



The enhancement of historical city markets in the Mediterranean cross border area through a multi level approach



A cross border clustering strategy proposal

PHASE 4 CBC EXPERIMENTATIONS



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Introduction

This phase is implemented under the coordination of the National Research Centre supported by the Lead Partner, Plural European Study Centre and the University of Genoa, i.e. the responsible members of the Scientific Committee. It is focused to define a joint strategy for the creation of a cross-border cluster of historic city markets at Mediterranean basin level. The clustering strategy fosters the integration of high quality agro food and handicraft productions at the Mediterranean cross-border level and created synergies among historic city markets through the valorization of endogenous resources and know-how. The definition of new approaches of cooperation among Mediterranean SMEs operating in the fields of high quality agro food products and handicrafts is supported by bringing together a critical mass of SMEs from both sectors.

The strategy is intended to be implemented through joint interventions aiming at facilitating and stimulating the transfer of know-how among SMEs and support them in networking, partnering and promoting their products and services at local and international level. The joint interventions concerns in particular:

- the organization of a circuit of Mediterranean Fairs in the historic markets, consisting in the organization of 9 local and joint festivals, involving directly 400 enterprises of both shores of the Mediterranean basin from the high quality agro food and handicraft sectors. Each partner is responsible of the organization of a local festival and participated to at least 3 other festivals.
- the creation of an Association of city historic markets which will ensure sustainability and follow-up of the project activities after the project conclusion, also through the joint participation of the partners in other EC funded projects.
- the design and development of an Internet-based virtual marketplace, named Medimarket, which will bring together high quality agro food (200) and handicraft (200) micro and small enterprises and their products. Each partner will gather a critical mass of high quality agro food and handicraft SMEs from its own territory, by involving local economic stakeholders right from the beginning of the project activities. The project partners will also develop a concept for the sustainability of MediMarket.

An interesting opportunity is given by the international initiative “Love your Local Market”, born in Great Britain and diffused at Mediterranean level by the IMMB at the beginning of 2014. This idea was successfully adopted by some Marakanda partners, also exploiting the good relations with URBACT Markets and Central Markets projects, the most relevant EU funded cooperation proposals in the sector of marketplace’s promotion.

A three steps approach for clustering strategy

The participative approach proposed by the project firstly involved the local dimension in order to ensure the effective participation and territorial relevance of the initiatives carried out. Meetings and events encouraged the participation of multi level stakeholders. As regards of it, a good example of **Marakanda** approach is given by the Joint Events occurred in Beirut on 30-31 May 2013: the study visit and workshop organized by **Marakanda** project saw the participation of relevant stakeholders at National institutional level (The Italian Ambassador in Beirut, the Head Office of the Lebanese Ministry of Tourism, the President of NRC Egypt), local producers (46 market stalls, two farms) local vendors, international press, scientific representatives (the University of Florence and the Genoa University from Italy, three researchers of National Research Centre from Egypt). The same integrated approach was conceived and implemented in the course of the Joint events of Genoa, Florence and Limassol.

About the clustering strategy, as first step the work carried out by the University of Genoa was based on the GP assessment implemented by IMMB and it fixed the methodological guidelines about the enhancement of historical city markets at Mediterranean level. As second parallel step, at the end of 2013 PLURAL European Study Centre proposed a local dimension of the Clustering strategy: the model was basically the Business Improvement District, where the different sellers and producers agree to share a common *Management Unit* for what concerns the operational functioning of the district and a strategy of communication. The present third step is intended to spread at cross border level the consolidation of the network. The cross border experimentation deals with the set up of common methodological and operational tools for the benefit of partners. The following SWOT analysis can be described after the first two years of **Marakanda** activities:

SWOT Analysis

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| <p>STRENGTHS</p> <p>The issue tackled by the project is relevant for all partner territories The participation and the sharing of responsibilities among partners was efficient and effective Excellent relations among partners the project implementation In some cases, local action plans conceived as strongly coherent with the urban planning instruments (for ex. Limassol, Favara)</p> | <p>WEAKNESSES</p> <p>The bureaucratic obstacles in the financial management of EU funds may create problems to the partners of the Southern shore. The involvement of local networking actors is not full as expected The lack of national languages (Greek, Catalan, Italian, Arab) in the project dissemination is an obstacle to the effective involvement of local communities</p> |
| <p>OPPORTUNITIES</p> <p>The commitment of diplomacy and institutional level (Ambassadors, National bodies) is strong The exchanges among scientific actors go beyond the political difficulties (for ex. NRC of Egypt and University of Genoa)</p> | <p>THREATS</p> <p>Political and social instability concerns both Lebanon and Egypt, during and after the Arab Spring The EU binding rules create problems for the expenditure of European public administrations involved in the project</p> |

