

WOOD FOOTPRINT



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Final Outputs – Fact Sheet

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European Union
European Regional Development Fund

Connecting cities
Building successes



1. PROJECT PRESENTATION

PROJECT'S NAME: Addressing the challenge of the urban footprint left in European cities by transforming manufacturing sectors

PROJECT DESCRIPTION IN A NUTSHELL:

Wood Footprint aims to respond to the challenge to reactivate the economies of participant cities, whose main economic activity is the furniture industry and have suffered as a consequence of the economic crisis and the impact of globalisation. The abandonment of large units, formerly used to manufacture, store and display furniture and wood products caused an urban problem. By bringing together key players in the wood industry from across the EU, and through the sharing of ideas, experiences and practices, find new and innovative ideas to assist the sector and to promote and foster a renewed diversification for redundant premises.

LIST OF PARTNERS INVOLVED:

Municipality of Paços de Ferreira, city, Portugal;
 Municipality of Tartu, city, Estonia;
 Municipality of Yecla, city, Spain;
 Municipality of Viborg, city, Denmark;
 Border Region, region, Ireland;
 Miummm, region, Belgium;
 Municipality of Lecce, city, Italy;
 Municipality of Sternatia, city, Italy;
 Municipality of Larissa, city, Greece;
 High Wycombe district council, city, England.

DATES:

February 2013 to April 2015

2. WHAT WERE THE CONCRETE ISSUES ADDRESSED BY THE PROJECT?

The Wood Footprint Project is an URBACT II funded project which focuses on Wood manufacturing sectors within urban centres. Recent years have seen a considerable decline in the wood industry and, in many cases, the abandonment of large units/workshops, formerly used to manufacture, store and display furniture and wood products.

The manufacturing heritage in Europe is a strong one that can be felt in many European cities. Many European cities have followed a specialisation path along one particular industry – there are the “textile cities”, the “automotive cities”, the “ceramic cities”, the “wood furniture cities”. In these cases, the ties between the sector and the city are intense and can be felt in many ways – not only in terms of economic indicators and employment patterns, but also in aspects of urban development, including construction patterns. This is particularly visible for sectors that require large portions of land, either in order to manufacture their goods or to sell them, or both.

The wood furniture sector is one of these cases. While manufacturing often takes places in small or medium sized factories, the size of the goods produced calls for the need of large warehouses to store them and massive showrooms in order to display them and sell them. Such showrooms in particular have strongly affected the urban development pattern of the cities characterized by this sector. They are large buildings, often multi story, more often of doubtful architectural taste, with large windows to display the merchandise inside and as such normally inefficient in terms of energy consumption, with ample car parking zones and placed along the main roads for easy access by car. As people who wish to buy furniture normally go by car – as they need to carry with them what they will buy – access by public transport to those areas has normally been neglected. Such showrooms are by no means exclusive of the furniture sector. They are common in several other sectors, such as ceramics and kitchen and sanitary equipment, construction material, machinery and also textile and fashion.

Such buildings have popped-up in many European cities, deeply transforming the urban landscape, between the 70s and the late 90s, when purchase power was growing and production and sales were rising. But most

of the traditional manufacturing sectors have been hit hard by the crisis and globalization since then, with most of the companies either displacing their production (and consequently their sales) or changing their business model, dropping direct sales to final clients and becoming suppliers to larger companies. In the particular case of furniture, the IKEA phenomenon has of course played a key role in this transformation. As a consequence of this, many factories and especially showrooms have been closed down, leaving a giant industrial footprint of “ghost buildings” in many cities. Other factors have added to this footprint: pollution, deforestation of surrounding areas, and unemployment and lack of qualifications of a large blue collar labour force.

The project presents answers to the question of how to conciliate the manufacturing sectors need for, and eventual abandon of, massive suburban space, with the notions of quality urban development, sustainability and economic competitiveness.

The Wood FootPrint focus covers three main cross-cutting issues underlined also by Europe 2020 strategy, such as: “*Urban development management in the context of the economic and financial crisis*” – since its focus stems directly from the economic and financial crisis and its impacts in cities (with declining manufacturing industries) and searches for alternative innovative ways to minimize its effects and re-position European cities in a path of sustainable growth with a social dimension; and, “*Fostering of integrated and sustainable approaches to urban development*” – since the core of the project is at finding new innovative solutions for empty urban buildings (industry and showrooms) and avoid others to become vacant promoting a sustainable urban development between the public and the private owners; and, “*Effective partnership and multi-level governance processes*” – the problems created by abandoned industrial buildings or vacant showrooms cannot be contained within property boundaries or city limits; they spillover to affect surrounding communities. Only effective partnerships (public and privates) and multi-level governance processes can solve such a complex problem for the European cities.

