



Urban dimension of post-2020 Cohesion Policy

DG REGIO

Structural Funds for cities (2014-2020)

- **ERDF:** > half spent in cities (> € 100 B)
→ Article 7 : € 15 B managed directly by cities
- **ESF:** € 1,5 B to sustainable urban development
- **URBACT:** € 96 Mio
- **Urban Innovative Actions:** € 370 Mio
- **INTERREG Europe:** € 425 Mio (a lot for cities)
- **ESPON:** € 49 Mio (part for urban studies)
- **UDN bringing cities spending ERDF together**

New call UIA

Call	Estimated Call period	Indicative budgets*	Expected topics
4	October 2018 – January 2019	100 EUR Mio	<ul style="list-style-type: none"> - Digital transition - Sustainable use of land / Nature-based Solution - Urban Poverty - Urban Security
5	September 2019 - December 2019	50 EUR Mio	<i>To be confirmed in 2019</i>

- *dedicated urban investment advisory platform within the European Investment Advisory Hub (EIAH)*
- *facilitate, accelerate and unlock urban investment projects, programmes and platforms*
- *developed in partnership by the European Commission (DG REGIO) and the EIB in the context of the EU One Stop Shop for Cities and in support of the ambitions defined in the EU Urban Agenda*
- *<http://eiah.eib.org/about/initiative-urbis.htm>*

Urban agenda for the EU

The urban agenda for the EU brings together the Commission, national ministries, city governments and other stakeholders to promote better laws, easier access to funding and more knowledge sharing on issues relevant for cities.

Urban Agenda for the EU

Priority themes

Air quality in cities
Circular economy in cities
Climate adaptation in cities
Culture in cities
Digital transition in cities
Energy transition in cities
Housing in cities
Innovative and responsible public procurement in cities
Inclusion of migrants and refugees in cities
Jobs and skills in the local economy

City initiatives

Smart cities

Funding for cities

Several EU funds offer support to cities, including advice on implementation.

European Fund for Strategic Investments
European Structural and Investment Funds
Horizon 2020
LIFE
Urban Innovative Actions
European Investment Project Portal
European Investment Advisory Hub

Knowledge for cities

Strong and reliable evidence, including experience and networks, on urban issues help to formulate EU policies, legislation and instruments.

Cities events

Upcoming and past events related to cities and urban development.

Agenda 2030-New Urban Agenda and SDGs



New Urban Agenda

- *Elements have an impact on the Urban Agenda:*
 - **Commitments**
 1. Implement New Urban Agenda through the Urban Agenda
 2. Agree on a worldwide definition of Functional urban area
 3. Establish a worldwide exchange of experiences
 - **Sustainable Development Goal (with targets)**
 - Example: "By 2030, provide universal access to safe, inclusive and accessible, green and public spaces"



Urban dimension of current Cohesion Policy

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Lessons Learned

- **More thematic flexibility**
 - Thematic focus were often limiting and set before the selection of local strategies without considering the actual development needs and potentials
- **Need for simplification**
 - Lower implementation rate (34% project selection rate, end of 2017) irrespective to the applied territorial delivery mechanism (ITI, multi-thematic priority axis).
 - Novelty of integrated approaches and complexity of challenges can explain the delays sometimes, but complicated implementation systems can be streamlined.
- **Challenges in multi-level governance**
 - Delegation of project selection (IB) was too burdensome, while the actual role and responsibilities of cities and territories remained unclear.
- **Recognising the role of cities in regional development**
 - Increased focus on sustainable urban development (way more than 5%), but a rather fragmented urban dimension and initiatives
- **Functional area approach and urban-rural linkages**
 - Functional area approach was promoted successfully, but difficulties in identifying the exact territorial and thematic focus of integrated strategies.
- **Strengthening participation**
 - Partnership principle should be strengthened when preparing and implementing programmes and strategies. Use of CLLD remained limited in Cohesion Policy, and rarely used in urban development.



Urban dimension of current and post-2020 Cohesion Policy

DG REGIO

A modern, dynamic policy

Modern investment

- Focus on transition to smart, low-carbon economy
- Stronger conditions & link to European Semester
- Comprehensive performance data in near real time

Simple, flexible, dynamic

- 7 funds, 1 regulation (50% shorter)
- 50 key administrative simplifications
- Faster implementation (return to n+2)
- Responsive to emerging needs (migration, economy)

For all regions

- Balanced and fair "Berlin method"
- 75% to poorest regions, where most needed
- Tackling emerging needs and economic transition across the EU

Policy objectives

11 objectives simplified and consolidated to 5:

1. **A smarter Europe** (innovative & smart economic transformation)
2. **A greener, low-carbon Europe** (including energy transition, the circular economy, climate adaptation and risk management)
3. **A more connected Europe** (mobility and ICT connectivity)
4. **A more social Europe** (the European Pillar of Social Rights)
5. **A Europe closer to citizens** (sustainable development of urban, rural and coastal areas and local initiatives)

2 horizontal objectives:

- Administrative capacity building
- Co-operation between regions and across borders (embeds co-operation in mainstream)



Policy objective 5 is horizontal and can use all investment categories and indicators from PO1-4!

