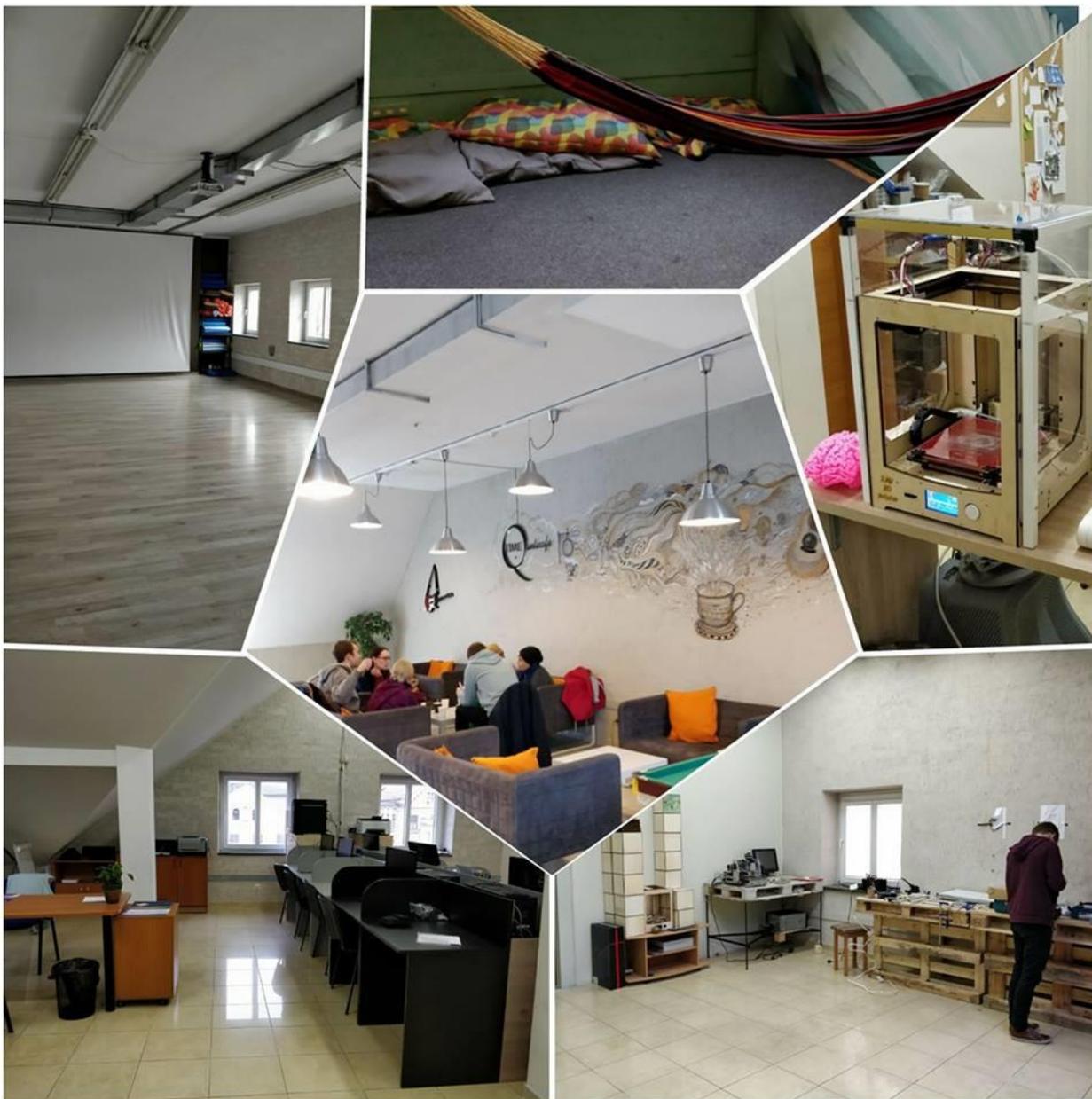


KLAIPEDA INTEGRATED ACTION PLAN 2018-2020



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Location and environmental conditions

Klaipeda is the third largest city in Lithuania (after Vilnius and Kaunas) with approximately 150 000 residents distributed over the area 98 of sq. km. It is located in the western part of the country, stretching almost 20 km along the shores of the Curonian Lagoon and the Baltic Sea. The city is situated in the environmentally sensitive location with water bodies constituting up to tenth and forested areas covering almost the third of city's administrative territory. Built up areas amounts just 34% but significant part of it is dedicated to industrial and related land uses (32%) representing Klaipeda's rapid development during second half of the 20th century. Klaipeda's history dates back to the 13th century (1252) and beyond with its urban landscape Klaipeda is still dominated by the old town and remains of former fortification system, laid out on the mouth of Dane river (Fig. 1).



Fig. 1 Aerial view of the Klaipeda (www.klaipeda.lt)

Economic development

Besides picturesque location and rich heritage contemporary Klaipeda is also characterized by thriving economy. With 11% percent of country's population, Klaipeda's region (county) contributes roughly the same amount of national GDP (approx. 12%), with absolute majority of it generated in region's centre (up to 80%). City's economy and labour market is dominated by various port related businesses and other activities generating almost 10% of national budget revenues (around €700M). The current Sea Port's annual cargo turnover is 43 mln. tones and the net profit of year 2017 was over 41 mln. euros. The port is planning to grow its cargo turnover by carrying out port expansion. Klaipeda's economic base is further strengthened by the Free Economic Zone (FEZ) attracting foreign investments (e.g. manufacturing, logistics sector) with companies generating approx. 2,5% of Lithuania's GDP and accounting for about 3% of exports.

Not by accident Klaipeda set its vision¹ to become the world-class blue economy and fast solutions city: the best place in the Baltic region to live, work, relax and invest.

Cultural life

Economic prosperity of the city goes hand in hand with an active cultural life, which is sustained by multifunctional arena, 2 concert halls, 6 theatres, 7 museums, 15 art galleries and other cultural institutions and leisure destinations. City has at least 3 major festivals annually. In 2017 Klaipeda was nominated as Lithuanian Capital of Culture and submitted proposal for the nomination of European Capital of Culture in 2022. Cultural diversity of Klaipeda is enriched by plenty of Lithuanian and foreign youngsters studying at 3 universities, 5 colleges and other educational institutions.

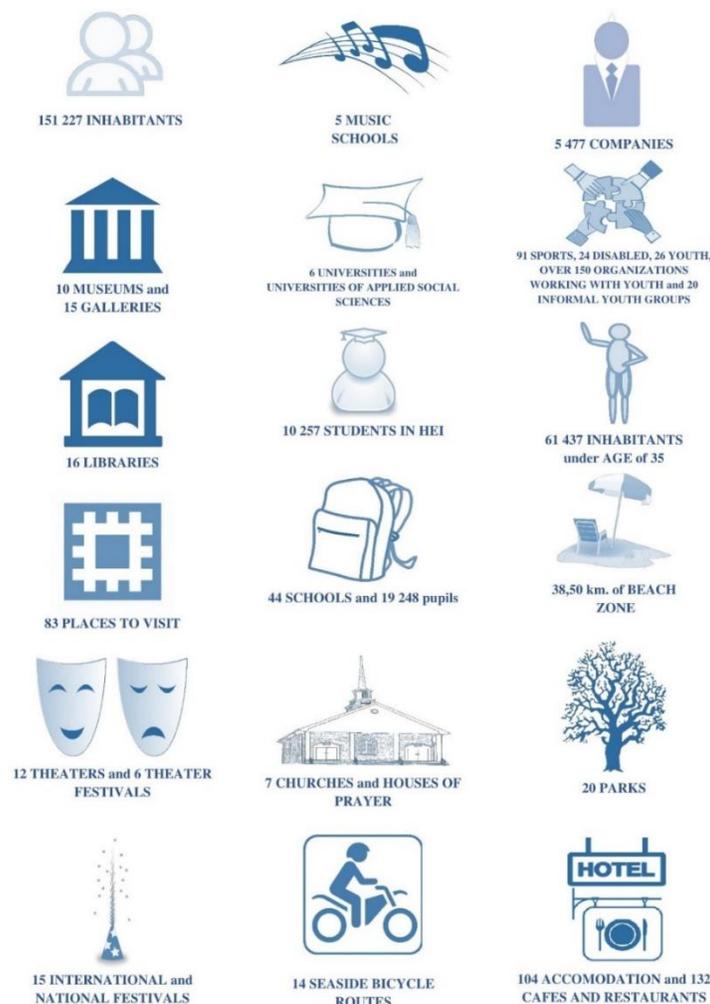


Fig. 2 Klaipeda in numbers (Sources: klaipeda.lt, statistics Lithuania, Klaipeda information centre)

Despite its strategic location, rapid economic growth and diverse cultural life Klaipeda currently suffers from problems ranging from declining population to lack of resilient labour market. These issues originate far beyond

¹ The vision was set during preparation of city's economic breakthrough strategy by involving 6 partners – Klaipeda City Municipality, port of Klaipeda, Klaipeda Free Economic Zone management company, Klaipeda University, Klaipeda Chamber of Commerce, Industry and Crafts, Klaipeda Industrial Association.

city's limits but nonetheless are crucial to its progress. Therefore, effective management of interplay between various local and global factors is the key to sustainable development of Klaipeda and its region.

