ethical-political priorities or measures are still blocking the expansion in this sense, also looking at the social economy potential in a not yet fully perceived or rooted vision for a micro-society like that living in the Municipality of Alcobaça.

Forces	Weaknesses	Opportunities	Threats
Large number of	Lack of financial	Potential	No future survival or
associations	resources	partnerships	support to these
		between	associations that
		associations in order	have an important
		to join efforts - joint	role in social
		projects	welfare, cultural
			activities and
			training of local

#### S.W.O.T. ANALYSIS

				inhabitants
	Inter-local council	Sometimes the	Complement of	No continuity of
	projects (e.g., Local	communication	resources that are	projects / ideas,
13	Development Social	between you and	scarce in most of	after the funding
	Contract - Alcobaça	the joint actions is	municipalities,	
	/ Nazaré)	insufficient	mutual assistance,	
			exchange of	
			experiences and	
			best practices	
	Alcobaça privileged	These territories	Tourism potential of	No dedicated policy
	geographical	are not properly	the region, eco-	towards the
	situation, which	monetized	tourism, social	development of the
	allows you to have		tourism, creative and	tourism potential
	in their territory		alternative tourism	and the related
	many types of		services, etc.	activities in the so
	landscape: sea,			well diversified
	mountains, forest.			Alcobaça territory
	Good accessibility	<b>—</b> .	-	
	Large influx of	There are no	Bet on activities	No special concern
	tourists daily to the	services or	parallel to the	of the municipality
	town of Alcobaça,	facilities (shops) or	Monastery tourist	towards the
	due to the	other type of	flows, through	promotion and
	Monastery	entertainment to	appropriate	development of
	attracting tourist flows	keep tourists more than a morning or	incentives to the emergence of	industries linked to
	nows	0	emergence of companies offering	the thriving tourist
		Alcobaça	advanced and global	area
		Alcobaça	services to the	area
			person, from the	
			cultural, creative and	
			knowledge ambit to	
			the care of	
			vulnerable groups,	
			second level	
			medicine, the whole	
			development of the	
			social business with	
			tourist purposes	

# Role of transnational work in developing solutions and benefits of transnational exchange for the LAP's conception

The major objective of this project is to build a network of Social Business Incubators for all the partner cities. In addition, it also intends, over five phases / stages during the 30 months of the Urban NOSE management, prepare and provide these territories with the capacity to develop and deal with the Social Economy and Third Sector, following these five steps:

1) System of governance to support the social economy;

2) Knowledge management and learning processes of urban social economy;

3) Tools and methods system for the provision of social economy services

4) Local animation and awakening of consciousness to the social economy;

5) The model of an incubator for social sustainability.

At the end of these five steps, each city should have got its place of business incubation and a social model of governance able to host this type of business and favorable to the flourishing of the Third Sector. The local and regional authorities should be facilitating the birth of projects in the area of Social Economy, as well as the need to encourage.

Partner cities are in different conditions within the Social Economy and Third Sector: in some cities, they are still virtually non-existent, with only some small indications of its existence (e.g., Athienou, Cyprus); in other ones, we can already see some moves in this direction, albeit a bit shy (e.g., Alcobaça, Portugal or Koropi, Greece); finally, in cities like Grenoble, Pori or Brighton, the Third Sector is already a present reality in people's daily lives, being a sector that virtually have self maintains, by the amount of services it provides to society, through initiatives and enterprises undertaken by privates initially supported by local authorities and that, in developing the business, will have even less need of such support. However, the link between public authorities and the so-called social enterprises should not be broken because some of the services complement each other.

These differences in the degree of development of the Third Sector in each city, reflect the level of development of each country concerned. Partners of Central and Northern Europe are those who already have a third sector which is fairly developed and flourishing, while in the Mediterranean and Southern Europe (except for Italy), are only beginning to awake to this reality and be aware the same. Priorities between North and South Europe are quite different. While in Northern Europe, the needs in terms of social assistance and welfare are sufficiently well supplied by state agencies, which may take care of other priorities and alternatives to address the crisis, such as encouraging people to create their own jobs through the establishment of social enterprises, always with a view to sustainable development and environmental preservation; the governments of Southern Europe are more concerned to revitalise their economy and market, as well as to fulfill the traditional functions (State Pensions) due to lack of alternatives for the unemployed (benefits, pensions, etc.).

This emerging paradigm has proved a successful experiment in some countries such as England, which is represented in this project by the City of Brighton & Hove, where the economy is largely fueled by the activities of social enterprises which already exist in large numbers and streamline much of the city's economic activity. Apart from employing a lot of people, social enterprises are also strongly supported by the voluntary help of many citizens. We can also refer to the case in Grenoble, France, where there is already a structure of incubators and support services and creating social enterprises already pretty solid.

These examples provide a basis for future measures and actions undertaken by the municipality of Alcobaça, *mutatis mutandis*. Good practice in one city or in one country may not result in full in another city or in another country, hence the need to adapt the formulas to local realities, because the needs are different. That is very useful for networking, because we can always use the good examples for our benefit and to draw lessons from members who have not reached developmental stages comparable or superior to ours. The exchange of know-how and best practices is the biggest advantage you can get from this partnership. This project enables partners to achieve a good base of contacts of experts and professionals in the social economy, which can be used for future events such as workshops, conferences and seminars to be held on the theme of the Third Sector.

### Plan strategy and activities proposed

The Plan Strategy adopted by Alcobaça is founded on a basic, triple-aim oriented priority: Disclosure, Awareness and Training. Three axes of activities have been foreseen:

**Axe 1: Diagnosis of existing assets unemployed in the Municipality of Alcobaça**: new opportunities for enrolled in the RVCC (National System of Recognition, Validation and Certification of Skills), graduates, students who need to perform internships and report, as part of their undergraduate and Master's in Social Sciences, e.g. students in the School of Education and Social Sciences, Polytechnic Institute of Leiria.

**Axe 2: Identification of target audience** that consists of a pool of potential entrepreneurs, analyze, draw the profile of the unemployed found, through the employment of human resources like Diagnostic Technicians, who are responsible for training providers, trainers, and so on.

Axe 3: Organization and implementation of awareness and training oriented on Social Economy and Social Enterprise: mainly devoted to the target audience above and technicians who work in support of the entrepreneurship. Trainers would be outside the sponsoring institution, in this case the City of Alcobaça: professionals with experience in developing themes, trainers and / or researchers.

Axe 4: Evaluation of the effect of actions on the trainees: how many of those who attended the training, now intent on creating their own business, a social enterprise?

Diagnostic technicians are responsible for training providers, trainers. This Axe also foresees an action dedicated to Virtual Incubation: to create new businesses, stakeholders will be able to move forward with the implementation of the Virtual Incubator project, which includes:

- *Physical space*, where one can assist the micro and small businesses that do not initially need of a permanent physical space, but who need support in terms of sending / receiving mail, secretarial services, answering phones, book-keeping, meeting rooms, meetings, etc..

- *Resources*: existing spaces, a new or remodelled space to obtain financial support from the NSRF (National Strategic Reference Framework) and other partners who want to join this initiative.

## **Key actors**

Main involved actors are:

- Municipality of Alcobaça and its Local Support Group
- Local Social Network
- Local Job Centre
- Social Centre Valado Friars (Project +)
- Training Centres
- CENCAL
- MESS
- ACSI
- Others

## Supporting programmes and funding sources

The Alcobaça LAP and its actions may be funded under different programs, including:

- POPH (Operational Programme on Human Potential);
- ESF (European Social Fund);
- ERDF (European Regional Development Fund);
- NSRF (National Strategic Reference Framework);
- CLDS "Alcobaça-Nazaré (Social Development Local Contract)

The majority of these programmes is more likely to be activated during the next programming period, 2014-2020.

The facilities are already owned by the municipality and any entity in associated relationship with this training initiative, for which there is no need to incur costs of renting spaces.

The types of training will be defined according to the needs identified in the diagnosis. Power will be developing several themes, focus on sub-groups of the previously selected set.

Under the inter-municipal agreement signed among Alcobaça, Nazaré, Acb CLDS (Social Development Local Contract) incorporated in Nazareth, there is the "Project+". Several conferences entrepreneurship oriented are scheduled, so power would include the issue of Social Economy, Social Entrepreneurship in those actions. The first one that is scheduled is geared for students who are completing professional courses ESDICA (Escola Secundária D<sup>a</sup> Inês de Castro de Alcobaça). These actions are already funded under the CLDS (Social Development Local Contract).

## Timing

The LAP of Agrinion defines actions for the next three years, and also discusses the risks of failure in the application and implementation of the Local Action Plan for the current programming period (2007-2013), thus relying on the more concrete possibilities offered by ERDF and ESF structural funds for the next programming period 2014-2020.

## Expected outputs

The Local Action Plan of Alcobaça aims at producing multiple benefits oriented to improve the quality of life in the whole area, also thanks to several collaborations in local partnership.

First expected output will be a 'Diagnostic Plan' highlighting new opportunities for youngsters and women enrolled in the RVCC (National System of Recognition, Validation and Certification of Skills), graduates, students who need to perform internships and report, etc..

Second category of outputs will be a series of 'Reasoned Identikits' of the target audience (a pool of potential entrepreneurs being unemployed) which will have been individualised, through the employment of highly specialised human resources, who will also be responsible for training.

Third category of outputs will be a 'Locally raised awareness' and a 'Series of trained youngsters and women belonging to the identified target groups', who will have benefited of the special training oriented in support of the Social Economy and the social entrepreneurship.

Forth and last category of expected outputs will be a 'Final Evaluation Report' identifying all the effects of the LAP actions on the trainees; along with a physical space where the 'Alcobaça Social Incubator' will be able to offer its both physical and virtual incubation services: as said above, the facilities are already owned by the municipality and any entity associated with this initiative, for which there is no need to incur costs of renting spaces.

Name of the initiative	Alcobaça Local Action Plan
Country/region/city etc.	Portugal/Centro/Alcobaça
Administering organisation(s)	Municipality of Alcobaça
Contact details of administering	Bruno Letra
organisation(s)	bruno.letra@cm-alcobaca.pt
	Filomena Cavadas
	filomenacavadas@cm-alcobaca.pt
Interviewed person	Joana Gama
	joana.gama@cm-alcobaca.pt
	Isabel Rufino
	geral@barafunda.net
Other documentation sources	http://urbact.eu/en/projects/human-capital-
	entrepreneurship/urban-nose/homepage/
Website URL	http://www.cm-alcobaca.pt/

## Information sources

## Athienou, Cyprus



The Athienou LAP will try to present proposals supporting the start-up of new initiatives of social entrepreneurship and the consolidation and the development of those ones already existing, offering logistic spaces, services of advising, formative activities and instruments for knowledge of the territory. Also, it will give help for the networking of the enterprises. Taking into account the development of the related policies in other European partners, it will try to enhance experiences in corporate social responsibility, equal opportunities policies and local sustainable development.

### Overview and basic description of the background

In Cyprus the concept of the Social Economy enjoys a medium level of acceptance where the concept of the Social Economy coexists alongside other concepts, such as the non-profit sector, the Voluntary sector and Social Enterprises or Social Firms.

In the new programming period of 2007-2013 the regional competitiveness and cohesion is among the key objectives of the EU. Also, the promotion of the social solidarity and equality aims to provide resources and conditions for prosperity in every part of the EU. Thus, the strengthening of employment, the social equality, sustainability and competitiveness is a strategic point for each European action.

In the above context, the key national goals for Cyprus included to achieve a satisfactory rate of sustainable growth, enhance competitiveness, achieve balance spatial development, consolidate conditions of social cohesion, full employment and improve the environment and the quality of life.

The welfare system of Cyprus has been characterised by a passive benefit system, where people in financial need were entitled to a benefit. Recently, active labour market policies were introduced through work incentives. Cyprus, also, has a long tradition of partnership between the government and the third sector in the provision of social care services on a local level. Through technical and financial assistance (Grants in Aid Scheme), the Social Welfare Services encourage the development of social services such as child care, care for the elderly and persons with disabilities. The aim of this financial assistance, besides supporting vulnerable groups of the population, is to facilitate the reconciliation of family and work life and to facilitate inactive women in entering / re-entering the labour market. Also, one of the aims is the development and mobilisation of human and other resources on a local level, which indirectly can lead to an increase in employment.

During 2004-2006 (extended to 2008), Social Welfare Services were the financial beneficiary of two pilot Projects co-funded by the European Union, through the European Social Fund. The first Project aimed at the activation of public assistance recipients (PARs) and their integration to the labour market. The second Project aimed at the activation of local authorities and NGOs in developing social care services.

The third sector in Cyprus provides social care services to vulnerable groups of society. These services are subsidised by the government as long as they meet social needs that are not met by state services. These proximity services have not developed initiatives (besides some sporadic sheltered workshops) in the area of labour market integration.

Consequently, the broadening of the third sector to social economy is a challenge ahead. The main issues raised in Cyprus are how the government can activate the organizations in the area of integration of vulnerable groups. Another issue is the legislative framework appropriate for social economy to develop, something that does not exist so far.

Cyprus is at the early stages of a discussion on social economy. Due to the small size of Cyprus, the central government can take the responsibility to set the framework for implementing active inclusion measures and policies in social economy. The government has existing instruments which could be extended to cover areas of integration of disadvantaged groups. For Cyprus, measurement of success for social economy seems to have multiple pillars, based on a series of factors, like participation of organisations in social economy measures; participation of the target groups in social economy measures; success of integration of disadvantaged people in longitudinal terms; viability of enterprises; and achievement of the goals / objectives for each organisation.

The Municipality of Athienou takes into account all of the above and aims with this LAP to solve the problems of the SME's of the third sector. This work is based on published statistics, studies and data for the Municipality of Athienou, Larnaca district and Cyprus.

Particular attention is given to the representation of local communities in L.S.G. to the best possible results, to develop a full picture of the socio-economic profile of the area and because the program deals with the Social Economy. This is a result of the fact that the group representatives represent people from all levels.

### Problems to be faced, opportunities and solutions

One of the most fundamental problems of Athienou concerning the delay of the development of the northern and eastern parts of the settlement, is the fact that the settlements are adjacent with the boarders of the occupied area by the Turks. The very slow growth rates need to be accelerated in order to restore internal balance of the settlement. The historical development of the settlement and the existence of the Buffer Zone have created several events where proximity with incompatible land uses, adversely affecting the quality of home environment, engender thereby problems of safety, health and comfort of the local population .

Concerning the architectural heritage, the deterioration and destruction, in some cases, of remarkable buildings of traditional architecture and the erroneous inclusion of new buildings in the traditional urban fabric have interrupted the historical continuity and detracted the remarkable quality of the built environment.

As for the profile of the Municipality and the surrounding area, the insufficient use of data that determine the identity of individual aspects of the settlement, such as the traditional centre, etc., restricts the capabilities of promotion of the local physiognomy and its development capabilities.

Some other problems can be found in the sports infrastructure and the lack of cultural education infrastructure (libraries, museums, points of modern civilization). Also, there are limited recreation and entertainment facilities.

The environmental problems that the Municipality of Athienou faces are the following:

• The conflict of land use resulting from residential development combined with the intensive livestock activities causes several environmental problems and diminishes the quality of life in the region. Limited environmental infrastructure.

• Nuisance from sewage and animal odours.

• The management of waste and liquid waste is not properly carried out, resulting in the creation of sources of pollution and degradation of the wider environment of the municipality.

• Animal husbandry and agriculture and a substantial part of the productive fabric (mainly livestock) are exercised in a way that creates problems of environmental degradation. The application of environmentally friendly practices could help to improve the quality of products and to simultaneously protect the environment.

The economic problems that the Municipality of Athienou faces are the following:

• The economy is agricultural oriented with a highly developed livestock sector.

• Agriculture is facing severe problem of water shortage for irrigation purposes, which is mainly attributed to overexploitation and due to the lack of natural water resources.

• Companies face the problem of limited local labour market. This is mainly due to the small size of the local market and the relative isolation of Athienou from the big cities which are the "tanks" of the workforce.

• The municipality has an industrial area but it is not enough in order to serve the demand.

• The defined Craft Zone, which displays basic deficiencies in installation incentives, infrastructure, services and equipment and immediate need to upgrade to become attractive for operators.

• The tertiary sector is isolated from the major commercial, tourist and economic centres. Due to this reason the tertiary sector consists of trade and services firms that satisfy only the local needs.

- There is a deficit in support structure and infrastructures in order to attract new business activities.
- The incentives to invest go exclusively in traditional sectors of the local economy.
- Low participation rates of women in the labour market.

Concerning the third sector in the Municipality of Athienou, the main problem that exists in the region and in Cyprus in general is the no official definition of social enterprises and the fact that there is no legal framework related to the topic. Despite of the problem to quote a single and concise definition of social enterprises, some forms of social enterprises can be found in the Non-Profit Organisations that apply the EMES-concept (http://www.emes.net). Also, there are several movements within the third sector, but the fact that there is no legal framework is an obstacle for the government to finance initiatives and create incentives for the creation of social enterprises. As a result, the regional and local authorities do not provide any incentives or take any initiative for the creation of social enterprises.

Another problem is the lack of information around the topic of Social Economy and the advantages that have in a local economy. Several studies have been made: however, the results and the conclusions are very little known to the local society.

In order to promote the concept of social enterprises and the development of the third sector there is a need of a good network between national and international social enterprises. The national cooperation between the national and local associations already exists in Cyprus and that could be a good starting point in order to organize an international movement to establish international partnerships that could be beneficial for the social enterprises. Also, the cooperation with international organizations and networks will give the opportunity to exchange ideas and best practises on the concept of social enterprises and be the starting point to establish a legal framework for social enterprises in Cyprus. Furthermore, the role of establishing a good international network is to facilitate communications with the public administration, transfer best practices among their members, coordinate effort in accessing financial resources and assist in public relations.

Concerning the tools and methods systems for the provision of social economy services, the main problems that the municipality of Athienou is facing deal with the fact that social organizations are providing social economic services mainly by themselves, there is a shortage of volunteers and also the participation of the social sector at all levels of policy making and implementation is not institutionalised. This leads to more internal barriers for the development of the third sector.

Finally, some other problems are the limited visibility of the social economy, the limited knowledge of the benefits and advantages of the existence of a social economy in the local area and also the medium level of acceptance of the social economy, which is mainly based on the no existence of legal framework. In order to eliminate this problems, the communication material must be put forward with advertising campaigns, leaflets and brochures and also with workshops in order to spread the positive effects of the social economy in the locality and in the quality of life of citizens and also to motivate the citizens to participate as volunteers.

The major driving forces for the social enterprise sector are, besides social enthusiasts, growing demand for (privately organised) work-integration and/or social services (due to demographic reasons, high unemployment rates, but also because welfare is no longer considered as state duty) and the rise of new ethically consciousness markets. The evolution of a regulated 'quasi-market' equal for all actors could help to reduce bureaucracy, hierarchical dependencies and financial constraints. Many countries, and not only the new Member States, quote that they are eager to learn from the experience of other Member States to promote the development of social enterprises in their country and state good practices as an important tool to spread information.

Regarding the future perspectives for social enterprises in Cyprus, it is likely that additional employment opportunities will be offered in this sector, if policies will strengthen the position of social enterprises and outsourcing of social objectives will continue. The availability of money from EU Structural Funds can also boost social enterprises. Whereas the integration of long-term unemployed and disabled persons, as well as the provision of social services, seem to be of constant importance, fair-trade, environment and local development seem to be issues that will gain importance in the near future.