Strategic context: territorial and urban dimension of Cohesion Policy

- **Territorial dimension: Integrated territorial approach**
 - Territorial cohesion
 - Green Paper on Territorial Cohesion
 - EU Territorial Agenda
- **Urban dimension: sustainable (and integrated) urban development**
 - Leipzig Charter
 - Cities of Tomorrow
 - Pact of Amsterdam- EU Urban Agenda

What is Integrated Territorial Development?

(new CPR Art. 23)

Minimum requirement 1: Investments based on integrated territorial or local development strategies (*multi-sectoral, multi-stakeholder, optionally multi-territorial*)

Minimum requirement 2: relevant local or territorial body shall select or shall be involved in the selection of operations (*multi-level, optionally community-led*)

- All investments under Policy objective 5 (ITI, CLLD, other)
- All investments under other POs using territorial instruments (ITI, CLLD)

What is Integrated?

A **strategic approach**, which combines

- **Multi-sectoral approach**
- **Multi-level governance approach**
- **Multi-stakeholder approach**

+ *Functional area approach*

+ *Community-led approach*

Reinforce the integrated and place-based approach

- The EU must be able to **respond to the expectations of its citizens**, irrespective of where they live
- The number of **place-based sectorial initiatives**, notably targeting cities, is booming rapidly, but nor national, nor regional, nor local sectoral measures can alone deliver sufficient results.
- Need for economic, social, and environmental **sustainability and resilience in all places**
- Different territories and communities require differentiated and **tailor-made policy mixes**

What is Sustainable Urban Development? (*new ERDF/CF Art. 9*)

Integrated territorial development targeting urban areas.

- All investments under PO5 specific objective 1 (per definition for urban areas)
- All investments under PO1-4 territorial instruments (ITI, CLLD) targeting urban areas

Minimum 6% ERDF



IB designation is not obligatory, but the minimum requirements for integrated territorial development must apply!

Territorial delivery mechanisms (new CPR Art. 22)

Three forms for **integrated territorial development**:

- **CLLD**: if implemented using a specific bottom-up method
- **ITI**: if programmed `horizontally` through multiple priorities, or even programmes, funds or POs
- **Other**: if programmed through an integrated PO5



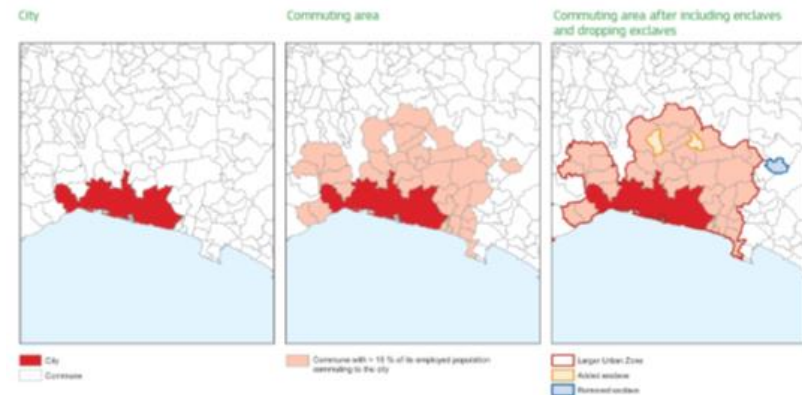
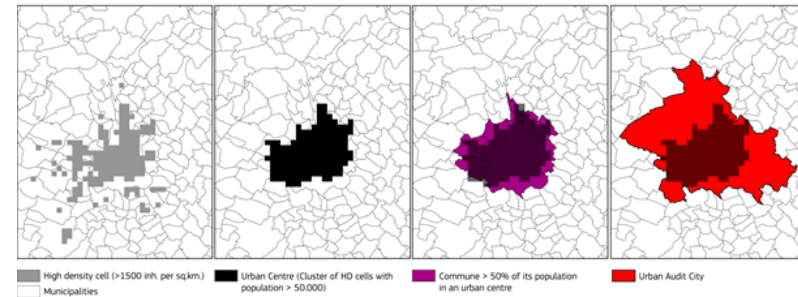
ITI and the Other are about how to programme for integrated territorial development, CLLD is more about how to implement!