1.2 CURRENT CHALLENGES

#1 Population decline

Klaipeda city shows obvious signs of shrinking with rapidly declining population (from approx. 204200 in 1990 to 151300 in 2017, in total -26%) accompanied by economic and demographic restructuring. The latter is extremely evident in diminishing proportion of younger population (Fig. 3) resulting in deepening talent problems in the city.

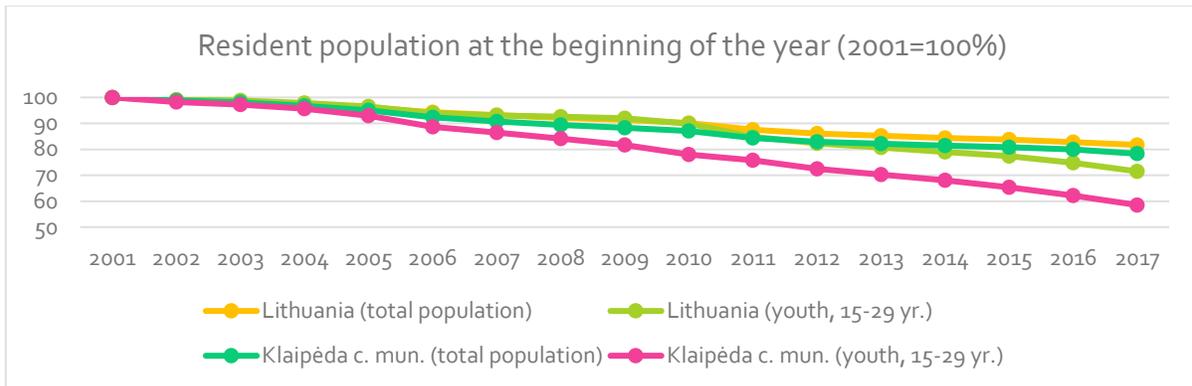


Fig. 3 Population change in Klaipeda (osp.stat.gov.lt)

The majority of people tend to leave Klaipeda because of lack of knowledge based, well paid employment opportunities. The portrait of young emigrant of Lithuania - a young man in his 20-29, who did not work for a longer time and never lived in marriage. Also, would like to study abroad (fig. 4).

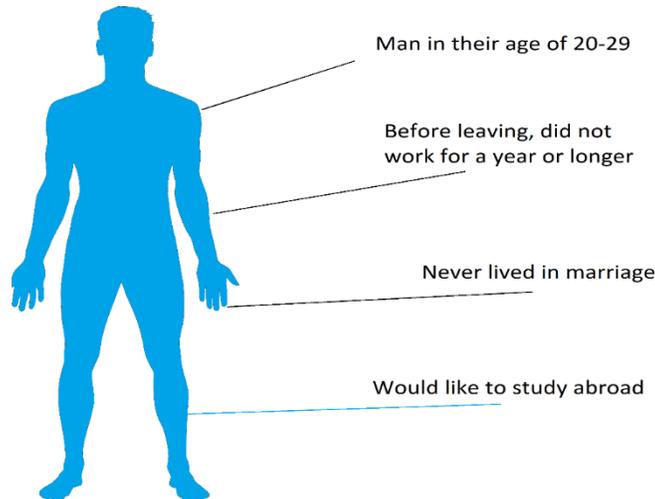


Fig. 4 Young Lithuanian emigrant portrait (Source: http://www.ldb.lt/TDB/Klaipeda/DarboRinka/Documents/2017/Tendencijos_2017.pdf)

Lithuanian woman tends to stay in Lithuania. However, men are more courageous and are more tending to leave. Therefore, the portrait used in the plan is presented as a man.

The share of youth, which decides to come back to Lithuania decreases annually: in 2014 - 42.2 percent, in 2015, only 23.6 percent decided to come back and contribute to the prosperity of Lithuania.

#2 Economic diversification and employment opportunities

Although unemployment level has diminished since 2010 (from 16,8% to 4,6% in 2017), Klaipeda’s labour market is still dominated by large businesses, e.g. wholesale trade, logistics and manufacturing (Fig. 5).

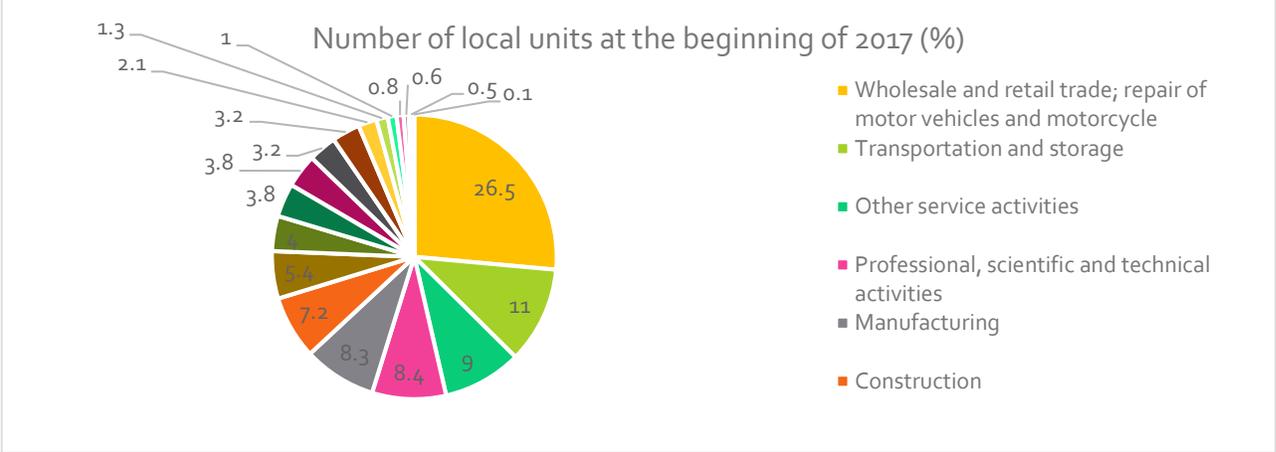


Fig.5 Business structure in Klaipeda (Source: osp.stat.gov.lt)

Limited diversity in labour market impacts the productivity of the city as more and more youngsters are interested in the creative industries and innovative services. (Fig. 6).

