

January 2020

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The Urban Lab of Europe !

The UFIL project Journal N° 1

Project led by the City of Cuenca



**JOBS & SKILLS
IN THE LOCAL ECONOMY**



The Urban Forest Innovation Lab (UFIL) project

Taking advantage of the City of Cuenca's large forest area of 53.000 hectares, the UFIL project aims to better exploit this resource by launching an urban forest innovation lab. The lab will integrate training, prototyping, coaching as well as business incubation and acceleration focused on product/service development with a rural-urban perspective.

The innovative training approach combines three main pillars: forest bioeconomy, 21st century skills and innovative enterprise models for business creation to exploit the forest in a sustainable manner. Business sponsors from the forestry sector will set challenges that will be addressed by the multidisciplinary groups of participants taking part in the programme. While working on the solutions to these challenges, participants will create their own business projects that will be further incubated and accelerated within the lab.

Business and job opportunities will be created in forest bioeconomy areas which have local development potential such as wood engineering, biomass, new wood-based products and materials, resin, mycology and agroforestry. The project will contribute to improve local skills as well as to retain and attract talent to the city.

Partnership:

- Ayuntamiento de Cuenca – Local Government
- UCLM. University of Castilla La Mancha – University
- JCCLM. Junta de Comunidades de Castilla La Mancha – Regional Government
- CEOE. Business Confederation of Cuenca – Non-profit Organisation
- ACMSA. Cuenca Council Wood SA – Public Company
- Khora Urban Thinkers – Think Tank
- IED. European Design Institute – Education and Research Institute
- FSC. Forest Stewardship Council – International Organisation
- UPM. Polytechnic University of Madrid – University

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1. EXECUTIVE SUMMARY

This is the first journal of the Urban Forest Innovation Lab (UFIL) project since its start on 1/11/2018. UFIL, led by the Municipality of Cuenca, is an ambitious Urban Innovative Action aiming at locally triggering a forest-based bioeconomy through the implementation of a city-based innovation lab. Cuenca is a small town of central Spain and one of the most forest-rich municipalities in the European Union. Although its forests are of 'public utility' they represent an underexploited resource while the city suffers from serious development challenges such as depopulation, business development stagnation and high unemployment levels.

The scope of UFIL is to nurture local skills and innovation capacity in the forest sector. It also supports the development in the city of new business ideas and opportunities which are based on the sustainable exploitation of forest resources. Concurrently, it aims at creating development in rural areas where these resources are found and managed.

The project benefits from supportive European, national, regional and local policies as well as from other initiatives which aim at strengthening the local business community and at sustaining the scarcely populated areas of the province of Cuenca. In addition, the project is put forward by a very strong partnership where government, businesses and higher education entities are well represented.

Yet, the kick-off of the project was slow and fewer outputs than expected were harvested in its first year of implementation. Among the reasons that caused delays are the political deadlock

determined by local elections, the necessity to fine-tune project's organisational, communication and reporting arrangements, and, possibly, the occurrence of some bottleneck effects caused by an uneven distribution of effort among the project partners. Delays in the preparation of the study on Cuenca's forest-based bioeconomy opportunities, an important project's output, deferred the procurement of training equipment and, finally, the launch of trainees' recruitment campaign and the identification of trainers/coachers. Accordingly, the start of training activities had to be postponed. Communication and engagement components of the project have also progressed slowly.

Notwithstanding the above, in Year 1 the project has developed a solid organisational structure, has made a lot of contacts that are likely to evolve into engagement, has obtained formal acknowledgment by the new local government, and has reacted to implementation challenges finding in almost every case (temporary) solutions in order to keep going on.

In addition to this executive summary (Chapter 1), Journal N. 1 first introduces the city of Cuenca and the project, including its contextual conditions (Chapter 2). Then, it provides an overview of the implementation challenges faced by the project in Year 1 (Chapter 3). Brief conclusive perspectives are included in Chapter 4.

2. SETTING THE SCENE

2.1 The city's urban development challenges and its forest resources

Where is Cuenca?

