

## GOOD PRACTICE

### Attracting new capital for construction projects - the case of the municipality of Gävle, SBA-Stockholm Business Alliance and MIPIM (Marché International des Professionels d'Immobilier)

**ORGANISATION:** Unit of Trade and Industry of the Municipality of Gävle

**TOPIC:** Attraction of (foreign) investment for the construction sector

#### DETAILED DESCRIPTION OF THE GOOD PRACTICE

The municipality of Gävle is since 2006 member of the Stockholm Business Alliance (SBA), a cooperation between 55 municipalities in the Stockholm region. The common vision is to in long term keep the position as Europe's leading sustainable growth region. The cooperation in SBA focuses on three areas: attracting investments, municipal service delivery and international marketing.

In order to attract much needed (foreign) investment to the construction of housing in Gävle, the municipality has since 2010 participated in the MIPIM conference (Marché International des Professionels d'Immobilier) in Cannes, France, as part of a joint SBA activity.

The MIPIM conference is Europe's leading meeting place for investors and other actors in the real estate/construction sector, a unique opportunity to reach many international decision makers at the same time.

MIPIM in figures (2016):

- 21 400 visitors, incl 4 000 investors
- 2 450 real estate companies from 300 countries
- project showcases from 89 countries
- 380 journalists

SBA coordinates the participating actors, both public and private (in 2017 - 18 municipalities and 29 real estate partners), communicating a joint message on investment opportunities in the region, the positive business climate, description of the extensive market and the large numbers of development projects with the objective to show foreign investors and companies the many possibilities of investment and establishment of businesses that exist.

The SBA stand is the centre of activities for partners during the conference. This is where seminars (Stockholm Hour every day and partner seminars), activities with press as well as networking take place. An additional meeting room for smaller meetings is also available for all the partners. Other activities include the participation in other actors seminars/panel discussions (which give good opportunities to communicate the "picture of the Stockholm region"), network meetings, individual meetings with journalists of foreign business magazines and individual meetings with investors.

The budget for the SBA participation in MIPIM is 500 000 € (excluding travel cost), of which the public partners pay for 100 000 € and the private partners 400 000 €. The cost of the participation of the municipality of Gävle is approximately 10 000 € (including travel cost).

There is a joint as well as an individual preparation for the MIPIM conference. The joint preparations include the joint stand, message to communicate, marketing material, programme for the activities in the stand etc. The individual preparations for the municipality of Gävle include preparatory contacts with investors/businesses, the set-up of individual meetings and the preparation of seminars/talks.

The municipality of Gävle has received around 20 new business contacts that have been invited to Gävle and presented the investment opportunities. Two of them have so far resulted in actual investments (long term processes - find the right project, buy land, get permits etc) and several other are under way. Other than that, the conference is also the place to maintain and deepen contacts with national real estate and construction companies. The municipality can also be a good reference for local/regional/national companies when discussing business and new projects in other countries.

## ROLE OF ACTORS

Our membership of the Stockholm Business Alliance (SBA) is the platform for the participation in the MIPIM conference. Participation on our own, with the resources of a municipality of 100 000 inhabitants would not be as attractive to potential investors and therefore not as efficient.

As explained earlier, there is a joint as well as an individual preparation for the MIPIM conference. SBA has the responsibility for the project leadership and the overall coordination of partners and activities. This includes the joint stand, message to communicate, marketing material, programme for the activities in the stand etc.

Each partner is responsible for their contribution to the programme in the stand as well as their individual preparations i.e. preparatory contacts with investors/businesses, the set-up of individual meetings and the preparation of seminars/talks.

## BENEFICIARIES

- The municipality of Gävle - receives new contacts that in the long term can lead to new investments.
- Local real estate and construction companies - basis for new business opportunities (where the municipality of Gävle also can act as reference).

## CULTURAL ASPECTS: POSSIBLE KEY LEVERAGES FOR INTERNATIONALISATION PROCESSES

Joining up resources and knowledge with SBA, other municipalities and businesses bridges cultural aspects.

## INNOVATION OF THE GOOD PRACTICE, POTENTIAL FOR IMPROVEMENT AND REPLICABILITY

This is not a very innovative good practice, more an example of what is possible when you can cooperate with others.

There is always potential for improvements. The participation in MIPIM is followed up by all partners and suggestions of improvement are included in the preparation for the following conference.

There is a good potential for replicability, the success factor being the strong cooperation and the joint structure.

## EVIDENCE OF SUCCESS AND THE ASSESSMENT OF THE IMPACT AND RESULTS OF GOOD PRACTICE

The municipality of Gävle consider this a good practice as we have been able to reach new business contacts, potential investors, that we otherwise would not have met. Through these contacts we have been able to invite the companies to Gävle and show them our city and the investment opportunities in real, with in

several cases an investment as the result.

Number of new contacts: 20

Number of investments: 2 (with more in the process, defining project, finding suitable land, obtaining permits etc)

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