



**FIN-URB-ACT**

Integrated Urban Actions for Fostering and Financing  
Innovative Economies and SMEs

# Newsletter special edition

## *Cities and Managing Authorities a Pathway to Partnership*



### **Foreword**

Dear Reader,

*When we started the project FIN-URB-ACT three years ago our city partners have become pioneers in discovering new forms of administrative cooperation between municipalities and Managing Authorities of EU structural funds. Now, as the project nearly reached it's end, many of those partners report on their valuable experiences and progress on this topic - and it is not only them to profit. The project provided a great added value of experience also for their Managing Authorities. As a main result it can be stated we are further than three years ago and our partners and their Managing Authorities have proven that starting a common dialogue is possible.*

*As the creation of different forms of partnerships was one crucial working group within the project, we are happy to provide you this newsletter, as a special edition, particularly dedicated to this topic.*

*Moreover, FIN-URB-ACT reached its first political finalisation and presented part of its results and conclusions at a public conference held in Brussels on 9 February 2011 in the regional representative office of North Rhine-Westphalia. Thus, in this newsletter you will also find a detailed report, including the main recommendations and conclusions that were drafted during the conference with valuable support by the FIN-URB-ACT lead expert Patrick Fourquette and the URBACT expert Pauline Geoghegan and moreover derived from the exchange experience achieved during the entire project.*

*In a nutshell you will also find a brief description of our partner cities and the forms of dialogue and partnerships they have created during the last years. Additionally, we are happy to provide you with an exclusive interview with Ms Ana Abrunhosa, Member of the Management Board of the Operational Programs in Portugal and Mr Pedro Ferreira, the city councillor of our Portuguese partner City of Aveiro.*

Enjoy reading,

*Jonas Scholze*

FIN-URB-ACT project coordinator





# hot topic

## Cities and Managing Authorities Cooperation on eye to eye?

The initiation of different forms of cooperation between Managing Authorities (MA) and Cities are an important topic within URBACT and took consequently a vast role also during the FIN-URB-ACT project. Having commonly discussed difficulties and possibilities in creating this “tandems”, the partnership presented on 9 February 2011 in the representative office of North Rhine-Westphalia to the EU in Brussels the outcomes of this working group. Together with further experts, representatives and members from the EU Institutions, the public meeting “Cities and Managing Authorities – A Pathway to Partnership” aimed at summarising the conclusions. Nearly all FIN-URB-ACT partnercities participated with their MA and commonly presented their activities that have been done on this issue. After having presented some examples by the single cities, a panel discussion attended by Sabine Verheyen MEP, Alexander Ferstl from GD REGIO, J-L Drubigny, Head of the URBACT Secretariat as well as from the MA side Ms Ana Abrunhosa, Member of the Management Board of the OP in Portugal and Ms Luminita Mihailov, Director of the Regional Development Agency for the South East of Romania. The cities were represented by Giuseppe Panebianco from the city of Rome.



SME support requires strong vertical teamwork between cities and MA of the EU structural funds, it needs to be assured that those financial instruments and sources on higher level can be brought efficiently to local SME. The support scheme measures are generally not designed nor decided at local level. They are included in programmes managed at a regional or even national administrative level and cities at local level are not involved in implementing them. A varied bunch of reasons, why cooperation with MA and cities is mostly developed quite weak is that the relationship between cities and MA is traditionally rather unusual. On the other hand, there is a lack of respective manpower, time and human capacities so that MA can actively work with all local partners. Thus it is a challenging and rewarding process at the same time, but it opens new opportunities to the project and the defining of the Local Action Plans.

Within FIN-URB-ACT we have seen that there are various forms of cooperation depending on the composition of the administrative systems. It evidently shows the need to desist from one fits all solutions, as the administrative systems across Europe differs a lot.