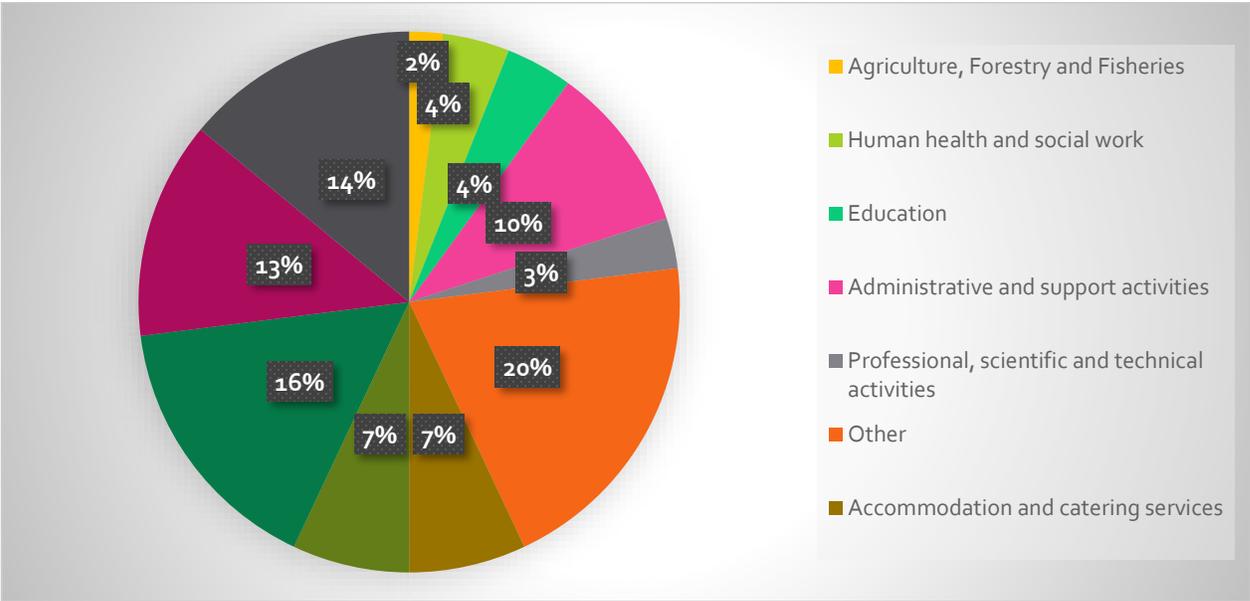


Fig. 6 Labour market trend: vacancies (www.ldb.lt)

The largest number of vacancies has been registered in the wholesale and retail, manufacturing, construction companies. The majority of economic activities does not offer a necessary supply of skilled labour working spaces. The lowest vacancies are recorded in agriculture, professional, scientific, technical and educational work.

Lack of employment opportunities in the latter sectors force youth to leave Klaipeda and choose other Lithuanian or foreign cities. While students still choose to work in service sector during their studies, after

graduating they tend to leave because of limited career opportunities and relatively smaller salaries, which do not reflect their growing needs. A young person at the beginning of a career usually earns a minimum wage or an amount close to it. The minimum wage in Lithuania is 3rd lowest in EU. (Fig. 7)

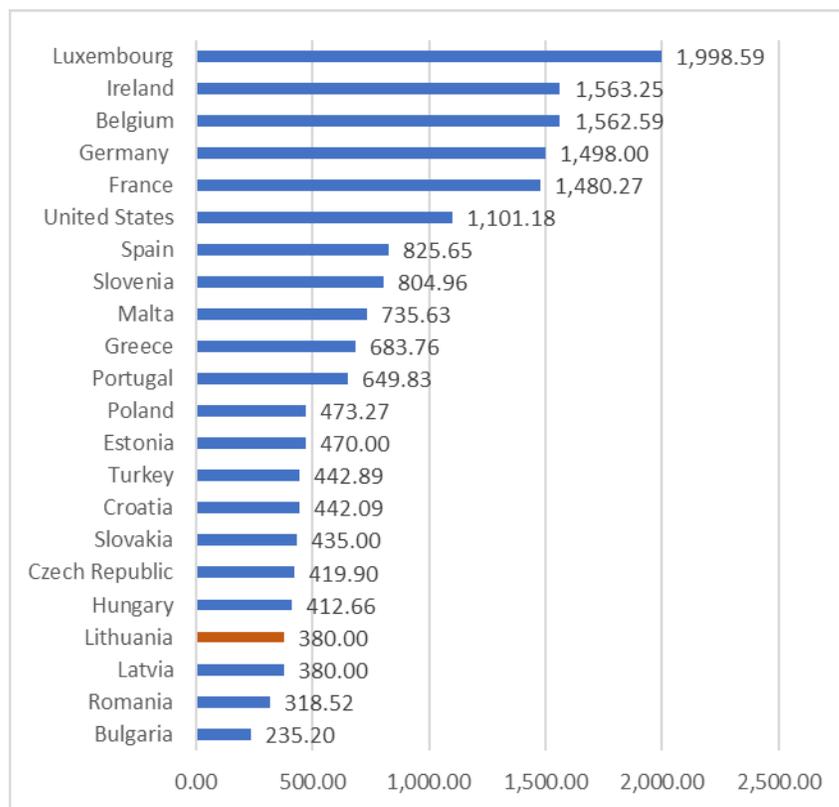


Fig. 7 Minimal wages in EU, 2nd quarter, 2017 (Source: Eurostat)

Economist N. Maciulis says that small salaries all over Lithuania depends on 4 main reasons:

- **Relatively low prices.** Prices for some goods, such as clothing or footwear, are similar to those in the richer EU countries, and some goods are even more expensive. However, prices for many professional services still amount to only about 40% EU average.
- **Disproportionately large public sector.** It employs 28% of all working people in Lithuania. In the developed countries, public sector employs an average of 20% all of the employed.
- **Inadequate business profits.** Business people often complains about instable governmental situation. Government raises taxes without prior notice. Thus, companies are afraid of raising wages.
- **Low and medium value-added sectors dominate in Lithuania.** Only 18% Lithuanian manufacturing enterprises are classified as having a high or moderately high technology level. Such companies in Estonia make up 25 percent, while in Germany and Switzerland - about 60 percent.

#3 Fostering creative sector

Young and innovative enterprises lack effective support from municipality and the institutional partners because of the new nature and trend of businesses. City does not have knowledge and experience of how to implement talent attraction and retention models that impact and stimulates young companies.

According to Klaipeda Economic Development agency, Klaipeda creative industry map contains of 10 creative sectors. (Fig. 8).

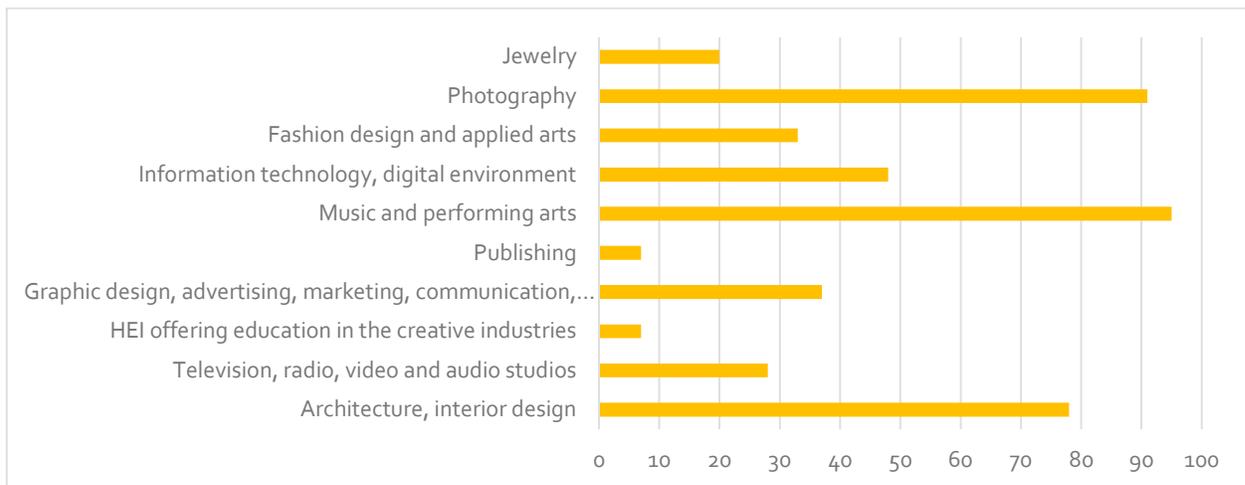


Fig.8 Creative industries in Klaipeda (Source: <http://kepa.lt/klaipedos-kurybiniu-industriju-zemelapis/#mapt>)

The most popular creative sectors in Klaipeda are music and performing arts (95 institutions or individuals) photography (91 specialists), architecture and interior design (78 institutions or individuals). The most unpopular spheres are publishing (7 institutions) and institutions, offering education in creative industries (7 institutions). Creative industries map shows that freelancers exist in Klaipeda and they are working. However, they are mostly working independently, not knowing each other and what kind of services could be offered by other freelancers.

