



EUROPEAN UNION

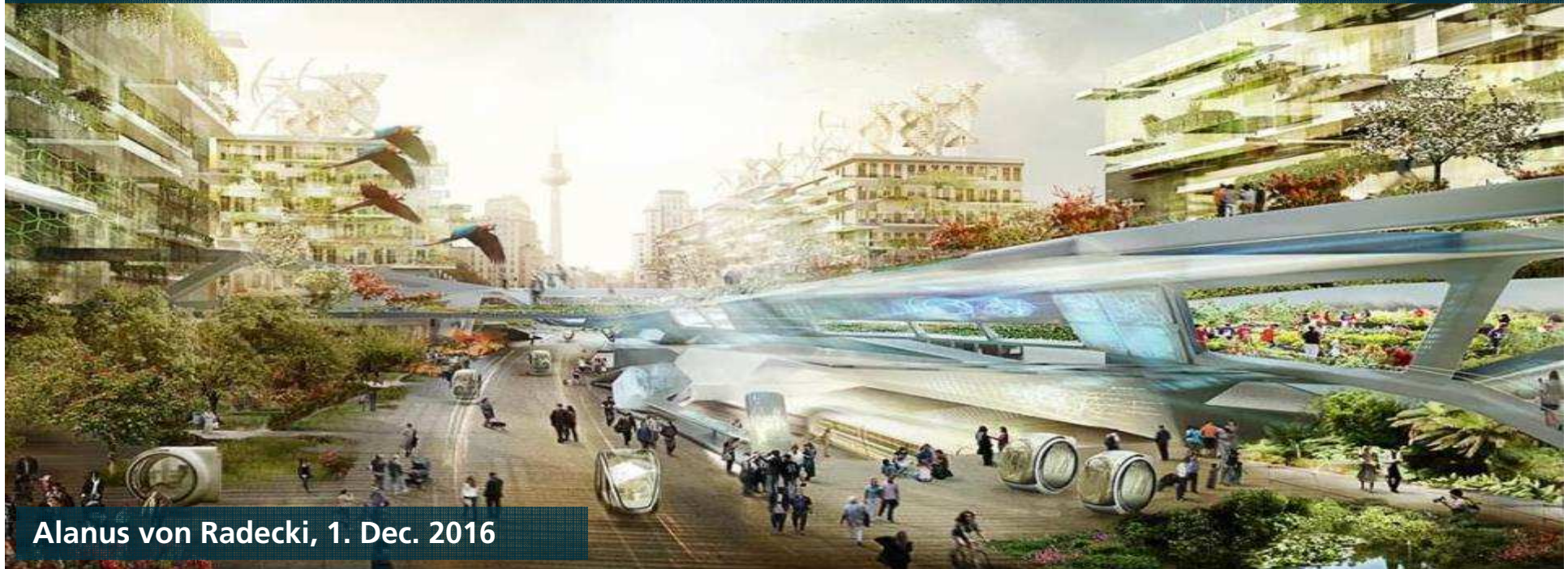


Committee of the Regions



Financing the Smart City

Innovation Network "Morgenstadt" & URBACT initiative SmartImpact



Alanus von Radecki, 1. Dec. 2016

Innovation Network - Morgenstadt



WHAT?

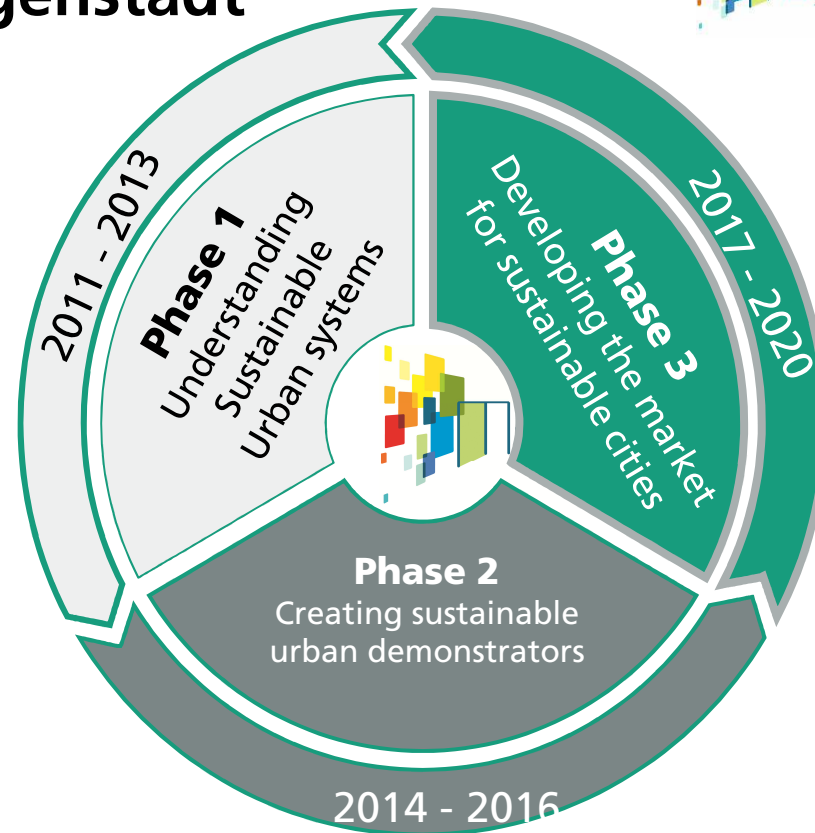
M:CI is an Innovation Network that strives to design the future market for sustainable cities.