The city of Cuenca counts almost 55.000 inhabitants and is located in a mountainous area of the Autonomous Community of Castilla-La Mancha, in central Spain. The historic walled town of the city is a UNESCO World Heritage site since 1996. Besides art, culture and monuments, Cuenca is gifted with natural endowments. Notably, over 86% of the municipality's territory, or about 77.000 hectares, is classified as forest area. Some 53.000 ha of these forests are owned by the Municipality of Cuenca and considered of 'public utility' (Figure 1). This makes Cuenca **one of the most forest-rich municipalities in the European Union (EU)**.



Figure 1. Forests owned by the Municipality of Cuenca (in green) within its administrative boundaries

Which are the overarching development challenges faced by Cuenca?

Cuenca's main economic activities relate to services and to tourism in particular. Agriculture, commerce and trade as well as manufacturing follow in importance. Since 2008, forest-related enterprises have been decreasing further to the crisis of the construction sector. Nowadays they represent less than 2% of the total number of enterprises located in the province of Cuenca. It is evident that neither forests nor wood are the sources of wealth that could be while the city and its surroundings suffer from **depopulation, loss of youth and talent, and business development stagnation** which in turn generates unemployment.

Low population density and depopulation are not new phenomena for the area. Cuenca and its province are part of the so-called 'Southern Lapland' of Spain. This name indicates a large portion of the Spanish territory characterised by very low population density. In fact, the province of Cuenca counts only 11.8 persons per km² which represents one of the lowest population densities found in the EU¹. People tend to move from rural areas to urban areas. But the city of Cuenca struggles in attracting these 'movers'. It also struggles in retaining its own residents because of lack of job opportunities and because

¹ Eurostat 2017 data, accessed online on December 2019.

it competes with important cities such as Madrid and Valencia, which are only one hour away by high-speed train.

Indeed, the development challenges faced by Cuenca are common to many small- and medium-sized European cities which have a predominantly rural territory and/or are sparsely populated within their administrative boundaries. This makes the experience of UFIL relevant for a number of policymakers at the territorial level.

What is the contribution of UFIL in addressing the city's challenges?

The city government knows that retaining (or, even better, attracting) and investing in human capital is the way forward to strengthen the economic and social sustainability of Cuenca. It is also aware that its forest resources are largely unexploited. Against this background, the UFIL project is a way to promote innovative solutions for the sustainable exploitation of municipal natural assets to the benefit of the city and of its surrounding rural areas.

These innovative solutions of forest exploitation are expected to be thought, designed and started by a **core group of 'innovators', or entrepreneurs, who will be trained, inspired and initially supported within UFIL.** UFIL will thus establish a training campus to fill the existing gap of forest and bioeconomy training / education facilities in Cuenca. But UFIL is much more than training

delivery. The project is meant to create around these potential 'innovators' **an ecosystem of actors who work together to deliver locally a forest-based bioeconomy.** In order to achieve these objectives, the project also needs to change the way people interact with forests. Forests shall not only be valued by citizens because of their beauty or of the services they provide (for example, recreational services) but also because they are a viable source of goods and of living for the whole (rural and urban) community. Here, it is important to stress that forest exploitation is meant to occur according to sustainable principles. It could not be otherwise, as most of the forests owned by Cuenca belong to Natura 2000 network².

UFIL has identified three keywords to summarise its intervention (Figure 2): 1) **Create** new entrepreneurial activities through an innovative training programme on forest bioeconomy. This will **enhance local skills** and **nurture innovation capacity.** It will also serve **attracting and retaining talent and/or entrepreneurs** willing to locally develop new business ideas based on forest resources; 2) **Challenge** existing constraints to business development through the investigation of innovative solutions. This will originate **forest-based business opportunities in the city;** and 3) **Connect** relevant actors of the forest domain into a dynamic system, through the adoption of a rural-urban perspective. This will support **development in rural areas.**

² Natura 2000 is a EU-wide network of sites to protect valuable and threatened species and habitats as listed under the EU Birds Directive and the EU Habitats Directive. These sites have to be managed sustainably.