#4 Affordable facilities

Self-employed individuals can't find affordable spaces matching their needs. In 2016, one small business centre was opened in Klaipeda, the modern office market was enlarged by approximately 2,000 sq.m. rented area. The total vacancy rate in the port city was 11.9%. and during the year it decreased by 0.3%. Conditions for new business centres in the seaport are currently not favourable. (Source: 2016 – 2017 Economics and real estate markets overview, Siauliu Bankas). Due to a smaller supply, rent rates are increasing. For example, in 2017, rent rates increased by 2% comparing 2016 years. In 2018 a new co-working space – Avily's are going to be built. It will have about 1000 sq. m space for new businesses. Due to relatively low supply, the rental prices are quite high. Some co-working facilities are already open (Cultural factory, Qtime, Castle Workshop, Telia Hub), but none of them fits industrial or manufacturing needs. Also, existing premises lack advertising (e.g. basic information, photos of the premises, etc.) in their websites or social network pages. Freelancers also point out that it is difficult for them to find rental places that would be offered at an affordable price and appropriate conditions. People, who rents flats or houses does not take into account whether freelancer gets money and usually are not flexible for postponed payments.

#5 Urban regeneration

Currently city centre has many insufficiently used spaces (brownfields, vacant land, etc.), which could be adapted for innovative business practices and mixed-use development. Therefore, urban regeneration is important tool in restoring city centre and its surroundings as attractive destination for young professionals to live, work and spend their leisure time.

Other thing, noticed by ULG members is that we have a number of underused places that would be perfect for freelancers. Using European structural funds, a lot of investment were put for development and establishment of sectoral practical training centres in 5 vocational education institutions in Klaipeda. These centres are equipped with new technologies, tools, systems. However, such equipment is too expensive for freelancers to buy. In cooperation with vocational training centres and freelancers' community, it would be possible not only to fully use existing centres and their equipment but also to develop students' entrepreneurial skills while seeing good examples or even working together with freelancers.

A few centres in Klaipeda:

Klaipeda Ernestas Galvanauskas Vocational Training Centre. Transport, warehousing and communications sectoral practical training centre. It provides secondary and vocational education corresponding to the requirements imposed on a chosen modern vocational sphere of activity, prepared high qualification professionals able to integrate into Lithuanian and foreign labour market as well.

Klaipeda service and business school. Practical training centre, which mostly works with the studies related to motor vehicles. School has modern material facilities (deport): info centre, workshops, modern classrooms, 2 canteens and a school hostel.

Klaipeda Technology Training Centre. School provides new training programmes ranging from interior decorators, hairdressers, florists, computer design operators, cashiers-accountants, small business organizers to dressmaking business service providers. The school constantly adjusts training to the conditions of labour market and is ready to prepare for training of new vocational programmes.

Klaipeda Tourism School. School provides good conditions for pupils' theoretical and practical training. Practical training is organized in the kitchens of restaurants and cafes, confectionery shops, sugar and grocery stores, which are located at the Sectoral Practical Training Centre. In addition, pupils are learning practical lessons in city stores, caterers, confectioneries, hotels, travel agencies.

Klaipeda Ship Building and Repairing School. Practical training centre for engineering services. It has a wide range of welding equipment, metal plasma cutting machines, software tools for metal and other materials processing, simulation equipment, robot engineering.

It also has to be mentioned that there are 32 secondary schools in Klaipeda. Each of them has their own technology classes with different type of equipment (manufacturing, textile, etc.), which could also be enabled while creating cooperation model among schools and freelancers' community. This collaboration would contribute to greater development of career competencies by transferring freelancers experience to pupils. ULG members thinks that freelancers might increase pupils' motivation to work on their own and to create their own working places in the future.

1.3 FUTURE OPPORTUNITIES

Based on current data and previous studies, main positive and negative aspects of current city situation in relation with attractiveness of Klaipeda for young talents were identified.

1 table. SWOT analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> ▪ new flows of youth each year to higher education and vocational institutions ▪ the second largest average salary (comparing Vilnius and Kaunas) in certain economic activity sectors ▪ low real estate prices (comparing Vilnius, Kaunas, Klaipeda) ▪ new municipality investments in infrastructure 	<ul style="list-style-type: none"> ▪ low foreign investments to create new knowledge-based jobs ▪ low potential of well-paid employment opportunities in other sectors than in manufacturing and maritime service companies; ▪ higher 'brain drain' than in other major cities ▪ difficult to find affordable premises for business development ▪ lack of entrepreneurship skills ▪ seasonal city (city is more active only in summers) ▪ Limited young talents capital, which can be invested in new business establishment (especially in manufacturing activities) ▪ Freelance working model is not considered as valid career option (too risky and not profitable)
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> ▪ relatively small competition for the creation of new businesses (comparing Vilnius and Kaunas) ▪ number of young professionals after studies, who can be easily employed and attracted to work in businesses ▪ various programmes for young business (mentoring, acceleration, etc.) 	<ul style="list-style-type: none"> ▪ unwelcoming business conditions (unstable, too fast and often too frequent changes in governmental level – e.g. law regulations) ▪ unfavourable national tax conditions (too frequent changes in governmental level; usually no previous warning made for businesses to adapt) ▪ unclear government position on emigration issues ▪ Attractive co-working spaces and acting communities in other cities (for instance, Kaunas, Vilnius. Thus, it is easier to just move there.)

Every year Klaipeda receives young people willing to study, but after graduation they usually leave Klaipeda and emigrates to other cities or goes abroad. Although the average salary in Klaipeda is the second largest in Lithuania and Klaipeda City Municipality constantly invests in infrastructure, the number of young people continues to decrease. According to 2017 second quarter statistics, average monthly salary in Klaipeda is 868,1 Eur., 0,52 % bigger than in Kaunas and 12,81 % smaller than in Vilnius). Klaipeda is a seasonal city with most activities for young people during summer season. Its worth to mention that the average salary is increased by those, who earns large wages and it does not reflect the situation of youth.

Small foreign investments to create new jobs are one of the biggest weaknesses in Klaipeda. Only a new infrastructure and lower real estate prices is unlikely to hold the rest of the youth in Klaipeda. In order to prepare young people for work, to encourage them to create and contribute to the welfare of Klaipeda, it is necessary to find ways to attract new investments, which would create more knowledge-based job opportunities, especially for skilled professionals. Due to comparatively low competition there is a great opportunity for young entrepreneurs to start developing their businesses. However not everyone is determined to take such action,

fearing to risk their capital or simply not having enough knowledge from where to start. Promotion of entrepreneurship could be now one of the main priorities for the city.

Lack of knowledge-based job opportunities, small wages, comparably small amounts of investments in new working places, especially if it is not manufacturing, port services and the belief that nothing is going to be changed in the near future gave ULG members an idea to focus on self-employed persons and creating good conditions on working, living and spending their lifetime in Klaipeda. As it was mentioned by some foreigners - Klaipeda is a perfect city for freelancers – life is not too fast and not too slow here. Klaipeda has everything – sea, cosy old town, enough talents to implement joint ideas and initiatives, especially in IT field. The city does not have millions of people, the traffic is not so heavy, queues in shops are not too long, and basically everything can be done faster than in mega cities. But we need to join efforts to build freelancers community, which would like to work here, would be able to find the place in the city and contribute to the welfare of Klaipeda.