3. WHAT ARE THE FINDINGS OR POLICY MESSAGES COMING FROM YOUR PROJECT?

The main policy messages of Wood Footprint network are:

- Abandoned buildings in urban areas:
 - Legislation at the EU and national levels: a better coordination of EU and national legislation. EU might intervene to influence national policy and EU recommendations could carry considerable weight at the local level even when they were not mandatory. There could be EU guidance on national legislation that can encourage incentives for sustainable urban development, and research into laws and policies that present barriers. This could include, for example, guidance on land use classification to give sufficient priority to environmentally sensitive areas.
 - Promoting knowledge exchange and good practice guidance at all levels: Guidance ‘manuals’ on good practice in planning procedures at the national and local levels; Improved mechanisms for sharing good practice; Promotion of environmental and integrated planning and urban design tools and methods, as a ‘toolbox for urban design for sustainability’; promoting indicators for specific actions and measures, in relation to existing EU indicator programmes.
- Skills and Employment:
 - Upgrading Skills: upgrading skills at all levels (low-qualified, high qualified, older workers etc.); generating new skills to respond to the nature of new jobs; developing educational services (such as courses) for upgrading knowledge and skills of employees; developing lifelong learning opportunities: continuing education, access to training with non-formal or informal learning backgrounds etc. ensuring basic skills & developing transversal competences in order to adapt to changing society and the requirements of the labour market
 - Reduction of gap between skills demand and supply in wood sector: With regard to the carried out analysis the threat to the successful development of business is mostly posed by the lack of employees, especially in the group of qualified workers. Their training in the vocational education and training establishments is quite poor. On the other hand, even though the employment rate of workers on the market is twice as high as that of the specialists (including public servants). Therefore, it is recommended to change admission to the higher education schools requirements, i.e. some study programmes should be established with vocational education and work experience requirements.
 - Productivity growth: Reduces production costs and increases returns on investments, some of which provide greater income for business owners and investors, while some are turned into higher wages. The virtuous circle between productivity and employment is also fed through the investment side of the economy, when some productivity gains are reinvested

by a firm in product and process innovations, improvements in plant and equipment and measures to expand into new markets, which in turn spur further output growth and productivity.

- Skills assessment & Anticipation: improving anticipation of labour market and skills requirement; developing common methods and systems for anticipation of skills needs; identifying new types of jobs and skills in European wood sector;
 - Develop the right mix of skills: The right skills portfolio, employees are able to combine specific skills needed for a job with transversal ones by developing the integration of the key enabling competences such as creativity, innovation, entrepreneurship, and citizenship, in schools, in higher education and initial and continuous vocational education and training. Develop and provide tools for individual self-assessment. Encourage employers to co-invest and participate in the activities of education and training institutions.
 - Coordinating skills development policies with economic policies: Skills development policies and strategies need to be coordinated with and closely linked to industrial, trade, technology, macroeconomic and environmental policies to create a sustainable and dynamic development process.
- **Diversification**
- Attract more FDI: to attract more FDI is not so much specific individual measures but rather an attractive overall package. This should include additional spending on R&D, workforce training and skills, high-quality infra-structure, political and macroeconomic stability, and the containment of unit labour costs. All these actions should be integrated in the region and country strategy.
 - Energy prices: Price signals are important here, especially as energy-efficient manufacturing processes and products are increasingly becoming a key factor in international competition. What is ultimately clear is that the European Union needs to maintain the 'right' sense of proportion when making policy decisions on energy and climate change. Another striking aspect is that energy prices vary significantly even within the EU.
 - Tax policy: Avoid huge variations in business tax rates. Corporate tax rates are an especially important factor in determining a country's /region's appeal as a business location. It might make sense to offer greater tax incentives that specifically encourage research and development.
- **Public Private Partnerships (PPPs)**
- A shortage of capital: There is a finance gap for wood industry and in particular for the furniture sector in Europe. A major issue during the crisis was caused by banks being unable to roll over short-term financing. This means that governments should create the right conditions for the industry to succeed and in particular to help them to make the best use of national and European public incentives for industrialization.
 - Policy synergies: Government can influence both the demand and supply sides of the economy through regulation or grant giving for re- search on the one hand and through being able to allocate resources from taxation on the other. Policy makers might then ask whether demand and supply policies be used in synergistically to accelerate the new age of industrialization process in a particular area of the economy.
 - Geographical scale must be considered: In contexts where market failures may be persist as a result of asymmetries of information and where lack of entrepreneurial skills and inadequate financing expertise lead to thin markets, schemes that are administered and managed centrally are not likely to be successful in the short term or in the longer term as they will not create private institutional investing infrastructure.
 - An EU fund-of-funds for industrialization of traditional sectors: We suggest that an EU wide fund-of-funds for innovation, perhaps under Horizon 2020 SME instrument, may prove to be beneficial to both wood industry and the underdeveloped EU venture capital market.