WHO?

It comprises of the **main stakeholders that plan, finance, build, manage and operate cities**, and it is run by the German Fraunhofer-Society.

HOW?

The main purpose of m:ci is **to solve urban challenges by translating them into potential innovations** and piloting solutions in new consortia.



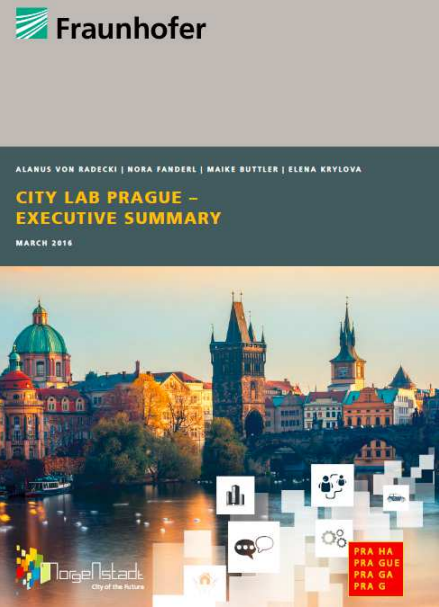
Innovation Network Morgenstadt



Morgenstadt enables innovation in cities



7
CITY LABS



10
SYSTEMS SOLUTIONS



Mobility Hub 2.0

25
SMART DISTRICTS



Joint SCC1 Initiative of European Lighthouse Projects

- SCC-1 Projects
- 2014: Triangulum:
 LHC: Manchester, Stavanger
 Eindhoven
 FC: Leipzig, Sabadell, Prague
- Growsmarter:
 LHC: Stockholm, Cologne
 Barcelona
 FC: Graz, Porto, Suceava, Cork
 Valletta
- Remourban:
 LHC: Valladolid, Nottingham
 FC: Tepeasi/Eskişehir
 Seraing, Miskolc
- 2015: Sharing Cities:
 LHC: London, Milan, Lisbon
 FC: Bordeaux, Burgas, Warsaw
- Smarter together:
 LHC: Vienna, Munich und Lyon
 FC: Santiago de Compostela,
 Sofia and Venice
- Replicate:
 LHC: San Sebastian, Florence
 and Bristol
 FC: Essen, Nilufer and Lausanne
- SmartEnCity:
 LHC: Tartu, Vitoria-Gasteiz and
 Sonderborg
 FC: Lecce and Assenowgrad
- 2016: mySMARTlife:
 LHC: Nantes, Helsinki, Hamburg
- Ruggedised:
 LHC: Rotterdam, Umeå,
 Glasgow



Creating the Smart City market in Europe

- >27 Lighthouse cities
- >30 follower cities
- >100 scale-up cities
- >100 companies
- >120 Smart Solutions

Status quo in Europe

The technologies are available and there is abundance of money.

Why are investments in clean & connected technologies not taking off?

Hypothesis 1:

The challenge to fund digital urban innovation

- New types of urban solutions (data-driven infrastructures + operation systems) require new types of public-private project delivery vehicles.
- Financing these “smart solutions” require **new ways of understanding how value is created in smart cities**, which ultimately leads to co-investment strategies with costs and benefits for public and private actors
- New public-private consortia require new forms of management, coordination and shared ownership.
- Innovative financing vehicles (e.g. Mixed Smart City Funds) are needed to merge public & private investments in the same project.
- Smart Urban Governance is key.

