

Poznań, Poland

BACKGROUND INFORMATION	
PROJECT TITLE	JESSICA – a tool for efficient revitalisation
Beneficiary	Poznań municipality for ERDF and ESF grants. Private sector beneficiaries for JESSICA.
Duration of project	Urban Regeneration Programme since 2005. JESSICA since 2011. JESSICA submissions up to 2015. Continuously in operation, at least 20 years.
Member State	Poland, Wielkopolska region, Poznań
Geographic size	Poznań 567 900 inhabitants, area 262 km ² FUA – 919 000 inhabitants District of Śródka with adjacent grounds – approx. 1 km ² , 2 500 inhabitants District of Jeżyce – approx. 0.3 km ² , 9 000 inhabitants
Funding	JESSICA for the region: €50m ERDF, €15m government of Poland, after 2 years of operation total budget approx. €70m, approximately 30% already allocated. Deadline for allocations: 2015
Operational Programme	JESSICA instrument – agreement between the board of Wielkopolska region and European Investment Bank. Other activities described in Poznań case – Wielkopolska Regional Operation Programme (RPO WW) priority 1 point 1.4 ('innovations') or priority 4 point 4.1 ('revitalisation')
Managing Authority	Managing Board of Wielkopolska Region – both for JESSICA and Wielkopolska Regional Operational Programme 2007-2013. Bank Gospodarstwa Krajowego BGK (JESSICA-FROM),
Cohesion Policy Objective	Convergence
Main reason for Highlighting this case	JESSICA is a repayable financial instrument whose role may increase in the new EU programming period. Wielkopolska was the first region in Europe to introduce this new instrument. The call for applications for the JESSICA loans opened in October 2010. Nominally they could continue to the end of 2015. But already after 18 months of the JESSICA action in Wielkopolska region 30% of resources have been allocated, through signing contracts on 6 projects, two of which are in Poznań. The experiences of these pioneer activities may be useful for other cities.
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1. PROJECT DESCRIPTION	
Overall objective / goals	JESSICA is a useful financing instrument for cities advanced in regeneration processes. It supports the co-operation of public and private sectors in common regeneration projects, which is one of the basic conditions for the effective transformation of deprived urban areas. But the assistance is focused on projects that are bound to bring profit. JESSICA may help cities to develop in times of reduced subsidies and might be also a unique opportunity for private developers who are not eligible to benefit from EU funds. In Poznań JESSICA became a natural continuation of the previous urban renewal projects.
Description of activities	<p>Urban renewal projects in Poznań have so far been focused on the historical central areas with strategic importance for urban development. They succeeded in involving local communities, NGOs, businesses, artists, local parish and media – as local stakeholders. The Urban Regeneration Programme has selected the pilot district of Śródka – as an ‘experimental laboratory’ both for citizens and for the city administration. Over several years Śródka was successfully transformed and reintegrated with the city, being previously the most neglected city district. The Śródka case has shaped the process of transformations in the whole city. The municipality has decided to widen partnerships for development, particularly with private businesses, and to involve them in the development processes.</p> <p>JESSICA has occurred as a reasonable financing solution to achieve these goals. But it needed a precise demarcation line between zones where the further revitalisation will be driven by public resources, and zones where investments will be private. This paved the way for new projects which used the experiences of the pilot phase with the increased involvement of private resources.</p>
Recipients	<p>Directly:</p> <ol style="list-style-type: none"> 1. The Poznań Technological-Industrial Park in the Dębiec district. An investor in the park is the Wielkopolska Centre for Support of Investments, a private limited company created and entirely owned by the City of Poznań. The JESSICA loan will enable the construction of ‘segment B’. 2. Podwale Office Centre – a private investment with a JESSICA loan. The project has fulfilled the strict qualification criteria, and will modernise and adapt a rundown industrial park for service and office purposes. <p>Indirectly: local entrepreneurs, businesses, inhabitants</p>
Mainstreaming of gender equality and non-discrimination	Mainstreaming of gender equality and non-discrimination were taken into account according to the law and the ERDF rules. Operations are undertaken with no discrimination of any kind. They directly develop the urban structure of the city and the region. Some of the activities are focused on social and gender equality issues, and some focus directly on handicapped social groups. Most initiatives and actions in their social sphere are targeted on social exclusion, or the increase of professional activity.
Intended outputs and results	The first JESSICA project – Poznań Technological-Industrial Park in Dębiec – started with the adaptation of the old administrative and social buildings. In 2010 they began the construction of the new five-storey versatile, fully-equipped office building – ‘segment A’. Its two storeys will contain the incubator part of the park, and the remaining storeys the technological part. This project was financed within the framework of the regional operational programme. The JESSICA loan will enable the construction of ‘segment B’, with a floor area 5 500 square metres and consequently the finishing of the whole infrastructure of the park.