Based on the above, the further development of social enterprises must confront several challenges and support is required in the following fields:

- A supportive legislative and regulatory environment (which is missing in Cyprus)
- Assurance of the quality of products and services
- Upgrading skills and jobs
- Management expertise and support
- Finance
- Development of networks and co-operations
- Establishment of adequate governance structures.

## Macro-Theme 1: Building a Territorial Support System for Social Enterprises and 3rd Sector Incubators

Problems	Solutions	Resources/Partners
1. No official definition of social	The LAP should give a definition	The City council based on the
enterprises since in Cyprus the	(based on definition that is used	experience that will get from the
Governmental Committee for	in the EU – learn from best	project should meet with
Non-Profit Organisations applies	practices) of social enterprises to	government representatives in order
the EMES-concept.	serve as a policy	to promote the importance of the
	recommendation to the national	social sector in the economy and to
	laws to define measure of how to	"press" the government to define an

		give a full definition.	official definition of social enterprises
22	2. No legal framework for social enterprises	Widely spread legislation on social enterprises	The City council should contact with the other city councils in Larnaca District and meet with government representatives to discuss the options to have a legal framework for social enterprises.
	3. Due to no legal framework there is no financial support and any other incentives for the creation of social enterprises from government	Spread the good examples in order to motivate the national and regional authorities in promoting and financing the creation of social enterprises	The City council should organize workshops in order to spread the good practises of social enterprises.

2

## Macro-Theme 2: Managing the Knowledge & Learning Processes of Urban Social Economy

Problems		Solutions		Resources/Partners	
4. Lack of visibility of advantages the social enterprises		concept of social enterprises		The City council should organize workshops in order to present the LAP and to promote the concept of the social enterprises	
5. Lack of national and international social enterprises network	parti	Network with other projects and participation at national –		City council should start to ipate in national and national networks	
6. Lack of knowledge on the social benefits of the existence of social enterprises	bene	benefits – cooperation with national/ transnational networks		City council should organize shops in order to present the and to promote the concept of ocial enterprises	

# Macro-Theme 3: Tools and methods system for the provision of social economy services

Problems	Solutions	Resources/Partners
7. The organizations provide the social economy services mainly by themselves	Favouring feedback and collaboration among private organisations and public bodies	The City council as promoter of protocols for long-term collaborations.
8. Shortage of volunteers	Motivate the citizens to volunteer by highlight the benefits of social enterprises and of the benefits in of volunteering in the quality of life (advertising campaigns, information material).	Due to the fact that the region has many young people the City council should take the opportunity to create groups of volunteers in different aspects of the social life.
9. The participation of the social sector at all levels of policy making and implementation is not institutionalised.	Promote the collaboration of social sector with the government	The City council should promote the collaboration.

# Macro-Theme 4: Animating and Sensitising the Territory upon Social Economy

Problems	Solutions	Resources/Partners
10. Limited visibility of the Social Economy	Improve the means of communication and dissemination of the social economy (information material, training, workshops)	The City council should issue brochures, leaflets, organize events for the promotion of the social economy
11. Limited knowledge on the benefits of the existence of a	Promote the benefits by information material and best	The City council to issue a handbook with the best practices

Social economy	practices.	and distribute it to the area.
12. Medium level of acceptance of the Social Economy	Raising the level of acceptance of the SE	The City council should organise special sensitisation events

## Macro-Theme 5: Building a Model for Social Incubators Sustainability

Problems	Solutions	Resources/Partners
Lack of enterprises incubator in the region	Start to make the first actions to build enterprises incubators. The fact that there is an industrial zone in the area is a good starting point.	The City council will meet with local business men in order to start the first action for the creation of a business incubators in the region
Lack of an office for providing help to social services enterprises	Creation of an office for the provisions of services to the third sector enterprises	A person of the City council will be responsible for providing info and help to business for the social sector.
Existence of a trade and service that serve the local population	Evolution of existing enterprises into social enterprises.	Incentives from the State for enterprises to become social enterprises

The SWOT analysis shows that the municipality of Athienou has a lot of advantages and opportunities that can be taken in mind when designing a Development Plan and will promote sustainable development in the region. The municipality have several strengths and with the opportunities that the regions has got, they can overcome the problems and the threats that the area faces.

What is needed to be done is to accelerate the slow growth rates in order to restore internal balance of the settlement.

Specifically we can propose the following solutions:

1. Upgrade level of education (primary schools, secondary schools, training centres, vocational training, seminars, conferences etc.)

- 2. Support for cultural events
- 3. Providing new recreational opportunities,
- 4. Increasing public participation in decision-making,
- 5. Upgrading half-level medical care,
- 6. Incentives for young couples to come and live in the area (soft loans, grant of land, etc.).

# Role of transnational work in developing solutions and benefits of transnational exchange for the LAP's conception

Exchanging ideas, opinions and best practises with the partners has only given us positive benefits concerning the implementation of the LAP and furthermore the development of the third sector in the municipality of Athienou.

Due to the fact that the third sector is not developed in the region, what it has been useful for Athienou is referred to having got the experience and the best practises of partners in order to promote the social economy in the region and also to better implement the actions of the LAP.

The partners' exchange of information on their strategies and context of activity has been a good learning from Athienou to the approach to be used for setting up the activities and implementation of the LAP and to see how they could better solve the problems that the municipality faces. Interesting ideas are usually created not intentionally, and in certain cases transfer of knowledge, experience or expertise may turn out to be fruitless, if not correctly focussed.

Finally, by exchanging experiences Athienou has learnt how to start up initiatives of social entrepreneurship and the consolidation and development of those ones already existing offering logistic spaces, services and instruments for better knowledge of the territory. Also, it has been very good for networking the local enterprises with enterprises of the third sector from other partners in order to exchange ideas and opinions or even help them to start to set up social enterprises in the municipality. Finally, we have tried to exchange experiences in the themes of Social Corporate Responsibility, equal opportunities and local sustainable development.

### Plan strategy and activities proposed

In Athienou, but also in the whole of Cyprus, a key factor in the recent and coming years that comes beyond the national policy is the European development policy. However, the continues lack of a coherent and integrated development policy for the region (except for local projects), and the general shortcomings in terms of development planning of the Cypriot countryside, created problems in terms of forecasting developments in single and competitive European market, increasing the structural weaknesses of the local productive fabric and enlarging the spatial inequalities in rural areas.

The image of the Municipality of Athienou is portrayed by the environmental degradation, land use conflict, the stagnation of the productive sectors of the region, the low utilization of cultural resources, etc. The economic development should be turned into new economic activities, innovative activities and external funds. In particular, in order for the local economy to receive the boost it needs, it firstly has to open its doors to foreign investment, secondly to broaden the market of human resources, and lastly to enrich the productive sector with new activities. Of course the quality of life, research and innovation, quality and competitiveness of local products, but also the social responsibility of business, should stay away from the logic of short-term profit and rather include drivers of every effort. All the above put the foundations for political development. In this context, agricultural policy should be the focus of interventions, the secondary and tertiary sectors of the economy should be integrated into a broader economic and social context, measures for residential development should accompany the followed policies, while the livestock, agriculture and industry which are the largest and most polluting land users, should follow certain restrictions on the basis of respecting and safeguarding the natural environment.

To achieve the above, it is vital to diversify and re-orientate the local production and the type of products and services.

In agriculture, the direction should be the new standard products (organic products, quality, traditional products, etc.) and the upgrading and modernization of the farms.

The manufacturing activity in the region should still be connected to the primary sector of origin of a considerable part of the input, but also to have a bearing on trade and tourism, which may be the main direct marketing and sales channel of its products. The redefinition of the strategy is an integrated and sustainable development should include interventions to support the cottage industry and small scale crafts industry which will encourage new business initiatives, ensuring access to organizational services and modernization,

collaborative networks, business infrastructure to ensure quality, but also harmonization with the operating environment and will finally promote an ultimate continuation in education and the executive workforce.

Also, the tertiary sector, which can be a strategic source of local income, should focus on the theme of culture and tourism. These policies should encourage the emergence of an alternative model of tourism through the protection and promotion of rural and cultural heritage, local architecture, preserving the traditional image of the central settlement, the creation of tourist routes, etc. In relation to the above, cultural tourism and rural tourism can be a suitable model of touristic development for the Municipality of Athienou. In this context, it is particularly crucial to balance the negative impacts on the natural environment from human activities with the integration of environmental care and prevention in all policy areas for the rational management of both natural resources and waste.

Finally, interventions related to human resource development should cover the entire spectrum of development interventions. The specialization of the human resources' knowledge and skills should meet the new conditions of competition, strengthening the innovative spirit, of lifelong learning and training, improvement of social infrastructure and support mechanisms, and finally the quality of life of its residents will contribute decisively to the sustainable development of the Municipality Athienou.

A key feature of the local development strategy is the ability of the bottom-up approach of the development planning. The advantages afforded by the approach are:

- > The mobilization and effective utilization of human resources in the region.
- > Attracting new residents and improving the quality of life.
- > The improvement of infrastructure.
- > The enhancement of social services
- > The strengthening of entrepreneurship.
- Strengthening the residents' culture of social responsibility for the protection of natural and cultural heritage.

During the implementation of the Plan, it is likely to identify problems that mention in advance ways to deal effectively and easily with it. Specifically:

- The relative weakness and lack of sufficient funds to implement projects and activities for local development.
- The limited local capital for private investment and the lack of qualified human resources to start new businesses.
- > Lack of knowledge and experience of entrepreneurs for innovative actions and new activities undertaken.
- > The introspection of the local society and economy.
- > The likely reaction of the local Municipality for some policies and initiatives.

The overall goal of the LAP is to try to solve the problems of Athienou municipality in the third sector's SMEs. Also, the LAP will provide all the necessary tools in order to develop a new social entrepreneurship granting the resources for the start-up of such entrepreneurship, provide the necessary technical and financial assistance to social enterprises and also training courses for the establishing of social enterprises. Finally, it will offer logistic services and help the networking of the social enterprises.

The action plan consists of the following specific objectives:

- 1. Promoting social entrepreneurship
- 2. Providing support for business growth
- 3. Opening markets to an enterprising third sector
- 4. Investing in skills, learning and leadership across the third sector

5. Raising the profile of enterprise in the third sector

6. Social Business Incubator

The LAP axes are based and linked with the specific objectives. The LAP has 3 Axes which are the following:

## AXE 1: Increasing the knowledge of the social enterprises and promoting the benefits and possibilities they offer.

Though the actions of this Axe we aim to increase the knowledge of local business men concerning the social enterprises and what are the benefits to be a social entrepreneur. Through the provision of knowledge we want to increase the number of enterprises in the third sector and make our young people to start thinking about social enterprises. Also, training workshops and information material will be given to primary and secondary schools in order to ensure that our young people understand the social enterprise business model. Here below, the related actions:

- ✓ 1.1. Working with primary and secondary schools: information campaign though visits at schools in Cyprus and provide them with information material (leaflets, brochures,) about the social enterprise business model, how it can be used to provide social or environmental benefit and practical experience in developing their own social enterprise.
- ✓ 1.2. Promoting social entrepreneurship in further and higher education: Visit universities and colleges to promote modules on social enterprise. Provide them with communication material and also organize a seminar about social enterprises, their benefits and possibilities and discussion with the students about their ideas and opinions.
- ✓ 1.3. Organization of a workshop in Athienou for the local entrepreneurs to promote the idea of social enterprises with presentation of best practises from the Urban N.O.S.E project.
- ✓ 1.4. Social Entrepreneurs award: Launch a competition for the best ideas for creating a social enterprise in the region. The purpose is to encourage and develop our social entrepreneurs to start up a social enterprise. The best 3 proposals to be awarded with technical and financial assistant to start-up their business.
- ✓ 1.5. Social Enterprises Conference: We will support an annual social enterprise conference to increase awareness of the social enterprise business model.

#### AXE 2: Support to SMEs

The objective is to provide support to existing businesses and structures that operate in the Municipality of Athienou in order to be able to develop into social enterprises. That includes the creation of a business support office and training activities in order to give our new social entrepreneurs the best chance of success. Here below, the related actions:

2.1. First Port Office: we will fund a First Port office where the entrepreneurs can come or call for emerging social entrepreneurs in Athienou and Cyprus as well. Though this service we will provide the following services: a) web resources: a platform for all information of interest to entrepreneurs. It will include tools and templates aimed at helping entrepreneurs develop effective businesses, and an online directory to help source appropriate support, b) information: provision of individually tailored

advice for social entrepreneurs, c) exchange: enabling social entrepreneurs to work with experienced practitioners and professionals who can help develop their business idea.

✓ 2.2. Intermediary support: support though a networking office in order to raise awareness of an enterprising third sector and social enterprises and to champion the cause of the third sector and social enterprise with a wide range of stakeholders.

#### AXE 3: Social business incubator and start-up services

A place will be provided that will accommodate companies in order to create the business incubator. Before the creation of the incubator the companies will be able to receive start-up services such as secretarial support, logistical support, preparation of business plans, action plans, etc. Here below, the related actions:

- ✓ 3.1. Social Business Incubator
- ✓ 3.2. Start-up Services

## Key actors

Institutional actors:

Athienou City Council Larnaca District Cyprus State

Associations and private actors: Athienou Local Support Group ANETEL Larnaca Press Athienou Newspaper **Cooperative Financial Institution of Athienou** local cultural and environmental associations

## Supporting programmes and funding sources

The table here below presents the financial table of the Local action Plan by Axe and by Actions and by different budget lines. Sources of co-financing are the operational programmes of ERDF and ESF structural funds for the current programming period; funds coming from the Municipality of Athienou; funds coming from a Cooperative Financial Institution of Athienou.

	Staff	Durables	Consumables	Travel	Services	Promo info pub	Overheads	Total
AXE 1: Increasing the knowledge of the social enterprises and promoting the benefits and possibilities they offer.	€ 14.000	€ -	€ -	€ 1.500	€ 7.000	€ 13.000	€ -	€ 35.500
1.1 Working with Primary and Secondary Schools	€ 2.000			€ 500		€ 2.000		€ 4.500
1.2 Promoting social entrepreneurship in further and higher education	€ 3.000			€ 500	€ 1.000	€ 3.000		€ 7.500
1.3 Workshop for Social Enteprises	€ 6.000			€ 500	€ 2.000	€ 4.000		€ 12.500
1.4 Social Entepreneurs Award	€ 1.000				€ -	€ 1.000		€ 2.000
1.5 Social Enteprises Conference	€ 3.000				€ 6.000	€ 3.000		€ 12.000
AXE2: Support to SMEs	€ 48.000	€ 3.000	€ 2.000	€ 1.000	€ 30.000	€ 4.000	€ 4.000	€ 92.000
2.1 First Port Office	€ 28.000	€ 1.500	€ 1.000	€ 500	€ 25.000	€ 3.000	€ 2.000	€ 61.000
2.2 Intermediary Support	€ 20.000	€ 1.500	€ 1.000	€ 500	€ 5.000	€ 1.000	€ 2.000	€ 31.000
AXE 3: Social Business Incubator and Start-up Services	€ 24.000	€ 16.000	€ 6.000	€ 500	€ 8.100	€ 4.000	€ 5.000	€ 63.600
3.1 Social Business Incubator	€ 10.000	€ 15.000	€ 5.000	€ -	€ 6.000	€ 2.000	€ 4.000	€ 42.000
3.2 Start-up Services	€ 14.000	€ 1.000	€ 1.000	€ 500	€ 2.100	€ 2.000	€ 1.000	€ 21.600
TOTAL	€ 86.000	€ 19.000	€ 8.000	€ 3.000	€ 45.100	€ 21.000	€ 9.000	€ 194.100

#### Table 9: Financial Table of the Local Action Plan

## Timing

A two years period would be sufficient for achieving the whole LAP. There is a series of 'light' actions, mainly referred to Axe 1, that can be developed starting from June 2011. The other actions could be implemented in Autumn / end 2011, with final closure at the beginning of July 2013.

If it will be the case, part of all of the LAP actions could be financed with the next programming period 2014-2020.

## **Expected outputs**

The outputs of Axe 1 are the following:

- ✓ Leaflets and brochures to be given to primary and secondary schools
- ✓ Leaflets and brochures to be given to universities, colleges, enterprises.
- ✓ A workshop for the university and college students
- $\checkmark$  Two workshops in Athienou for the local entrepreneurs.
- ✓ 3 business award

The outputs of Axe 2 are the following:

- ✓ First port office
- ✓ Web platform
- ✓ Technical support to business
- ✓ Networking

The outputs of Axe 3 are the following:

- ✓ Social business incubator
- ✓ Start-up services

As a LAP's added value, the implementation of the Local Action Plan will inform the local people and moreover the people of Cyprus about the concept of social enterprises. Also, the provision of technical and financial assistance and the establishment of a social business incubator will allow the development of social enterprises in the region.

## Information sources

Name of the LAP	Athienou Local Action Plan
Country/region/city etc.	Cyprus/Larnaca/Athienou
Administering organisation(s)	Municipality of Athienou

	Municipality of Athienou	Contact details			
	Representative	Spyros Papouis			
0	Position	Mayor			
-	E-mail	s.papouismayor@athienou.org.cy			
	Representative	Anna Kosma			
Contact details of administering	Position	Advisor			
organisation(s)	E-mail	akosma@anetel.com			
	Representative	Natasa Georgiou Karousiou			
	Position	AdministrativeDirector			
	E-mail	mail@athienou.org.cy			
	Representative	Michalis Papoutsas			
	Position	Member of Municipality Committee			
	E-mail	mail@athienou.org.cy			
Interviewed persons	Anna Kosma ( <i>please, see here above</i> )				
Other documentation sources	http://www.athienou.org.cy/				
	http://www.anetel.com/				
Website URL	http://www.athienou.org.cy				

## Gela, Italy



The Local Action Plan of the city of Gela is focussed on the development and implementation of a model of incubator of social enterprises that will be a space able to provide both technical assistantship during the start-up phase of new enterprises and information and consultancy service on financial, legal, human resource, and marketing issues to both already existing and "incubated" enterprises, finally aiming at their steady networking.

## Overview and basic description of the background

Situated on Southern Sicily Coast, Gela is the fifth Sicilian municipality for number of inhabitants, the 71st largest city in Italy and the main agricultural, industrial and commercial centre in the district of Caltanissetta, capital of the same name province. Being a reference point for a large territory of almost 200,000 inhabitants, for decades Gela has been and goes on waiting to be promoted as capital of the so-called Province of the Gulf.

Gela lays in a barycentre position compared to the numerous road connections (it is linked with bus services to almost all Sicilian capitals); it has a large and modern railway station and it is endowed with two harbour structures, one for big tonnage merchant ships and one for yachting and leisure ships. The nearest airports are that one of Catania (110 kms) and that one of Palermo (220 kms), even if in the near future it will be activated the airport of Comiso (45 kms).

Despite workers in force have very much reduced during the last decades, petro-chemical sector counts, nowadays, about 1,500 employees.

Following to the labour reduction in petro-chemical sector, agriculture has regained its record for number of employees in the local economic framework. Tertiary sector counts a non exceptional number of employees in public and private services, but in the last years it is however demonstrating positive trends.

Before the heavy industry period, Gela economy was essentially based upon:

- agriculture (the largest production of wheat and cotton all over Europe);
- fishery (the second fleet of Italy);
- handicraft activities;

- seaside tourism;
- important loading harbour for export;
- wine-producing yards;
- "light" industries (cotton, olive oil, wheat and pasta mills, etc.)