1.4 FREELANCERS IN EUROPE AND KLAIPEDA

The number of independent professionals, commonly referred to as freelancers, in the EU-28 rose by a quarter (24%) from 7.7 million to 9.6 million between 2008 and 2015. This is according to the research published by IPSE, the Association of Independent Professionals and the Self Employed, UK

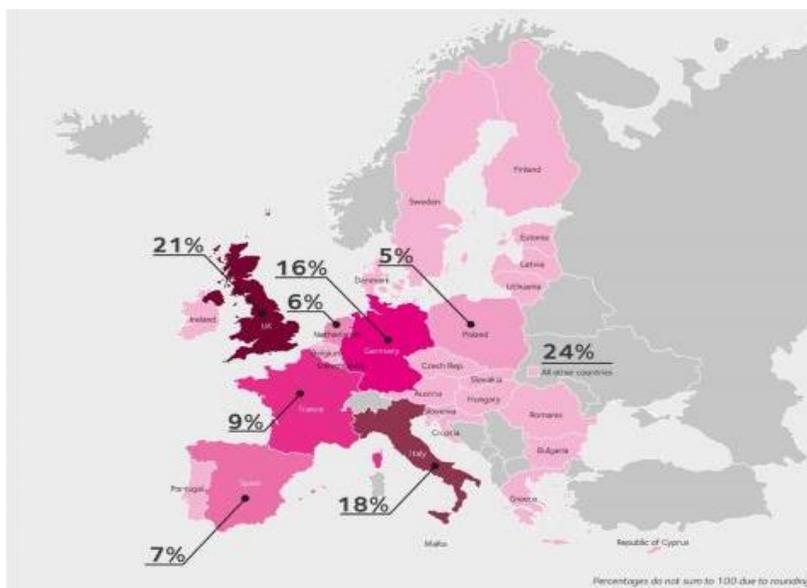


Fig. 9. Percentage of freelancers in Europe (Source: <http://www.efip.org/node/21>)

The research shows that more and more people are taking the plunge and launching businesses in almost every EU Member State. The largest number of new freelancers are in Western Europe – specifically the UK, France and the Netherlands – which between them saw 1.2 million more people launch a solo business in the seven years to 2015. However, the growth of self-employed is not confined to the largest Member States. Freelancing is gaining popularity fastest in some newer Member States, with almost 200 per cent more people freelancing in Latvia in 2015 than 2008, and more than twice as many in Romania and Slovenia.

Freelancers in Lithuania

Growing trend of freelance workers in the world, who has chosen such path of the career and the way of life, is increasing in Lithuania as well. This work form is attractive for representatives of creative industries and young specialists, especially. It is often difficult for young people to start their careers because employers often

require only experienced professionals. Freelance work makes it easier to get into the modern labour market - distance work provides great opportunities for gaining experience and improving your skills. Distance work is a priority for the younger generation, because they can combine work and studies and after studies go to the labour market already having some experience.

Although there are no official statistics on freelance work in Lithuania, growing demand of co-working spaces, tendencies in the internet platforms shows that more and more Lithuanians are interested in this form of work. Freelancers in Lithuania can advertise themselves freely. They can join one of the websites, where freelancers are offering their services. There are couple of websites, which has quite many freelancers registered already.

2 table. Freelancers in Lithuania

Website	Number of participants	Fields of work
Versliukai.lt	Over 11000	From tailors to astronauts
Lingjob.lt	Over 1400	Writers, translators
Freepro.lt	Over 500	From tailors to astronauts
Telo.lt	Over 230	IT and related fields
Dirbalaisvai.lt	Over 120	IT, business and related fields

Since there are no researches based on freelancers' situation in Klaipeda (or Lithuania), Urbact Group invited local freelancers in ULG group meetings to discuss their opinion about difficulties, basic challenges and possible changes what can be done in the frame of this project. Main challenges that freelancers are facing:

Fig. 10 Problems of freelancers in Klaipeda



One of the issues according freelancers are the situation among pupils in schools. They are not familiarized with an idea of being freelancer or entrepreneur and not to be dependable on their employers. There is a lack of lessons, guidance or mentoring on that. Teachers often encourage young talents to go to Vilnius, Kaunas or even abroad instead of staying in Klaipeda as there is much more suitable job opportunities after studies.

Another problem – high rental prices counting both living and working spaces. Klaipeda is relatively small city and the supply of vacancies are not meeting the demand. Thus, rental prices, especially of working places are quite expensive. The cheapest living places are quickly taken by students, wherefore, it could be harder to find cheap place to live also.

There are many challenges that freelancers are facing. However, ULG group decided to focus on freelancers' community. There are no active, hand in hand working freelancers' community. Freelancers do not know each other and the services, which they offer. There is also no database of free working spaces at favourable prices

and conditions, which might be interesting to self-employed. Virtual platform of various services, which might be used by freelancers or other community members are planned to be established in the framework of this IAP. This platform would consist of different columns – rental services, work spaces, database of freelancers, financial documents, law documents, Klaipeda Alumni support, special offers, workation packages, etc.

2 FOCUS AND OBJECTIVES

Joint vision

Integrated Action Plan (IAP) for Klaipeda will play an important role in supporting Klaipeda City Council and its local partners contributing to overcoming identified challenges. This plan will also contribute to the goal of becoming a tech-creative city, offering opportunities for young talents and entire community. Although IAP alone will not overcome all the challenges, ULG members think that together with Klaipeda Economic Development strategy 2030, IAP could contribute to the development of freelancers’ ecosystem making Klaipeda a friendly centre for freelancers to work, live, create together.

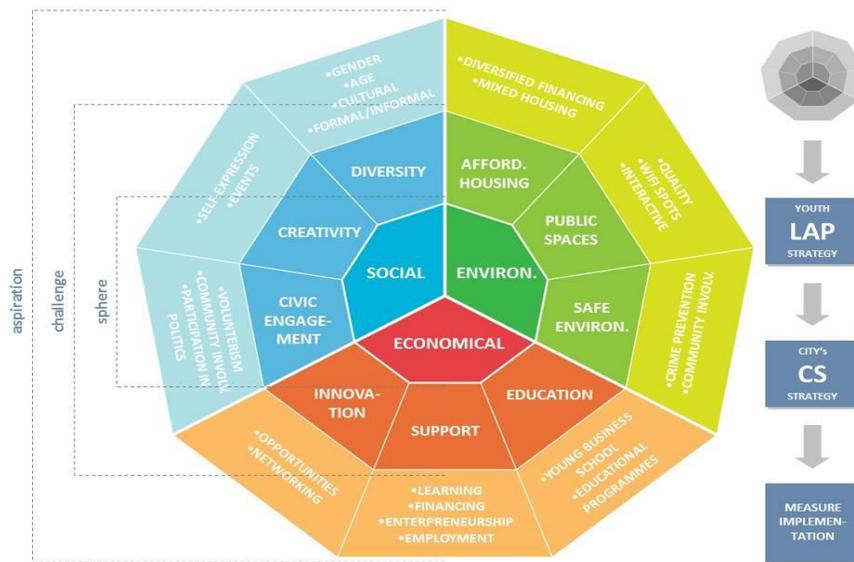


Fig. 11 Freelancers hub development framework/ecosystem

Since the beginning of the Gen-Y City project Klaipeda has been reaching political support for the development of a more holistic strategy for retaining and attracting young people and young entrepreneurs to the city. The city’s thinking is built on a framework (see Fig 11), which brings together the key challenges and aspirations of Social (Civic Engagement, Creativity, Diversity), Environmental (Affordable Housing; Public Spaces; Safe Environments) and Economic (Innovation, Support and Education) spheres. This is a genuinely new approach for Klaipeda, which has received political support, and has not been covered in any of the previous strategies or transnational projects.

To start implementing this new approach Klaipeda places its focus in IAP on developing city as a ‘paradise for freelancers’ and prioritizing young professionals as a main target group. Klaipeda has many to offer: beautiful nature to admire, cosy city environment, friendly people, young professionals to cooperate with, a few freelance spaces (co-working spaces) already and many more to be established. Therefore, the city envisions becoming top destination not only for Lithuanian freelancers, but for foreigners as well. Integrated Action Plan as well as

Klaipeda Economic development strategy 2030 will be the driving force, which will lead city to talent attraction, retention and development in Klaipeda.

VISION: Klaipeda – centre of self-employed specialists (freelancers), where it’s good to live, work and develop skills.

It is expected that talent attraction and development in the city will contribute to higher youth employment, as more young people do not want to work for others and have more independent working style. Klaipeda seeks to reshape the city adapting to generation Y needs through new infrastructure, culture, services, investments into talents. Gen-Y city project has helped to come up with freelancers’ paradise idea through experience exchange, good practice examples, activities dedicated to diagnosis and versatile support. Through this project URBACT Local Group (ULG) came up with many ideas on how to increase youth willingness to live and work in the city and are expecting that these ideas will have a direct impact on the improvement of the youth quality of life in Klaipeda city.