	<p>The second project in Poznań which received JESSICA support was the 'Podwale' Office Centre, situated directly behind the historic district, close to the railway. The project's goal is the modernisation and adaptation of disused industrial parks for service and office purposes.</p>
<p>2. POLITICAL AND STRATEGIC CONTEXT</p>	
<p>National and regional framework for implementing ERDF funded urban development projects</p>	<p>As a result of joining the European Union, Poland benefited from EU financial assistance, starting with the pre-accession funds. Later, after 2004, as 'cohesion' Member State, Poland became one of the main beneficiaries of the Structural Funds, for both infrastructure and human capital. Nevertheless it was clear that the financial assistance from the EU would gradually diminish. So, the idea of this new financial mechanism of EU support has been interesting from the very beginning when JESSICA appeared.</p> <p>No wonder that the city and regional authorities, as the first in Europe, decided to introduce this new instrument.</p> <ul style="list-style-type: none"> • In October 2008, the regional authorities signed a memorandum of understanding with the European Investment Bank. Based on this the MA was appointed – in Poznań's case it is the regional authority. • After nearly six months of negotiations, on 29th April 2009 the funding agreement was signed between the MA and the EIB for more than €66 million. • In the second quarter of 2009 the holding fund (EIB) was created and the agreed funds were transferred. • In spring 2010, the European Investment Bank launched the selection of the Urban Development Funds, whose task is to disburse funds through financial engineering instruments in the form of repayable investments in public-private partnerships or other urban regeneration projects. • Finally the Bank Gospodarstwa Krajowego (BGK) was selected as the UDF for Wielkopolska Region, including the city of Poznań. <p>In Poznań JESSICA was particularly earmarked for regeneration projects. The initiative was implemented under two measures of the Wielkopolska regional operational programme. Wielkopolska was the first Polish region to implement JESSICA in the framework of its regional operational programme.</p>
<p>The planning context</p>	<p>The first Urban Regeneration Programme for Poznań, which was prepared in 2005, and was adopted by the City Council on March 2006. It focused on the historical central areas with strategic importance for urban development. It forecast the involvement of local communities, NGOs, businesses, artists, the local parish and media as local stakeholders. This programme chose the pilot district of Śródka – as an 'experimental laboratory' both for citizens and for the city administration.</p> <p>The second edition of Poznań's Urban Regeneration Programme opened new financial possibilities as a consequence of Poland's accession to the European Union. In two later amendments, new areas were added which could be supported by the new operational programmes implementing the European funds, especially the ERDF. First of all the post-industrial and post-military estates were taken into account according to the priorities of the regional operational programme (WRPO). All changes were supported with wide social consultations.</p> <p>In 2011 the previous amendments were consolidated in the form of the third edition of Poznań 's Urban Regeneration Programme. After long consultations it was accepted by the City Council in April 2012.</p> <p>Areas subject to revitalisation embraced about 10% of the city. The programme tries to encourage inhabitants and businesses to join in the process of the city's regeneration. It has divided areas of activities into</p>