Urban Forest Innovation Lab es el programa para el emprendimiento en bioeconomía forestal de Cuenca.

UFIL combina aprendizaje basado en proyectos, tutorización, incubación y aceleración de ideas innovadoras en torno a la bioeconomía forestal.



Figure 2. UFIL's keywords: create, challenge and connect
Source: UFIL website at www.uiacuenca.es.

2.2 Policy context and local initiatives

Perfect match of the project's objectives with latest EU political priorities

UFIL's objectives are in line with EU latest political priorities in terms of bioeconomy development as well as in terms of development of forest-based value chains and value-added products and services as envisaged in the EU Forest Strategy and its multi-annual implementation plan³. In particular, with respect to the updated Bioeconomy Strategy launched by the European Commission in October 2018, the project appears to be a **forerunner of the action area "deploy local bioeconomies rapidly across Europe"**. In this area, the Strategy specifically refers to the forestry sector as a source of bio-based raw materials and sustainable innovations as well as of new business models. This makes UFIL fully eligible to benefit from the concrete opportunities envisaged in the Strategy that may derive from

enhanced synergies between EU instruments and local initiatives; from the specific interventions that will be developed under the Common Agricultural Policy in order to support inclusive bioeconomies in rural areas; and from any support given to promote education, training and skills across the bioeconomy.

Supportive policy context at the national and regional levels

Spain published its bioeconomy strategy in 2016 while Castilla-La Mancha features bioeconomy in its Smart Specialisation Strategy. The region does not have a strategy dedicated to bioeconomy but, in 2014, it launched the CLAMBER ('Castilla-La Mancha Bio Economy Region') project which boosted research and development on the use of biomass and built a biorefinery at a demonstration scale, the first of its kind in Spain. Another supportive instrument at the regional level is the Integrated Territorial Investments Strategy 2014-

³ COM(2013)659 and SWD(2015) 164.

2020 which focuses on areas within the region that are suffering the most from depopulation and socio-economic decline. These areas include the municipalities of the province of Cuenca with less than 2.000 inhabitants⁴.

Local initiatives supporting and/or complementing UFIL

According to its institutional role, the Municipality of Cuenca has undertaken several activities to pursue business development and entrepreneurship, youth employment, and urban development in general. In particular, in 2016, it released an Integrated Sustainable Urban Development strategy where forest resources are indicated as one of the main assets of the city to be used to revitalise the urban setting.

Still with respect to forests, in the past, the Municipality has taken an important role in fostering an active and sustainable forest

management which was going over protection, conservation and social functions. Namely, in 1965, it established a company, Cuenca Council Wood SA, in order to overcome a sectorial crisis which was leaving unsold the timber extracted from its forests. Today, the Cuenca Council Wood SA is still 100% owned by the Municipality and has over the time become an excellence in primary transformation and commercialisation of wood (Figure 3). The company employs more than 40 people and has a processing capacity, currently underexploited, of about 55.000 m³ of timber per year. Recently, the Municipality, in liaison with the regional government, is also pursuing FSC (Forest Stewardship Council) certification for some of its forests as well as FSC chain of custody certification for the Cuenca Council Wood SA. Notably, both the Cuenca Council Wood SA and FSC are partners in the UFIL project.



Figure 3. Harvested logs at the Cuenca Council Wood SA

Among the other initiatives implemented concurrently with UFIL and with synergic objectives (halt depopulation and locally generate wealth), it is worth mentioning the Strategic Plan for the attraction of private investments in the province of Cuenca, led by the Business

Confederation of Cuenca (which is also a partner in UFIL) in liaison with the Provincial Council of Cuenca, municipalities and private actors. The initiative, by means of numerous marketing and communication activities, aims at making the province an attractive place to invest and start

⁴ Castilla-La Mancha [website](#).

business in, through the strengthening of the 'Cuenca Brand' and of the image of the province as a whole⁵.

