

## **SRN WORKSHOP – THE PARTNERSHIP DIMENSION**

**TAMPERE, FINLAND 7 SEPTEMBER 2006**

### **GOOD PRACTICE IN USING DIFFERENT FUNDS**

The SRN partners have experience of a range of different EU and domestic regeneration programmes. The aims of this workshop were to explore the use of these different funds, to identify partners' good practices in accessing and managing funds in an integrated way, and to consider some transferable elements.

#### **Using different funds in Tenerife**

**Maria Teresa Manescau, Sociedad Desarrollo de Santa Cruz de Tenerife**, reminded partners of the situation in Tenerife as regards Structural Funds and the role and functions of the Sociedad, a local development agency. Legally part of Santa Cruz de Tenerife city council, the agency provides the city with its European service, but plays no part in the management of EU funds. Involvement in the INTERREG IIIC RFO MODELE, in which the agency represents the Canary Government, is an exception.

Examples of projects assisted by the agency are the ERDF-funded renovation of Garcia Sanabria Park and the ESF-funded NERTA project providing training and work experience to university and vocational training school graduates. The Sociedad de Desarrollo has also been involved in projects funded by INTERREG IIIB (MAC, Atlantic Area and SUDOE), INTERREG IIIC and other EU programmes such as Leonardo, URB-AL and E-TEN. An example from each programme was described. The agency selects projects to fit the strategic objectives of its departments and the municipality and regrets the lack of interest in EU projects from many municipal officials who see this as extra work.

For 2007 –2013 some changes are expected. The Canary Islands will not be included in the new Atlantic Space and SUDOE transnational cooperation programmes. This may be disadvantageous for local organisations, which have not so far been consulted on future programming despite their considerable experience in EU projects.

#### **Good practices in using different funds – a view from Tampere**

**Kai Hintsanen**, Senior Lecturer at **Tampere University of Applied Sciences** and a consultant to Tampere City Council, explored some issues in project development, drawing mainly on experience of European projects in Finland since accession to the EU. While funds available for projects can support activities outside an organisation's normal activities, overlapping requirements of different funds and the demands of the EU system are barriers to increasing participation. In Finland, project developers try to access domestic or Nordic budgets before turning to EU funds. However, EU money has encouraged both a participatory approach new to Finland and the emergence of new networks. Tampere's Hervanta Objective 2 programme demonstrates some good practices in the management of a portfolio of projects.

In general, deficits in project management skills, lack of integration of European project work into the main activities of the organisation and imprecise project objectives are all threats to effective project outcomes. Major challenges are ensuring long-lasting results and added value (a concept poorly understood, especially at senior level), and insufficient dissemination of project results. Comprehensive project planning will help to address these shortcomings. Also recommended are, for example, team building amongst partners at the start of a project, the involvement of appropriate technical or other specialist professional staff in projects, establishment of a technical assistance budget to support project development in the sub-region and setting up a support resource for community organisations so as to broaden participation.

**Jukka Alasentie** gave a view from the perspective of the **Tampere region**. Substantial EU resources are available, notably Structural Funds. There are also national budgets like the Programme for Regional Centres, and Tampere has funds of its own. An integrated strategy is now required to make the best use of these various resources. External stakeholders need to be involved in the strategy formulation process in order to establish a common vision and key strategic goals before looking at the funding possibilities.

In practice, using different funds also means having enough competent stakeholders to do projects. In this context the quality of informal networks is one of Finland's main strengths, along with the ability to solve problems through informal discussion. Finnish municipalities have a strong role in defining required activities, and use of local match funding sources gives them a large say. However, municipalities are keen to move away from individual, short-term projects to the use of structured, multi-annual programmes over 3-5 years.

