

A regional partnership for inclusive entrepreneurship

The Spanish Basque country has experienced severe industrial restructuring over the past few decades. However, thanks to a long tradition of public-private partnerships and an advanced social economy, new economic activities have sprung up to offset the costs of factory closures.

Part of this success can be attributed to the creation of a network of 23 local development agencies, called Garapen, which covers all three provinces of the Basque Country and three-quarters of the population. This is the only regional network for encouraging business creation of its kind in Spain, and is one of the most complete in Europe.

Garapen is the lead partner of an EQUAL project called Red Accent (Accent Network). The objectives were two-fold: firstly, to enable network members to share lessons and develop common approaches to support business creation; and secondly, to work with other regional actors to strengthen business support such as creating an entrepreneurial culture in schools, improving access to finance and increasing the sustainability of start-ups.

Learning from one another

The local development agencies that make up the Garapen network combine services normally associated with employment offices, with activities focusing on the creation and modernisation of small businesses. It enables each agency to have a more global view of problems in the local labour market and to develop integrated solutions. But, up to now, the pressure of day-to-day business has prevented them from learning from each other. EQUAL has allowed a clear transfer of information and know-how from one organisation to another.

Through a series of joint meetings Accent developed an inventory of 18 different support methodologies. These have been organised into a menu for each of four different stages of setting up and consolidating a firm, and placed onto a common intranet accessible to all members.

The next step was to train a group of trainers to transfer the successful methods from one agency to another. For example an employee from the Bilbao agency, Lan Ekintza, has trained the other 22 agencies in a successful programme they use to encourage the unemployed to identify and implement their own business ideas.

Some of the agencies then carried out pilot projects to test the methods in their own local area. Almost 700 potential entrepreneurs were involved in these tests, most of whom were women. Most pilots focused on the early stages of creating a business culture and the later stages of consolidating start-ups.

On-line services improve access

Another result of the network collaboration was a joint internet portal that provides on-line business support and advice for entrepreneurs. It includes a training programme on entrepreneurship skills, that has attracted over 100 participants, 65 of whom have since set up in business. The on-line business advice service has been very successful. During the first eight months of operation, 290 people received advice, 47% of whom were women.

Cradle to grave business support

The sharing of support methodologies highlighted the fact that the agencies were generally strong in start-up advice and helping to develop the business plan, but far weaker in the earlier stages of creating an entrepreneurial culture in schools and training centres, and in the later stages of building bridges with the world of finance and post start-up advice.

By collaborating with different partners, the local development agencies were able to develop tools and services that fill the gaps in business support. For example, working with schools across the province, they tested several imaginative tools designed to introduce students and teachers to the world of entrepreneurship. One such tool is a Monopoly-style board game called Imagine your own company which takes young teenagers through the key decisions involved in each stage of setting up a company.



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Sharing good practice helps the spread of ideas

“Our educational system has focused on producing employees for large companies or the public sector rather than developing an entrepreneurial spirit. An entrepreneurial spirit should not just be seen as necessary for creating a new firm but as a general attitude that can be useful in daily life and in all kinds of professions. We have to teach our young people to plan, take initiative, put ideas into practice and take risks.” Elisabet Urbieta, the EQUAL project coordinator.

To help build bridges with the world of finance, the network established a series of agreements with major financial institutions to provide favourable terms and conditions for its clients. Entrepreneurs are now able to obtain loans at a 2-2.5% interest rate for up to ten years with no additional commission, and people without collateral can obtain guarantees through a mutual guarantee fund created by Red Accent. In 2004, 70% of the start-ups supported by the agencies requested finance through these schemes, and just over 77% of applications were approved.

Finally, another innovation introduced through the EQUAL project is a simple six-hour programme of aftercare and follow-up for new firms. So far 228 firms have benefited, and their survival rate is 93%, 7% better than normal.

A more detailed version and other EQUAL success stories can be found at: http://europa.eu.int/comm/employment_social/equal/activities/search_en.cfm

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Transnational partnership with: Italy, the Netherlands, Portugal

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