By considering the broader positive policy environment and the concurrent initiatives implemented locally, it is encouraging to see that UFIL is not left alone in pursuing its ambitious objectives.

2.3 Where does the project stand in December 2019?

UFIL started on 1/11/2018 and is due to be implemented over a period of three years. The kick-off of the project was slow and therefore fewer outputs than expected were harvested during its first year of implementation. This is reflected in an underspending of the planned project budget for Year 1.

The finalisation of partnership agreements took about six months. The core of the project work was on the set up of administrative, reporting, communication and financial procedures (Work Packages 2 and 3). Partners were trained to use templates as well as a web tool developed for project and task management. The project logo was agreed and some communication material created, including on the training to be delivered through the innovation lab. A communication plan was outlined as well as risks and mitigation measures. Social accounts were set up and the project website designed and published online.

Project partners were also active in presenting the project at events.

On the implementation side (Work Packages 4, 5, 6 and 7), a first draft of the study outlining forest bioeconomy opportunities in Cuenca was prepared. Its fine-tuning is planned to continue into Year 2 to make the knowledge base robust enough to back up training activities. Procurement of training equipment was initiated but not completed. The training model was designed and since part of the training will be delivered online, an online platform – hosted by the University of Castilla-La Mancha – was developed. The recruitment campaign of the first batch of participants (35) in the innovation lab has been launched and logistic related to the organisation of the training has been started.

Reasons behind the delay and solutions implemented accordingly by the urban authority are discussed in the following chapter.

⁵ latribunadecuenca.es, 'La 'Marca Cuenca' nace para dibujar un "futuro ilusionante"', 14/12/2019.

3. IMPLEMENTATION CHALLENGES: INSIGHTS AND EMERGING LESSONS

The seven implementation challenges outlined below are given by the UIA Permanent Secretary. Their description is required to include background information, critical analysis, emerging lessons and reflections on the intensity of the challenge. Following a reader-friendly approach, the intensity is presented supported

by a traffic-light rating system where red indicates that the challenge exists and needs to be addressed, yellow indicates that the challenge exists but is somehow silent and/or addressed, and green indicates that the challenge does not apply (any longer) to implementation.

3.1 Leadership

UFIL's partnership is a strong asset of the project. Led by the Municipality of Cuenca, the partnership includes the regional government, which is responsible for the management of forest resources, including those owned by the Municipality; three education and research institutes, looking after the training and business incubation/acceleration activities; a public wood-processing company; Cuenca's confederation of businesses; the international organisation 'Forest Stewardship Council'; and a Madrid-based think tank.

A legitimated urban authority. The Municipality of Cuenca has been playing an active role in the attempt to revitalise the economy of the city and of its surrounding territory well before the launch of UFIL. Therefore, the city's leadership of the project is perfectly coherent with its institutional role. This leadership is both acknowledged and appreciated by the project's partners. In addition, it helps creating a positive attitude towards the project.

Shared overarching goals. UFIL tackles vital objectives for the city of Cuenca as it is meant to contribute to its economic and social viability.

This creates real motivation and commitment which is even stronger for those partners operating locally in Cuenca and surrounding areas.

Political deadlock. Local elections took place in May 2019 and implied changes in the guide of the municipal government as well as in the organisation of the regional government (one of the project partners). Formal acknowledgement of UFIL by the new local government did not occur immediately. This circumstance contributed to administrative delays, including the official launch of the project in Cuenca which had to be postponed to 2020. On the positive side, the new Mayor seems now very much in support of UFIL.

Emerging lessons:

- Urban authorities do build their legitimacy over time. A new project may add to their reputation but is not enough to create it. 'Legitimated' urban authorities benefit from a diffused form of leadership that lessens dependency on individuals.

- Occurrence of political deadlocks is likely when public authorities are involved but it is also predictable as elections usually follow a regular calendar. There is therefore the opportunity to take these deadlocks into account ex-ante, at the time of preparation of the project work plan and timeline.



UFIL overcame the political circumstances that contributed to create delays in the first year of implementation. Ahead, the sky looks clear in terms of leadership.