	<p>categories, depending on the manner in which the transformation activities could be financed. The areas in which actions may be undertaken first of all by the municipality are strictly separated from the areas where the development will depend almost exclusively on private funds.</p> <p>Zone A: The programme has defined only two city centre areas which would be subject mainly to public budget support: Śródka and Jeżyce. This is 'zone A' – the rundown urban areas that are supported by systematic revitalisation actions – activating and integrating communities and implementing communal investment projects.</p> <p>Zone B: In the 'zones B' the revitalisation has to be financed mainly through the JESSICA loans. These are also rundown urban areas, in this the post-industrial and post-military ones, where revitalisation can be supported first of all by the JESSICA initiative, through selected investments, accompanied by social activities. The classifications of the 'zone B' areas were made in compliance with the JESSICA methodology:</p> <ul style="list-style-type: none"> • 'zone B1' – urban areas for which the support of revitalisation under is possible, except housing; • 'zone B2' – urban areas for which support for housing as revitalisation undertakings is eligible. <p>Three other zones are focused on support for regenerative undertakings in post-industrial and post-military estates:</p> <ul style="list-style-type: none"> • 'zone B3' – areas of potential revitalisation actions within the town centre, agreed by the municipality; • 'zone B4' – areas proposed by external subjects; • 'zone B5' – areas and remnants of the historic 19th century defences, situated outside the centre – 30 such areas and 36 single objects are defined. <p>The programme contains the indicative list of areas forming particular zones, and these lists will be continually updated.</p>
3. IMPLEMENTATION	
<p>3.1. PROJECT DESIGN AND PLANNING</p>	<p>For a city which intends to realise a huge programme of urban regeneration it is very important not to burden the budget with too many permanent liabilities. JESSICA projects guarantee that they will not become an unexpected budgetary load. JESSICA supports the co-operation of public and private sectors in common regeneration projects, which is one of the basic conditions for effective transformation of deprived urban areas. The JESSICA procedure guarantees the durability of the approved projects and their profitability for investors.</p> <p>With the beginning of the present decade the Poznań municipality has succeeded in interesting private businesses in playing an active role in the development processes, and in the revitalisation of abandoned industrial buildings. This is how the 'Old Brewery' artistic-shopping centre came about, recognised at that time as the best medium-sized commercial centre in the world. Together with another mall built a little earlier in the city centre, it significantly contributed to the dynamic development of the area, especially close to Polwiejska street. The municipality and the regional authorities decided to continue these positive experiences with the new financial instrument – JESSICA.</p> <p>Since September 2009 together with the JESSICA managing authority (on regional level) the guidelines for Integrated Plans for Sustainable Urban Development were developed. It then became necessary to update the existing Urban Regeneration Programme for Poznań in line with the JESSICA requirements. In March 2010 the programme, including post-industrial and post-military areas, was approved. The JESSICA instrument was introduced in Wielkopolska as a source of financing for regeneration</p>

	<p>activities, in the framework of the Wielkopolska regional operational programme (WROP) managed by the Marshal's Office of the Wielkopolska Region which was also the managing authority implementing JESSICA. The majority of activities financed with this instrument were covered by the 4th priority of WROP, measure 4.1. – regeneration of urban areas, and some of them by 1st priority, measure 1.4 – support for undertakings linked with the regional strategy for innovation; scheme 3 – business environment in urban areas.</p> <p>The risk associated with the projects is being minimised through the JESSICA loans banking procedure. The assistance is focused on projects that are bound to make a profit. Private sector bodies which undertake investments have to obtain the municipality's recommendation for JESSICA financing. These recommendations reduce the functional risk of the projects and are fundamental in the JESSICA procedure, where they play the role of the primary condition.</p> <p>The projects take into account sustainability and exploitation issues according to building regulations and JESSICA rules. In particular the energy efficiency issues are included. The main investments are on brownfield sites, to recycle post-industrial or post-military areas.</p> <p>JESSICA assistance is focused on projects that are bound to make a profit. However under commercial conditions (through bank loans) many of the urban projects would not receive financial assistance, because they are not highly profitable, as they are trying to satisfy different public and private needs. An essential for the attractiveness of the JESSICA loan is the 'social indicator'. Due to this factor his bank can significantly lower the interest rate – from 4.75% down to 2.75%. It all depends on the share of the social targets included within the project. JESSICA might also be a unique opportunity for private developers who are not eligible to benefit from EU funds.</p> <p>All JESSICA investments are accompanied by the city's Urban Regeneration Programme, which is co-financed by ERDF and ESF. In the organisational structure of the municipality the Department of Revitalisation is part of the Office for Co-ordination of Development Projects. Its task is not only professional planning but to keep in constant contact with districts' communities and with NGOs. This is this unit which prepares the Urban Regeneration Programmes. The locations of operations financed from the city budget began to depend on the intensity of bottom-up initiatives undertaken by local communities.</p>
<p>3.2. MANAGEMENT, MONITORING AND EVALUATION SYSTEM</p>	<p>The basis of JESSICA's implementation is the memorandum of understanding (see section 2 above).</p> <p>The JESSICA managing authority (on regional level) has prepared the guidelines for Integrated Plans for Sustainable Urban Development. Thus on the local level it is necessary to prepare or to update the existing Urban Regeneration Programme in line with these requirements. This programme including post-industrial and post-military areas was approved by the city council of Poznań. The Wielkopolska JESSICA instrument for financing regeneration activities is implemented in the framework of the Wielkopolska regional operational programme (WROP) managed by the Marshal's Office of the Wielkopolska Region which is also the managing authority implementing JESSICA.</p> <p>The team for the management of JESSICA project is selected by Bank Gospodarstwa Krajowego (BGK) acting as Urban Development Fund for Wielkopolska Region. The basis for this is the contract between BGK and holding fund which is a unit of the European Investment Bank.</p>