Hypothesis 2:

The challenge to link digital innovations to the economic development of a city

- Clean & connected technologies and infrastructures tend to channel money towards large companies -> favouring strong EU cities & leaving behind weaker cities and regions.
 - A key area is the understanding of the **dynamics of the local innovation ecosystems**, and how they can be governed to support growth, jobs and the transformation of cities.
 - Innovation Procurement is an effective instrument to activate the local innovation ecosystems.
 - Public Investments Vehicles for creating economic growth through local innovation are necessary!
-

URBACT III Network SmartImpact

“... develops the governance tools for municipalities needed to finance, build, manage and operate a smart city “

Smart Policies



Organisational Development



Smart Financing & Procurement



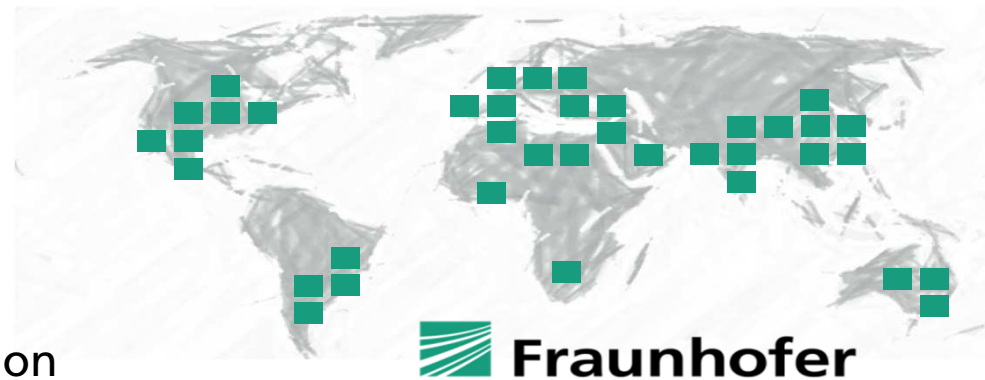
Innovation Ecosystems



Data integration



Thank you!



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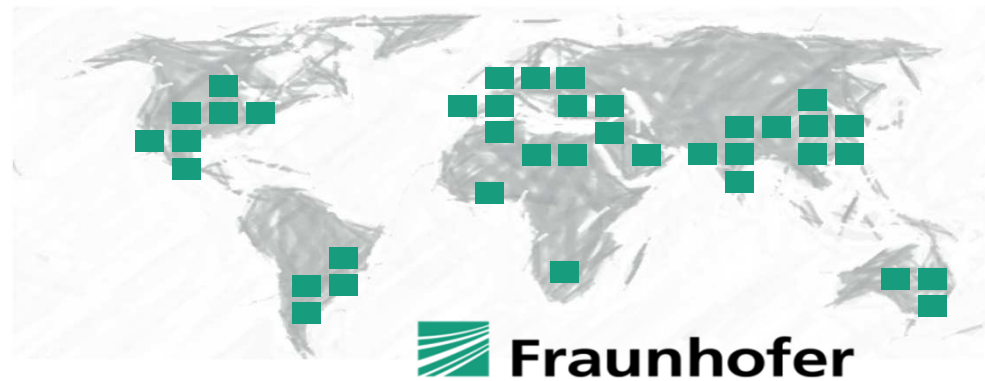
www.iao.fraunhofer.de