3.2 Public procurement

In UFIL, procurement of equipment and services covers almost EUR 2 million of the total budget. Most of the procurement is implemented by public entities and in particular by the Municipality of Cuenca, Cuenca Council Wood SA and the University of Castilla-La Mancha. Major items to be procured include:

- a crosscut saw and small equipment at the Cuenca Council Wood SA to be used for training and prototyping purposes related to wood processing (EUR 0.45 million);
- general furniture and equipment as well as specific lab equipment for the campus hosting the UFIL innovation lab (EUR 0.25 million). The campus is located in the newly built Institute of Technology of the University of Castilla-La Mancha, in Cuenca;
- external expertise and services, to be for the most (EUR 1.14 million) contracted by the Municipality of Cuenca.

Responsible and sustainable public procurement.

Further to the adoption of national Spanish Law 9/2017, public procurement in the Municipality of Cuenca has to be responsible and sustainable. It also has to be guided by social, environmental, and innovation & development considerations. In the last two years, Cuenca's municipal staff has been trained by the University of Castilla-La Mancha in the implementation of these new

requirements, under a convention agreed between the two institutions.

Delayed procurement of equipment. During the first year of implementation delays in equipment procurement were due to administrative reasons as well as to the unclear specification of the items to be purchased for the training. Political deadlock, long-taking finalisation of partnership agreements and the carry out of an internal ex-ante evaluation of partners delayed the release of the first tranche of funds. In addition, the delay in drafting the study on Cuenca's bioeconomy opportunities led to the inability to fully determine the type of equipment needed for the innovation lab.

Missed procurement. The study outlining forest bioeconomy opportunities in Cuenca is very important as it underpins training delivery and innovative business development. While the drafting of the study is still ongoing, it seems that the original idea to mobilise external expertise to contribute to this essential knowledge base has not been implemented so far.

Emerging lessons:

- EU and national laws have influenced greatly public procurement in the last years. It is therefore common to find urban authorities that are precisely guided by law in their commissioning and procurement processes which are often based on other evaluation

criteria than 'cost only'. However, it is less common to find urban authorities that invest in staff training in order to comply with the new procurement rules.

- ▶ The importance of contracting highly specialised external expertise, especially if foreseen at the stage of project design, should not be underestimated, even if excellent professional skills exist within the partnership.



The challenge is alive although almost all equipment is expected to be purchased and installed in time for the beginning of the first training batch, scheduled for March 2020. With regard to the contracting of external expertise and services, the high amounts involved may cause handling/procedural complexities and/or delays.

3.3 Organisational arrangements within the urban authority

Cuenca is a relatively small municipality where apparently there are no conflictual issues across its departments. The project manager is the Head of the Department of Economic Promotion and therefore is the best placed senior manager to lead a project like UFIL whose ultimate goal is to create business and job opportunities.

Undisruptive role of the project. UFIL is not meant to disrupt the role and organisation of the urban administration. Being the owner, the urban authority is and will remain responsible for making decisions about its forests but forest management is and will remain with the regional government. A municipal department looking after forests as resources to be managed is therefore not necessary. With regard to the future running of the innovation lab, necessary skills are with the University of Castilla-La Mancha, one of the project partners. Again, it will not be necessary for the urban administration to have in-house such skills.

Unique leadership but co-management. UFIL has in the urban authority the unique project leader but the project is actually co-managed by two entities, the urban authority and the Madrid-based partner 'Khora Urban Thinkers'. This co-

management was considered the most effective way to achieve the objectives of UFIL.

Emerging lessons:

- ▶ The project's design envisages a risk-sharing model across the various institutional partners involved which emphasises their existing functions. This allows the partners to maintain and actually strengthen their roles during implementation and after the project's completion.
- ▶ Adding a level of coordination (the one between the co-managers) in the overall organisational arrangement of the project may relieve the burden of the urban authority but adds complexity to the organisational system.