IAP planning process

Klaipeda’s ULG was formed as a Quadruple Helix partnership which has been and still keeps expanding throughout the whole project (see Fig. 12). To develop IAP, Klaipeda city municipality worked with a variety of groups: representatives from various municipality departments responsible for different spheres related to the topic, Klaipeda University, youth organizations, businesses, non-profit organizations, young individuals, etc. Until now, various stakeholders (active youth leaders, organizations, freelancers, businesses, etc.) have been meeting and discussing youth-related challenges under the ‘umbrella’ of ULG and disseminating the possible solutions to wider public.



Fig. 12 Klaipeda’s ULG structure

The current thought is that the ULG will support freelancers in developing and guiding the implementation of IAP. The group will seek to be the main supporters of freelancers working in Klaipeda and will develop arrangements to ensure young people and the main target group of IAP are suitably involved in shaping the strategy. As the vision that frames the priority objectives and actions that should be implemented through the delivery of the Klaipeda’s IAP was developed mostly by the ULG members: setting out ambitions and aspirations for the freelancers’ paradise, this plan will be used as a benchmark to assess progress. ULG strongly believes that our vision is achievable and would benefit to both, city economy and its attractiveness.

The process of preparing Klaipeda IAP was long and tricky. The initial stage was aimed at changes in youth policy. Accordingly, the members of our ULG Group were focused on identifying and resolving youth problems. Since the start of the project, ULG Group has been committed to contributing to changes in decreasing population of youth, which is the most significant problem in Klaipeda (Fig. 13).

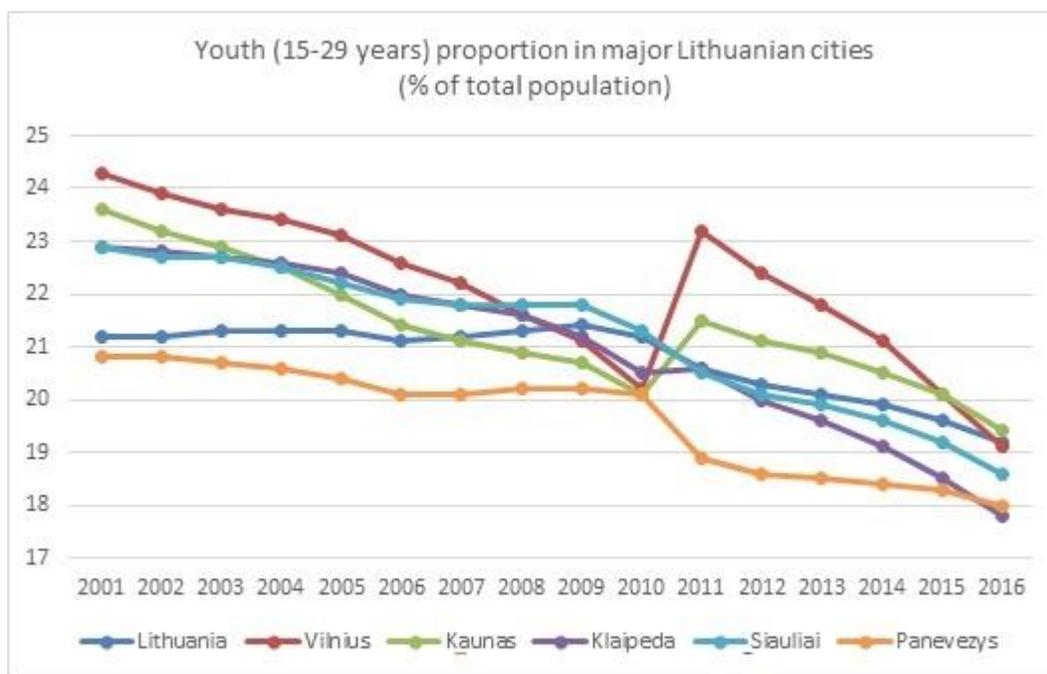


Fig. 13 Changing demographic structure of Klaipeda city

Klaipeda does not have an integrated youth policy strategy and city identity presenting Klaipeda as a youth-friendly city, which attracts young people to study, live and work and creates value to the city and region. Thus, at the very beginning ULG was focused on integrated youth policy strategy and city identity development as well.

One of the changes in Klaipeda youth policy inspired by GEN-Y-City project was application for the 'European Youth Capital 2020' title award. During several meetings with youth representatives as part of ULG meetings they expressed willingness and wish to apply for The 'European Youth Capital 2020' and seek for changes in Klaipeda youth policy. Though Klaipeda was not awarded with the title in 2017, city has resubmitted application for 'European Youth Capital 2021' title this year (2018). Within this title young people are seeking that Klaipeda would be an open, digital, e-solutions based city, where co-working is the reality, where are plenty of opportunities for youth to live, work, share, implement and exchange ideas, youth can break the standards, youth voice can be heard and acknowledge. Most likely if not Klaipeda participation in GEN-Y-City project this idea would have never come to youth and our minds. Such international projects open up minds and encourage to look for new and innovative ideas how to make city more attractive for young people.

Changes in youth policy in Klaipeda are necessary and obligatory, but also greatly expanded the scope of the Integrated Action Plan and measures, which can only be implemented in the long-term perspective and additional help might be needed. Integrated action plan cannot contribute to overcoming all the challenges, which Klaipeda has.

While participating in partner meetings, Klaipeda had always wanted to cover and to solve a very wide field of problems. The ability of partners from Bologna, Genoa to identify their direction clearly (e.g. Digital City, Music City, etc.) inspired Klaipeda to narrow the scope of its action plan and to define a specific area and the existing problem, which can be solved. Only during the meeting in Coimbra ULG members finally find a niche of freelancers as possible field, which can be improved. The development of this IAP in the light of freelance-related issues was supported by an entire ULG Group. It made the preparation of the plan easier and clearer. Using the ULG members' environment, freelancers were attracted to the meetings. They were very pleased to learn that Klaipeda City Municipality has drawn attention to this target group and seeks to work together to find ways to address the challenges they face. During numerous ULG meetings, participants had the opportunity to get acquainted and to find out about co-working spaces existing in Klaipeda, to establish contacts with freelancers working in Klaipeda.

GEN-Y-City partner meetings have contributed to the clear identification of this IAP direction. In addition, the good practices, which were taken from partner cities, were presented to the representatives of various Klaipeda city municipal committees.

During the meeting in Bologna, Klaipeda team was impressed by the usage of sea containers for people to live and work. This idea was brought to Klaipeda ULG members. They liked the idea of creating a freelancers' hub of containers in Klaipeda. For that purpose, Klaipeda City Municipality submitted an application for EEA and Norway Grants funding scheme. Although the application has not been selected for funding, the idea of building the Freelancers' Cooperation Hub infrastructure through the use of maritime containers is not forgotten. Klaipeda will continue to search for funding opportunities and are willing to implement this idea.

Especially exciting was the meeting in Kristiansand (Norway). ULG members were admired by Maker-spaces, which has a lot to offer and Skap Kreativ Folkehøyskole (talent school), which is dedicated to Norwegian students, who are not sure about what to study and to become in the future. For one-year, high school graduates try to test themselves in the fields of architecture, technology, design and entrepreneurship. Together with business people they learn how to think critically and use their creativity. They are also living in the same spaces and creates their own community. One year later students are often confident enough to make a decision of what to study and to start it. This is a great model for attracting young people: 80 young talents learn and live in the small city with just 15,000 inhabitants. This model was presented to the Education Council of the Klaipeda City Municipality as an opportunity to adapt the similar model of talent attraction in Klaipeda city.

It should also be emphasized that all the learning process and working on IAP was useful and relevant. Thanks to the IAP, Klaipeda City Municipality is expected to establish a high-level specialist position, which will be responsible for the development and maintenance of activities related to the attraction of STEAM talents, in line with the Klaipeda city economic development strategy and the regional economic specialization.

Thanks to GEN-Y-City project, separate strategy for attracting talents is included in the Klaipeda Economic Development Strategy. Until then, Klaipeda City Municipality had no orientation towards the maintenance, education and attraction of talents and this project allowed to look at the existing city problems from a different perspective and to provide appropriate measures.