Despite initial difficulties, the project has shown that starting a dialogue is possible and several “tandems” between MAs and Cities have been established at least through personal contacts. In order to reach sustainability it needs to be proofed on how these relationships can be institutionalised. The experience made underlines that cooperative dialogues cease to exist by personal changes due to elections or other reasons. Thus, the role of both partners has to be clearly defined and as further step the cooperation needs to be institutionalised, in order to obtain sustainability, this can be done by common agreements or the active involvement of the MA into the local support group, which brings a reciprocal added value for both sides. On the one hand the involvement of the MA through an official commitment is an asset in forming the Local Support Group and in creating the Local Action Plan. However, it shows, the an active involvement can not be compulsory, as the situation is too different within the single Member States and in many cases MA simply can not get in contact to each city, like in the German state of North-Rhine Westphalia . Consequently one further conclusion is that relationships should not be limited to solely one city. Speaking with one voice can tremendously ease the mutual dialogue for the MA as a grouping and coordination between cities and the departments within the cities contributes to a better co-ordinated exchange process between both sides and can contribute to a better LAP funding. Vice versa a deeper involvement of the MA into local matters provides a more targeted design of the next operational programmes, especially if there is a link in timing on designing the operational programmes and the composition of the local action plans of the cities. Thus, URBACT helped in fostering the integrated approach especially as it can be used as “alibi” to initiate a dialogue and to create a common sense and a new type of relationships which needs to be established step by step. But one thing is sure. We are much more advanced than three years ago.



**Exclusive Interview:**

*Pedro Ferreira, City Councilor of Aveiro and Ana Abrunhosa, Member of the management board of the Operational Programme of Portugal on partnership possibilities between Cities and MA*

**1. Ms Abrunhosa, Mr Ferreira where do you see chances and difficulties in cooperation between both administrative levels in Portugal?****Ms Abrunhosa:**

Chances in cooperation: better understanding and knowledge of the concrete reality, needs, challenges and opportunities, and the possibility of networking with other stakeholders. As a Managing Authority this know-how is an important input for a better decision making, and for building new policy instruments. For the actors in the field this is an opportunity for better knowing the Program's objectives and gaining acquaintance with the available incentives. Because this cooperation involves the networking between the stakeholders at the local level, this could be an opportunity for optimizing the available resources and avoiding the multiplication of initiatives in the same territories for the same problems. This cooperation can also provide a unique response for the final users of the projects' outputs. Difficulties in cooperation: This cooperation is very demanding for both parts. It demands time and specially human resources available to work in the cooperation process. Another important element for a good cooperation is a match between the municipality and the Program's objectives. If we can't find a common base of understanding the cooperation will be much more difficult.

**Mr. Ferreira:**

As mentioned by Ms. Abrunhosa, we believe that this closed cooperation is a great chance to better understand the MA Program's objectives and getting better knowledge of the incentives. But it is also a good opportunity to get acquaintance with other projects developed in the Region that can contribute to a better execution of our projects. The broad overview that the MA has of the Region and its projects, is a great advantage for the design of our strategy and implementation of our projects.

In fact the cooperation absorbs a great deal of time from our human resources, but we believe that it is extremely important to maintain this cooperation in different areas of work. It's a challenge to establish a common base of understanding and we intend to face that challenge, since we had a great experience and outcomes in the FIN-URB-ACT project.

**2. Ms Abrunhosa, do you see the creation of a Local Support Group in cities as an asset for MA's?**

Yes; I do. This would be an important source of knowledge and information about the local projects and initiatives and of the important actors in the field. This would demand an important effort in what concerns the governance of the cooperation network, but I am convinced that the gains would surpass the costs.

**3. Mr Ferreira it seems that this is an important criteria what are you planning to constantly establish the ULSG in your city.**

Yes. In regard with the Economic Development Strategy for our city, the LSG created within the FIN-URB-ACT will remain active, as it is a desire from all the 18 partners involved. Therefore on the 15th April we will sign a cooperation protocol that intends, not only to monitor the Local Action Plan of "Aveiro Entrepreneurial", but also to constantly integrate new actions and projects in order to better address the needs of our local SME and entrepreneurs.

It is also important to stress that the city of Aveiro intends to adapt this methodology in other local and European projects, establishing local Support groups, incorporating whenever it is possible the MA, in order to better define the strategy and projects that we intend to implement on different areas of work as Education or Social Care.

**4. What can you advice to cities that have no contacts in starting a dialogue between MA's and Municipalities?**

**Ms. Abrunhosa:** The first thing to do is to schedule a meeting with the MA, in order to present the city most important projects. The projects should be very concrete and their importance for the territory should be a guarantee for the MA. The concrete results of the projects should also be very clear. Another important step to establish the cooperation is to ask the MA the identification of a person to follow up all the process, the LSG meetings, etc.. This cooperation must be faced as a co-working process, in which both parties must be involved in an equal way and towards the same ends.