Gela is nowadays one of the most important industrial centres in Sicily, with its Petro-Chemical Pole (one among the largest in Europe) and the ASI (Industrial Development Board) industrial area with plentiful productive SMEs. There is also an important agricultural production (appreciated vegetables, wheat, olives and fruits): during the last years have been created several cooperatives for the production, manufacturing and commercialisation of agricultural products. Tertiary sector in Gela counts a considerable number of family-managed SMEs.

Apart from the Petro-Chemical Pole which, however, represents the main economic pole for Gela, the town economy is mainly embodied by SMEs working in various productive sectors: groceries, housing, waste recycling, electronics, chemistry, metal-mechanics, naval shipbuilding industry, carpentry, etc.. Third sector has shown positive trends in the last years. Indeed, there are plentiful associations and groups which have been created during these years that, thanks to the strong sensibility of local stakeholders towards third sector issues, offer new chances for the creation of jobs and businesses.

However, Gela territory is sadly famous, as it is endemically and structurally injured by so serious, longduration problems, essentially due to the presence and the continuous action of the organised criminality and juvenile criminality, along with a persisting situation of social and economic degradation that always has made difficult creating and managing enterprises according to the rules of democracy, freedom and free initiative, legality and, above all, safety for both citizens and entrepreneurs.

One of the possible replies to these serious social problems that Urban NOSE project is able to giving is the constitution of an inter-institutional public-private network, operating and well arranged and coordinated, where local Boards, Financial Authorities, Businessmen Association, other entities from the finance and credit world, Trade Unions and third sector organisations, come and pledge in the accomplishment of the ambitious economic and social project to liberate this urban area from a long period of serious economical and social crisis, being stronger of the mutual recognition of their actual identity and institutional missions.

Thus, the main challenge of the Municipality is that one to giving life to a commercial partnership between profit and no-profit enterprises with the objective of:

- seeking out connections with the leading or secondary business of profit enterprises;
- favouring that the enterprise/entrepreneur really welcomes the no-profit enterprise project as of its own;
- considering a variety of proposals to transfer resources (and not only from the profit to the no-profit!): money, time, knowledge, products, material resources (equipments and spaces);
- forming some circuits (between profit and no-profit) of stable and durable collaborations.

## Problems to be faced, opportunities and solutions

#### Macro-Theme 1: Governance supporting Social Economy

As for this issue, problems to be faced consist in a lack of a basic system of governance able to sustain the growth and development of urban social economy, as well as in a poor cooperation among Municipality and local stakeholders. The identified solutions aim at creating a common ground to start a path leading, at the

end of the project, to the scouting of financial resources needed to carry on with the activities of incubators. Indeed, the main solution foresees the creation of a social incubator that favour the access of incubated enterprises to services fundamental to their creation (fiscal, legal and financial issues, etc).

#### Macro-Theme 2: Building a system of tools and methods for the supply of social services

Concerning this macro-theme, problems consist in a lack of help-desk to support entrepreneurial social project activity; along with a lack of social strategic planning of public authorities. The solutions chosen intend to create an ATS (Syndicate) between Gela Municipality and ASI Consortium, that will manage the regeneration of infrastructures and overview the realisation of the management plan and the organisational implementation of activities and services. The managing Authority will be a Foundation putting together institutional and local representatives to manage Urban Nose incubator with the aim to realise all the activities needed to support innovation and competitiveness through the management of the incubator.

#### Macro-Theme 3: Managing the knowledge and learning process of urban social economy

Here the main problem concerns a lack of management skills of knowledge and learning process critical for the growth of urban social economy at a local level. The related solutions start from the necessity that the incubator develops and keeps knowledge and that becomes the local reference point for social urban development; performs the analysis of stakeholders' requirements (social enterprises, public authorities providing social services), used by training managers to create the appropriate training paths; organises meetings, networking and consulting on specialised themes for local authorities, social cooperatives and associations

#### Macro-Theme 4: Animating and sensitising the territory upon social economy

For this so important issue, the main identified problem deals with a deep lack of diffusion at a local level of information critical for the growth of urban social economy. The solutions proposed aim at promoting cooperation among local actors, especially based on mutualisation of resources to favour the recognition of social economy as a feasible way to increase job inclusion; increasing the visibility of social economic activities; organising a Forum on Third Sector to sensitise the community upon social economy and a local award for the best social entrepreneurial ideas.

#### Macro-Theme 5: Building a model for social incubator sustainability

Problems for this last issue consist in too small social enterprises almost entirely relying on public funding; and in the low level of organisational skills to get private funding/bank loans. The solutions proposed aspire to training in fund-raising skills; looking for business partners; up-to-date and consolidate managerial and organisational training; in order to activate the main operational model, aiming at the creation of a Network of "incubated" social enterprises as a Consortium.

#### Plan strategy and activities proposed

The Gela LAP strategy aims at developing four main pillars of activity:

1) Marketing, Enterprises Services, Virtual Incubator

The activities to achieve in this first pillar concern venture capital scouting for new projects; meetings between university, enterprises and local actors divided according to specific sectors to ease the encounter of demand and supply of innovation; management communication channels with enterprises and local

actors; strong networking; management of incubation process; promoting, sensitising and scouting of innovative entrepreneurial ideas; relations with institutional investors to favour the use of financing sources to start and develop enterprises; management of virtual web-platform to provide on-line services to enterprises; technical assistance to entrepreneurs and enterprises.

#### 2) Business Planning and Enterprises Creation

Activities to accomplish for this second pillar deal with the evaluation and selection of best entrepreneurial ideas; monitoring the preparation of business plan; specialised consultancy on entrepreneurial start; financial assistance for start-ups; evaluation of project proposals.

#### 3) R&D and Technological Transfer

Here, the activities to be performed foresee the scouting and monitoring of innovation needs of SMEs; the diffusion and enhancement of competencies and technological supply; the scouting of financial resources allocated to innovation and technological transfer; activities in support to patenting and registration procedures; research and patenting invention; match-making between demand and supply of innovation promotion; monitoring of calls on innovation, technological transfer and economic valorisation of scientific research results in the context of regional, national and European programmes; contacts and relationships with local, national and international partners to realise projects on innovation, technological transfer and economic valorisation of scientific research results; conception and projecting activities in the context of regional, national and European programmes on innovation, technological transfer and economic valorisation of scientific research results; management of internal and external procedures to sustain project proposals; assistance and support to definition of research projects and innovation plans.

#### 4) Sensitising and Training

For this last pillar, the activities proposed regard the diffusion of entrepreneurial culture to favour creation processes of knowledge-based enterprises; the provision of professionalizing workshops; the organisation of thematic meetings between university and enterprises/agencies finalised to the encounter of demand and supply of innovation.

The LAP is divided, then, in five Axes of action, all arising from the four pillars of activity described above.

#### Axe A: Programming technical, economic and financial feasibility studies

#### > A.1. Benchmarking studies and analyses of best-practice for start-up phase

- A.1.1. Increasing entrepreneurial culture
- A.1.2. Filling detailed forms of innovative entrepreneurial ideas
- > A.2. Animation, ideas scouting and project promotion
  - A.2.1. Choosing the best ideas and supporting the completion of business plan (1<sup>st</sup> step business plan competition)

#### > A.3. Business Plan Competition

• A.3.1. Implementation of entrepreneurial ideas

#### Axe B: Building of computer based infrastructures

#### B.1. Development of IT infrastructure and web platform

• B.1.1. Creation of knowledge community during the 1° phase of business plan competition

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- B.1.2. Consultancy through web-platform during the phase of enterprise creation
- B.1.3. Realisation of learning and practice community

#### Axe C: Assistance in organisational and start-up phases

#### C.1. Specialised counselling to start new enterprises

- C.1.1. Specialised consultancy to increase the enterprise performance
- C.1.2. Integration of different management competencies through the adoption of a time manager

#### > C.2. Financial start-ups assistance

- C.2.1. Favouring capital goods investments through reduced interest rates on bank loans
- C.2.2. Investors equity participation to share capital of social enterprises

#### Axe D: Project evaluation

#### > D.1. Evaluation of project proposals

- o D.1.1. Evaluation of reports on business plan competition admission initiatives
- D.1.2. Preliminary evaluation of entrepreneurial ideas chosen for the 1st phase of business plan competition
- D.1.3. Final evaluation report of chosen enterprises for the 2nd phase of business plan competition

#### Axe E:Training

#### > E.1. Training courses for instructors on model diffusion

- E.1.1. Definition of common model of intervention
- E.2. E-learning training courses on business planning, knowledge management and fund rising
  - E.2.1. Knowledge transferring on business planning, knowledge management and fund rising

#### > E.3. Specialised training courses

- o E.3.1. Technological and managerial knowledge transferring
- E.3.2. Increase of the knowledge stock of project in support of cross fertilisation through experiences diffusion.

## **Key actors**

#### Main institutional actors

- > The **City of Gela**: role of coordination of Social Economy actors in the City; of orientation of the sector according to political decisions; of support for initiatives corresponding to the city's objectives.
- ASI Consortium: role of coordination of logistic solutions to Social Economy actors in the Urban Area. It puts voluntarily at disposal the premises which are necessary for the implementation of the Social Incubator.
- > The **Sicilian Region**: participation to the signature of a framework programme agreement for the implementation of the LAP.

Main local actors

- ✓ University of Catania providing support for training in management and knowledge transfer skills
- ✓ ENI (oil refinery) as a joint partner for projects on renewable green energy (wind, solar or waste power)
- CESVOP (House of Voluntary Services) association for activity creation: essential role in the impulsion of activity creation and in the sustainability of starting-up activities
- CNOS (Centro Nazionale Opere Salesiane) providing continuous training to economically or socially disadvantaged youngsters
- ✓ Local High Schools to sensitise youngsters on the role of social economy on the growth of Gela's area

## Supporting programmes and funding sources

Financial sustainability of investments depends on the capacity of the incubator material and immaterial activity to generate enough financial flows to cover the dynamic of expenses due to its standard functioning. The main idea is the principle of full financial autonomy that lets, through a proper trade-off between economic, financial and monetary equilibriums, the determination of a stable organisational and managerial structure.

The incoming financial flows is linked to the core business of incubator. In other words, the provision of innovative services to enterprises. As in any start-up processes, the main difficulties in financial terms are in the first period of life of the enterprises. During this phase, the expenses will be covered using the ordinary contributions of founders and participating members. In addition, the most interesting innovations will be offered to existing enterprises.

The economic feasibility of the project is based on the application of the proposed managerial model and on the capacity of create a value chain that generates services embedded with real values higher than the exploitation of resources. The profits from the provision of services will be more than enough to cover costs.

Considering the fund-raising activity linked to the role of project office of the incubator, the main financial channels included in the new programming period 2007-2013 meant to develop integrated projects on entrepreneurship, innovation and technological transfer are: PO FESR 2007-2013 Axes IV-V.

Budget total amount referred to the Gela's LAP, considering the first 3 years of activity of the social incubator (provisional) is of EUR 454,000.00.

## Timing

The foreseen timescale for implementing the Gela's LAP is subject in the period 2011 – 2014.

Most of the actions have already started and are expected to last until at least 2014.

Actions A1, A2 and A3 have started in the first semester of 2011. It is crucial to make them sustainable over time.

Action B1 is under implementation. It is expected to be finalised within the first semester of 2012.

Actions C1 and C2 are under study. The actions will start right after the realisation of the social incubator, whose premises will be put at disposal for free by the ASI Consortium of Gela.
Actions D1 and E1, E2, E3 will probably start in the second semester of 2012 and will be continuously repeated on a dedicated timescale depending on the number of potential social enterprises joining the social incubator.

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## **Expected outputs**

The LAP of the municipality of Gela, through the creation of a social incubator, reflects all the opportunities offered, in the field of the social economy, by supporting the foundation model, as well as the development of social enterprises with infrastructures and high quality services. Doing so, it would be possible to realise the favourable conditions to competitive growth of Gela, also based on the networking among enterprises, universities, research centres and institutions.

Due to the above mentioned, apart a series of specific outputs related to each of the designed actions, the main expected products of the LAP in its whole, mainly concern:

- > the realisation of a social incubator, also offering virtual services to its incubated businesses;
- > the creation of a Consortium among the social incubator users, able to make it financially selfsustainable.

## Information sources

Name of the initiative	Gela Local Action Plan: Incubator of Social Enterprises in the		
	municipality of Gela		
Country/region/city etc.	Italy/Sicily/Gela		
Administering organisation(s)	Municipality of Gela		
Contact details of administering	Fortunato Ferracane (Vice Mayor)		
organisation(s)	ferracanefortunato@alice.it		
	Simonetta Guzzardi (Financial Manager)		
	+39.335.1228098		
	guzzardi.simonetta@comune.gela.cl.it		
Interviewed person	Massimo Finocchiaro (General Coordinator)		
	cmfino@unict.it		
Other documentation sources	http://urbact.eu/en/projects/human-capital-		
	entrepreneurship/urban-nose/homepage/		
Website URL	http://www.comune.gela.cl.it/		

## **Grenoble**, France

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For the conception and redaction of the Local Action Plan of the city of Grenoble, the LSG has played a significant role to identify the orientations needed. Mainly constituted with local actors from Social Enterprises, it helped public authorities to become aware of the financial crisis the sector was facing, considering the disappearance of many financial resources, mainly from public administrations. There have been many meetings discussions and debates on the future actions to be led in terms of dissemination of information to the general public. Thus, the LAP has been shaped on the possibilities and modes of networking of the different actors of social economy. The City and the Urban Area of Grenoble have led a reflection on the mutualisation of activities, the identification of the services provided by Social Economy's actors, as well as the possibility to create strong and sustainable bonds between these actors and the local community.

#### Overview and basic description of the background

Located in the South East of France, in the Rhône-Alpes Region, the city of Grenoble has a strategic location as crossroads of Italy and Switzerland. Up against the Alps, Grenoble is surrounded by three mountains (Chartreuse, Belledonne and the Vercors), and crossed by two rivers (Isère and Drac), which create a specific situation of a narrow and highly urbanized territory. Grenoble is the biggest city of the Urban Area Authority (La Métro), which gathers 27 communes and about 500,000 inhabitants.

Second city after Lyon in the region in terms of population, Grenoble benefits from the dynamism, wealth and international influence of the Rhône-Alpes region. Its location in the Alps does not prevent the city from being connected to other big French cities, as Paris, Lyon and Marseille, as well as to other European cities as Geneva, Turin and Milan, thanks to highway and railway infrastructures. Its proximity to the Airports of Grenoble and of Lyon Saint Exupéry allows the passengers to come and go from all over the world.

Despite workers in force have very much reduced during the last decades, petro-chemical sector counts, nowadays, about 1,500 employees.

The rapid urbanisation of the 70's – 80's due to the strong demographic changes, has caused, as in many French cities, some urban issues. Facing a massive arrival of inhabitants, cities have rapidly built low-cost housing to answer the demand, in outlying neighbourhoods. Years later, these neighbourhoods have been progressively abandoned by middle-class people and gather today an important amount of disadvantaged people. These fragile territories represent about 40% of the Urban Area's population.

The city of Grenoble is known for the importance and quality of its high education. With a number of 62,300 students, among whom 16% of foreign students, Grenoble is one of the biggest university center in France, especially for science and research.

These two parallel situations create a phenomenon of polarisation, separating territories with numerous researchers and a great amount of qualified jobs, as well as territories facing an important unemployment rate. SMEs are the most numerous enterprises in the city and the main part of labour market. There is a strong subcontracting sector in the area. Indeed 8 out of 10 enterprises are part of the third sector, trade or services-based. The City currently counts a relevant number of clusters. This is a tradition in the area to support cooperation between enterprises, universities and research organisations. In Grenoble thus exist technology clusters such as Tenerrdis for renewable technology, Minalogic for micro-nanotechnologies or Lyon Biopôle for biotechnologies. There are also other types of cluster initiatives such as Cluster 14 on social economy.

#### Problems to be faced, opportunities and solutions

#### S.W.O.T. Analysis

<u>Strengthens</u>: there is an important dynamism of associations and cooperatives to implement innovative activities on the territory. Requests for an alternative economic development model are also progressively emerging in the city. Social Economy thus benefits from a strong public support, a good public-private cooperation.

Social Economy is also carrying crucial values regarding to social needs, important employment rate of the sector, democratic governance, care about social and environmental impact of the activities, which are highly shared by an important part of the local population.

Weaknesses: the situation in the city also faces:

- a lot of bias towards social economy
- a lack of available and affordable premises for young entrepreneurs
- a lack of post creation support
- a lack of knowledge and promotion of the sector's actors and competencies
- a lack of structuring of activities: an important dispersal of activities (and social enterprises) which follow the same purposes
- an important dependency to public support which causes a difficult sustainability of activities on the long run. As they encounter difficulties to develop without public support, these activities have to face a crucial brake for their economic viability.
- public authorities highly contribute to Social Economy's activities, but there is a lack of visibility and
  of coherence of eligibility criteria. There are no indicators in terms of evaluation and a lack of
  coordination between the different public authorities dealing with Social economy on the territory.

<u>Opportunities</u>: the sector provides an important employment rate, with some specificities: high women employment rate, initiatives toward disadvantaged people or people excluded from employment market.

There are vivid integrative initiatives, creating jobs, strongly attached to the local territory and providing an important integrative circle.

The strong support from public authorities leads to a will of orientating and supporting activities which offer innovative services and have an economic and social dimension : creation of jobs, integration of disadvantaged people into the employment market, training of salaries...

<u>Threats</u>: the diminution of public funding due to a national and international economic issues causes a need to restructure public action and to orientate differently public funding. Many structures and activities from Social Economy may be endangered by this decrease of public support and local public authorities will have to bear this disappearance of subsidies. This situation will lead local authorities to create a new political strategy, in order to answer at best social and economic needs of the territory.

#### Macro-Theme: Building a Territorial Support System for Social Enterprises and 3rd Sector Incubators

Concerning this issue, problems regard a lack of visibility on public resources available, along with a decrease of public support. In disadvantaged neighbourhoods the offer of premises of the Incubator does not correspond to the activities people are able to create. The identified solutions foresee the creation of a criteria grid in order to guide public action into a more specific and relevant financial support (policy to be decided); the necessity for local public authorities to coordinate and to develop a common strategy to limit the decrease of the number of supported structures; and the creation of a "Multi-site Incubator" will allow the association La Pousada to propose premises for commercial activities in several neighbourhoods of the city.

#### Macro-Theme: Animating and Sensitising the Territory upon Social Economy

With reference to this macro-theme, problems consist in a lack of structure which has been already identified; and in the widely proven belief that the Social Economy sector is not well identifiable for the general public. The solutions have been chosen deal with the assumption that, as Social Economy activities are very spread out, it is necessary to structure them as an identifiable network for clients and users. Besides, the LSG has come with the idea of organising a big event such as the YESS! Event (September 2010) every two years.

#### Macro-Theme: Building a Model for Social Incubators Sustainability

Here the main problem is the difficulty for enterprises to have access to financial support. The related solution foresees the creation of a mutual fund in order to pool resources from donation. This solution is conceivable through a new legislation from 2008. The lead-idea is that of using an endowment funds which could gather local savings to support the associations' funds.