The ULG members and their developed IAP aims to contribute to creating a favorable environment for freelancers. According ULG members, the measures taken will lead to sustainable results and provide the basis for the development of freelance eco-system in the city. And in the long run, the problems of emigration might also be changed.

Result framework

Specific project objective is formulated according to the current situation that freelancers' community is facing and also taking into account main challenges of the city (impacting freelancers community as well):

City challenges	Freelancers challenges
#1. Population decline #2 Economic diversification and employment opportunities #3 Fostering creative sector #4 Affordable facilities (for work and living) #5 Urban regeneration	#1. Dispersed freelancers' community (lack of collaboration among freelancers, as they do not know each other) #2 Freelancing, entrepreneurship not seen as valid career choice #3 Lack of financial resources to start working as a freelancer (e.g. purchasing tools, design programmes, etc.) #4 Entering to labour market #5 Expensive rent costs (both for living and working spaces)

The main objective of an integrated action plan is to **improve conditions for young freelancers to develop their talents, to live and create in Klaipeda**. This objective would be achieved through development of virtual "freelance platform". Freelancers on this platform will be provided with comprehensive information on work opportunities, activities, provision of services, accommodation, projects, rest places in Klaipeda, etc.

Through IAP Klaipeda seeks to achieve these **specific objectives**:

- ❖ To increase the number of talents, who chooses Klaipeda as a work place.
- ❖ To develop entrepreneurship education services for talents and freelancers
- ❖ To increase the knowledge of attractive living and working spaces for freelancers existing in Klaipeda

It is expected that IAP would allow to achieve significant results for both – city and freelancers' community.

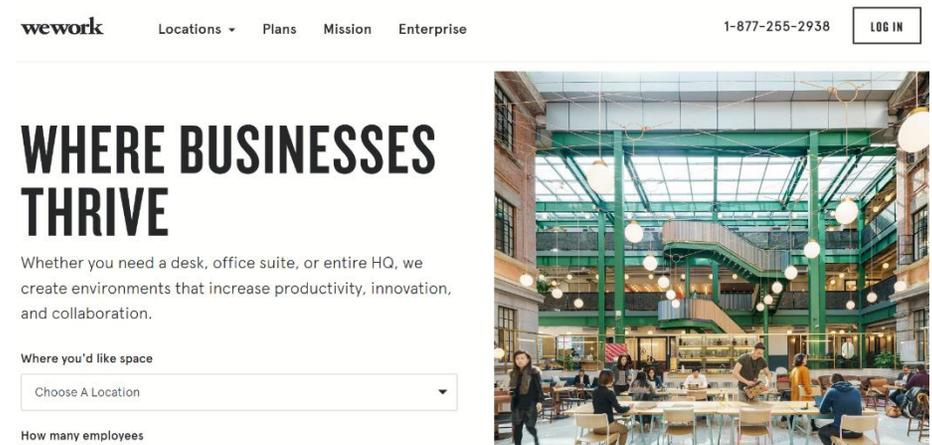
3 table. Expected results of implementing IAP vision seen by ULG members:

INFRASTRUCTURE	CULTURE
<ul style="list-style-type: none"> ▪ more available working spaces for freelancers ▪ new, cosy and picturesque working places ▪ new facilities or better usage of manufacturing tools; 	<ul style="list-style-type: none"> ▪ easier ways to find co-workers ▪ encouragement to implement share economy principles
INVESTMENTS IN TALENTS	SERVICES
<ul style="list-style-type: none"> ▪ young professionals after studies choose to stay in Klaipeda ▪ new initiatives created 	<ul style="list-style-type: none"> ▪ Freelancers/young entrepreneurs counselling from Klaipeda Alumni talents ▪ Attractive workation packages developed

3 ACTIONS, SCHEDULE AND DELIVERY

While preparation of the final version of the Integrated Action Plan, after consulting with international experts, ULG Group members decided to narrow the initial version of the Integrated Action Plan and focus on the main objective and related measures for attracting and retaining talents in Klaipeda. Selected best and realistic measures, which can be reached until 2020 and that make the most contribution to the attraction and retention of talents in Klaipeda.

The main objective of the integrated action plan is to **improve conditions for young freelancers to develop their talents, to live and create in Klaipeda**. This objective would be achieved through development of virtual "freelance platform". According to ULG group members, it is necessary to study examples of foreign countries in the development of the platform, for example. flacon.ru; www.wework.com.



This platform should focus on all relevant information for freelancers. It is proposed to set up a group of people responsible for developing, maintaining, implementing of a platform, which could also be formed on the basis of ULG. This executive group [EX] should include representatives of self-government, business, freelancers, etc. It is worth considering adding "Invest in Lithuania" as well.

The members of the ULG Group agreed to set up an Executing Working Group to be responsible for the development and implementation of the platform. The members of this group agreed to work together to develop a platform that would provide freelancers with the comprehensive information on job opportunities, activities, provision of services, accommodation, projects, rest, etc. Some ULG members (QTime, KSTP) have proposed to be responsible for implementing certain measures.

Objective #1 Increase the number of talents/freelancers, who choose Klaipeda as a work place

DIRECTION:		Talent attraction				
Actions	Principal executor	Key partners	Short description (main steps)	OUTPUT INDICATOR	Terms	Resources (annual)
Creation of a virtual freelancer platform in Klaipeda	EX	KCMA PC UNI KSTP TIO	<p>Development of the platform² are made in the principles of hackathon. Freelancers are involved in the process. At hackathon they are divided into teams with specific skills (design, front-end, SEO, etc.). Within 36 hours 5 formed groups must create a working prototype of the platform. The goal is to decide and create UX mapping that best suits their specific needs.</p> <p>1. Organization of the hackathon; 1.1. Creation of a prototype of a freelance web site 1.2. Preparation of UX mapping³</p>	<p>1 hackathon organized</p> <p>Number of participants (freelancers) – not less than 50</p> <p>1 fully functional virtual platform created</p> <p>Annual growth of Website visitors - 20%</p>	2019	<p>Organization of the hackathon: 5000 Eur. Municipality budget</p> <p>Prizes for participating teams: 5 teams' x 1000 Eur., Municipality budget</p>
	VG	KCMA PC UNI KSTP TIO Qtime	<p>Self-employed persons find difficult to sell their products or services. Often, they need additional services that they could buy from other colleagues. The platform is designed to enable freelancers to sell their own or to purchase services from others:</p>	<p>Freelancers database created</p> <p>Annual number of freelancers who sign up in the database</p> <p>Target: 100</p>	2019/2020	<p>Administration: of the platform 36.000 Eur. Municipality budget (24 months.)</p> <p>Other administration costs are covered by the own funds of administrator.</p>

			<ol style="list-style-type: none"> 2. Preparation of the technical specification for freelancers' database; 3. Creation of freelancers' database 4. Inventory of premises, which might be used by freelancers made. 5. Creation of an interactive map of available resources (human) and unused or incompletely exploited spaces at a particular time2; 	<p>Baseline: 0</p> <p>The growing number of institutions registering on the platform. -10 percent annually</p>		<p>2019/2020 – website-platform-database: Municipality budget 10.000 Eur.</p> <p>Own funds of KEDA: mapping of offices and parcels</p>
Marketing actions to promote Klaipeda as a welcoming place for freelancers	KCMA	<p>KEDA</p> <p>KSTP</p> <p>LS</p> <p>PC</p> <p>UNI</p> <p>SMEs</p> <p>Versli Lietuva</p>	<ol style="list-style-type: none"> 1. Adaptation of the city mark for the use of freelance platform 2. Preparation of the brand book 3. Presentation of the platform at various events (career days, entrepreneurship contests, study fairs, etc.) in order to inform young people about the possibilities to become freelancers and to work in Klaipeda 4. Organization of a festival for current and future freelancers (entertainment + networking + education + visits in creative spaces in Klaipeda) 5. Advertising in international newspapers/magazines 	<p>Klaipeda trademark adapted to the platform</p> <p>Brand book created</p> <p>Informed Persons - 10,000 (during events)</p> <p>Festival participants – at least 1000</p>	2020	<p>Advertising agency services - 12000 EUR, Municipality budget</p> <p>Festival: 30.000 Eur. Municipality budget</p> <p>Sponsors of the event</p>