Organisational arrangements within the urban authority appear to run smoothly. There might be side effects implied by the co-management approach but in Year 1 sufficient time was dedicated to refine the concerned mechanisms. Therefore this implementation challenge is currently considered under control.

3.4 Participative approach for co-implementation

The UFIL partnership combines nine public and private entities. The partnership includes government, industry (businesses), and higher education institutions. It is therefore shaped as a triple helix for innovation where the government sphere is strong (both the local and the regional government are represented in the partnership).

Clarity of roles and responsibilities. Some time was needed to make clear individual tasks and responsibilities of the nine entities involved in the partnership and to harmonise their input in terms of procedures and reporting modalities.

Coordination mechanisms are being fine-tuned. Several coordination mechanisms have been designed to support implementation. Following a hierarchical order, they include: working groups (at the operational level, focussing on specific outputs); coordination committees (all project partners); steering committees (between the two co-managers); and strategic committees (the co-managers and the mayor). Notwithstanding the number of coordination mechanisms, some difficulties in communication among partners occurred and coordination of outputs' development (for example, the study on Cuenca's forest bioeconomy opportunities) was not always perceived to be optimal by some of the partners.

Looking ahead to maintain motivation. The University of Castilla-La Mancha, leading the activities related to the innovation lab with the involvement of some 25 people, expects to face

difficulties in keeping high the motivation of its technical staff. It is therefore considering the possibility to associate training and coaching activities performed in the lab to scientific work. In this way the research careers of the university staff involved in the project would be rewarded and motivation strengthened.

Emerging lessons:

- ▶ The project has opted for investing a substantial amount of time in making roles and procedures very clear among the partners. Considering the big size of the partnership, this may turn out in being a reasonable decision. The time spent initially is expected to allow time savings in the future.
- ▶ A high number of coordination mechanisms may produce undesired side effects in terms of administrative burden for project partners. Internal arrangements should look for as agile as possible procedures.
- ▶ Each partner is responsible to maintain the motivation of its staff and thinking in advance of modalities to achieve this objective is a very responsible way to proceed.



This challenge is considered actual because coordination mechanisms have not been fully fine-tuned, yet, and because their high number may produce undesired side effects. In addition, maintaining motivation of all partners' staff is an aspect to be monitored over time.

3.5 Monitoring and evaluation

This activity has not yet started. The main reason for not putting in place a monitoring and evaluation system is the lack of time of the partners in charge of it (the co-managers) and

the decision of the project management to prioritise other important activities, namely the drafting of the bioeconomy study and the launch of the call to recruit the first batch of participants

in the innovation lab. No solution to the lack of a monitoring system has been thought of.

Emerging lesson:

- Overloading some partners with many tasks over a given period of time while others have little to do may result in processes being blocked and activities being delayed (bottleneck effect).



This challenge is considered actual and intense because the learning loop that should be initiated by a dynamic M&E system is not in place. In addition, not setting a baseline at the inception of project's activities may undermine the credibility/accountability of the project at its end. The problem is not for quantitative indicators which may be computed at any time but relates to qualitative indicators (such as the perception of forests by people in general and by specific target groups in particular) which are time-bound.

3.6 Communication with target beneficiaries and users

The project has identified four different target groups: 1) individuals, to be trained at the innovation lab (35 people for each training batch, for a total of 105 people); 2) companies belonging to the forest bioeconomy sphere, to be involved in the project-based learning programme according to the business challenges they propose; 3) urban citizens and inhabitants of surrounding rural areas, as part of the expected change of attitude of people with respect to forest resources; and 4) ecosystem actors, such as academia, private sector, associations and government.

Reaching out rather than engaging. Reach out activities during the first year of the project relied on the use of web-based media, publications, news, promotional material, and conferences. Communication with the business community did not harvest the desired results and it was not possible to identify and select the business sponsors. Communication to citizens was not started as the launch of the project at the city level was delayed to 2020.