## Problems and Solutions Table For analysing issues and brainstorming possible solutions

## Macro-Theme: Building a Territorial Support System for Social Enterprises and 3<sup>rd</sup> Sector Incubators

Problems	Solutions	Resources/Partners
their budget many public authorities need	Necessity for local public authorities to coordinate and to develop a common strategy to limit the decrease of the number of supported structures Creation of a criteria grid in order to guide public action into a more specific and relevant financial support (policy to be decided).	The ESEAC (Equipe de Socio- Economie Associative et Coopérative – Associative and Cooperative Socio-Economic Team) will provide the City with a crucial help in the reflection on the criteria's grid. The City of Grenoble will work together with the Urban Area Authority which also leads a policy on Social Economy. The coordination is crucial to avoid overlapping competences and support.
In disadvantaged neighbourhood the offer of premises of the Incubator does not correspond to the activities people are able to create. ⇒ the premises offered do not allow commercial activities to develop, which is the main activity project owners are willing to create in these neighbourhoods	association La Pousada to propose premises for commercial activities in several neighbourboods of the city	Different cities of the Urban area, including Grenoble, will work together with La Pousada to provide commercial premises and to select projects as well as to accompany these project along their development

## Macro-Theme: Animating and Sensitising the Territory upon Social Economy

Lack of structures has been identified. Dissemination of the initiatives ⇒ lack of visibility of the associative and public actions. ⇒ competition between the structures which impedes their sustainability The Social Economy sector is not well identifiable for the general public. Lack of knowledge on what is Social Economy. Lack of networking between the actors of the	Social Economy activities are very spread out, it is necessary to structure them as an identifiable network for clients and users. The LSG has come with the idea of organising a big event such as the YESS! Event (September 2010) every two years.	<b>The association Alpesolidaires</b> plays a structuring role in terms of information on Social Economy on the territory and beyond (ex: job offers and demands, events on social economy). Alpesolidaires and the YESS! committee are in charge of providing an evaluation on the impact of the YESS! Event. The association will then actively carry out the organisation of following events. Next one will place in 2012 and will follow the particular stake to be organised in a disadvantaged neighbourhood.			
sector.					
	odel for Social Incubators Sustainab				
Difficulty for enterprises to have access to financial support ⇒ Sector unknown by financial institutions → reluctance to engage funds in such projects, which tend to limit profits in favour of social actions (as reducing prices, increasing wages, developing activities)	Creation of a mutual funds in order to pool resources from donation. This solution is conceivable through a new legislation from 2008. Idea: using an endowment funds could gather local savings to support the associations' funds	<b>MCAE</b> (Métro Création d'Activités Economiques - <i>urban</i> <i>authority for the creation of</i> <i>economic activities)</i> will directly implement the Mutual Reserve Funds.			

## Role of transnational work in developing solutions and benefits of transnational exchange for the LAP's conception

The transnational exchange allowed the LSG to identify the weaknesses of Social Economy on the Urban Area's territory, as:

- > the lack of structuring local actors;
- > the need of reinforcing the modes of support of public authorities through the creation of criteria;
- > the discussion led on the possibilities of developing the Incubator of Social Enterprises;
- > the discussion on the possibilities to find new ways to insure Social Enterprises activities through the creation of a mutual funds.

The transnational exchange has provided the City of Grenoble with examples of actions which will be able to solve these kind of issues. In many other cities, some of these issues have already been solved and it will be interesting to take a leaf out of these experiments, being aware of the need to transpose them to the local context.

As Social Economy activities are very spread out, it is necessary to structure them as an identifiable network for clients and users. Through the transnational exchange, public authorities have identified the necessity to work together with researchers specialised on Social Economy, on the establishment of criteria able to provide a political orientation to these structural needs. These criteria will also allow public authorities to provide the structures they support with some advice and perspectives to work on. This will have a proactive effect on matters as the environmental and social impacts of the activities.

Always through transnational exchange, local authorities have better felt the need to clarify their orientations towards the Social Economy sector. In a context of budgetary cuts, they need to organise and to find a new balance in supporting these activities. Thoughts have been led by the ESEAC, the City and the Urban Area Authority to simplify and rationalise public financial support on the territory, with a reinforcement of the public partnership of the City and the Area authority. The main work will be to coordinate public policies of both authorities to find a good balance between each intervention, and to favour the sustainability of common projects.

Transnational exchange has also clarified that public actions and public financial support have to be focused on activities which solve or take into account social issues and, above all, the issue of social integration through economic activity. In that view, the political representatives of the City have chosen to orientate activities of jobs creation or economic project support towards people living in disadvantaged neighbourhoods. According to this, the City strongly supports the initiative of La Pousada to create a multisite Incubator. This incubator follows the same model as the existing one, but will be directed to commercial activities. Indeed, these activities have been pointed out as the main economic activities in disadvantaged areas, and many projects are expected to be needing an accompaniment in the next few years. Moreover, the proximity of the economic activities towards disadvantaged people is necessary to sensitise them to Social Economy and to the services they can access.

Furthermore, the city needs to represent a stronger driving force for the integration of the environmental issue in Social Economy activities. The inhabitants show a strong environmental care in the city. Thus, a lot of initiatives are directed through this issue in social economy activities. Criteria need to be established to guide Social Enterprises into this dynamic in order to favour the virtuous circle created through a pro-active action of the City.

## Plan strategy and activities proposed

The City of Grenoble is willing to participate in the sustainability and development of activities settled on its territory. The Local Action Plan has been drafted in this view.

Three main issues have been underlined by the Local Support Group:

- > the difficulties for Social Enterprises to be sustainable
- > the lack of structuring of Social Economy's actors and their difficulties to be considered as proper economic actors by the general public
- the lack of visibility of public action and of coordination between the two main local public authorities: the City of Grenoble and the Urban Area (la Métro).

Once identified, these issues have led the LSG to formulate some lines of thinking for drafting solutions.

In order to solve the issue of lack of sustainability of Social enterprises, the LSG has first underlined that the recent economic context has strongly weakened the resources of Social Enterprises. Indeed, these resources are, in many cases coming from local, regional or national public authorities which all encounter cuts in their global budgets. Then, many public financial partners are withdrawing from the projects and thus, put in question the continuation of the projects. Observing this phenomenon, LSG members thought about new ways for the projects to get financed, diminishing the dependency to public subsidies. Based on the example of the Business Angels' support for starting-up enterprises, the LSG came out with the idea of establishing a Mutual Reserve Fund, based on private donation, and allowing Social enterprises to gather a new capital.

Considering the issue of sustainability, it has also been pointed out that the Incubator of Social enterprises was giving a limited form of accompaniment which, in many cases and particularly in disadvantaged neighbourhoods was not compatible with the needs of project holders. Until now, the Incubator has focused its accompaniment on starting-up enterprises providing services. The premises offered by La Pousada was corresponding to this kind of activities. However, the political will of installing this Incubator in disadvantaged neighbourhoods was to move these activities closer to these areas, allowing local project holders to find a support more easily. But, it seems that most of the project holders accompanied by La Pousada do not come from the close area, but from other parts of the city. It has been realized that the project of the local inhabitants were not compatible with the kind of premises offered by the Incubator. They were indeed in majority based on commercial activities. It has been thus decided to find new premises to propose a new offer to these targeted project holders through a multi-site incubator.

Regarding to the issue of structuring and sensitising on Social Economy, the common assessment is that Social Enterprises are not considered as a whole. In other words, Social Economy is not known as an economic sector, gathering actors that follow the same values and lead an economic activity with a strong social usefulness. It seems thus necessary to lead actions allowing in the one hand, to identify Social Economy actors as a specific and structured economic sector, and on the second hand, to emphasize the economic impact of these structures on local economy. On this point, two actions have been put forward. First, following the success of the YESS! event which took place in September 2010, the LSG thought about creating a periodic event of the same kind, every two years. This will aim at making people aware of what is Social Economy, what kind of actors it gathers and what kind of goods or services it provides. For 2012 it is envisaged to organise such an event in disadvantaged neighbourhoods in order to reach another kind of public.

In parallel, it seems important to underline the dynamism of Social Economy in the local economy of the City. Social Economy represents indeed 12% of the jobs in the city and provides a diversity of jobs. Thus,

we have decided to organise a common stand during the event, in order to give a specific light to Social Enterprises during the annual Jobs Forum organised by the City.

Concerning the lack of visibility and coordination of the public action, it is now crucial for public authorities to work together on the tools they implement, and the strategy they plan. The City of Grenoble will thus work with the ESEAC research team to review the situation of Social Economy on its territory, the policies led until now, the problems encountered and the possible solutions to be implemented. After that prospective study, the City of Grenoble, the Urban Area Authority (la Métro), and the Rhône-Alpes region, will work together to coordinate their actions and to provide a better view of public support on Social Economy.

The LAP is divided, then, into three Axes of action, all arising from the reflections described here above.

#### Axe A: Developing and making durable social activity's initiatives in Grenoble

#### > A.1. Creation of a mutual fund

- A.1.1. Feasibility study
- A.1.2. Assessment of the legal context
- A.1.3. Communication on the mutual funds
- A.1.4. Implementation

#### > A.2. Development of a multi-site Incubator

- A.2.1. Evaluation of the needs of setting up such commerce in disadvantaged neighbourhoods
- A.2.2. Building selection criteria, according to the commercial activity specificity
- A.2.3. Selection of the premises according to the strategic territorial setting-up of the commercial activities
- A.2.4. Selection of the projects by the Steering Committee
- A.2.5. Accompaniment and support of the commercial enterprises along their development

#### Axe B: Increasing sensitisation of the general public

#### > B.1. Creation of a periodic communication event (every two years) for the general public

- B.1.1. Survey: evaluation of the impact of the YESS! event (September 2010) on the general public (ex: What kind of people has participated? What did they learn about social economy...?).
- B.1.2. Work on the strengths and weaknesses of the YESS! event and creation of a strategic paper which will aim at orientating the next event
- B.1.3. Analysis of the possibility of the organisation of such kind of event in disadvantaged neighbourhoods
- B.1.4. Implementation of an event (in 2012) according to the previous analysis.
- o B.1.5. Evaluation

#### B.2. Involvement of Social Enterprises the Job Forum of the City

- B.2.1. Sensitisation of Social Enterprises to the existence of this forum and their possibilities of participation
- B.2.2. Systematic information and communication by the City's services on these forums toward Social Enterprises to incite them to participate

#### Axe C: Structuring and orientating public authorities' actions towards Social Economy

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- C.1. Create criteria for public action
  - C.1.1. Study with the ESEAC research team to identify a frame definition of Social Enterprises
  - C.1.2. Meeting with the elected representative to identify the main political strategy of the City of Grenoble in terms of Social Economy for the following years.
  - C.1.3. Establishing a weighting able to both focus on the specificity of Social Enterprises and to encourage them to develop their activity on a certain direction (ex: incitation to consider sustainable development in their activity...).
  - C.1.4. Leading information meetings in order to communicate on the territorial public strategy
- > C.2. Insure the good coordination of public authorities on the territory
  - o C.2.1. Organisation of meetings with local, departmental and regional authorities
  - C.2.2. Reinforcing the partnership with the Urban Area Authority and the Rhône-Alpes Region.

## **Key actors**

Main institutional actors

- > the City of Grenoble: role of coordination of Social Economy actors in the City. Role of orientation of the sector according to political decisions. Role of support for initiatives corresponding to the city's objectives.
- > Urban Area Authority ("La Métro") role of coordination of Social Economy actors in the Urban Area. Role of orientation of the sector according to political decisions. Role of support for initiatives corresponding to the Urban Area's objectives.
- The Rhône-Alpes Region. Participation in the Local support group for the creation and implementation of the LAP.
- The lsère Department. Participation in the Local support group for the creation and implementation of the LAP.

#### Main local actors

- ✓ MCAE (Métro Création d'Activités Economiques urban authority for the creation of economic activities): leading role in the implementation of the Mutual Reserve Funds. Role in the follow-up of starting-up enterprises (in coordination with La Pousada and the steering committee).
- ✓ The ESEAC (Equipe de Socio-Economie Associative et Coopérative Associative and Cooperative Socio-Economic Team). This research team is working on the criteria grid's creation and evaluation and thus constitutes a think tank for the city and the whole Urban Area.
- "La Pousada", association for activity creation: essential role in the impulsion of activity creation and in the sustainability of starting-up activities.

✓ The association Alpesolidaires leads a structuring and federative role in terms of information on Social Economy on the territory and beyond (ex: job offers and demands, events on social economy...). This association is the main organiser of events of sensitisation, both through its website and concrete actions (as the YESS! event). This allows to increase the visibility, and structure of Social Economy's network.

### Supporting programmes and funding sources

Social Enterprises are facing difficulties to raise private funds to finance their projects. As their activities have an important social impact their budgets are sometimes not balanced and banks are often reluctant to lend them money, or the interest rates for loans are too high to be reachable by them. Considering this, the MCAE (Métro Création d'Activités Economiques - urban authority for the creation of economic activities) is working on the creation of a Mutual Reserve Funds gathering donations directed through structures which belong to the same sector (culture, education,...). This project aims at pooling funds in order to face financial risks in common. This funds aims at having an insurance dimension in order to mutually protect the development of activities and to favour investment possibilities.

Most of the expenses will be mobilised in 2011, focusing on the starting up of each action.

Axe A will mainly be supported by the city of Grenoble, the Urban Area Authority, the MCAE and the Incubator La Pousada.

Axe B involves periodical costs (every 2 years for A1), and B2 will be mainly supported by the city of Grenoble.

Axe C will need some expenses at the beginning, to launch the projects, but will mainly be supported by public authorities' internal costs after this.

The provisional budget total amount is EUR 250,000.00.

Possible supplementary funds which might be needed, would be demanded to ESF and ERDF structural funds for the period 2014-2020.

## Timing

In Grenoble, most of the actions have already started and are expected to last until at least 2013.

Actions A1 and A2 have started in the first semester of 2011. It is essential to make them sustainable in the long run.

Actions B1 and B2 are in an analysis stage and are expected to be implemented every 2 years (for B1) and every year (for B2). The implementation of B2 will start in October 2011.

Actions C1 and C2 are already in process. C1 will mainly occur in 2011, but such an action is expected to be repeated within 5 years to update the data.

## **Expected outputs**

Material outputs

- 48 Axe A: Developing and making durable social activity's initiatives in Grenoble
  - A.1. Creation of a mutual fund: one mutual fund working as a revolving fund for SEs expected;
  - A.2. Development of a multi-site Incubator: selection of about 10 projects; in terms of material output, this means that about 10 shops are going to be rented for starting-up commercial activities in disadvantaged neighbourhoods of the Urban Area. This creation of proximity shops is allowing people from disadvantaged neighbourhoods to profit from economic development.

#### Axe B: Increasing sensitisation of the general public

- > B.1. Creation of a periodic communication event (every two years) for the general public: organisation of a public event on Social Economy in 2012.
- > B.2. Involvement of Social Enterprises in the Job Forum of the City: setting up of stands representing Social Economy's employers in several jobs' forums organised on the territory.

Axe C:Structuring and orientating public authorities' actions towards Social Economy

- > C.1. Create criteria: one compendium of public criteria expected
- C.2. Insure the good coordination of public authorities on the territory: one protocol signed among the main public authorities acting in the territory is expected.

#### Immaterial outputs

#### Axe A: Developing and making durable social activity's initiatives in Grenoble

- A.1. Creation of a mutual fund: helping associations to overcome their treasury limits in pooling resources through donation: + mutualisation of local resources, work on the perspectives of donation in the field of Social and Solidarity Economy.
- > A.2. Development of a multi-site Incubator: + commerce activity creation.

#### Axe B: Increasing sensitisation of the general public

- B.1. Creation of a periodic communication event (every two years) for the general public: increasing awareness of the general public on what is Social Economy and how this sector contributes to the city's economic development and dynamism: + networking
- B.2. Involvement of Social Enterprises the Job Forum of the City: increasing awareness of the general public that Social Economy creates jobs and activity: + employment-insertion

Axe C: Structuring and orientating public authorities' actions towards Social Economy

- C.1. Create criteria: + creation of a grid of weighted criteria to orientate public funds according to the political orientations.
- C.2. Guarantee the good coordination of public authorities on the territory: + this coordination will ensure that public action of the different levels involved in Social Economy development are complementary.

These initiatives are expected to reinforce Social Economy on the Urban area's territory.

Actions regarding to communication and information will allow the general public to better understand what is Social Economy and what this sector stands for, mainly through the creation and structuring of a network.

Actions regarding to the structuring of public action is expected to better orientate and support Social Enterprises in their local development.

The creation of the mutual funds will allow these structures to be less dependent from public support and to share the risks.

Moreover, in the context of the economic crisis, numerous jobs are endangered in the sector of Social Economy. The structuring of the network and the better coordination of local public policies will favour the sustainability of structures and at the same time, of jobs. 82% of social enterprises have more than 5 salaries, it is thus crucial to maintain these jobs in the first place.

Ultimately, an impact on jobs creation is also expected to be important, through the support to activity's creation and through the reinforcement of the economic structure of the entire sector.

## Information sources

Name of the initiative	Grenoble Local Action Plan: Incubator of Social Enterprises in the		
	urban area of Grenoble		
Country/region/city etc.	France/Rhône-Alpes/Grenoble		
Administering organisation(s)	City Council of Grenoble		
Contact details of administering	Isabelle Vaillant		
organisation(s)	isabelle.vaillant@ville-grenoble.fr		
	Julie Gaudin		
	julie.gaudin@ville-grenoble.fr		
Interviewed person	Maële Henry		
	maele.henry@ville-grenoble.fr		
	Agathe Congio		
	agathe.congio@ville-grenoble.fr		
Other documentation sources	http://urbact.eu/en/projects/human-capital-		
	entrepreneurship/urban-nose/homepage/		
Website URL	http://www.grenoble.fr/		

## Koropi, Greece



The Local Action Plan (L.A.P.) presented by the Municipality of Koropi, under the auspices of the European Programme Urban II and the project Urban N.O.S.E, has the ambition of identifying the opportunities of developing social enterprises in the city and the wider area, bringing social economy in the forefront of effective local policy-making. Starting from the problems that these issues may entail, possible solutions shall be proposed in light of social economy development. Turning the focus on the creation and strengthening of social enterprises, it shall propose concrete measures to be taken on specific macro-themes of social economy. The ultimate objective of the Action Plan is to prepare the ground for the creation of an incubator of social enterprises in the city, which is a really innovative prospect; as such incubators don't exist right now in the country. In these terms, Koropi Local Action Plan is an important tool, not only because it sets the stage for fostering entrepreneurship and employment in the Municipality, but also it can be used as a pilot for similar initiatives. After all, the time is favourable, as the new institutional framework for the third sector proclaimed by the Government should endorse action planning in these areas, providing incentives and new financial instruments as well.

#### Overview and basic description of the background

Koropi is a Municipality belonging to the Region of Attica and the wider Mesogeia area, forming now the undisputed capital of that area. It is located in the plain of Mesogeia just 24 km from Athens, east of Spata and Markopoulo cities, South of Kalyvia and Northwest of the cities of Paiania and Vari. All together belonging to the metropolitan belt of Athens.

The municipality consists of five departments and occupies an area of 103.1 sq. km. Its population according to the census of 2001 was 25,325 people. Koropi is strategically located between the city of Athens and the new Athens International Airport "Elevtherios Venizelos". It is also noteworthy that the city is served by the new major road axis crossing the whole region of Attica, named "Attiki Odos". This road makes possible to travel from Koropi to any city in Attica and beyond, in a more efficient manner and reduced time comparing to the past. This network is reinforced by the suburban railway which serves the Municipality and makes possible to reach the center of Athens in less than 20 minutes.

During the last decade, the Municipality has given particular attention to vulnerable groups of the local population. To this end, some social structures have been created or enhanced. One important step was the creation of the development agency of Koropi. Also, there is the Office of social support services and "help

at home" which are developed below, and a Center of Open Protection for Elderly People (KAPI) and the Center of Daily Care of Elderly. It is noteworthy that the Agency, The Office of Social Support Services, Help at Home, and the Employment Office are based in the newly built Social Welfare Center "Aristides Gekas" making this way easier the communication and synergies between these three organizations. Also, aging and youth indicators are investigated and the social context finalizes with the social context.