	<p>JESSICA application are assessed and approved by the Investment Committee, appointed by the Urban Development Fund – Bank Gospodarstwa Krajowego (BGK).</p> <p>Bank Gospodarstwa Krajowego (BGK) was selected as JESSICA's Urban Development Fund for Wielkopolska. BGK is Poland's only state-owned bank which provides banking services for the public finance sector, in particular through the support of the government's economic programmes, as well as local government and regional development programmes implemented with public funds, including those of the European Union. Monitoring of the project's outputs is done according to the bank's procedures.</p> <p>The third Urban Regeneration Programme for Poznań, which was accepted by the City Council in April 2012, has defined distinct zones for primarily public or primarily private intervention (see 'The planning context' in section 2 above).</p> <p>The municipality issues a certificate to the Urban Development Fund managing JESSICA. This certificate starts the project's verification procedure. Within the municipality is the Steering Committee for the strategic priorities of the city, consisted of the heads of the municipality's most important organisational units. The Office of Co-ordination of Development Projects acts as the permanent secretariat of the committee. In its structure there is the special Department of Revitalisation which monitors the whole process of city's revitalisation, including JESSICA's progress.</p> <p>The JESSICA procedure guarantees the durability of the project and its profitability.</p>
<p>3.3 GOVERNANCE: PARTNERSHIP, PARTICIPATION AND EMPOWERMENT</p>	<p>The JESSICA structures were founded to run the repayable fund for Poznań and its region. Their basis is the memorandum of understanding and the funding agreement, both signed by the regional authority as the JESSICA managing authority and the European Investment Bank.</p> <p>The municipality has designated 29 potential areas for revitalisation, which it regards as especially important for the development of the town, but they have addressed them to private subjects. Simultaneously external stakeholders have submitted 350 proposals for 'zone B4' which were then assessed in terms of compatibility with the JESSICA criteria. Finally 16 areas were included in 'zone B4' of the Urban Regeneration Programme. Private sector bodies which undertake investments in these areas could obtain the municipality's recommendation for JESSICA financing.</p> <p>The locations of operations financed from the city budget depends on the intensity of bottom-up initiatives undertaken by local communities. Also the organisational structure of the municipality offices was improved to react better to local needs.</p> <p>The Urban Regeneration Programme for Poznań was prepared with wide social consultations – meetings took place in all potential main areas of the regeneration actions.</p> <p>The indicative list of projects remains open –new proposals could be added after their verification by the Department of Revitalisation. The municipality encourages private investors to join the programme.</p> <p>Wielkopolska was the first region in Europe to use the JESSICA instrument. The JESSICA action in Wielkopolska is innovative on the European scale – such a high level of interest in large investment projects has not yet been seen in other regions. Thanks to all its efforts Poznań is prepared for effective action in the future –its experience with JESSICA projects will pay off significantly in the next EU programming period, when the share of</p>

repayable financial instruments will increase.

4. INNOVATIVE ELEMENTS AND NOVEL APPROACHES

4.1 INNOVATION

Poznań municipality, together with the whole region, is the first in Poland to use the new financial instrument JESSICA. That is why all these experiences and the way they achieved the first concrete results should be assessed as innovation.

Poznań is the capital of Wielkopolska region – one of the most developed regions in Poland. In the first decade of our century the European funds helped to bring about many important infrastructural investments. Poznań municipality also succeeded in interesting private business in the revitalisation of abandoned industrial sites. The limited public resources for regeneration projects means that the municipality together with the whole region turned towards the new financial instrument – JESSICA.