4. WHAT ARE THE SOLUTIONS DEVELOPED BY PROJECT PARTNERS IN THEIR LAPs AND BEYOND?

The number of actions emerging from the LAPs reflects the extent of the strategic problems and challenges facing the vacant building in urban spaces and industry locally. Like any good plan or strategy, there is continuous engagement with stakeholders in order to ensure that they are aware of the emerging problems and solutions and are ultimately engaged into the process and the project. The actions that are being developed are tested against strict criteria to identify relevant bodies such as agencies, local and regional authorities and Government Departments whom could make resources available, and that there will

ultimately be a body responsible for the implementation of each action. Relevant funding bodies and new unconventional funding models are being explored and identified, to ensure that there are appropriate resources available to support the plan and its actions.

The solutions developed by the partners in their LAPs are set within the wider context and themes of the Wood FootPrint Project that includes:

- Abandoned Buildings
- Business Parks
- Public Private Partnerships
- Diversification
- Skills and Employment

Good examples of actions covering the different themes can be found in all Wood Footprint cities. For the theme *Abandoned Buildings*, the city of Yecla - Spain, is improving the Yecla furniture fair building, making the building modern, more functional and energy efficient, in order to increase the use of the building, which in this moment is one week per year, and open to other economic sector, such as tourism and wine. Paços de Ferreira - Portugal, did an important field work to map abandoned and vacant commercial buildings in the city urban area. For each building, the city builds a fiche with all relevant information about the actual conditions of the building. Based on this information, priority areas for public investment were defined in the city master plan. The city of Tartu – Estonia is retrofitting an old furniture industrial plant by creating new functions and usage for the area, linking by roads and walkways to town center. The city of Roeselare – Belgium it's a good example on how the original focus of the project can evolve to a wider intervention. The original focus was the renovation of the old brewery factory building. During the project several ideas come up for the building but during the LSG discussions it was clear that solving the problem of this building will not solve the problem of a wider area. This way the focus of the project moved from a focus intervention to the design of a Master plan for the entire area.

For the *Skills and Employment* theme, the main focus of the activities was to minimize the gap between student's education and the labour skills needed in the furniture industry. Actions Wycombe – England, Larissa – Greece and Monaghan – Ireland, developed new training programme through partnerships with local education institutions and industry with the goal to increase young graduate's employability in the furniture sector.

The *Business Parks* theme, the city of Lecce – Italy is applying Smart cities principles to the industrial area of Lecce, by reactivating the urban rail, broadband connectivity and central specialized services like waste treatment and others. The city of Viborg – Denmark, is retrofitting a brownfield of an old rail station to increase attractiveness to private real estate companies, planning public investments such as infrastructural equipment's like roads and a bridge but also public services like social care services. Paços de Ferreira - Portugal plans to extend the exhibition fair to other areas of the city creating a Showroom district. For that is necessary to make public investment on lightning, roads, sidewalks, changing transport corridors and creating green spaces.

Many of the Wood FootPrint cities agonized during the European crisis. There is a need for *Diversification* of economical tissue and open the cities to other business sectors. Roeselare – Belgium, through the "Flemish House of Food" is opening the region to agro-industrial business, Yecla – Spain, intends to explore the tourism, trough; culture heritage, gastronomy and wine sectors by branding the city and promoting abroad these local assets. Monaghan – Ireland, create a brand named Moonmake that intends to promote all local goods at regional, national and international level.