About the education level of the area, which exhibits its dynamics concerning adaptation to knowledge intensive economy and entrepreneurship, the last census has showed that a quite significant proportion of population - around 10%- is completely illiterate (7.1%- or 601 people) or hasn't finished primary school (2.7%). This is probably due to the number of gypsies living in the area and the increasing numbers of immigrants, who for the most part, are not well-educated in the countries of origin. It is also noteworthy that illiterate women are four times more than men (495) instead of 110 respectively. Furthermore, the biggest percentage of the population (around 47.2%) in Koropi has completed secondary education. It is also interesting that only 15.06% are graduates or postgraduates of a university or technological education institute, contrary to 28.6%, which is the national average.

As for the environment, one point of concern refers to the operation of Elevtherios Venizelos International Airport in the proximity of the city. The direction of winds blowing in the area is such, that very often they transfer pollution from the airport. Moreover, the environmental quality of Koropi is threatened by the uncontrolled development of the city, and the lack of a dedicated spatial planning.

However, the city's authorities have contributed to the development of economic growth activities in the city. There are many indications of this flourishing during the last decade (Local GDP has increased, new jobs have been created and new enterprises have made their appearance, etc.) Particularly, Koropi is characterised by a rapid increase in industry and handicraft industry. Also, there are many warehouses of low incidence in the area. The entire economically active population is 11,063 people (i.e. 50,3% of the total resident population of the municipality). Of the total economically active population, 12.15% refers to employers, 11.22% is self-employed, 70.49% is employed, 2.61% is unpaid members and finally 3.53% of economically active population of the municipality did not state a specific occupation.

With regard to gender participation in the economically active and inactive populations of different age groups it is worth mentioning the following: in the first set of both sexes, the economically active population is 11,063 people, of which, 10,156 people are employed (i.e. 91.8% of the total economically active population) and 516 people are unemployed (i.e. 2.,34 % of total economically active population), of which 391 young people are unemployed (i.e. 3.53% of total economically active population). The age dependency ratio in combination with the rate of aging of the municipality affects the local production chain. For Koropi the data derived from the census shows that it has a much better indicator than the national average and a slightly better compared to the region of Attica. This indicates that in the area – at least till 2001 – there is concentration of a quite high percentage of productive human resources.

More specifically, regarding the economic sectors at which residents of the city are occupied, these are presented below in descending hierarchical order proportional to the employees' participation in them:

- Manufacturing (19.63%)
- > Wholesale and retail trade, repair of motor vehicles, motorcycles and personal use (14.54%)
- Constructions (12.11%)
- > Agriculture, hunting and forestry, fishing (7.43%)
- > Transportation, storage and communication (7.35%)
- > Financial intermediation, real estate (7.19%)
- > Public administration and defense. Compulsory Social Security (5.75%)

- > Other services (4.47%)
- Education (3.50%)
- Hotels and restaurants (3.49%)
- Health and social care (2.76%)
- > Electricity, gas and water (0.61%)
- Mining and quarrying (0.46%)

A rate of 10.71% refers to unclassified companies.

In Koropi during the last decades there has been a significant shift from the primary sector to the secondary and the tertiary ones. Even though, those employed in the primary sector are still almost twice in comparison to the respective percentages in the Prefecture of East Attica. Furthermore, the tertiary sector is a bit weakened with regard to the other areas of East Attica.

In the Local Action Plan of Koropi a wide range of the problems that the Municipality currently faces is outlined. Below are described the most pressing social and economic problems, in conjunction with social economy issues.

### Problems to be faced, opportunities and solutions

One of the most important social issues is the presence of gypsies mainly in the suburbs in the city, who live in deteriorating conditions and have built illegally in the areas concerned. Their number is estimated to 300 families, which are almost completely socially excluded. They are also responsible for some incidents of criminality, considering also the fact that they are not well educated.

Social problems originate also from the fact that large areas of the Municipality remain outside urban plan, creating legality issues for the residences of people of these areas.

Another distinctive feature of Koropi is the strong presence of immigrants compared to the total population. This is not of course a problem in itself, taken into account the fierce economic growth that the city has experienced during these years. But as the economy declines, a great number of these immigrants, who try to integrate into the Greek society will be/or they are already the first victims of marginalization. Furthermore, this data does not take into account illegal immigration.

Last but not least, there is a number of excluded people basically from the job market such as women and men of more than 45 years old – especially those who worked in the primary sector- and some other population categories such as drug addicts who should benefit from the social policies and structures of the Municipality.

One could expect that the economic situation of the citizens of the Municipality would have been improved due to the population growth and the economic development that have followed mainly in the 90s. Nevertheless, after the Olympic Games of 2004, and especially the last five years, the situation has been remarkably changed. The financial crisis of 2008 and then the particular debt crisis in Greece in 2010 have transformed the economic outlook of the city. During the last years, unemployment has risen remarkably and has affected all sectors of the economy. According to recent estimates it should reach over than 12% by now, that is ten times more than the census of 2001. In fact, various organisations in Local Support Group Meeting have stated that many SME's and larger enterprises in the city couldn't afford the burden of the new taxes and the sudden reduction of demand leading them to bankrupt. In addition, a significant number of banks have left the city and those remained, find very difficult to lend money to firms and individuals. Of course as job exclusion mounts, there is opportunity for the third sector to provide an alternative to economic development in the area.

The third sector in Koropi follows the national trends on social economy. Although the local population and policy-makers are increasingly aware of the benefits of social entrepreneurship there are hardly any enterprises that could be deemed as "social". Instead some cooperatives have been indicated in LSG meetings that under certain circumstances they could turn into social enterprises and they did embrace the objectives of the Urban N.O.S.E project.

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As it has been outlined, some social problems persist despite the fact that the Authorities have entrenched the social provision system of the city with some important structures (i.e. office of support of social services, employment office, help at home).

Social economy could also point at people who face social exclusion mainly because of employment issues. For instance gypsies or women or youngsters, due to the economic situation of the city have been marginalized with attitudes that still prevail in the society of former rural areas, such as Koropi. The development of social economy should have a definite impact in this direction, providing the impetus for the re-integration of these vulnerable groups in society, even in the already elsewhere successful forms of social cooperatives.

Although the external environment is remarkably unstable and demanding due to the economic (and debt crisis) there are some good prospects if one takes into account some Koropi specific features.

The existing industrial zone of Koropi could alleviate some of the unemployment pressures of the area. Since 2005 some efforts have been made from the Ministry of Development in cooperation with the Municipality for the creation of infrastructures that could render the industrial zone fully operational and viable. In addition, there is permission for relevant land uses of another industrial zone in proximity to the city, which could host high tech enterprises and industries. Most of the administrative procedures including spatial and urban planning have been accomplished and therefore only the establishment of firms remains. This new industrial zone is expected to give a lift of the whole area and more synergies could be created with other companies which are operating in the region (Paiania, Pallini).

Regarding the information of the citizens for job opportunities, the employment office of the Municipality is expected to undertake a more active role holding a database of vacancies so that people looking for job get informed at once for employment opportunities.

As it will be outlined in detail at the strategic positioning of the LAP, there is a quite favorable climate for the development of social economy initiatives, as entrepreneurship and social entrepreneurship in general, is

considered a priority both in the regional level (i.e. Operational Programme of Attica) and the state level as well (New Bill of Social Economy).

Furthermore, there are some Koropi specific issues that could point into that direction: The fact that the city has a great pool of middle aged unemployed, especially women, could favour the creation of social cooperatives under the legal form foreseen in the new Bill. These cooperatives could embrace agricultural and relevant activities which are familiar to the local population and need no remarkable resources and time in vocational training. Drug addicts who also present a substantial problem in the city could also be employed in social cooperatives pursuing innovative activities — the project Urban Nose has exhibited that there is a wide scope of entrepreneurial ideas that could integrate marginalized population groups.

Moreover, the existence of large companies in the wider area of Koropi is a very positive aspect, as they could help social enterprises through corporate social responsibility. For instance, it has been discussed in Local Support Group meetings that the Athens International Airport could buy as catering, services and products produced by social enterprises. Other major enterprises in proximity of Koropi could also help in this direction. In addition, the successful enterprises in the area, could contribute to the development of social enterprises through knowledge and skills transfer, by exemplifying to social enterprises are exposed to the market in the same manner profit companies are.

One last aspect that may play a role will be the creation of a new industrial zone in proximity of the Municipality. It is noteworthy that all the administrative procedures have been almost completed and that the first enterprises will be soon located. As it is foreseen that the zone will be oriented to high technology companies, it would be interesting to see how social enterprises could follow such activities; in any case, the synergies created will boost third sector once the zone comes in full operation.

Below the most important problems regarding the consolidation and development of the notion of social economy divided into five macro themes are exhibited, along with some solutions proposed in Local Support Group meetings along with the relevant resources.

Problems	Solutions	Resources/Partners	
Lack of social enterprises or incubator in Koropi Municipality and the wider area.	Boosting social economy through LAP activities and new structures	The local and regional authorities, stakeholders from the economic and social life of Koropi and the wider area.	
The local and regional authorities have not a clear image of the social enterprises or similar potential initiatives in the region.	Mapping of social enterprises in a local or regional level by a new structure overseeing the developments of social economy.	Local support Group and relevant structures.	

## Macro-Theme 1: Building a Territorial Support System for Social Enterprises and 3rd Sector Incubators

# Macro-Theme 2: Managing the Knowledge & Learning Processes of Urban Social Economy

Problems	Solutions	Resources/Partners
Inadequate knowledge about the way social enterprises operate	Keep in touch with social enterprises networks in Greece and abroad, information campaign to policymakers and potential beneficiaries	Local and Regional Authorities, Urban Nose Network.
Once social enterprises have been set, need for training for people employed	Vocational training courses tailored to suit the needs of social enterprises, establishment of an incubator	All these involved in the establishment of an incubator, training workshops.
Executives are not fully aware of the way a social enterprise has been managed	Training/skill development of executives of social enterprises.	Provide fast track training inside the social incubator.

# Macro-Theme 3: Tools and methods system for the provision of social economy services

Problems	Solutions	Resources/Partners
Lack of culture of cooperation and governance	Reinforce private-public partnerships	Establish LSG as a permanent structure to serve as liaison between municipality, the social enterprises and the incubator
Lack of culture of cooperation and governance	Activate the channel of corporate social responsibility	The big companies in Koropi and the wider area.
Social sector provisions are not taken into account on policies of the Municipality	Integrate social economy objectives in the medium and long term policy-making in local and regional level.	The City Council and the Region of Attica

## Macro-Theme 4: Animating and Sensitising the Territory upon Social Economy

Problems	Solutions	Resources/Partners	
Lack of recognition of added Activities to present value of social enterprises in the practices/success stori wider public innovative ideas that be adopted by entrepriof the area		The municipality to inform the public for the promotion of social economy	
Lack of commitment of stakeholders and policymakers	Activities to persuade the authorities and the key actors about the value of S.E through scientists and experts.	The municipality to organise lectures, workshops and relevant labs and some door to door meetings as well.	

# Macro-Theme 5: Building a Model for Social Incubators Sustainability

Problems	Solutions	Resources/Partners
No physical space identified for the incubator-without own property the incubator would not be sustainable	Memorandums of cooperation between the municipality and interested parties that could grant the usage of their premises	Municipality and other actors such as the Union of Agricultural Cooperatives of Koropi. European Programmes Funding
Lack of start-up capital for the services that the incubator shall provide.	Identification of possible sources of funding for the social incubator.	State Funds (Social Economy Fund and Operational Programs) European Private Funds Private-Public Partnerships Donors-Volunteers
Currently there is no planning on how the incubator shall operate in the long term	Agreement of the interested parties in a model of management for the incubator	Municipality and other actors, LSG

SWOT analysis indicates that there is equilibrium between the strengths and weaknesses that are inherent to the profile of the Municipality although the threats from external environment – especially those associated with the economic environment - can have a remarkable impact on the development of policies and the rising

of unemployment and social exclusion. Nevertheless, the prospects for the launching and consolidation of social economy are rather good, considering the funding opportunities that could emerge from the new framework and from the fact that conditions ripe for such initiatives in the Municipality.

# Role of transnational work in developing solutions and benefits of transnational exchange for the LAP's conception

The participation of the Municipality of Koropi in Urban N.O.S.E project has been very important. The Municipality had the chance to get in touch with European partners having a particular experience with social enterprises and the operational aspects of setting-up and running of incubators of social enterprises. In the framework of the project, Koropi has also made a research on relevant case studies in Greece such as the incubators of "Krikos" and "Dyeko", the Social Entrepreneurship School at Volos, etc. Through the examination of these cases it has been possible to identify the main issues, problems and challenges of running social undertakings. Furthermore, best practices have been identified and exchanged among the partners of the project in different thematic themes such as raising awareness about third sector, learning processes of urban social economy and incubator sustainability issues.

Through the meetings of Urban N.O.S.E, that the representatives of Koropi attended, it became evident that social economy initiatives can be largely fostered through international exchange. It is not only the transfer of know-how, but also the creation of synergies that do really matter. The Municipality will need concrete assistance in its objective of reviving the social entrepreneurship and creating the conditions for the establishment of an incubator of social economy, and to that end, taking advantage of the experience of European partners such as those of Urban Nose, is crucial.

One of Urban N.O.S.E's objectives was to create a network of incubators of social enterprises. What is therefore important for Koropi and must be pinpointed in its action planning process is that in any case it can resort to this already created network for any relevant assistance. Furthermore each partner – especially the most experienced - such as Grenoble and Brighton has its own network of cooperating organizations and stakeholders that Koropi could establish contacts and synergies. Through the course of the project, the main points of concern of the Municipality regarding the implementation of the LAP's objectives have been identified:

- How to properly attract the attention of the public and key stakeholders about social economy and persuade them about its benefits - how third sector developed economies have achieved that?
- > How to enhance educational and training aspects for executives of social enterprises?
- > Which are the available models of operating an incubator and how these models connect to its financial sustainability?

In all these issues, transnational partnership could play a remarkable role for better addressing the so well identified needs and prospects by the LAP of Koropi.

Another very important issue is the transfer of concept ideas for activities of social enterprises. As in Koropi there are no social enterprises, LAP provides a preliminary examination of potential sectors of activity. Nevertheless, activities should also emanate from the social web and furthermore they should be intriguing and economically viable. The experience of Urban Nose has shown that in many cases, specific to social enterprises, can be innovative activities that stimulate the interest of involving persons and create profits that could be reinvested in social purposes. The counselling services of the Municipality, can take inspiration by these social enterprises that operate abroad and have this innovative character, through consulting,

suggesting and inspiring on similar activities that could be implemented in Koropi. It is very important that there is already a network in place to assist those efforts with concrete knowledge and expertise, let alone the possibility of small scale foreign direct investments in new social enterprises initiatives.

#### Plan strategy and activities proposed

Koropi's Municipality LAP strategy is defined by a mix of the economic and social circumstances that the city currently faces, the long term political priorities of the area, and the social economy context that currently is in a valid potential.

Concerning the first parameter, as mentioned already, the local action Plan of Koropi comes in the forefront in a very critical moment where the economic crisis has grave impacts in the whole territory of the country. Therefore the Europe-wide challenges and problems are well aggravated by the specific difficulties that the recent debt crisis in Greece entails. That means that important economic transformation needs to be accelerated, in order for the companies and generally the economy's sectors to adapt to the new environment. Part of this transformation is promoting new forms of entrepreneurship, while safeguarding job positions, and in that direction social economy can have a definite positive impact. As the problems analysis has indicated, Koropi has to tackle increasing unemployment and deterioration of quality of life of the city's citizens. If we leave aside the other main problem of uncontrolled urbanization and legalization of the areas that are considered outside urban plans, unemployment is becoming a primary concern for the citizens of Koropi. Furthermore what is really needed is not only preservation of current jobs or creation of new ones, but also strengthening of social cohesion because in harsh times unemployment first hits disadvantaged and vulnerable groups, and also society links are getting loose creating threats of social demise.

Concerning the second parameter, the long-term priorities of the city, those are clearly described in the **Operational Plan of the Municipality drafted in 2008**, which among others emphasizes the need of promotion of economic development and strengthening of social cohesion in the city.

In this context, three priorities have been proposed.

- Inclusion of minorities in Koropi's society. It refers mainly to immigrants who have been added to the number of gypsies that live in the Municipalities. The inclusion of these population groups can be done through proper programmes of wide participation such as seminars of lifelong learning and seminars of popular education.
- Improvement of services to vulnerable groups. The Municipal Authorities gave priority to children, elderly and people with disabilities. There is a stable political commitment to provision of improved services to these population groups. In this framework the Municipality has created the Center of creative occupation of children, with the participation of almost 110 children. There are also plans of a similar structure for children with disabilities. In parallel, there are other in place municipal organisations such as the Centre of Daily Care for Adult and the Help at Home program which have already been stressed In Chapter 1. The operational plan also envisaged the construction of "the house of welfare" which has been finally constructed one year later, in 2009.
- <u>Unemployment reduction</u>. The basic structure of the Municipality provisioned for employment issues is the Employment Office which holds a register and a database of people interested in finding a job and those who are seeking employees. According to the operational plan, the municipality plans to further develop this office for full exploitation of its capabilities.

Concerning the third parameter, which refers to the social economy context, one should take into account that the Local Action Plan of Koropi coincides with a very good momentum regarding the prospects of social

economy in Greece. As already stated in the introduction, the third sector in Greece has been underdeveloped and is also mostly unknown as a new type of entrepreneurial activity. Nevertheless, social economy increasingly comes to the spotlight of politics of central government and also more and more organizations take the leap forward to social entrepreneurship. Most important, for the first time, in 2010 the government communicated its will to launch an ambitious program for the creation of an environment where social economy would thrive. The first step taken is a new Law on social economy which will set the legal and institutional framework for the promotion of social economy. Furthermore the new bill projects the creation of a Social Economy Fund, which is deemed necessary for financing social enterprises. The new law is projected to come into force during 2011.

Taking account all of the above, it is quite easy to define the strategic positioning of the Local Action Plan. In fact, the action plan is perfectly aligned to the socio-economic environment that prevails in Koropi and the country in general:

- A) it is tackling the major problem of the arising unemployment in the city, due to the economic crisis, offering a solution for the revitalisation of local economy;
- B) it is complementary and very consisting to the priorities set by the Operational plan of Municipality drafted in 2008, as its actions are targeted towards the increase of investments in the city and the strengthening of social cohesion;
- C) the new institutional and legal framework for social economy is an excellent opportunity for promoting further the provisions of the action plan. It is sure that cities which come with clear visions about promoting the notion of social economy and have prepared the ground for the creation of social enterprises and relevant incubators will be first benefitted by the new law and the newly created Social economy Fund.

The approach selected in the Local Action Plan on social economy of Koropi is a multi-level and multiphased approach at the same time.

On the one hand, it is evident that orientation of the policies of the city towards social economy should be based on the firm commitment of the Municipality authorities and the active involvement of various stakeholders to this undertaking. That's why the Action plan provisions a series of actions to consolidate and develop the notion of social economy in different policy levels. The Local Support Group meetings held on the occasion of Urban N.O.S.E project have outlined that a solid base of knowledge and recognition of the added value of the third sector should be established in order to achieve concrete results. Policy-makers, entrepreneurs, vulnerable groups and students shall be thoroughly informed and encouraged to take an active role (with different functions and priorities) to promote social economy following the envisioned activities of the LAP. In addition, the creation of a permanent structure, along with the existence of the Local Support Group, shall assure that Koropi undertakes a leading position among the cities that pursue pilot activities regarding the Third sector and that outputs shall have a long term impact.