Poznań is one of the leaders among Polish cities in urban revitalisation – its Urban Regeneration Programme was often presented as the model example of smart approach towards regeneration including all the infrastructure and socio-economic factors. The Śródka district was successfully transformed and reintegrated with the city, as a pilot project of the city's regeneration programme. To maintain the high efficiency of public expenditures, the municipality introduced a precise demarcation line between zones where further revitalisation would be driven through public resources and zones where investments would be private. The whole process of division of tasks between public and private sector, then the process of designating potential projects by placing them on the indicative list, and finally the rule of 'recommendations' for JESSICA financing is completely unique and was done for the first time in Europe. For the time being there are no more examples of this size in any other town or region.

The Urban Regeneration Programme has defined only two town centre areas which would be embraced mainly with the public budget support: Śródka with adjacent grounds (approx. 1 km², 2 500 inhabitants) and Jeżyce (approx. 0.3 km², 2 900 of inhabitants). This is 'zone A' – rundown urban areas, supported by systematic revitalisation actions – activating and integrating communities and implementing communal investment projects. In this zone the developmental activities will be driven as now, based on public grants. The 'Zones B' are also rundown urban areas, in this case the post-industrial and post-military ones, but revitalisation can be supported there first of all by the JESSICA initiative, through selected investments, accompanied by social activities.

JESSICA's specific character is as a banker's proxy. This means that details of the applications as well as specifications of the accepted projects are covered by a kind of confidentiality. This complicates the dissemination activities and makes them mostly general, without clear examples from practice. As a result there were many misunderstandings especially in the initial phase of JESSICA's implementation, when there were no European examples of how it works. JESSICA can be seen as an experimental programme. This situation led to limited trust among different actors in the whole process of the regeneration with repayable financial instruments. In particular the municipality experienced the JESSICA procedures as limitations of their influence on the profile of the regeneration in the particular place. But as time has gone by, it has come to recognise that the city's benefit lies in the possibility of engaging private resources, and it should not be envious of ideas that were not thought up in the city's structures. The system of verification of raw proposals from the private sector was introduced, and the list of proposals quickly grew to 350 items. Only a small proportion was accepted, but the municipality has learnt that it is advantageous for them to be more open – even to unexpected

	<p>proposals.</p> <p>The Urban Development Fund operated by Bank Gospodarstwa Krajowego (BGK) carried out many promotional activities for potential partners, such as meetings, support of qualified personnel, brochures and web information. These activities were not aimed at the general public, but at businesses and municipalities. Actions towards this limited target group appeared effective enough to break the initial barriers and to start the allocation of JESSICA's loans.</p> <p>The call for applications for the JESSICA loans opened in October 2010. Nominally this should extend until the end of 2015. But already, after 1.5 years of the JESSICA action in Wielkopolska, 30% of the resources have been allocated, through signing contracts on 6 projects, whereof two in Poznań. This is a lot, if considering the difficult beginnings and long discussion on the detailed guidelines for projects. It is also a success on the European scale – such a high level of interest for large-scale investment projects has not been seen in other countries. This called for many difficult organisational actions at various levels in the JESSICA structures, in the managing authority of the regional operational programme (WRPO), in the municipality and among potential beneficiaries. Quite apart from the new and renovated buildings which are already beginning to arise as a result of this form of the financing, the greatest success of all these efforts is the readiness of Poznań to take effective action in the future, when probably the repayable financial instruments will play a growing role.</p> <p>The implementation of JESSICA on the municipal level depended on the preparation of the guidelines for Integrated Plans for Sustainable Urban Development. According to this document, being prepared by the regional authorities, the local Urban Regeneration Programmes can be prepared or updated by the municipalities. In Wielkopolska these guidelines were under preparation by the JESSICA managing authority (the regional authorities) between September 2009 and the middle of 2011. This period of almost two years stemmed from the specificity of the pioneer work to be done. The experience stemming from the previous, non JESSICA Urban Regeneration Programmes, especially from Poznań, was taken into consideration during the guidelines' preparation. It was not until this document was approved that works under the Urban Regeneration Programmes could be introduced. The requirement for guidelines has caused a significant delay in implementation of JESSICA in Wielkopolska.</p>
<p>4.3. THEMATIC FOCUS</p>	<p>JESSICA is a new financial instrument, being introduced in practice in Wielkopolska for the first time in the European Union. This is a tool suitable for cities advanced in regeneration processes, which increases the engagement of private resources in regeneration projects. It might be crucial considering the upcoming crisis in municipal budgets and the problems that may occur if public resources are not enough to satisfy the needs of local communities. JESSICA's assistance is focused on projects that are bound to bring profit. So they can pave the way for cities' growth with limited public expenditures. However in commercial conditions (through bank loans) many urban projects would not receive financial assistance, because they are not highly profitable, as they are trying to satisfy different public and private needs. JESSICA helps to surmount this obstacle.</p> <p>Theme 4: financial engineering</p>
<p>5. FUNDING</p>	
	<p>The total allocation for JESSICA in Wielkopolska was initially €66m, out of which €50m came from the ERDF and €15m was the Polish state budget contribution. After almost three years of operation this amount is higher as a result of the profits from the bank operations – over €70m.</p>