www.morgenstadt.de



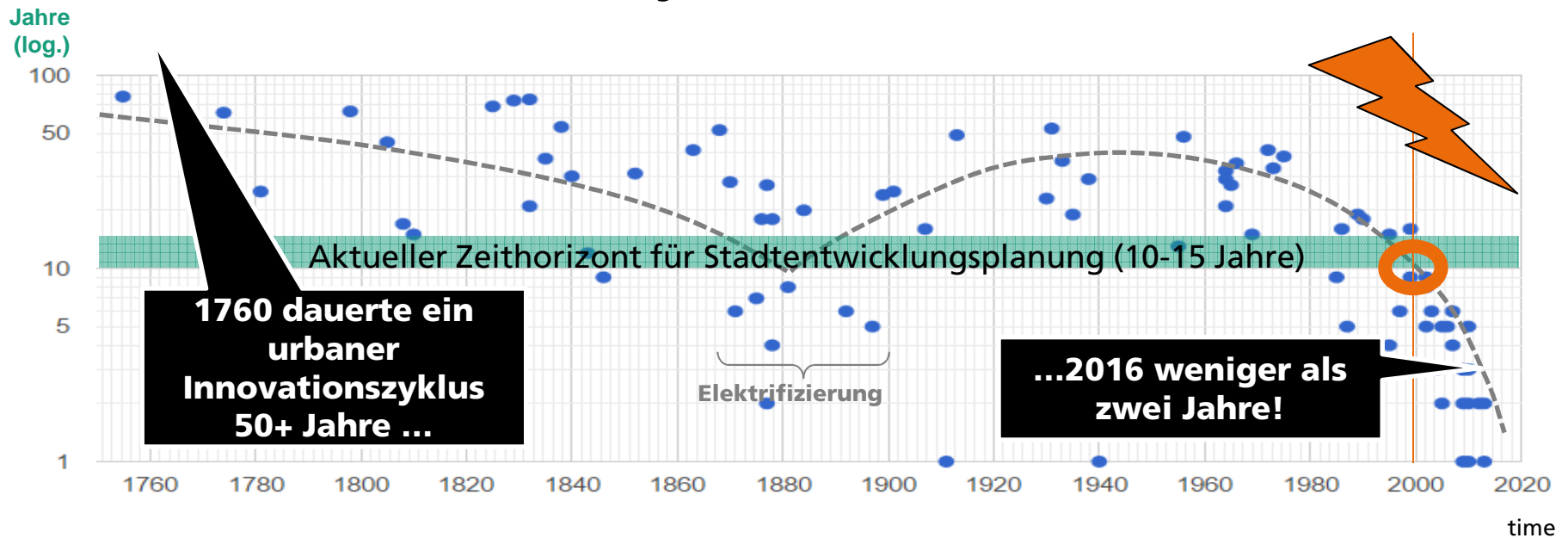
...research and solutions for a sustainable world

Backup



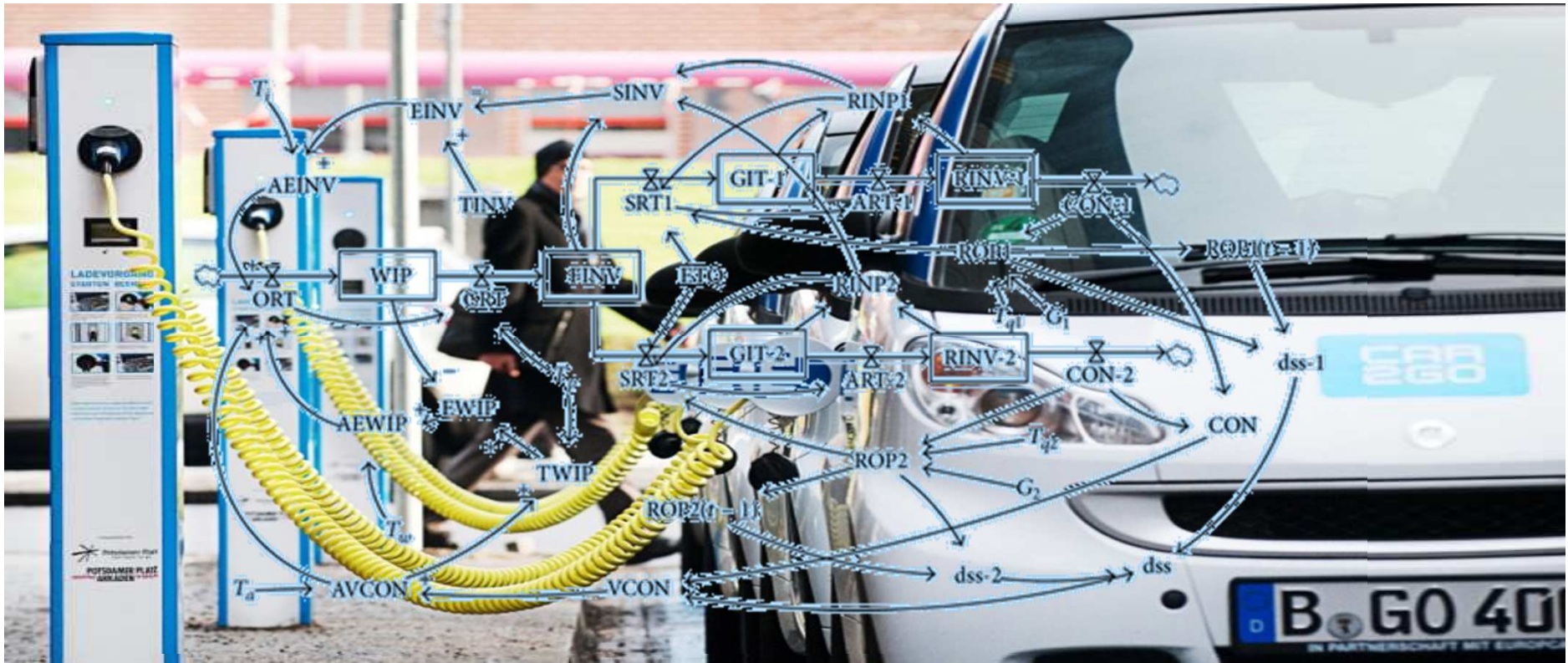
...research and solutions for a sustainable world