On the other hand, one should recognize that changing the orientation towards these policies will take time and that a number of parameters should be taken into account, especially when it comes to design the leap towards incubation processes of social enterprises. The main difficulty stems from the absence of a base of social undertakings in the city and the wider area. Another major issue is the lack of knowledge of what a social enterprise is and can achieve. And of course a basic concern relates to the issues of fund-raising for promoting relative activities, in times of a overwhelming economic crisis. For these reasons, the Local Action Plan adopts a multi-phase attitude. Its bulk of activities won't be implemented simultaneously but in consequent steps that shall assure that progress towards the objectives is monitored and that one action creates the preconditions and the spin-offs for the following. That way the financial needs shall be escalated along with the commitment in human and other resources that each step require, and action planning process won't be hampered by the initial inability to cover all the costs implied in the Local Action Plan. After creating a favorite climate for the development of the Third sector in the city, LAP's strategy moves towards incubation activities which start from incubation fundamentals to the establishment of a full scale incubator.

Last but not least, it should be noticed that during the implementation of the LAP strategy, the Municipality will not be alone, but hopefully supported by the network of social incubators created under Urban N.O.S.E. project, what is particularly important in terms of exchange and transferring of expertise and in view of the useful synergies that could entail the cooperation at European level.

All that said, the overall goal of Koropi's Local Action Plan is to *identify the potential for the development* of social economy in the city and prepare the ground for the creation of an eventual incubator of social enterprises. Specific objectives of the LAP:

- Sensitizing and animating the local economy regarding the opportunities the social economy has to offer.
- > Enhancing existing structures of the Municipality and directing them towards the promotion of the third sector.
- Envisaging a group of initiatives for the creation of an incubator of social enterprises, investigating the possible physical space for hosting its services, the scope of its services and the options for its financial sustainability.
- > Promoting the creation of synergies between private and public sector

In the following table the single LAP's activities are presented:

Activities table						
Overall objective:	To identify the potential for the development of social economy in the city and prepare the ground for the creation of an incubator of social enterprises.					
Activities	Intended outputs	Intended outputs Risk and Assumptions Responsible				
1.1. Actions for the recognition of added value of social enterprises	Persuading the local and regional Authorities about the added value of Social Enterprises in order to play an active role and endorse the activities of the Lap. Organisation of relevant lectures and seminars, face to face contacts of policy makers with people from academia and third sector	No risk. The success of these actions will depend on the careful selection of experts and case studies to exhibit that shall have the maximum impact on political decision-making.	Local Support Group, Observatory of Social Economy.	2 years		

	representatives.			
1.2. Promoting bottom-up social entrepreneurship culture in primary and secondary education.	Well informed and sensitized young people about the principles of social economy to form a basis for third sector initiatives in Koropi in the near future.	No risk. Visit local primary and secondary schools at least one time per term. Dissemination strategy shall include leaflets , brochures etc.	Local Support Group	3 years
1.3. Mobilising potential beneficiaries – information campaign	An information campaign about the benefits and operational needs of social enterprises shall be targeted to all those people who wish to form a social cooperative and/or vulnerable people who wish to work as employees. Training workshops on basics of social economy will be organised as well.	No risk. Forming a pool of people to serve in social economy and who shall take advantage of incubation services.	Municipality of Koropi, Local Support Group	1 year
1.4. Synergy creation and mutualisation of resources	The Municipality will forge third sector synergies in a local regional and transnational level. Mutualisation of resources especially between existing cooperatives with similar areas of activities shall be promoted, prevention fragmentation of social economy initiatives. Memorandums of cooperation.	There is a risk concerning the willingness of some organisations to share resources, mutualisation culture is not yet fully developed in Greece.	Observatory of Social Economy	2 years

1.5. Integration of clustering initiatives in Local Policies and Planning	The Municipality will reorient horizontally its medium and long term policy planning towards the notions of social economy and solidarity. Clustering activities shall be particularly supported at all levels.	Risks may emanate from the indifference of some political forces to systematically integrate the notion of social economy to different policies.	Municipality of Koropi	3 years from the introductio n of LAP
2.1. Establishment of a Municipal Observatory of social economy	The Municipality shall create a permanent structure to evaluate and overview all the activities carried out and to update all the actions that should be done in order to forge social entrepreneurship in the city.	Risk of no securing the funds for the operation of the structure and risks associated with lack of commitment of its members.	The Municipality in cooperation with the Local Support Group.	2,5 year
3.1. Pre- incubation services	Providing legal, business and funding advice for the setting up of social enterprises. In cooperation with the employment office of the Municipality.	Risks are associated with the lack of funding or/ of personnel to staff the services. Another risk concerns the reluctance of local entrepreneurs to start new ventures.	Municipality of Koropi, Local Support Group,	0,5 year
3.2. Pilot incubator and web platform	The Municipality will host the offices of certain social enterprises, in a physical space, providing various support services	Risks are mainly associated in the first place to the potential difficulties of finding a physical space to establish the incubator, and secondly, to the issues of financial sustainability of the incubator itself.	Municipality of Koropi, Local Support Group, Observatory of Social Economy	1 years

	The Municipality shall	Risks are mainly	Municipality of	0,5 years	
	establish an incubator in a	associated in the	Koropi,	from the	
3.3.	physical space that will host	first place to the	Observatory of	introductio	
S.S. Establishment of	new and/or social	potential difficulties	Social	n of LAP	
a full scale	enterprises which need	of finding a physical	Economy,		
incubator of	assistance providing shared	space to establish	Local Support		
social	facilities, and various	the incubator, and	Group		
enterprises	services of financial, legal	secondly, to the			
enterprises	and business advice.	issues of financial			
		sustainability of the			
		incubator itself.			

## **Key actors**

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The Local Support Group (LSG) on social economy of Koropi has been designed to maximise the impact of the transnational exchange between cities. The LSG would ensure that the ideas emerging from the project are realistic and it should test their viability at local level.

In particular, the local support group of Koropi has conducted more than seven meetings from 2009 to 2011 with the regular presence of key stakeholders from the local administration, businesses and other organisations of civil society of the wider area. The first meetings have been devoted to make solid the perceptions of social economy to the participants, and to understand the potential value of social economy to the economic outlook of the city. In addition, the main problems of the area, challenges and opportunities have been identified so that a clear idea of where the city stands socially and economically has been acquired.

In the course of the meetings, there has been a wide discussion concerning the model of operation of the incubator, once it has been created. Moreover, the prospects of finding a physical space (under the form of granting of usage) have been thoroughly examined and some solutions have also been proposed. In addition, the meetings have been enriched by the experiences acquired in international level, by the partners of Urban NOSE, as members of the LSG were travelling for exchange of knowledge with their European counterparts.

Main actors taking part to the LSG and called to give governance to the LAP of Koropi, are the following ones:

- > the Municipality of Koropi: role of coordination of Social Economy actors in the City. Role of orientation of the sector according to political decisions. Role of support for initiatives corresponding to the city's objectives.
- > Ministry of Internal Affairs: role of support for initiatives having national interest objectives.
- > The Attica Region: role of support for the financial implementation of the LAP.
- The Athens Chamber of Commerce and Industry: role of support for the material implementation of the LAP.

Other local actors, each one contributing on the base of their main regular competences:

- ✓ Craftsmen and Trade Union of Koropi
- ✓ Union of Companies of East Attica

- ✓ Help at Home
- ✓ Children Creativity Centre
- ✓ Social Support Service Office of Koropi
- ✓ "Love and Hope" NGO
- ✓ Agriculture Association

## Supporting programmes and funding sources

In the case of the Local Action Plan of Koropi, the real challenge in terms of funding shall be not only to find the financial resources for the implementation of its activities, but to secure a long term financial sustainability (mainly concerning the Observatory and the Incubation services) so that the structures created will continue to operate after the initial funding of a European or a National Program.

In the table below the specification of budget costs along the three Axes and the proposed activities of the present action plan is depicted:

Items Activities	Staff	Durables	Consuma bles	Travels	Services	Dissemina tion	Overheads	Total					
AXE 1. Consolidation and development of the notion of Social Economy													
30 Door to door meetings with local and regional authorities				15.000	15.000			30.000					
6 seminars for policy- makers.				2.500	10.000			12.500					
3.000 leaflets of general interest						3.500		3.500					
1.500 Booklets						15.000		15.000					
10 – 15 School Visits	3.000			3.500	7.000			13.500					
1.500 leaflets to primary and secondary schools					2.000	3.500		5.500					
Summer School	3.000			3.000	25.000			31.000					
6 workshops to potential beneficiaries				3.000	15.000			18.000					
Social economy kiosk	15.000	50.000	15.000				5.000	85.000					
Memorandums of cooperation	5.000							5.000					
AXE 2. Establishment of	a Municipal	Observatory	of Social ec	conomy									
Observatory of Social Economy	15.000	10.000	8.000		60.000	10.000	5.000	108.000					
AXE 3. Incubation proce	ss												
Pre-incubation office	7.000	8.000	5.000		28.000		2.000	50.000					

	Pilot Incubator	18.000	25.000	25.000	180.000		15.000	263.000
	Web Platform				6.000			6.000
-	Full Scale Incubator	15.000	800.000	60.000	60.000	15.000	8.000	958.000
	TOTAL							1.604.000

The main funding sources for Koropi's Local Action Plan could emanate from:

- Government support
- International sources of funding
- Private sector (i.e. business angels, microcredit, corporate social responsibility)
- Public-Private Partnerships
- Donors and Voluntarism

Concerning Government support, there are good prospects for obtaining at least an initial funding despite the harsh fiscal and economic policies. The good news is that Koropi's LAP coincides at a time when social economy is taken seriously by the Greek State for the first time and there are concrete policies on the horizon. The Bill under consultation not only specifies the legal framework of social enterprises that should henceforth be registered to a specific Register of Social Enterprises, but also comes with a Social Economy Fund which could be accessed only by registered social enterprises.

In particular, concerning the financial part, it is foreseen an overall amount of 260 million for social enterprises. The main instrument will be the **Operational Programme** "**Development of Human Resources 2007-2013**". The actions that are provisioned cover:

- promotion of social economy and facilitation of setting-up and operation of social enterprises, budget
   60 million Euro;
- promotion of social entrepreneurship of young unemployed people under 40 years old, budget 20 million Euro;
- part of funding emanating from Integrated Local Programs for Employment, 130 million Euro budget.

Another instrument could be the **Operational Programme "Development of Competitiveness and Entrepreneurship 2007-2013".** Its actions refer to contributions for the support of Social economy, with 50 million budget.

It is clear that the whole spirit of the Koropi's LAP is perfectly aligned with these objectives so that the Municipality is fully eligible to obtain such a funding.

Furthermore a complementary form of funding could emanate from "the Operational Programme Attica Region". The programme has the following four strategic objectives:

- making the region more attractive,
- improving quality of life and environmental protection,
- improving the competitiveness of the region's economy,
- creating more and better jobs.

Also, the present Operational Programme has the capacity to fund, at a complementary manner and within the limit of 10% of European Union's funding, every Priority Axe and actions which fall into field of aid of the European Social Fund. Within the context of the present Priority Axis the use of the flexibility clause shall be made for funding of intervention categories like the ones of the European Social Fund, which fall into the Ministry of Development strategy and contribute at a complementary manner to the implementation of the main indicative categories of intervention of the Priority Axis in question. With governments' increasing interest in the potential of social enterprise, to address such issues comes the need to ensure that policies and interventions are specifically tailored to the needs of the sector. It is also crucial to ensure that social enterprises are considered in their own right, and that their innovative and entrepreneurial side is not weighed down by added bureaucracy or performance targets. The growing policy and strategic interest in social enterprise has in fact come with great expectations of the sector.

Concerning transnational sources of funding the E.U. programme URBACT II would be a perfect tool to fund some of the activities from the Local Action Plan. Urban N.O.S.E project has created the preconditions and set the prospects of maturing the notion of social economy to the respective partners. A network of cities with more or less experience on social economy has been created which could provide synergies and transfer of knowledge. Furthermore action plans have been drafted with concrete activities and timetable. A new project could capitalize the work done while Structural Funds contributing for funding infrastructures – urgently needed when it comes to extended incubation services.

Concerning opportunities that may arise from the private sector, there is less optimism. In case the incubator itself does not run as a social enterprise, but as a common enterprise, funding could only be derived from investments of the private initiative. In this regard one should take into account that an incubator of social enterprises may require significant investment in human capital and pre-incubation activities with no assurance that early-stage business incubation can begin. In addition, when the incubator does not own the property (where it can cover some costs from the rents of the incubated enterprises), investment may be a high risk activity, due to the time that may take for returns to realize. Moreover, in Greece a network of business angels is quite inexistent and at the time banks are very reluctant in lending to entrepreneurs and micro-credit mechanisms also don't work. The only "light" could come from the channel of corporate social responsibility of big companies that are situated in the wider area, but the degree of their commitment will largely depend on the course of the current economic crisis.

Another source of funding refers to the implementation of a Private Public Partnership (PPP), which yields important benefits for all the involved stakeholders: public sector, local citizens and private sector, which shall gain access to a new expanding market. This is the reason why Private Public Partnerships are considered an important reform and a fundamental pillar for the development of the country, although these kinds of partnerships have been implemented in high budgeted projects. Nevertheless, there are some Programmes encouraging PPP's and one could assume that such a venture would benefit Koropi's LAP which is based on a holistic approach of what the Third Sector is and can deliver.

Lastly, there is the option of raising some funds from donors and from the active involvement of professionals and experts in a volunteer basis. The truth is that with the current economic environment one could not expect much from such a prospect, taking also into account that voluntarism culture in Greece is lagging behind. Nevertheless, some contributions are expected which could be enhanced as long as people realize the commitment of Local Authorities to provide an innovative and beneficial vehicle for local and regional development, that this LAP aspires to deliver.

## Timing

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In the LAP of Koropi, most of the actions will start in September 2011 and the whole axes are expected to be accomplished within the end of 2013.

Time 2011					2012										2013													
Outputs	09	10	11	12	01	02	03	04	05	06	07	08	09	10	11	12	01	02	03	04	05	06	07	08	09	10	11	12
30 Door to door meetings																												
6 seminars for policy- makers																												
3.000 leaflets general																												
1.500 Booklets																												
School Visits																												
1.500 leaflets to schools																												
Summer School																												
6 workshops to potential beneficiarie s																												
Social economy kiosk																												
Memorandu ms of cooperation																												
Observator y of Social Economy																												
Pre- incubation office																												
Pilot incubator																									_			
Website platform / Virtual																												



## **Expected outputs**

Social economy matters because it is focused on making positive change at a time when we desperately need a revitalisation of the economic activity. Social enterprises are one important tool, among many, that is actively and directly making our world a better place.

First of all, let's review some of the benefits of social enterprises in general:

International experience has exhibited that social enterprises don't rely on the shifting priorities of government and major foundations; they get on with making the change that is needed within a community and (sometimes) grow to affect whole cities, countries, and regions.

Social enterprises are scalable. Like all businesses, social enterprises have, with investment and sales revenue, the ability to grow to meet needs and priorities of the communities they serve, as opposed to traditional non-profit programs, which are often limited to the funds available from government and philanthropic funders.

Social enterprises actively engage stakeholders. They offer the people they involve a direct voice in the operation of the business - as owners, employees and paying customers.

Social enterprises need to generate revenue for sustainability but they also have equally important social and/or environmental aims. The requirement to manage this 'multiple bottom line' - financial, social and environmental - can result in unique challenges. However, the ability to bring about positive change to people and communities can be enormously satisfying and provide a means of making a living.

More specifically, the most important benefit of advancing a policy that shall promote social enterprises in Koropi shall be the provision of employment for local people. This may include people who have traditionally found it hard to enter the labour market. A social enterprise can be the ideal environment for such people to develop their potential - either as an employee or heading up their own operation. The types of individual who can benefit from running or working in a social enterprise include:

- > the long-term unemployed
- > people looking for a career change
- > people with learning disabilities
- > disabled people
- > people with mental health issues
- > ex-offenders
- > minority ethnic groups
- > women
- > people aged more than 45, formerly unemployed
- > young people (especially those aged till 24 that face great numbers of unemployment)

The development of social economy that way could both contribute to unemployment reduction and the strengthening of social cohesion of the Koropi, both being already priorities in the Operational Plan of the Municipality.

In addition, the eventual creation of the incubator is expected in the long run to produce remarkable profits for the Municipality as it will become a development pole for the whole area. Increasing synergies and spin offs are expected to emerge.

Another aspect is that the incubator shall contribute to the notion of social innovation. Social innovation is defined as "a novel solution to a social problem that is more effective, efficient, sustainable, or just than existing solutions and for which the value created accrues primarily to society as a whole rather than private individuals." So defined, social innovation is a bigger concept than social enterprise, which is not limited to enterprise-based approaches to addressing critical issues.

Lastly, the incubator shall help to define those sectors of the economy that Koropi could be specialized. As social enterprises with similar activities will be particularly encouraged the municipality will acquire experience in specific sectors that will boost more cooperation and cluster initiatives.

Moreover, in the context of the economic crisis, numerous jobs are endangered in the sector of Social Economy. The structuring of the network and the better coordination of local public policies will favour the sustainability of structures and at the same time, of jobs. 82% of social enterprises have more than 5 salaries, it is thus crucial to maintain these jobs in the first place.

Ultimately, an impact on jobs creation is also expected to be important, through the support to activity's creation and through the reinforcement of the economic structure of the entire sector.

As to material outputs, the Axe 1 will produce the following ones:

- > 30 Door to door meetings of experts with local and regional authorities
- > organisation of 6 seminars for policy-makers.
- > 3.000 leaflets of general interest
- > 1.500 Booklets
- > 10 15 School Visits
- > 1.500 of leaflets to be given to primary and secondary schools
- > Summer School
- > 6 workshops to mobilise and instruct potential beneficiaries
- > 1 Social economy kiosk to selected site of the Municipality (i.e. Koropi social services) as part of the information campaign.
- > Memorandums of cooperation for synergies and mutualisation of resources
- Integration of provisions for the development of social economy and the best implementation of the LAP in the next operational plan of the Municipality.

Material outputs of Axe 2 are the following:

> Observatory of Social Economy

Material outputs of Axe 3 are the following:

- > Pre-incubation Office
- > Pilot Incubator
- > Web Platform/Virtual Incubator
- > Full Scale Incubator

The Local Action Plan of Koropi, once implemented in its entirety, shall render the Municipality at the forefront of initiatives concerning the development of third sector in the whole region of Attica. Koropi is strategically located in a region where the most of the country's GDP is produced. The Observatory of Social

Economy, as it shall not be restricted to the geographical limits of the Municipality, will assume a general overview of developments of the third sector in the region, encouraging social initiatives to be incubated in Koropi. As there are no incubators of social enterprises in Attica, Koropi's incubator shall represent a venture of real high added value for its economy.

## **Information sources**

Name of the initiative	Koropi Local Action Plan
Country/region/city etc.	Greece/Attica/Koropi (Kropia)
Administering organisation(s)	Municipality of Koropi / Kropia
Contact details of administering	Charilaos Sofronis
organisation(s)	koropi@otenet.gr
Interviewed person	Katiana Houli
	katiana@stratis.com.gr
Other documentation sources	http://urbact.eu/en/projects/human-capital-
	entrepreneurship/urban-nose/homepage/
Website URL	http://en.wikipedia.org/wiki/Koropi

## Pori, Finland





The Local Action Plan (L.A.P.) presented by the City of Pori, is done by a solid partnership among the regional development organizations, educational institutions and the same city of Pori. Its implementation follows the already existing procedures for development of the same kind of activities. The strategy implementation will create knowledge and awareness about the possibilities of the social enterprises. It will also complement the existing strategies and strategic development in the city, as the overall goal of the Local Action Plan in the City of Pori concentrates on the low number of the social enterprises and the inexistence of the knowledge and awareness among citizens, decision makers and civil servants. With this plan, the City of Pori and the Pori region will increase both the knowledge and the potential of social enterprises in the Pori region.