	<p>Besides JESSICA's financing, the municipality of Poznań undertakes many projects financed from its own resources, sometimes co-financed from the European funds. These 'European' projects are mostly funded through the Wielkopolska regional operational programme, the same one which is implementing JESSICA. Some other investments are cofinanced by the ERDF and ESF through other programmes. For example the Interactive Centre of Ostrów Tumski History is under construction, and has a budget of almost €25m co-financed by the ERDF through the Innovative Economy operational programme. This embraces the Śródka district, being the pilot area of Poznań's regeneration programme. Physical transformations meant that the inhabitants and businesses took part actively in the process of transformation. The city supports these initiatives, using among other using things the ESF resources within the framework of the 'Revitalisation under Construction' project.</p>
	<p>JESSICA is aimed directly at private bodies, so there is no question of private sector leverage by the public sector.</p>
	<p>JESSICA offers a 20-years repayment period, suspended for up to 4 years. The essential thing for the attractiveness of the JESSICA loan is the 'social indicator'. Owing to this factor his bank can significantly lower the interest rate – from 4.75% down to 2.75%. It all depends on the share of the social targets included within the project.</p>

6. PROJECT ASSESSMENT

6.1. FINANCIAL SUSTAINABILITY

The structures of repayable financial instruments such as JESSICA are intended to function long-term. The Urban Development Fund was established and then became relatively independent from the ERDF itself. The funding agreement was signed between the European Investment Bank and JESSICA managing authority, which in this case is the Marshal's Office of the Wielkopolska Region. The JESSICA holding fund was created by the European Investment Bank and the agreed funds were transferred to the Urban Development Fund, which in case of Wielkopolska is Bank Gospodarstwa Krajowego (BGK) in Warsaw. Contract details are not accessible by the public, but the basis of JESSICA is the multi-year continuity of financing, as is usual with repayable funds. The reliable and stable partners can guarantee this.

The Urban Development Fund appointed by the European Investment Bank is responsible for distributing loans in Wielkopolska. As a repayable instrument JESSICA is sustainable in the long term, at least for 20 years, as this is the basic time of the loans' repayment. The UDF's activities have to be continued in the next EU programming period, because of the financial flows. The JESSICA may even become more attractive for beneficiaries if and when the quantity of grants becomes limited. Then the share of repayable financial instruments will increase.

The Urban Development Fund for Wielkopolska is the first JESSICA implementation in the European Union. So this is practically the pilot action for others. Of course repayable financial instruments have been known for years and there is a lot of experience of their use, especially as concerns bank procedures etc. But for the first time these tools are being used to support a city's regeneration programmes implemented through European Structural Funds operational programmes.

The JESSICA experience which was gained in Poznań and Wielkopolska should serve as a pilot for other regions and municipalities. Certainly the guidelines for Integrated Plans for Sustainable Urban Development, which were elaborated during a two-year process, are an achievement which is worth taking advantage of, after suitable customisation, in other areas. It would probably it would make the transfer easier if the whole process of JESSICA's implementation in Poznań were to be elaborated as a good