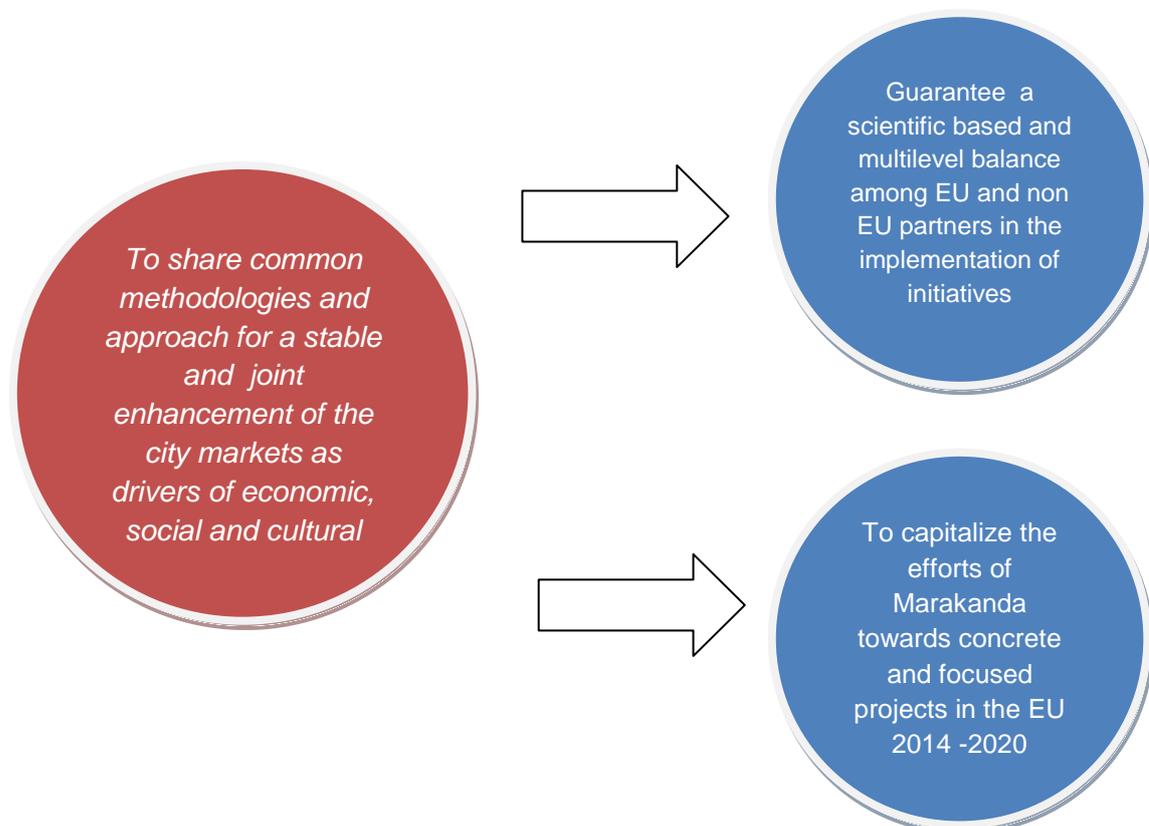
Objectives

The overall clustering strategy proposed by the project is addressed to

- To share common methodologies and approach for a stable and joint enhancement of the city markets as drivers of economic, social and cultural innovation

Specific objectives are intended

- Guarantee a scientific based and multilevel balance among EU and non EU partners in the implementation of initiatives
- To capitalize the efforts of **Marakanda** towards concrete and focused projects in the EU 2014 -2020



Milestones

- Marakanda project is successfully implemented and closed
- Common and multilingual tools are available to be exploited by project partners and their local communities
- A stable cross border organization is established
- A fund raising activity is organized and implemented in the 2014 2020 period