### Overview and basic description of the background

The City of Pori is located on the west-coast of Finland and it has 82,500 inhabitants. It is the capital city for the Satakunta region and it is the most industrialized city in Finland. The main economical activities come from heavy engineering, metal industry, automation and process industry. Pori has also grown to be a student city; Pori University Consortium and Satakunta University of Applied Sciences provide university-level education to approx. 7,000 students. The city of Pori, which has been a member of Energie-Cités since 1997, also participates in the Cities for Climate Protection (CCP) campaign initiated by the International Council for Local Environmental Initiatives (ICLEI). Like all cities involved in the campaign, Pori has committed itself to introduce climate protection measures as a way of improving the quality of life in the city. To implement this undertaking, the city council drew up a programme until 2008 to establish the actions and strategies needed. Pori will thus continue to be committed to sustainable development in all areas. In the area of renewable energy sources, Pori aims to step up the use of bio-fuels and wind energy.

The city has suffered from very high unemployment rate since the 1990's, but during the last economic downturn, it has not been affected as hardly as many other cities in Finland and social enterprises have helped the city to solve the unemployment issues in one way. The social enterprises in the Pori region have mainly provided work opportunities for unemployed persons and to persons with impaired capacity to work. Most of the social enterprises work in the service sector.

The percentage of social enterprises owning or managing businesses in Pori region is very low. Social enterprises have been recognized in the Finnish Law since 2004, although some of them have existed

before that. At the moment, there are 154 registered Social Enterprises (Firms) in Finland (December 2009). The social enterprises in Finland can be categorized into 3 groups: social firms that employ over 30% handicapped or long-term unemployed, social enterprises that employ (over or under 30%) or companies with other kind of social goal. The social enterprises have social tasks, for example they increase social welfare, environmental welfare, involvement, employment, health or collectivity. Social enterprises work also as connector between different values: they could give added value to their owners, public sector, funders, clients or the third sector by giving a possibility to ethic investments, sustainable development or new innovations. With this local action plan the Pori region wants to foster social entrepreneurship and create new possibilities for the social enterprises.

Some important data about the economic overview of the city are shown here below.

	1995	2000	2004	2008
Agriculture and forestry	447	396	337	361
Mining and quarrying	22	33	40	34
Manufacturing	7 657	7 827	7 011	6 525
Electricity and water supply	471	484	440	712
Construction	1 345	1 533	2 103	2 400
Commerce, accommodation etc.	4 377	4 851	5 019	4 965
Transport, communications	2 148	2 277	2 677	2 093
Financing, insurance etc. service activities	3 484	3 916	4 541	5 619
Social and personal services	8 793	10 612	11 778	11 434
Unknown	701	476	523	234
Total	29 445	31 802	33 779	34 377

The first table gives a picture of labour force and jobs in Pori:

The second table illustrates the **average salary** (euro per month), which varies also by educational level and working sector in Pori:

	A	Average salary, €/month											
	Private sector	State	Communities										
Basic level	2 471	2 544	2 030										
Secondary schooling	2 602	2 622	2 174										
Bachelor	3 133	2 888	2 582										
Higher bachelor	3 361	3 056	2 782										
Master	4 448	3 766	3 818										
Doctor	5 021	4 579	5 078										

The third table shows the **enterprise growth** in Pori in 1996-2009:

Year	New enterprises	Closures	Net increase
1996	356	358	-2
1997	344	306	38
1998	340	289	51
1999	313	302	11
2000	317	263	54
2004	372	289	83
------	-----	-----	-----
2005	402	327	75
2006	490	366	124
2007	470	338	132
2008	419	387	32
2009	412	340	72

The fourth table is a diagram showing the employment rate trend in Pori in 1993-2009:



#### The fifth table highlights the level of taxation:

	1995	2000	2005
Municipal taxpayers	55 031	55 855	56 897
Tax rates €/ inhabitant	9 401	10 681	12 363
- average rates for cities	9 515	11 433	13 054
Income tax % (since 1977)	17	17	18

The sixth table gives a framework on social services in Pori between 1995 and 2006:

	1995	2005	2006
Children's daycare (28)			
- number of places	1 834	1 926	1 940
Family daycare, number of places	395	338	382
Homecare allovances for children, families	1 460	1 216	1 215
Home allowances, families	2 876	1 904	1 811
Home for the elderly (4)			
- places	328	328	323
Block of service flats (8) for the elderly			
- places		535	554
Sheltered accommodation for the elderly	772	784	776

The seventh and last table is a picture of the educational situation in Pori between 1995 and 2006:

Students	1995	2005	2006
Comprehensive education (lower level 23, upper level 11, special education 4)	8 080	7 787	7 649
Sixth form (8)	2 152	1 888	1 879
Palmgren Conservatoire	393	416	438
Pori College of Service Sector		1 398	1 373
Pori College of Techniques		992	1020
Pori College of Forestry		160	157
Satakunta Polytechnic		4 585	4 395

- Pori units (3)		2 431	2 313
Open Colleges (2)	5 429	6 588	7 326
Pori Art School	39	13	5
Pori Adult Education Centre	1 868	2 819	2 339
Summer University of Western Finland, Pori Unit	1 203	1 598	1 955
Diakonia Institute of Higher Education	212	266	232
Finnair Flight Training Centre	11	80	88
Pori School of Technology and Economics	283	1 344	1 415

# Problems to be faced, opportunities and solutions

The main infrastructural problems, which concern the third sector and the social enterprises in Pori and in the Satakunta region, come from the traffic connections. The airport of Pori has few daily connections to Helsinki and some charter flights to tourist destinations, but it could be used more widely. The train connection between Helsinki and Pori comes via Tampere and not in high-speed. The blue numbers in the map show available land-areas and spaces for the new and expanding enterprises.

The collapse of the Soviet Union had very strong effects to the Pori region in the early 1990's. The city had to go through a rough structural change and it lost many key enterprises and a huge number of workplaces. The city's unemployment rate was over 25% on 1993 and has slowly decreased during the last decades. Still the unemployment rate has been higher in Pori than average in Finland. This has affected the city in two ways: for some persons the entrepreneurship has been the only way to get a job, on the other hand the edge to entrepreneurship has been too high and they have not got the courage to start their own businesses. The rate of social enterprises has slowly grown in the region as well as in Finland.

In the 1970's Pori was very polluted, especially the river Kokemäenjoki. Since then environmental issues have become more and more important and Pori's environment has improved significantly. The main problems concerning the SME's, third sector and social enterprises is their knowledge of the waste management, recycling and possible new business ideas on that sector.

The third sector is an exceptional employer that differs distinctly from other employers. Some of its special characteristics are varied assignments and duties, combination of paid work and voluntary work, small working communities, expectations of spontaneity and self-directedness and the central position of self-induced funding. When compared to other countries, one of the characteristics of the Finnish third sector is, first of all, the great number of organizations. According to a Finnish study the total number of organizations operating in the third sector amounts to about 69,000. Economically speaking, the third sector in Finland proves to be relatively small when compared to other developed countries. In 1996, the annual costs for running the non-profit- sector in Finland was only 3.9 % of GNP. In Finland, as in other Nordic countries, the third sector receives only a comparatively small amount of financial support from the government: only a marginal share of the overall income of the sector is covered by public funding (9.4 % in 1996). Since the third sector in Finland operates primarily on a voluntary basis, it can be considered to be highly self-supporting.

The third sector in Finland has mainly organized itself through associations or cooperatives. There are proportionately more cooperatives in Finland than in any other country in the world. The history for the cooperatives is very long. The co-operative movement emerged in 1870 with the creation of the first consumer co-operatives while Finland was still a part of Russia. The agricultural co-operatives, being constituted soon afterwards, contributed to achieving agricultural self-sufficiency and to develop the rural

areas. Unfortunately, tensions between urban and rural co-operatives led to a division of the movement between "progressive" and "neutral" groups. Nevertheless, both activity sectors remain the most important co-operative sectors in Finland in terms of employment.

Co-operatives belonging to the tertiary sector are very active in rural communities. Over the last few decades, they have successfully developed operations in urban areas as well. These co-operatives have always concentrated some work also on social and health issues of their members, even though this isn't their main activity. One major innovation in the post war period was the establishment of co-operative educational institutions along with a Department of Co-operative Studies at the University of Helsinki.

In the 1990s the labour co-operatives also began to develop, these have to be distinguished from traditional worker co-operatives in that they focus especially on work integration and services to households, etc.

The landscape of the Finnish co-operative movement is still under a constant change. In the last years, several co-operatives have been created in non-traditional sectors such as social services, tourism and temporary work agencies. Many modern Finnish co-operatives have also recently sustained a restructuring phase. Currently, the production and marketing of goods is mainly carried out with the support of small subsidiaries; this subsidiary structure, dominant in the dairy sector, can also be found in the co-operatives of the meat and forestry sectors.

With almost 60% of the population being members in one or several co-operatives, the Finnish co-operative movement is one of the strongest in the world. The economic significance of the co-operative system is larger in Finland than in any other country. Nine Finnish co-operative companies are listed in the Global 300 list, combining a turnover representing more than 16% of the Finnish BNP.

Social enterprises, associations, cooperatives etc. social economy actors face the same challenges in Finnish society: the cities and communities, who are responsible to produce the social economy services are very strong in producing the services themselves and may not recognize the possibilities of the third sector. The procurement legislation is seen as an obstacle from the both sides: it limits both the civil servants and the third sector actors. The public side does not know, the legislation well enough in order to use it innovatively.

An alien who intends to take up paid employment in Finland usually needs a residence permit for an employed person. A person engaged in an independent business or profession in Finland must have a residence permit for a self-employed person.

However, there are many exceptions to this rule. For example, citizens of European Union (EU) Member States and equivalent persons do not need a residence permit for an employed person or for a selfemployed person. Pori has 1,400 immigrants, under 2% of the total population of the City. The immigrants need education and training especially in the Finnish culture and language.

Here below, the SWOT analysis on the existing support structures for the Third Sector SMEs incubation services:

Strengths	Weaknesses
<ul> <li>Existing support structure for the SMEs from pre-incubation to start-up and incubation phase in order and widely used</li> <li>Strong tradition to work on the third sector</li> <li>Information channels, such as national web- based service for the social enterprises: www.yhteinenyritys.fi</li> </ul>	<ul> <li>Most of the support systems are project- based</li> <li>There is no special knowledge of the social enterprises legislation</li> <li>The possibilities of the social enterprises are not commonly in knowledge</li> <li>The communities don't know about the procurement possibilities and don't recognize the social criteria</li> </ul>
Opportunities	Threats

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- New legislation for social enterprises on it's way, gives new possibilities for the social enterprises
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- Sustainability and responsibility are growing trends in the society
- Ageing population provides new possibilities for the social enterprises
- The information of the social enterprises will not achieve the decision makers
- The new legislation for the social enterprises will not support them
- The new legislation threats the existing companies and distorts the local markets

The existing support structure for the SMEs from pre-incubation to start-up and incubation phase is in order and widely used. In the Pori region there is very strong tradition to work on the third sector and the information channels, such as national web-based service for the social enterprises: www.yhteinenyritys.fi are recognized and used by the regional enterprises and enterprise support organizations.

The main weakness of the incubation services is that, most of the support systems are project-based, therefore their continuance is not protected and there might be gaps in the service system because of the project funding. The SME business support organizations don't also have special knowledge of the social enterprises legislation, this is mainly because the legislation is changing at the moment and the final information is not available. The possibilities of the social enterprises are not commonly in knowledge and the communities don't know about the procurement possibilities and don't recognize the social criteria.

New legislation for social enterprises, that is on its way, gives new possibilities and business opportunities for the social enterprises as sustainability and responsibility are growing trends in the society. Also the ageing population provides new possibilities for the social enterprises.

The main threat is, that the information of the social enterprises will not achieve the decision makers. Also the new legislation for the social enterprises is on its way and it might not be supportive enough for the social enterprises and their business opportunities. It is also seen, that the new legislation might threat the existing companies and distort the local markets.

The SWOT analysis, hence, shows that there are many possibilities for the social enterprises coming in the future, especially with the new national legislation, that gives new possibilities for the social enterprises. The social enterprises may also give new perspectives for those who are looking for new, sustainable and responsible ways to do business and create services. The main challenges come from lack of the knowledge and both in the enterprises and communities sides. The communities already have possibilities to implement their procurement processes in a creative manner and stress the social criteria more, but this possibility is not widely used.

As the main structural problems involve traffic and infrastructure issues, the main way to influence them is via Finnish government and parliament. The Regional Council of Satakunta has the main role on lobbying and influencing the decision-makers. The City of Pori and other actors in the region actively support the lobbying activities.

The main social problem in Pori is unemployment. The solution for it is not easy to find and it needs longterm investments in labour market training and other inclusive actions. Maintaining high participation and employment in the face of the current recession and a rapidly ageing population are major challenges for policy makers.

The recession of the early 1990s showed that high unemployment can leave long-lasting scars on labour markets, while rapid ageing requires longer working lives to ensure sustainable public finances. Minimizing the effect of the recession on the labour market calls for nominal wage increases in line with economic conditions, greater flexibility in wage setting, ensuring earlier activation of unemployed and reforming unemployment and social benefits to better support work incentives. Finland has an unusual combination of elevated unemployment replacement rates and late referral to labour market activation, which contributes to

high levels of inactivity and a large number of beneficiaries. This combination risks building up greater structural unemployment over time. More ambitious activation needs to be accompanied by lower replacement rates in the unemployment insurance and related schemes to support labour market participation, job search and employment.

Institutional responsibilities in labour market policies should be simplified and made more transparent. With an already low effective retirement age, additional early permanent exit from the labour market needs to be discouraged. The recent success of restricting access to the unemployment pipeline should be followed up by a complete abolition of the system. Stricter criteria for entry into disability pensions should also be applied. The 2005 pension reform was a step in the right direction, but the old–age retirement system should be further adjusted to lower fiscal costs, raise the minimum retirement age and increase work incentives for older individuals.

Citizens of Pori generate around 500 kg of household waste annually, which is slightly below the European average. And the habit of re-using things is strongly entrenched in Finland, with many plastic and glass bottles returned to manufacturers for re-use. Paper recycling levels have long been well above average. Nonetheless, it remains costly to recycle waste that is not paper, biomass or plastics, especially as the cost of transporting rubbish could have a heavier ecological footprint than recycling it. The waste management actors will try to find new solutions to recycling manners.

The third sector actors need to convince both the political decision-makers and the civil servants about their partnership possibilities, cost-effectiveness and quality. They also need to develop more professional and business-like methods in their work. For this work they need incubation services, that are aimed both to start-up companies, associations, cooperatives etc., who are willing and able to create growth and to develop their services and processes.

One of the most important challenges the government faces is integrating the foreign born and their children. As in other European countries, proficiency in the national language is a major concern, and this is particularly true with the difficult Finnish language. The language courses provided by the government have not always met the needs of different immigrant groups who have varying levels of Finnish language skills. Considering the exponential rise in non-native Finnish speakers in the past 10 years, language instruction will become a crucial issue in the future. The City of Pori will provide more language training for the immigrates in the future.

Thanks to the SWOT analysis and the possible solutions which have been identified to face the existing local problems, three main goals, corresponding to as many groups of activities, have been thus underlined:

- 1. Increasing the knowledge of the social enterprises and the possibilities they offer
- 2. Developing the partnership between public and third sectors
- 3. Providing the social enterprises solid incubation and start-up services

# Role of transnational work in developing solutions and benefits of transnational exchange for the LAP's conception

As the definition of a social enterprise/firm is still "open" and the legislation is not yet ready, it is vital that the City of Pori and local action group members and other interested bodies find out about the possibilities as much as possible. Therefore, Pori needs trans-national benchmarking for the good ideas and new business possibilities.

The Pori LSG identified the Urban N.O.S.E partners to be the first category of transnational partners, when aiming to achieve solutions to the local problems. As Finland is benchmarking U.K. for the new legislation issues, Pori's primary target is to work in close connection with the project partners from Brighton and Hove. The role of the transnational partners in developing solutions in the Pori region is to show new models, ideas and ways to work. The transnational co-operation will be mainly concentrated into benchmarking activities and transfer of knowledge.

## Plan strategy and activities proposed

The Local Action Plan is a strategic document, which aims to boost the social entrepreneurship in the Pori region. The Local Action Plan supports the regional business strategy and the general strategy of the City of Pori. The LAP focuses into three main axes:

- 1. Increasing the knowledge of the social enterprises and the possibilities they offer
- 2. Developing the partnership between public and third sectors
- 3. Providing the social enterprises solid incubation and start-up services

The implementation of the LAP is done by the regional development organizations, educational institutions and the city of Pori. The implementation follows the existing procedures for development activities.

The strategy implementation will create knowledge and awareness about the possibilities of the social enterprises. The strategy implementation will complement the existing strategies and strategic development in the City of Pori.

The overall goal of the Local Action Plan in the City of Pori concentrates on the low number of the social enterprises and the inexistence of the knowledge and awareness among citizens, decision makers and civil servants. With this plan the City of Pori and the Pori region want to increase both the knowledge and the potential of social enterprises in the Pori region.

#### Axe 1: Increasing the knowledge of the social enterprises and the possibilities they offer

The knowledge about the social enterprises will be increased by the following actions:

- 1. Information campaign towards the decision makers: politicians and civil servants
- Information campaign towards the public procurement office in the Pori region. Training about creative procurement and the possibilities to use the social criteria in the procurement processes.



#### Axe 2: Developing the partnership between public and third sectors

The partnership development activities will be done by the following measures:

- 1. Study on local service structures and partnership possibilities in Pori region
- 2. Networking with the national task-force for the social enterprises and national support organisations
- 3. Networking with the national and local third sector support organisations



Axe 3: Providing the social enterprises solid incubation and start-up services

The social enterprise support system in Pori region is described in the picture. The services are categorized by the stage, where the company on the moment. The incubation and development services for the social enterprises in the Pori region will be categorized into four groups: Pre-incubation services, Start-up services, Funding services and Incubation services. In addition to these, the development organizations provide business development, specialist consultancy in issues concerning the social enterprise specific knowledge or R&D issues.

The **pre-incubation services** are free of charge for the clients, who are mainly individual citizens planning to set up a social enterprise. The pre-incubation services include idea evaluation, preliminary market studies and networking with other enterprises, that could become either clients or partners in the future business. The pre-incubation services are being brought to the client. Some of the clients come to the Prizztech office to get the services, but also many of them don't have the opportunity to come to the office during the office hours. Therefore the service is brought to the clients according to their needs and according to their timetable.

#### Start-up services include following advice:

Basic advising to those who are planning to start a business

- · going through business ideas
- instructions on how to do a business plan
- · calculations of profitability

#### · establishing the business

Additional advising to those who are already running a business

- · determining the need of expert help
- telling about possible subsidies
- entrepreneurial mentoring
- · taking on employees

Advising on how to change the ownership of a company

- counselling those who are planning to continue an existing business
- · directing to experts
- making an action plan
- consulting a tax adviser

The **funding services** are offered by Finnvera Ltd. Finnvera offers financing and financing expertise to meet the needs when starting up a business. In order to finance investments pertaining to the launching of its business, an enterprise can apply for Finnvera's loans and guarantees. Investments can be used, for instance, to pay for means of production, information technology or premises.