Planning and building in times of shortened innovation cycles



Quelle: Fraunhofer IAO, 2014

Planning and building in times of connected solutions



Technologie is not the problem!



**Infrastructures, Buildings
& Technologies**

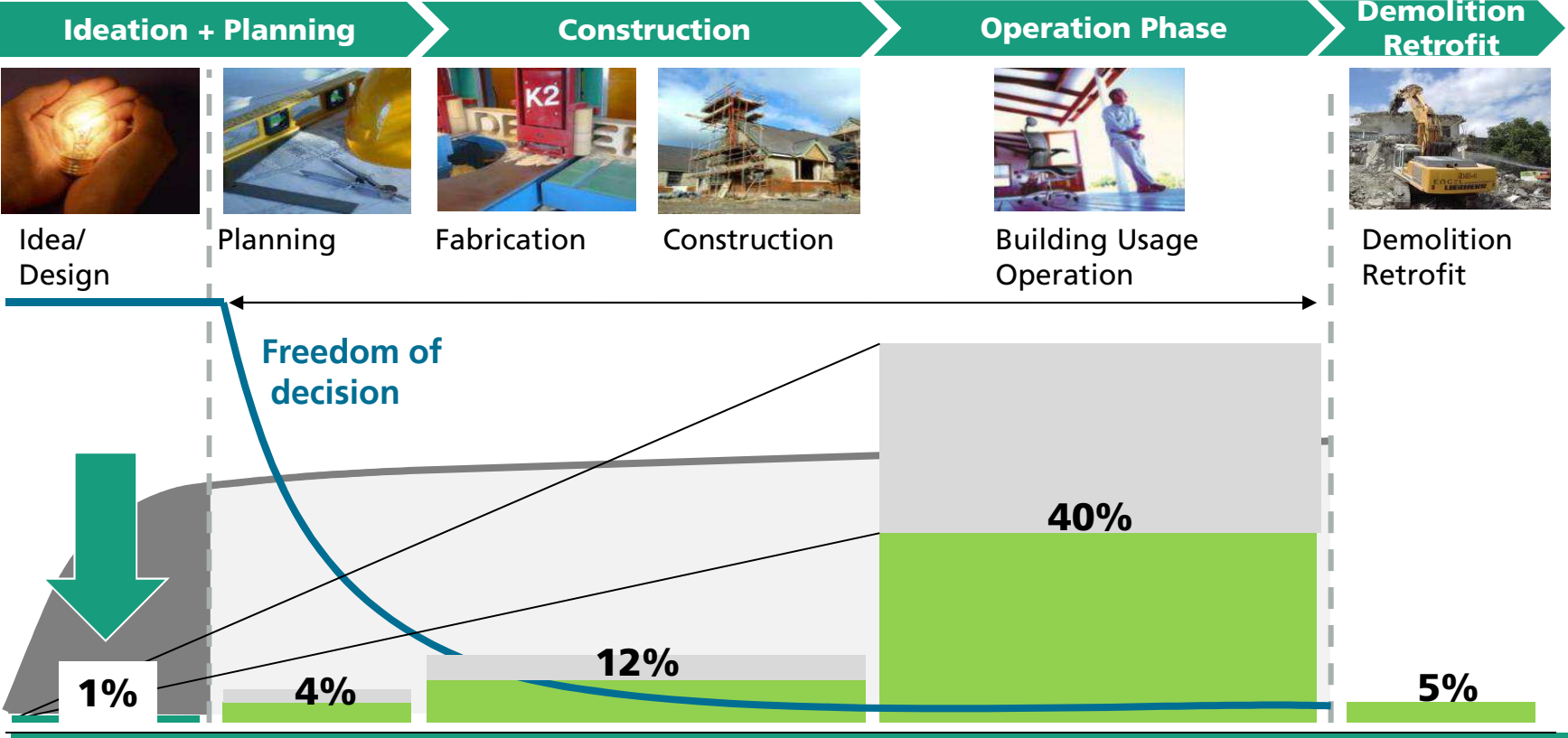


Physische Ebene

Living labs & open innovation are the adequate approach to develop the new operating model



Connected things enable higher efficiency!



Connected things enable the service economy

Case-Study „Apple“