Co-implementation with third parties lags behind. Procedures have been designed to incorporate financial institutions into the project and contacts have been made with territorial stakeholders such as the Provincial Council, local action groups and relevant businesses directly or indirectly related to the forest sector. However, actual engagement has not yet started. The lack of engagement of business sponsors is probably the most important deviation from the original design of the project. 'Sponsors' are intended by the project as forest-related businesses proposing their challenges to trainees so as to initiate project-based learning processes in the lab for the identification of innovative solutions. As a recovery strategy, the project decided to simplify the training module reducing from 15 to 2 the number of challenges trainees will work on in the first training batch. These two challenges will be proposed by two project partners.

A theoretical communication plan. The communication plan prepared by the project still needs to be translated into concrete actions, including well-outlined engagement mechanisms for companies, citizens and bioeconomy ecosystem actors.

Emerging lessons:

- ▶ Communication that goes behind the simple information and therefore engages and creates a sense of project ownership among target stakeholders is difficult to achieve and this difficulty shall not be underestimated.
- ▶ Circumstances may impose a deviation from the original design of the project. The important is to propose realistic and temporary alternatives in order not to stop implementation.

3.7 Upscaling

It is early to imagine the upscaling of UFIL but several of the project's partners have a vision, or positive attitude, about it. Some of the partners intend upscaling in geographical terms (replication or transferability of the UFIL model in other cities facing similar challenges), others in size terms (enlargement of the forest bioeconomy ecosystem around Cuenca). At the project management level it is believed that upscaling will be possible only if the project leads to a sustainable model. Notwithstanding this cautious opinion, ideas on how to follow up on the project results already flow around.



Communication and engagement are critical areas for UFIL as the establishment of a forest-based bioeconomy necessarily requires the opening up to third actors. Businesses, citizens and other stakeholders within the innovation ecosystem are all equally important for the project to be successful. The lack of specific engagement mechanisms in the communication plan makes this challenge actual and intensive.

Emerging lesson:

- ▶ Upscaling potential at the project design level may turn out in not being practically feasible. This risk is built in the innovative nature of UFIL.



There is uncertainty on the risk assessment level of this challenge; hence the traffic-light is off. The project is in a too early stage of implementation to understand whether it will be successful or not in resulting into a sustainable model.

4. CONCLUSIVE PERSPECTIVES

UFIL is an ambitious project which is evidently constrained by the limited implementation timeframe of three years. The kick-off of the project took longer than expected. Administrative and political reasons are behind the delay even if it is likely that some bottleneck effects determined by an uneven distribution of tasks among the project partners contributed to slow down implementation.

The project has so far concentrated a lot on internal activities and has not opened enough to the outside. Although the partnership is in itself an expression of a triple helix, the development of a forest-based bioeconomy requires a significant enlargement of the individual helices (government, businesses and higher education

institutions) as well as their functional interaction. The initial shaping of an innovation ecosystem is expected to start in Year 2 as political deadlock is ended, organisational arrangements have been set and sufficiently adjusted, and all partners will be fully active in the running of the innovation lab. Furthermore, the innovation lab will be something concrete to talk about while communicating with the community. It will also be a live instrument to engage with third parties.

Notwithstanding the delay and reasons behind, the project has reacted well to implementation challenges finding in almost every case (temporary) solutions. At the end of Year 1 there is a cohesive and committed project team eager to proceed at full-speed into Year 2.



Figure 4. The UFIL project team on (forest) track - despite implementation challenges

Urban Innovative Actions (UIA) is an Initiative of the European Union that provides urban areas throughout Europe with resources to test new and unproven solutions to address urban challenges. Based on article 8 of ERDF, the Initiative has a total ERDF budget of EUR 372 million for 2014-2020.

UIA projects will produce a wealth of knowledge stemming from the implementation of the innovative solutions for sustainable urban development that are of interest for city practitioners and stakeholders across the EU. This journal is a paper written by a UIA Expert that captures and disseminates the lessons learnt from the project implementation and the good practices identified. The journals will be structured around the main challenges of implementation identified and faced at local level by UIA projects. They will be published on a regular basis on the UIA website.



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