

## MAIN THEMES

FIN-URB-ACT will focus on SME support for both **small scale entrepreneurs** and for **innovative economies and high-tech projects**. As these two target groups ask for rather different strategies from the public administration, the project will distinguish the discussions in two working groups.

- Addressing small scale projects, cities are able to take a frontline position in the support structures. As some cities are already active in this field, focus within FIN-URB-ACT will be laid on better targeting the entrepreneurs' needs and combining public and private support tools.
- In the context of support structures for innovative economies cities do not take a centre position. Rather, they can contribute to foster the linkages among the numerous active bodies.

Moreover, SME support is asking for **stronger vertical teamwork between cities and Managing Authorities of the EU Structural Fund Programmes**, to make sure that those financial instruments and sources on higher level can be brought efficiently to local SMEs. Main focus in this context is laid on the role cities can take to ease structures and fill missing links.



The optimisation of **communication and information** strategies will complete the cities' efforts. This is crucial, as not even the best support tool is able to work efficiently, if it lacks in visibility and publicity. Here again, the appropriate tasks and roles of the cities will be focussed.

## CONTACT

### Lead Partner

City of Aachen  
Thomas Fiedler  
Aureliusstraße 2  
52064 Aachen, Germany  
phone: +49 241 432 7625  
e-mail: thomas.fiedler@mail.aachen.de

### Thematic coordination

German Association for Housing,  
Urban and Spatial Development  
Sonja Gierecker  
Littenstraße 10  
10179 Berlin, Germany  
phone: +49 30 2061 3250  
e-mail: s.gierecker@deutscher-verband.org



Integrated urban actions  
for fostering and financing  
innovative economies  
and SMEs



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## BACKGROUND

**SMEs form the backbone of the economy in many European cities.** In many of them, the economy is traditionally based on small companies. But also old industrialised regions with structural changes, in former times marked by huge industrial companies, lay now a much stronger focus on qualified SME start-up and development.

However, for starting up and growing their business, SMEs and innovative enterprises do need a supportive environment on local level. Especially the **access to necessary financial capital** is a challenging aspect in this context.

Of course, SME support is not a new phenomenon. There are several institutions – both public and private one – active to support their local enterprises. Also on national and European level strategies and instruments are developed to support SMEs.

The support tools are numerous and include **financial and non-financial tools**. It is crucial to combine these two elements and make sure that the financial instruments like micro-credits or loans are intelligently linked on local level with non-financial instruments such as business plan support, legal advice or incubators.

But the European cities show rather different levels of progress: While some cities are currently preparing the basic instruments, other cities are more advanced and face now the challenge to develop complementary tools and orchestrate single actors – to avoid a confusing support environment for the single entrepreneurs.

The European project FIN-URB-ACT will start from this background and wants to work out more efficient approaches and tools for improving SME and innovative enterprises' support. Special focus is laid on the role of cities in facilitating and fostering access to finance for innovative SMEs and start-ups.

## WORKING IN PARTNERSHIP

FIN-URB-ACT has the main conviction, that successful and efficient SME support is based on a **broad local partnership**. The idea is to coordinate the different actors with their instruments to better meet the needs of the different targeted enterprises. Important stakeholders in this context are public bodies, chambers of commerce or crafts, universities and further research institutes, development agencies, consultancies, SME associations and financial institutions. The involvement of banks is of special value when tackling the challenge of easing access to finance.

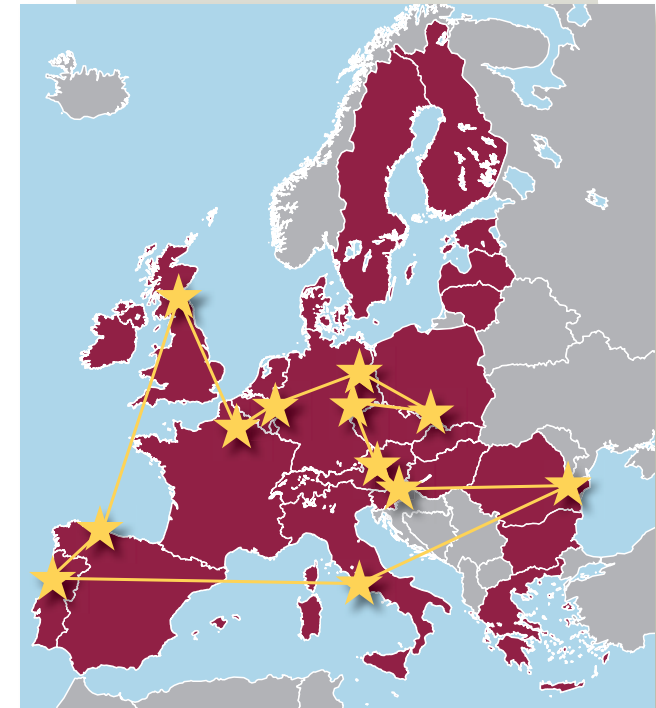


As the partnership approach is a crucial element for supporting SMEs and innovative enterprises, it also forms the basis for the FIN-URB-ACT work.

The project is based on two levels,

- On local level, the FIN-URB-ACT cities will set up or strengthen these local partnerships. Within these partnerships they will develop and improve their support activities and will develop concrete instruments.
- On European level, the cities come together to exchange their know-how and experiences and jointly design new approaches to support their local entrepreneurs.

The FIN-URB-ACT partners will also involve the Managing Authorities of the EU Structural Funds Programmes in their local actions and the discussions on European level, to better tackle the aspect of triggering down existing financial sources from regional level to the local beneficiaries.



### 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)