	practice example in the form of handbook or guidelines.
6.3 ISSUES AND PROBLEMS	<p>The main conflict in JESSICA's implementation concerns the responsibility for the city's public spaces. The municipalities are used to deciding the details of the investments undertaken in the core areas of their territory. Usually investors argue for a long time about the ideas as well as the technical solutions of their projects. Also, owing to the relatively good financial situation of communities in Poland, complemented by the European resources, they used also to invest quite a lot of public money in projects which meet social needs. But facing the budgetary shortages in upcoming years they have to rely more on private investments than on public ones. This may sometimes be uncomfortable for them, because they cannot decide everything. Instead they have to use the method of making a recommendation to JESSICA's Urban Development Fund, and everything else is in hands of the bank, as they say. This situation has caused problems but it seems that they are only temporary. The municipalities will become accustomed with this new situation and with the division of responsibilities: the city is responsible for planning and the whole sphere of discussions and encouraging businesses, and the bank is responsible for money. This may work, as the Poznań case has evidenced.</p>
6.4 PROJECT OUTPUTS & RESULTS	<p>One of first projects which received a JESSICA loan was the Poznań Technological-Industrial Park in the Dębiec district. One of the investors in the park is the Wielkopolska Centre for Support of Investments – a private limited company created and entirely owned by City of Poznań. Starting in 2007 it made investments in Dębiec to support entrepreneurship, especially the creation of new firms. First it adapted old administrative and social buildings. Then in 2010 it began the construction nearby of a versatile new five-storey, fully-equipped office building – ‘segment A’. Its two storeys will contain the incubator part of the park, and the remaining storeys the technological part. This project was financed within the regional operational programme: the entire investment value amounted to almost €10 million, including €3 million of ERDF co-financing. The JESSICA loan will enable the construction of ‘segment B’, with a floor area of 5 500 square metres and consequently the finishing of the whole infrastructure of the park. The entire value of this ‘JESSICA part’ is about €8 million, including the loan of about €4.5 million.</p> <p>The surroundings of the Śródka pilot district also turned out to be attractive for repayable financial instruments. The second project in Poznań which received JESSICA support was the Podwale Office Centre, situated directly behind the historic district, close to the railway. It is a private investment of the €7.5 million value, of which €5.5 million is covered by a JESSICA loan. The project has met the strict qualification criteria, as it is modernising and adapting rundown industrial land for the service and office purposes.</p>
7. CONCLUSIONS: KEY SUCCESS FACTORS AND LESSONS LEARNED	
	<p>The main success of the JESSICA project in Poznań was the fact that everything has started, for the first time in Europe. Of course this concerns a huge amount of work that was undertaken to sign the agreement with the European Investment Bank and to start making loans. This also includes the appointment of an Urban Development Fund, which happened for the first time in Europe, because in other countries the JESSICA structure is slightly different.</p> <p>Secondly the number of loan agreements signed during the first half year of JESSICA's implementation in Wielkopolska is satisfying. Five agreements were signed, all of them for large investments. This number was achieved in other countries but only for much smaller projects.</p> <p>In third place is the implementation of the new practice in urban regeneration, basing on projects that are bound to make a profit. Social factors are appropriately included, but they are no longer the main driving force of</p>

	<p>municipal actions. This business aspect is the condition for implementation. The fourth success is the knowledge accumulated during this pioneer implementation of JESSICA.</p> <p>And finally – this is the institutional and mental preparation for the changes in the upcoming period, when there will be fewer grants from the European Union and the city's development will depend mostly on private investments, supported by repayable financial instruments. This demands a big mental change by municipalities, private investors and citizens. In Poznań they have already made it.</p> <p>Besides the strict JESSICA issues, which are predominantly, but not directly, focused on the general public, the success factor of urban regeneration in Poznań was the unusual social potential, which has radiated across the whole city. The social engagement and the concrete support for transformations meant that the municipality began to give strong support to this type of attitude and to address their efforts directly to the local communities. The willingness to create partnerships paved the way for public-private partnerships as well. This was the first step towards JESSICA and finally the key factor of its successful implementation.</p>
8. FURTHER INFORMATION	
Bibliography	<p>http://www.wrpo.wielkopolskie.pl/ http://www.Poznan.pl/rewitalizacja http://www.Poznan.pl/mim/public/s8a/pages.html?id=1025&instance=1017&lang=pl http://www.bgk.com.pl/inicjatywa%20jessica/ http://www.portalsamorzadowy.pl/fundusze-europejskie/Poznanski-debieczyska-dzieki-jessice,19595.html http://pptp.pl/index.php?option=com_content&view=article&id=22&Itemid=19&lang=pl http://wzwi.com.pl/ http://pl.wikipedia.org/wiki/Centrum_Handlu,_Sztuki_i_Biznesu_Stary_Browar http://starybrowar5050.com/ http://pl.wikipedia.org/wiki/Kupiec_Pozna%C5%84ski http://kupiecPoznański.pl</p>
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