**Mr Ferreira:** It is very important for the MA to be available to dialogue and understand the needs of the cities, as it was the case with MA of Centro Region. On the other hand, the cities must also understand that the MA has a great knowledge on EU strategies and policies and can give very relevant inputs for the development of cities' projects. Cities must take the first step and be available to share project ideas, instead of projects that are perfectly established and in need for funding. The participation of the MA must come in the beginning of the process, and that can only occur if the cities invite the MA to be a part of it.

**Thank you Ms Abrunhosa and Mr Ferreira for this kind interview.**





## How FIN-URB-ACT cities initiated a dialogue and set cooperation with their MA

### A selection of examples in a nutshell:

#### Aveiro:

Aveiro has successfully prepared a comprehensive support package to foster the development of entrepreneurship which is called "Aveiro Empreendedor". This package comprises actions in the fields of fostering entrepreneurial culture and education, business incubation training and a comprehensive communication campaign. Aveiro could actively involve the Managing Authorities (Mais Centro) into the Local Support Group meetings and together they discussed and elaborated the production of the Local Action Plan. The strong commitment of both sides (MA and the LSG) with a strong leadership taken by the city acted as an asset that finally lead to a great success and Aveiro will receive funding from the ERDF to cover the local needs.



#### Galati:

The city of Galati was facing a situation with 3 MA t concerned by SME matters and they involved the 3 of them in their common discussions : the local representation of the Ministry of Economy for the OP on competitiveness of the economy, the regional administration for the implementation of the IROP (integrated regional operational programme consolidating nine regional sub-programmes at national level) and the regional representation of the Ministry of Environment protection for waste treatment unitwith the other members of the Local Support Group.The local action plan included a survey on loca:SME requirements that was used during the mid term evaluation of the operational programmes to redesign the support measure.

#### Gliwice:

Before the start of FIN-URB-ACT project Gliwice did not cooperate with Managing Authority on the field of entrepreneurship. FIN-URB-ACT gave an opportunity to start a cooperation between the City and the Silesian Centre of Entrepreneurship (a body created by Marshall Office responsible for redistributing structural funds dedicated for SMEs in the region) . Representatives of MA took part in Local Action Group meetings, were involved in LSG activities, and shared their experiences and expert knowledge with the City and all other members of LSG. Thanks to the involvement of MA in FIN-URB-ACT project the discussion on that issue and the plan of consultation on the next programming period is more open and conducted with broader involvement of local partners from the region.





### Rome:

Also for the city of Rome the situation was not easy in the beginning. There were various communication difficulties and rare cases of cooperation. Moreover there was a conflict of responsibilities. However the city of Rome has involved the Region of Lazio, which is in charge of managing the EU structural funds, into the Local Support Group by signing a letter of intent to support the project. Since, both institutions started to work together on several project activities on the subject of support to SMEs with a focus on small business projects and self-employment and the MA took a proactive part in the FIN-URB-ACT meetings. Finally an application for funding the Rome LAP is being prepared and a strong cooperation is foreseen in the future after the end of Fin-URB-ACT.

### Edinburgh:

Relations with the Managing Authorities have been good since long time but FIN-URB-ACT opened an opportunity to present projects in a more innovative way: for instance the East of Scotland Investment Fund (ESIF) combined innovative design in operational mode and innovative implementation of funds, through a good cooperation with the Managing Authorities. A consortium of nine local authorities in the East of Scotland replicated a successful proven model developed in the West of Scotland. The fund provides much needed debt finance for traditional businesses. Through the involvement of other local authorities the possibility was given to create a critical mass. Another example can be found in the implementation of ESF with the "Smart Exporter" procedure, built up from local level, extended to the whole territory of Scotland by opening partnership to other Chambers of Commerce and involvement of the Confederation of Local Authorities, fast tracked by the MA.



### Reims:

During the implementation of FIN-URB-ACT, the relationship with the Managing Authority has developed significantly. In fact FIN-URB-ACT was an incentive to associate the regional MA in the actions developed by the local support group CREA-REIMS. After a formal procedure of consultation by the City to the Regional MA, an agreement was signed between both parties. As a consequence, a representative of the MA attended the FIN-URB-ACT meetings regularly. Additionally several projects are now in preparation with the view of submitting them to European funding through the MA. Additionally, Reims is currently preparing an incubator on art and design with their higher school for art and design (Ecole Supérieure d'Art et de Design): the MA will be solicited to financially support the incubated projects. Also during 2010, for the first time, the MA organised several information seminars for the CREA-REIMS members on the existing possibilities for funding.



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## The FIN-URB-ACT network



### FIN-URB-ACT PARTNER CITIES:

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

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

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



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