### **Good practice in using different (European) funds - Lille Métropole (LMCU) experience**

**Sabine Germe** gave an overview of the significant EU funds secured by Lille Métropole during the period 2000-06. The focus is on ERDF, reflecting the technical functions of LMCU. However, there is no devolved management of ERDF in France except in the case of URBAN, for which Lille is no longer eligible, despite successful management of an URBAN I programme in 1997-99. Instead, Lille Métropole is a major beneficiary of Objective 2, while the city's urban development agency participates in URBACT projects. Lille's closeness to international borders has boosted engagement in INTERREG III. Since 2000 LMCU has also been responding to European Commission calls for proposals, accessing mainly the research Framework Programmes, LIFE Environment and the Community Framework for Cooperation to promote Sustainable Urban Development. EIB loans have been obtained for large-scale urban infrastructure, and Lille expects the use of these to increase in future through instruments like JESSICA.

Comparison of time and effort necessary to obtain and implement projects against financial profitability of different programmes demonstrates, for example, that EC calls are not an effective source for financing local delivery but they can be a valuable means of marketing the city locally, nationally and at European level, and an opportunity for institutional learning. Through such projects Lille has expanded its use of public private partnerships, an area in which France has lagged behind some other EU countries. Two case studies demonstrated Lille Métropole's use of different EU budgets to progress local strategic objectives. The replacement of all buses with biogas-fuelled vehicles has been in progress since 1994, with complementary projects co-financed through, for example, THERMIE, INTERREG IIIB, Objective 2 and the Research Framework programmes. For urban regeneration, LMCU has implemented both Objective 2 and INTERREG projects.

In future Lille expects decreased availability of ERDF resources in the Competitiveness and Employment Programme, with no sub-regional delivery of an urban priority. Territorial cooperation funds, especially for cross-border cooperation, will become more important, and a cross-border agency established to deliver them. Use of EC calls will be highly selective and related to Lille's efforts to build links with EU institutions. Lille will also set up a project development support fund at regional level. The remit of the regional office in Brussels is currently being changed to enable greater support for project development and access to different funds.

Lille Métropole has not made a comprehensive evaluation of all of this activity, nor has a formal strategy been established. Instead, the approach has emerged incrementally over 10 years of work. A long-term strategy is now needed, both to develop cooperation and to achieve the best combination of available EU resources to meet identified policy goals.

## Conclusions and good practice/transferable lessons

Discussion focused on moves towards development of an overarching strategy for the use of different funding sources in other SRN partner localities, notably Turku, Cumbria and Modena. Issues raised included whether different funds can be used 'in sequence', for example to support first research, then demonstration, then general implementation of a policy solution (Cumbria, Finland); when it may be useful to put together a package of different funding sources to support a range of targeted actions in a local area (Modena); and whether tripartite contracts would be of value in achieving alignment of EU, national and regional/local strategies (France).

Partners also considered sources of financial support for project development and the role of international departments, or specialist European staff, of sub-regional organisations in supporting project development and brokering projects in line with regional policy objectives. Brussels offices of sub-regional or regional organisations might also play a role in project development or the management of EU funds.

Partners agreed that sub-regional organisations should :

- **Develop a sub-regional strategy for making effective use of all available budgets for regeneration.** In general it is better to establish a strategy and then seek funds for its implementation rather than being driven by funding opportunities.
- Use these strategies to **try and shape/influence what is available in future EU programmes.**
- Make an effort to **involve appropriate technical officials in EU-funded projects**, ensuring that projects are grounded in the main functions of the organisation. 'Ownership' of the project by the right staff will help to improve professional standards and delivery in these technical areas.
- **Establish a technical assistance fund for the project-planning phase.** Thorough planning helps to improve project quality.
- **Be more aware of the scope of INTERREG (and in future the EU Territorial Cooperation objective) as a resource for both capacity building and financing for local investments and activities.** There is especially a need for those responsible for mainstream Structural Funds programmes to be more aware of the relevance of inter-regional cooperation.
- **Use a sub-regional strategy for the use of different funds as a framework for the application of various policy tools relevant for programme management and delivery.** SRN partners can now begin to put together an 'ideal' management system drawing on experiences and approaches described in previous workshops.