When an enterprise employs at most five people it can apply:

- Loan for Women Entrepreneurs
- Microloan
- Micro-enterprise Guarantee

When an enterprise employs 6-49 people already at the start of operations it can apply:

- Investment and Working Capital Loan
- Micro-Guarantee

The **incubation services** base on an incubation contract that is done between the Pori regional development agency and the social enterprise. The incubation contract is normally made for 12 months period and it includes agreed amount of counselling and business development services for the client. The Pori regional development agency covers both co-ordination expenses of the incubation services and 50% of the company-level expenses. The incubation services are virtual, e.g. they are not tied to a certain premises. The incubation services organizes networking for the enterprises within the services.

# **Key actors**

The **Municipality of Pori**, along with its **Satakunta Region** and its communities, are aiming to provide seamless entrepreneurial services for companies in the entire life-span of a company. The service providers work in good co-operation and under the same management.

#### The Foundation for Finnish Inventions (Keksintösäätiö)

The Foundation supports and promotes the development and exploitation of Finnish inventions. Legal advice and financial support for patenting inventions is an important part of the activities of the Foundation. The Foundation is an important source of advice and support for private inventors as well as researchers and SMEs in Finland. The activities of the Foundation may be grouped into six categories corresponding to six different phases in the development of an invention:

- Promotion of inventive activities
- Evaluation of inventions (market potential, novelty and inventiveness, business potential, etc)
- Advisory services (invention-specific advice, IP rights, other advice)

- Financing of protection of inventions (patents and other IP rights)
- Financing of product development (planning and design, prototype development, technical and commercial advice)
- Financing of marketing (including advice on licensing)

A substantial part of the activities of the Foundation relates to advisory services. The Foundation, in fact, advises enterprises on a whole series of issues ranging from technical issues specific to the invention, to assessments on the market potential of a product, assistance with the development of prototypes and legal advice for patenting and licensing the invention. Since its establishment in 1971, the Foundation has given advice to an estimated 150,000 customers.

Financing for the development and commercialization of inventions is usually provided under the following four modalities:

• "Keksi" Funding: covers the early costs of developing an invention up to a maximum of EUR 8,000. There is no refund obligation.

• Support Funding: is used for paying the costs of patenting, product development and commercialization. It incorporates a conditional refund to the Foundation depending on the success of the project and on the revenue received from it by the inventor. No interests are charged.

· Grants: provide smaller sums with no refund obligation

• Loans: provide working capital in the initial stages of commercialization of an invention to inventors and SMEs

Financing varies between EUR 1,500 and EUR 100,000 depending on the nature of the invention and its business potential. Most of the operational funds of the Foundation are obtained from the Ministry of Trade Industry of Finland.

The Foundation devotes significant attention to the protection of inventions by intellectual property rights, especially patents. The inventiveness and most commonly the patentability of an invention is considered a key criterion for the selection of the projects to be funded by the Foundation. In addition, inventors and SMEs receive legal assistance for the protection of patents in Finland and in potential export markets, as well as advice on the development of an IP strategy for the invention. Finally, during the commercialization phase, advice on licensing is provided and an inventions market exists (available on-line at <a href="http://www.innofin.com">http://www.innofin.com</a>) for bringing together inventors and potential licensees.

#### **ENTER Enterprise Services**

The main activities of ENTER Enterprise Services are:

- to guarantee basic counselling to entrepreneurs during the start-up phase of their business in the Pori Region
- · to provide all the necessary services needed in starting up a business at one service point
- to promote entrepreneurship and to contribute to the development of a positive entrepreneurial climate in the region
- to develop education services in entrepreneurship together with schools; to promote entrepreneurship education and the dissemination of knowledge about entrepreneurship

#### POSEK

Pori Regional Development Agency Ltd. POSEK is a business promotion and development company founded in 2003. They are owned by 11 regional municipalities and their head office is located in Pori, the biggest city in the region. Their area of influence includes a population of 140,000 residents and 6,700

companies. Their aim is regional development via our expertise in inter-business cooperation and project management.

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POSEK's goal is to promote and improve the cooperation between companies and the public sector, to create a favourable business environment. Their international operations include regional promotion, marketing and consulting with local companies to help expand their business abroad. They also assist foreign investors and companies in relocating to the region.

#### PRIZZTECH

Prizztech Ltd. is a key player in the world of innovation environments. The company aims to promote economic well-being by creating the prerequisites for the strengthening of business competitiveness. In terms of operating principles, the company is an impartial, non-profit organisation of experts in project management.

Prizztech Ltd is divided into the following four sections: Research and Development units, the Satakunta Centre of Expertise programme, the Business Development Centre, and affiliated and associated companies.

Prizztech Ltd's Research and Development units work is based on the industrial lives needs. These units are: WANDER Nordic Water and Materials Institute, Magnet Technology Centre and FinNuclear. Prizztech executes the national Centre of Expertise programme in Energy Technology Competence Cluster, Ubiquitous Computing Cluster and Maritime Cluster Programmes.

Prizztech Ltd's annual turn-over was 6 million euro in 2009. The company employs over 60 experts and it's regional operations are divided between offices located in Pori, Rauma, Kankaanpää and Huittinen. The company is a TEKEL (Finnish Science Park Association) member.

Prizztech Ltd's affiliated companies are Prizzway Ltd, that offers expertise in business development and Prizzpoint, that offers multi-user real-estate services.

#### Finnvera

Finnvera plc is a specialised financing company owned by the State of Finland and it also acts in Pori. It provides its clients with loans, guarantees, venture capital investments and export credit guarantees. Finnvera has official Export Credit Agency (ECA) status.

When an enterprise's own resources or collateral are insufficient for acquiring financing on the commercial market, Finnvera grants financing for operations that are based on a good business idea and meet profitability criteria.

Finnvera gives guarantees against political or commercial risks associated with the financing of exports. Political risks are risks that arise from the economic or political situation in a country where a Finnish export company has customers. Commercial risks pertain either to the buyer or to the buyer's bank.

Finnvera's operations are steered by the industrial and ownership policy goals laid down by the State. Among these goals are: increasing the number of starting enterprises; enabling financing for changes encountered by SMEs; and promotion of enterprise growth, internationalisation and exports. In its operations, Finnvera is expected to adhere to the principle of economic self-sustainability.

The funds needed for granting credits to SMEs are obtained from the financial market. The European Investment Bank is a major lender. By virtue of the Act governing Finnvera's operations, Finnvera can obtain State guarantees for its acquisition of funds. Finnvera plc has no credit rating of its own.

#### ELY- Centre for Economic Development, Transport and the Environment

The ELY Centre in Pori promotes entrepreneurship, functioning of labour market, competence and cultural activities. It aims to ensure safe and smooth transport operations, healthy environment and sustainable use of natural resources in the region and is in charge of functions related to immigration of labour force in the Pori region.

Areas of responsibility:

- · Economic development, labour force, competence and cultural activities
- Transport and infrastructure
- The environment and natural resources

ELY Centre provides funding, training and development services for enterprises. It also works as a regional service point for the Finnish Funding Agency for Technology and Innovation (TEKES).

#### WINNOVA

WinNova offers a wide variety of educational services for the needs of youth, adult and business education. The customer segments of WinNova include the following:

Youngsters

- Vocational qualifications
- Matriculation examination
- Adults
- Pragmatic education based on individual needs
- Adult education
- Additional professional training

**Business** 

- Pragmatic and company customized education based on the needs analysis

In conclusion, with such a strong local partnership, also strongly contributing to the LAP co-financing, the LSG aimed to create a "living LAP" instead of a highly bureaucratic one. The partnership protocol has been inclusive and the engagement process has been created by discussing with the regional actors. The engagement statements have been approved by the regional organizations taking part to the implementation of the LAP.

### Supporting programmes and funding sources

In the case of the Local Action Plan of Koropi, the real challenge in terms of funding shall be not only to find the financial resources for the implementation of its activities, but to secure a long term financial sustainability (mainly concerning the Observatory and the Incubation services) so that the structures created will continue to operate after the initial funding of a European or a National Program.

In the table below the specification of budget costs along the three Axes and the proposed activities of the present action plan is depicted:

The funding for the activities comes mainly from the regional development organizations and the project's they are running. The city of Pori funds the development of the partnership between public and third sectors by running a project, which aims to find new partnership possibilities for the service production in the Pori area. Posek's funding concentrates to the incubation and start-up services and main part of this funding comes from the cities and the national cohesion and competitiveness programme (KOKO). Prizztech utilizes

the regional development funds (ERDF) for the business development services. Enter acts mainly with the communities funding and Winnova utilizes the European Social funds (ESF) in producing the services for the social enterprises. In the others category there is a possibility to get national funding via possible new, national-level project in Pori.

The budget for the activities has been collected in the axe-level, because the funding is quite small. The budget shows the annual budget for each organization.

Measure	Pori City	Posek	Prizztech	Enter	Winnova	Others	Total
Axe 1 Increasing the knowledge of the social enterprises and the							
possibilities they offer Axe 2 Developing the partnership between public and third sectors	500 30 000	3 000	1 000	<u>1 000</u>	7 000 3 000	0	12 500 41 000
Axe 3. Providing the social enterprises solid incubation and start-up services	0				20 000	25 000	170 000
Total	30 500	55 000	77 000	6 000	30 000	25 000	223 500

# Timing

The implementation phase of the LAP starts in spring 2011 with a preparation phase after the Finnish governmental elections. If the trial legislation starts as estimated, in the beginning of July 2011, the implementation phase of the LAP starts simultaneously. If there will be delays, the implementation of the LAP should also follow the national timetable, otherwise there is no sense to campaign the social entrepreneurship, if the legislation is not up and running yet. The LAP activities will last in 2013.

As for the timing foreseen per each axe, predictions are the following:

#### Axe 1: Increasing the knowledge of the social enterprises and the possibilities they offer

The activities will start after the Finnish parliament has ratified the new legislation for the social enterprises in Finland. The final timetable is not yet confirmed, a trial period will start in July 2011 and end in December 2013.

#### Axe 2: Developing the partnership between public and third sectors

The development activities to boost the partnership between the public and third sectors will start in Spring 2011 and end in December 2013.

#### Axe 3: Providing the social enterprises solid incubation and start-up services

The incubation and start-up services are available for the social enterprises since Spring 2011 and they should go on and be sustainable long after the end of 2013.

#### Here below, a timetable per each action:

Activity	1-6/2011	7-12/2011	1-6/2012	7-12/2012	1-6/2013	7-12/2013
1. Increasing the knowledge of the	e social en	terprises an	d the poss	ibilities they	offer	
1.a. Information campaign towards the decision makers: politicians and civil servants						
1.b. Information campaign towards the public procurement office in the Pori region. Training about creative procurement and the possibilities to use the social criteria in the procurement processes.						
2. Developing the partnership betw	ween publi	c and third	sectors			
2.a. Study on local service structures and partnership possibilities in Pori region						
2.b. Networking with the national task-force for the social enterprises and national support organisations						
2.c. Networking with the national and local third sector support organisations						
3. Providing the social enterprises	s solid incu	ubation and	start-up se	ervices		
3.a. Incubation and start-up services						

# **Expected outputs**

The Local Action Plan of Pori creates a development environment for the social enterprises and takes them to be a part of the development activities in the Pori region.

The material outputs will be information leaflets and diversified educational material aimed for entrepreneurs, decision-makers and procurement personnel.

The immaterial outputs will be produced by the national social enterprises development organization. Pori will utilize these outputs actively in its own development work.

The main added value will come from the transfer of knowledge between national and international partners.

The social enterprises may create a new working model for the Finnish labour markets and offer the workers new ways to work in the future. The social enterprises are also seen as possibilities to commit better to the work and create new jobs and ways to work.

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# Information sources

Name of the initiative	Local Action Plan of the City of Pori
Country/region/city etc.	Finland / Satakunta / Pori
	City of Pori
	Box 121, 28101 Pori, Finland
	City switchboard +358 2 6211100, fax +358 2 6211241
Administering organisation(s)	Aki Nummelin Member of Council, Project manager in 3 <sup>rd</sup> sector project
	aki.nummelin@pori.fi
	Daniel Nagy Project planner, City planning unit
	daniel.nagy@pori.fi
	Mari Antikainen
	Prizztech Development Manager, Pori
Contact details of administering	E-mail: mari.antikainen@prizz.fi
organisation(s)	Marja Suonvieri
	Prizztech Project Manager, Pori
	E-mail: marja.suonvieri@prizz.fi
	Elina Patana
Interviewed persons	Winnova Project Manager, Pori
	E-mail: <u>elina.patana@winnova.fi</u>
Other documentation sources	http://www.prizz.fi/sivu.aspx?taso=1&id=112
Other documentation sources	http://www.winnova.fi/sivu.aspx?taso=2&id=217
Website URL	http://www2.pori.fi/english/

# Conclusions

The Thematic Network Urban NOSE has been usefully comparing and discussing the objective of creating a European network of incubators for social enterprises, disclosing a series of macro-themes critical for its successful implementation.

The hard work of exchange and cooperation carried out both externally, between the cities making up the network, and internally, in terms of local partnership encountered within each Local Support Group, has produced a series of Local Action Plans, some of them already in progress and others who plan to begin their implementation by the end of this year.

These Local Action Plans that were all set on a consistent basis, which all used the same format, all arising from a strong participatory process which has developed its approach within the Local Support Group: nevertheless, through the examination of each of these plans, we capture important differences pertaining to a variety of reasons, first of all the specificities of each of the territorial scope of the plans: the legislation in force on social economy, the particular socio-economic vocations, the exigent circumstances with respect to the current economic crisis, etc.. Since we are speaking of cities with different experiential baggage as far as the development and dissemination of the social economy are concerned, some LAPs link more aspects like information and training, needed to create a background of productiveness for the launch and operation of social enterprises in the territory; while others seek the concentration of the wealth of existing social incubator; others, being already in possession of incubators running, place the emphasis on wider dissemination of knowledge, networking and sensitisation of consciousness to a greater awareness of the strategic role that the social economy can play at the local level, more so in times of cyclical crises.

All the LAPs have specific and well-designed strategies, large and diverse local partnerships, where the role of the LSG is always of paramount importance. All have identified their areas of development of the business incubator, using abandoned buildings in rundown neighbourhoods, or properties already being used as incubators. All have followed a clear logical framework, which aims to tackle these issues with a series of solutions and subsequent actions, structured in specific axes of intervention.

With regard to costs and finding the necessary resources, all have the clear frame of reference in which to move and the protagonists of the necessary co-financing: for some of them, the same group of local support will provide with its own resources the entire amount of the costs required to develop the LAP; for others it will be necessary to involve a number of subjects, including financial institutions and managing authorities of operational programmes of the ESF and ERDF both for the amounts remaining in the present seven years of programming, and for the amounts that will be available over seven years 2014-2020.

In addition to the results for the realization of LAPs and their socio-economic and environmental impact in the areas of application, we expect better results from the added value that such a network of incubators for social enterprises could create at European level: these outputs, although intangible, are possible and evident only if the joint effort of the partner cities in the cross-cutting evaluation and capitalization of their LAP, will not end with the official deadline of the project Urban NOSE.

# Appendix

# **Brighton & Hove, United Kingdom**



In Brighton, the city LAP is fruit of a strongly participated city strategic planning, which has been refined according to some realistic pillars, established by the LSG, that are the following ones:

- *Practical, Affordable Support:* tailored to start ups and growing enterprises, mainly based on Finance, skills, marketing and human resources;
- *Equalities & Diversity*: including all members of the community and acting on: Poverty, exclusion, neighbourhoods, inequalities;
- *Winning Hearts & Minds*: mainly pursued through strengthening Networks, communication and the will to do it!

Main implications on their LAP draft are the following ones:

- Economic Challenges
  - o Finance
  - Support Infrastructure
- Opportunities
  - o Incubation
  - o New Markets
- Show Social Impact
  - Achieving Impacts' Measurement
  - Finding new facilitation measures to reach impact evidence.

Name of the initiative	Local Action Plan of the City of Brighton & Hove
Country/region/city etc.	United Kingdom / Sussex, South Eastern England / Brighton & Hove
Administering organisation(s)	City Council of Brighton & Hove

		Neil Clarke neil.clarke@brighton-hove.gov.uk
89	Contact details of administering organisation(s)	Rob Dawson
09		rob.dawson@brighton-hove.gov.uk
	Interviewed persons	Neil Clarke neil.clarke@brighton-hove.gov.uk
	Website URL	http://www.brighton-hove.gov.uk/

Xativa, Spain



#### Social Economy in Xàtiva:

The percentage of social enterprises on the total number of companies would be between 5% -10%

#### **Dominant sectors**

"Wood" Sector, and agriculture. In general, these are companies that went bankrupt many years ago (especially after the crisis of the 80s and early 90s) and that have been revived by the workers. In general the profile of member-workers is older than the average, but they have resisted very well the current crisis.

#### Strategy

#### K.S.E. Knowledge and Social Economy

Added Value: To attack 2 fronts at the same time:

- Improving the competitiveness of all the territory
- To have social enterprises in the knowledge sector showing that the social economy is capable of being the forefront of the economic recovery.

#### Axes of work

- Communication
- Training
- Incubation
- Sustainability



In this scheme, Adexa (Association of local entrepreneurs) constitutes a Foundation with the Local Support Group (LSG), some banks and the City Council, who will sign an agreement with the Managing Authority of EU operational programmes. The Foundation will manage a Strategic Committee and a Feasibility Plan of the Incubator, accomplishing its actions by year.

#### **Dimensions of the LAP**

The division on 5 macro-themes has allowed them to centre the debates, to focus the aims and to clarify the actions. In fact the structure of their LAP is recovering this division.

Partnership: improving the social economy needs a wide range of economic actors from Banks to public institutions working together.

LSG: the presentations, debates and different points of view inside the Urban NOSE network have enriched the internal debates and have acted as a valuable feedback

#### LAP Recommendations

At Local level:

- making more with less money;
- improving partnership and working together. Not redundancies.
- support structures for start-up: Local Development Agency, Chamber of Commerce and Association of Entrepreneurs
- improving information and training about Social economy and Economy of Knowledge. To communicate, communicate and communicate.

At regional-national level:

- to improve steps for the recognition of entity without lucrative aims. Law of patronage.
- focusing grants in activities and entities related with Knowledge economy with a big component of job creation.

At EU level:

• knowledge transfer and benchmarking .

Name of the initiative	Local Action Plan "Xativa Up"
Country/region/city etc.	Spain / Comunidad Valenciana / Xativa
Administering organisation(s)	City Council of Xativa Carmen Savalls <u>carmensavalls@ayto-xativa.es</u>
Contact details of administering organisation(s)	José Morán gds@gds.jazztel.es
Interviewed persons	Vicente Abad <u>adexa@servidex.com</u>
Website URL	http://www.xativa.es/

# **URBACT II**

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

It enables cities to work together to develop solutions to major urban challenges, reaffirming the key role they play in facing increasingly complex societal challenges. It helps them to develop pragmatic solutions that are new and sustainable, and that integrate economic, social and environmental dimensions. It enables cities to share good practices and lessons learned with all professionals involved in urban policy throughout Europe. URBACT is 255 cities, 29 countries, and 5,000 active participants

www.urbact.eu/project

EUROPEAN PROGRAMME FOR SUSTAINABLE URBAN DEVELOPMENT