Attractive workation packages for young talents	KEDA	PC PI RED	<ol style="list-style-type: none"> 1. Collection of the information for workation packages 2. Preparation of special workation packages (offering work and holiday combining services, offering work near the sea) 3. Promote Workation packages in the platform (in Lithuanian, English and Russian languages) 4. Sale executions of workation packages 	<p>Workation packages created and offered - at least 2 each year</p> <p>Workation packages are used by no less than 80 freelancers from registered in the platform.</p>	2020	<p>Own human resources of KEDA: gathering information for workation packages</p> <p>Sales – own funds of the administrator</p>
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Objective #2 To develop entrepreneurship educational services for talents and freelancers

DIRECTION:		Education of talents				
Actions	Principal executor	Key partners	Short description	OUTPUT INDICATOR	Terms	Resources (annual)
Creation of mentor network for entrepreneurship spirit encouragement	KEDA	KSTP UNI PC Qtime	<p>With the support of their own website, KEDA will store database of „Global Klaipeda habitant “. Emigrants of Klaipeda will be able to register there and offer their ideas for the city and to cluster to the network of ambassadors.</p> <ol style="list-style-type: none"> 1. To establish a club "Klaipeda Ambassadors" 4: <ol style="list-style-type: none"> 1.1. A network of highly qualified counsellors' establishment, in order to provide advice on entrepreneurship at national and international levels; 	<p>The number of highly qualified counsellors (alumni / mentors / ambassadors) will be attracted</p> <p>Target: 20 counsellors at the beginning years. Each year the indicator grows by 10%.</p> <p>Baseline: 8</p>	2020	Voluntary input from KEDA

			1.2. To develop relationships with talents, who are in emigration, by including them in the network of "Klaipeda Ambassadors"			
Promotion of Klaipeda Ambassadors network	QTime	KSTP KEDA	<ol style="list-style-type: none"> 1. Share the success stories of members of the "Klaipeda Ambassadors" 2. Integration of reservation section of "Klaipeda Ambassadors" mentorship in the platform 3. Provide mentoring services, consulting on business establishment and development issues 	<p>Published success stories</p> <p>Target: at least 5 annually</p> <p>Baseline: 0</p> <p>Number of users using consultations of "Klaipeda Ambassadors"</p> <p>Target: 20% from those, who are registered on the platform</p> <p>Baseline: 0</p>	2020	Voluntary input from QTime, KEDA and KSTP

Objective #3 To increase knowledge of attractive living and working spaces for freelancers

DIRECTION:		Talent retention				
Actions	Principal executor	Key partners	Short description	OUTPUT INDICATOR	Terms	Resources (annual)
Offers of the accommodation in Klaipeda	EX	KCMA SMEs RED KEDA	1. To conduct a study on the needs and requirements for the preparation and implementation of innovative, long-term and temporary accommodation programs (common	A study conducted, recommendations prepared for the implementation of long-term and temporary accommodation programs in Klaipeda	2019-2020	Voluntary input from EX, KEDA

			<p>dwellings, dormitories and initial setting packages, etc.)</p> <p>2. To collect, analyse information aimed at the supply of long-term, short-term accommodation and business vacancies, which might be used by freelancers in Klaipeda</p> <p>3. Create section in the platform "Accommodation in Klaipeda"</p> <p>4. Preparation of the soft-landing package</p>	<p>Information on long-term, short-term accommodation and business vacancies opportunities in Klaipeda prepared</p> <p>Section of "Accommodation in Klaipeda" included in the platform</p> <p>Soft-landing package prepared</p>		
Mediation services for freelancers	EX	KCMA KEDA	Mediation in negotiations with owners of non-utilized premises	<p>Provision of mediation services</p> <p>Expected result – mediation services provided to at least 10 persons annually</p> <p>Baseline: 0</p>	2019-2020	Voluntary input from principal executor and key partners.

Abbreviations

FEP – Formal education providers

KCC – Klaipeda City Council

KCCIC – Klaipeda Chamber of Commerce, Industry and Crafts

KCMA – Klaipeda City Municipality Administration

KEDA – Klaipeda Economic Development Agency

KEDS IG – KEDS2030 Implementation Group (main partners)

KFEZ – Klaipeda Free Economic Zone

KLLE – Klaipeda Local Labour Exchange

KSTP – Klaipeda Science and Technology Park

LS – Local Schools

NFEP – Non-formal education providers

PC – Private Companies

PI – Private Investors

PTC – Public transport companies

RA – Recruitment agencies

RCO – Risk capital organizations

RED – Real estate developers

SMEs – Representatives of SMEs

TIO – Tourist Information Office

ULG – URBACT Local Group members

UNI – Universities

YAC – Youth Affairs Coordinator

YO – Youth organizations

YR – Youth representatives

EX – Executives group formed on a ULG basis

² **Creating a freelance platform (website / app)**, allowing freelancers to find each other online, disseminating information (initiatives, events, accommodation, general information about the city, introducing the tax and legal framework in Klaipeda and Lithuania, introduction of an advertisement board, information on products being developed and already created, conditions for a freelance worker to find an investor and vice versa, conditions for publication of vlogs and dissemination of information);

³ **Interactive map** of unused premises at a specific time created, identifiable places where it is possible to lease premises, use various equipment, installed reservations, payment systems, etc. exploiting and complete usage of existing resources of the city. Integrated feedback on the platform;

⁴ The "**Klaipeda Ambassadors**" club establishment, where people, who left Klaipeda tells about their experience in Klaipeda and how the city contributed to their growth, self discovery and finding of their niches.

The implementation and monitoring of the IAP progress will be coordinated by the Administration of Klaipeda City Municipality. However, majority of actions included in IAP will be delivered in cooperation with ULG and relevant stakeholders based on the nature and scope of the action.

For the moment necessary budget would be dedicated from Klaipeda City municipality funds. IAP will be integrated in Strategic activity plans of Municipality in 2019 when the budget will be formed. Additionally, ULG members expressed their willingness to contribute to the plan implementation, therefore certain actions would be implemented through their voluntary input.

Also funding for the implementation of the IAP will be identified on a case by case basis.

Some actions (e.g. KEDS2030 and foreseen activities) are financed (or planned to be financed) based on partnership funding from the main stakeholders (namely Klaipeda City Municipality Administration, State enterprise Klaipeda State seaport authority, Klaipeda University, Klaipeda Free Economic zone, Klaipeda Industrial Association, Klaipeda chambers of commerce, industry and crafts.

Other possible funding sources depending on foreseen IAP activities:

- EU Structural funds support 2014-2020.
- Horizon 2020.
- ERDF programmes (cross-border cooperation programmes).
- Erasmus+ programme.
- EEA Financial Mechanism 2014-2021.

5 RISK ANALYSIS

Given the scope of actions provided in IAP, following risks and their assessment are considered in the table below.

4 table. Risk analysis

Type of risk	Risk description	Risk level	Risk management
Timing	The actions planned for particular activities could not be completed within the stipulated time despite commitment and plan of action.	High	Readjusting/rescheduling planned operations and other activities to ensure the realization of tasks up to the final deadline.
Financing	Lack of financing or need for additional finances to realize provided activities could cause a delay in the implementation process.	Medium	Ensuring proper level of realization of actions and other committed activities, by compensating lack of finances using other funding programmes and/or inner funds of the implementing institution
Staff	Changes in personnel or shifting responsibilities could cause the interruption in plan's implementation process	Low	Filling vacant positions by finding equivalent or higher qualification and expertise, primarily, exploiting existing human resources available, and if necessary – recruiting specialists from outside.
Governmental changes	Changes at the highest level of city management can cause the abandonee of actions and the transfer of power and resources to other matter.	Medium	Making sure to have a full support of City Council in order to be able implementing the actions provided in IAP.

CONTACT DETAILS

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Gen-Y City is an URBACT project which focuses on achieving smart, sustainable and inclusive growth, by establishing stronger forms of co-operation between science, local government, businesses and residents to improve the development, attraction and retention of Gen-Y 'Creative-Tech' talent (particularly Creative-Tech entrepreneurs) in European cities.

For more information on Gen-Y City: <http://urbact.eu/gen-y-city>