Most of the actions planned in the Wood FootPrint cities need a high commitment of privates. The establishment of *Public Private Partnerships* is crucial for a successful implementation of the actions. The city of Paços de Ferreira – Portugal, initiate during the project an integrated city branding plan to promote Paços de Ferreira as the European Furniture capital. In Monaghan – Ireland, the LSG will continue their work as the Irish Furniture Business Association, which a good example of cooperation between privates and public administration.

Each city integrated the LAP in their master plan and are searching for the financial resources for the LAP implementation.

5. IN WHAT WAY HAVE PROJECT PARTNERS INCREASED CAPACITY & SKILLS DURING THE LIFE CYCLE OF THE PROJECT?

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The added dimension, and real benefit, of this project is that there are 10 EU Partners who are looking for new and innovative ways of tackling the issues facing the abandoned industrial buildings in urban areas and on furniture industry in each of their respective countries. The sharing and learning of experiences between project partners is providing new innovative ways of tackling urban problems in the countries.

A key part of the URBACT method is the transnational exchange programme where representatives from each partner country visit each other during project development to exchange best practice ideas, share relevant case studies and develop new ideas within their own cities based on experiences and learning. The transnational exchange was considered the most valuable part of the project as the ideas and learning generated among partners is now being reflected in each Local Action Plan across the Wood FootPrint partnership. The focus is on providing local solutions to local problems.

For the cities staff that actively participated in the project activities, the URBACT Toolkit was of great value. The toolkit provided a range of methodologies and suggestions as to how particular problems or challenges may be addressed. The Project Team from all cities developed a draft methodology which was discussed and approved by the different Local Support Groups and then developed through a series of local meetings. All the Team members expressed their willing in continuing using the methodology on their local projects.

The impact of Wood FootPrint can also be measured by the capacitation of Local Support Group (LSG) members. A total of 120 organizations from 9 EU countries, coming from public/private, profit/non profit, business/research, engaged them self's in a journey to identify the key challenges facing the wood and furniture industry and attempt to explain reasons why business owners have left the industry and to what extent is the scale of the problem of vacant buildings.

Throughout the project duration, the LSG met several times to develop the URBACT methodology and define the challenges and solutions for the furniture industry in Monaghan. The LSG members were trained in Urbact tools, such as Stakeholders analysis, Problem Tree, Solutions Tree, and others, acquiring this way the competencies to play a central role in developing and guiding the project in their city. Seven out of 10 LSGs express the willing to continue in its existing capacity and have agreed to meet quarterly, review progress on implementation, and through continued communication with the Lead Expert, identify other funding opportunities to continue supporting the furniture industry and the wider local economy.

6. WHAT ARE THE FUTURE PERSPECTIVES AT PROJECT AND PARTNER LEVEL?

The Wood FootPrint network is very keen to build on the links it made during the project implementation and continue networking after the project ends. A funding strategy was developed to identify financial resources to support the implementation of the LAPs actions but also to support the transnational activities of the network. European initiatives like Erasmus+, Urbact III or Interreg are, among others, options to continue the transnational work of Wood FootPrint and enlarge to other cities that share our vision.

Also, bilateral actions are planned for 2015/2016 between some cities. For example; the cities of Monaghan (IR) and Yecla (SP) or High Wycombe (UK) and Viborg (DK) are planning actions to compare the implementation and results of their respective Local Action Plans.

7. AVAILABLE OUTPUTS

The main outputs of the project are:

- 5 Thematic Groups reports on "Abandoned Buildings"; "Skills and Employment"; "Industrial Parks and Entrepreneurs"; "Diversification" and "Public Private Partnerships".
- 9 Event transnational event reports;
- 5 Case study profiles – "Fabrica de Santo Thyrsó"; "Present and Future of EU Furniture Sector"; "Students Engagement in Cities Challenges"; "Providing Space for Business Enhancement"; "Skills and Employability for the Furniture Sector".
- Transferability toolkit – the main goal of the toolkit is to compile the main outcomes of the project in order to be used by other cities outside the Wood FootPrint network;
- Policy recommendations paper;
- Transnational benchmarking report to the city of High Point in the USA;

- 10 LAPs, one for each city partner.



Wood Footprint visit to Viborg – Denmark (June 2014)



wood Footprint visit to Viborg – Estonia (April 2014)

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

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