



**FIN-URB-ACT**

Integrated Urban Actions for Fostering and Financing Innovative Economies and SMEs

# Conclusion paper Managing Authorities Meeting



**European Union**  
European Regional Development Fund

Connecting cities  
Building successes



# Cities and Managing

## Authorities a Pathway to

### Partnership

#### Political Discussion in

#### Brussels on 9 February 2011

**Overview of the Event:**

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 partner cities 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 Portugal and Ms Luminita Mihailov, Director of the Regional Development Agency for the South East of Romania. In the panel, the cities were represented by Guiseppe Panebianca from the city of Rome. Valuable Expertise was provided by the FIN-URB-ACT Lead Expert Patrick Fourquette, the URBACT thematic expert Pauline Geoghegane, Birgit Nikles, MA from the City of Vienna and Wilco van Kalkerren, from the province of Gelderland.

**Thematic Discussion pointing the challenge:**

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.

One important precondition for a successful implementation of common projects that was addressed in particular by Wilco van Kalkerren is to clearly define the role of both partners. A partnership between the Managing Authorities and Cities should not be regarded as an asymmetric administrative construction; moreover both partners should cooperate on eye to eye level. In this respect the URBACT approach helped to develop a different view in starting to actively involve the MA into the networks in order to commonly develop projects in an equal partnership, where the role of the MA is to open the door for the cities to EU by building the bridges to the structural funds.

Within FIN-URB-ACT it was possible to show, 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.

**City of Aveiro (Portugal):**

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 led to a great success and Aveiro will receive funding from the ERDF to cover the local needs.

### **City of Galati (Romania):**

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 unit with the other members of the Local Support Group. The local action plan included a survey on local SME requirements that was used during the mid term evaluation of the operational programmes to redesign the support measures.

### **Gliwice (Poland):**

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 (Italy):**

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 (UK):**

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 (France):**

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.

### **Summary of the discussion:**

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 that 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.

### **Additional conclusions by Pauline Geoghegan summarising the workshop on Managing Authorities of the URBACT Annual Conference on 27 November in Liege (Belgium):**

The initial situation of URBACT was to actively involve the MA into the projects. Thus 120 MA across Europe officially declared their intent to take part in URBACT projects. As mentioned before it is a challenging task. Despite being able to provide a substantial support to the project partners it is a challenging process of binding MA into the networks, due to their different role and as mentioned above also their lack of resources and capacities in particular in regions presenting several cities joining the URBACT programme which, however varies in the different EU member countries. This it might help in the future to provide also more workshops dedicated to representatives of the MA in order to provide a platform for mutual exchange. The positive aspects for the MA was that they were involved in the LSG and received valuable ideas for the future programme priorities by having the possibility to cooperate with the URBACT cities. However on the other side challenges can raise in terms of clarifying the purpose/objectives of the MA, the competition for the funds, following distant cities and in particular to clarify that funding not automatically guaranteed for successful Local Action Plans. These difficulties can be tackled by an involvement of cities into the design of the OP, or intermediate bodies, to overcome the problem of distances and a better understanding of the local needs.

## **Catalogue of Conclusions by FIN-URB-ACT partners and the lead expert Patrick Fourquette:**

- **The relationship between Managing Authorities and the Cities are sometimes based on personal contacts. In order to establish a lasting cooperation, forms of institutionalisation has to be considered**
- **Relationships should not be limited to just one city, this can be eased by collection several Local Authorities to a network or cooperation. This form of collaboration eases the funding of ERDF from the Managing Authorities**
- **Participation of Managing should not be compulsory but is clearly an added value of the project**
- **Finding a general theme, where integrated approach makes sense**
- **Strong leadership by the city including political commitment should lead to an MoU (official participation into the local support group)**
- **Cooperation is beneficial for both parties (backed by an official communication)**
- **The cooperation between both sides is a possibility for the MA to adopt innovative procedures for urban development (territorial contracts)**
- **Capacity recognition for the role of the Managing Authority to give a critical mass to local actions by involving other cities.**
- **Identifying Managing Authorities and intermediate bodies build capacity in municipalities to work with structural funds**
- **Promote the role of brokers with the Managing Authorities**
- **Put emphasis on the importance of dialogue between municipalities and Managing Authorities**
- **There is a need to simplify bureaucracy in procedures to involve Managing Authorities**

## 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 181 cities, 29 countries, and 5,000 active participants

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