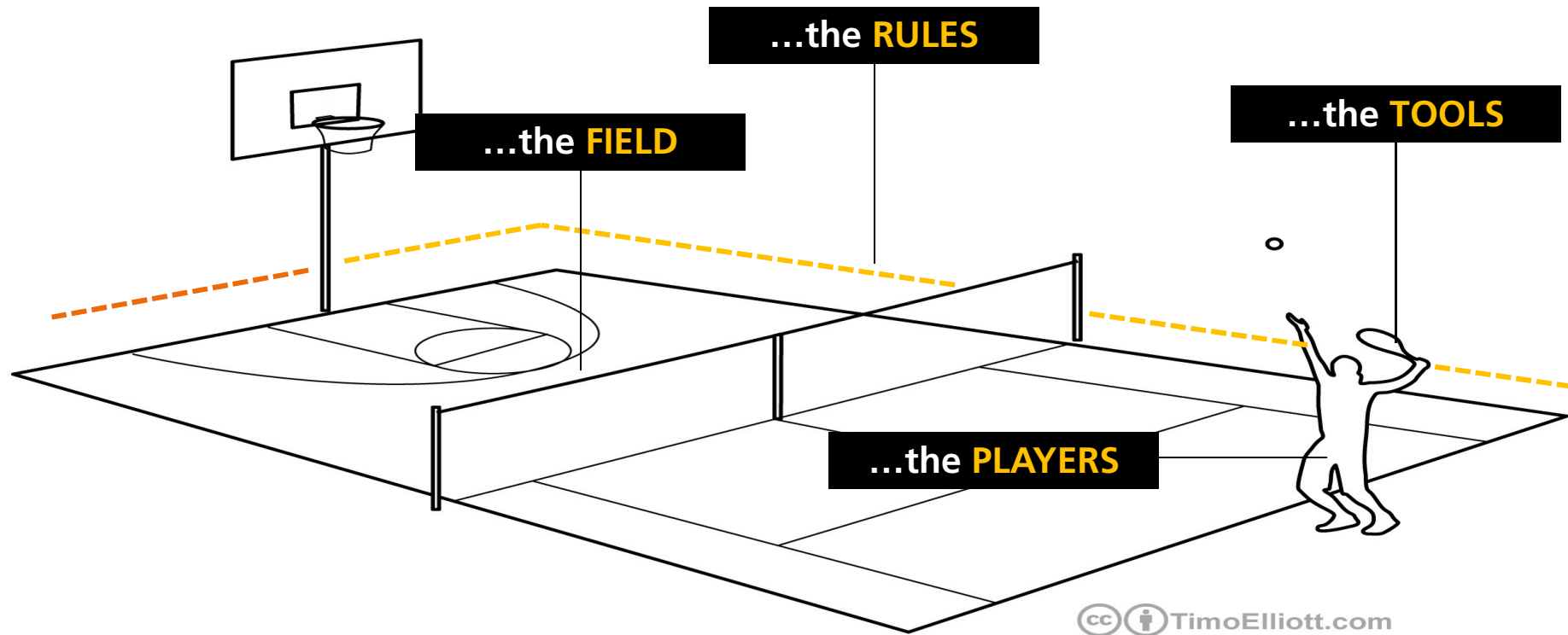


Case-Study „Tesla“



² http://www.wired.com/2015/10/tesla-self-driving-over-air-update-live/?mbid=social_fb#slide-1

For true urban game changers we need to change...



A systemic approach to urban transformations



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For info or further questions on this seminar and the activities of the JASPERS Networking Platform, please contact:

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