Risk assessment

| External factors | Analysis of the problems in the project implementation |
|---|---|
| Political instability and difficulties in the relations among countries in the two shores of the Mediterranean area | The project involved essentially local communities by working with them on stable aspects of the day-to-day life and ordinary running of the economy and markets. For this reason, the project contributed to create a more positive climate and it avoids to intervene in the present political tensions among countries of the two shores of Mediterranean. |
| Diversity of the regulations concerning food markets | The differences among the various frameworks was not concerned by the project activities, which mainly focused on the animation of local communities rather than on the regulatory dimension. |
| Different role of the high quality agro food productions in the markets of the North shore in respect of those of south shore | In terms of transfer of know-how and good practices at a cross-border level, this issue had greater potentialities of effects at long term. In fact, the scarce diffusion of certification models in the South shore areas and in some of the North shore caused a progressive impoverishment both of the agriculture and relative markets.. |
| Different strategies of local markets management, logistics, urban regeneration and social cohesion of the involved territories. | The project aimed to transfer experiences among the involved partner territories and involve an inclusive partnership contributing to the project activities. The transfer of good practices consented to all territories to modify their intervention strategies by adopting the most efficacious ones. |
| Different role and functions of local authorities | The activities developed by the project aimed to involve local authorities according to the objective of enhancement and promotion of the services and functions of the local historic markets. The project activities were customized according to the different role and functions of the involved local authorities. |
| Different role of the producers organisations | The project activities aimed to the widespread involvement of the producers organisations according to the objectives of enhancement and promotion of services and functions of the historic markets and local productive chains and clusters. The project activities were customized according to the different role of the associations. |
| The evolution of the food commercial exchange tends to follow above all the demand of the North shore making the South shore unable to influence it | The project, presenting to a greater extent the typical and local products from both shores, helped to mitigate this effect, which is strengthened when the products are indistinguishable on the basis of their distinctive characteristics. |
| Scarce mutual knowledge of the local | The project aimed to strengthen this knowledge to enable a better valorisation of high quality products and a shift in the demand from |

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| productions and handicraft traditions. | generic products to high quality products. |
| Increase of the investments in the agriculture sector in the South shore by entrepreneurs from the North shore | The project aimed to diffuse the opportunities to invest in high quality products increasing the added value of the agriculture, valorising the local know-how and attract investments for the creation of networks able to valorise products. |
| Different role of the agriculture and handicraft sectors in the income composition between South and North shores | The project enhanced this point of view by involving producers organisations and diffusing good practices in both agriculture and handicraft sector. Although the general income composition were influenced by macroeconomic factors, the process of valorisation of the local productions fostered the local rootedness and investment by increasing the added value per product unit. |
| Different role of agriculture and handicraft sectors on the social cohesion and consolidation of the local identities between the North and South shores | The process of valorisation of the local productions fostered the local rootedness and investment of the added value created. This element was on the basis of the valorisation of the local identities and it enabled a diffused and spontaneous investment in the more relevant sectors for the social cohesion: the local agro food and handicrafts sector. |

Activities and outputs

| Tasks | Involved partners | Deliverables |
|--|-----------------------|---|
| Proposal on a shared clustering strategy at cross-border level | NRC | Draft document on a shared clustering strategy |
| Assessment of the proposal on a shared clustering strategy at cross-border level | All | Assessment document on the shared clustering strategy |
| Definition of a shared clustering strategy at cross-border level | NRC | Final document of the shared clustering strategy |
| Creation of a database of micro and small enterprises | All | Database of micro and small enterprises |
| Design and development of an Internet-based virtual marketplace | NRC | Internet-based platform |
| Development of a sustainability concept for the virtual marketplace | NRC PLURAL FBWA | Analysis document on the future sustainability of the virtual marketplace |
| Organization of an Itinerant Fair of Mediterranean Markets | All | 9 joint festivals |
| Creation of an Association of city historic markets | All | Agreement on the Association of city historic markets |
| Definition of a shared calendar of events for the quinquennium 2012-2016 | All | Shared calendar of events for the quinquennium 2012-2016 |

Timetable

| ACTIVITY | PERIOD | | | | | | | |
|---|--------|----|----|----|----|----|----|----|
| | M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 |
| Draft clustering strategy document | ■ | | | | | | | |
| Assessment by the partners of the steering committee | ■ | ■ | | | | | | |
| Approval of the document | | | ■ | | | | | |
| Creation of a database of micro and small enterprises | | | ■ | ■ | | | | |
| Design of Internet-based virtual marketplace | | | | | ■ | ■ | | |
| Development of a sustainability concept for the virtual marketplace | | | | | | ■ | | |
| Organization of an Itinerant Fair of Mediterranean Markets | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ |
| Creation of an Association of city historic markets | | | | | | | ■ | ■ |
| Definition of a shared calendar of events | | | | | | | ■ | ■ |