What is an Urban focus? (new CPR Annex 1)

Interventions targeting:

- **Urban neighbourhood**
- **Administrative unit of a City, Town or Suburb**
- **Functional urban area** (It can also cover all actions to promote **urban-rural linkages**)

Territorial focus will be monitored together with the delivery mechanisms



Urban and territorial trends calling for integrated approach

Cross-sectoral challenges

- A. Population trends and challenges
- B. The spatial dimension of poverty
- C. Balanced and polycentric development
- D. Target the potentials and challenges of different types of territories
- E. Capacity of local administration

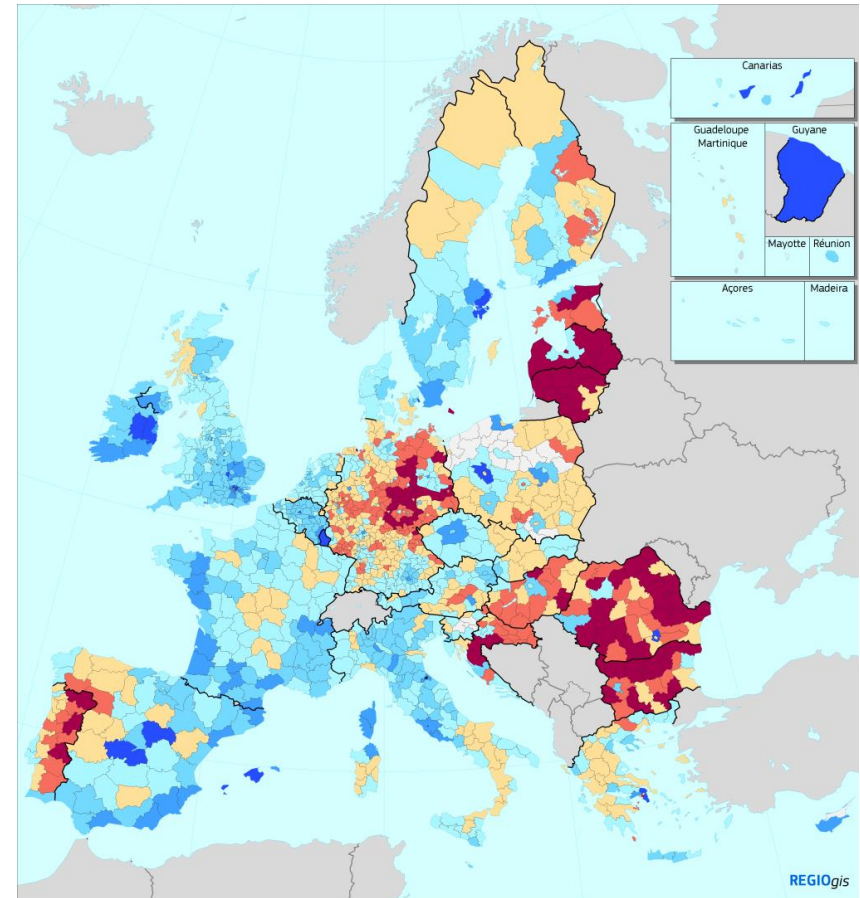
A. Population trends and challenges

Managing concentration:

- Strategies for functional urban areas addressing multiple challenges incl. housing, mobility, jobs, education, knowledge, services, etc.

Addressing depopulation:

- Strategies for shrinking areas to tackle the multiple challenges involved to reverse the trends
- Strategies to adapt to the new economic and demographic conditions outside of local control.



Total population change in NUTS 3 regions, 2005-2015



EU-28= 2.84%
DK, DE, DED, DEE: data before 2007 was extrapolated
PLS2: NUTS 2
Source: Eurostat, DG REGIO

So what is new?



- ***A dedicated Policy Objective 5; EU closer to its citizens which secures:***
 - **Sustainable urban development (specific objective 1)**
 - **the integrated and the participative approach (new CPR Art 23)**
- ***This Policy Objective 5 provides greater thematic flexibility***
 - **it can combine all intervention fields available under PO1-5**
 - **using the same indicators and categorisation**
- ***No Intermediate Body status required (simplification), however relevant local or territorial body shall select or shall be involved in the selection of operations (new CPR Art 23)***
- **Increased urban earmarking from 5 to 6%** in a time when budget cuts are made on Cohesion Policy
- **Urban-CLLD can be counted as urban earmarking**



European Urban Initiative



European Urban Initiative (new ERDF Art 10)

The European Urban Initiative shall consist of the following three strands, all with regard to sustainable urban development:

- (a) support of capacity-building;**
- (b) support of innovative actions;**
- (c) support of knowledge, policy development and communication.**

Upon request from one or more Member States, the European Urban Initiative may also support inter-governmental cooperation on urban matters.

500 MEuro



URBAN AGENDA FOR THE EU





Urban Agenda for the EU

What is it and why is it needed?

- **70% EU citizens live in cities**
- **70% EU legislation implemented in cities**
- **55% EU funds spent in cities**
- **85% EU GDP generated in cities**
- **7/10 Juncker priorities have urban dimension**

=> Urban Agenda for the EU

Objectives

- **Objective: Include urban dimension in policies**
 - Work more on urban matters
 - Work more with cities (eg. involve cities in the design)
 - Mobilise cities in the delivery
- **Output: Action Plans for selected themes**
 - Actions: better legislation, better funding, better knowledge
 - Good projects to be scaled-up and transferred across the EU
- **Governance: Work in partnership - MLG**
 - EU (COM + EP + CoR + EESC)
 - Member States
 - Cities (e.g. Eurocities and CEMR)
 - Stakeholders (experts, NGOs, business, etc.)

What is the political context?

- **Support by Member States**
 - Riga Declaration (2015)
 - Pact of Amsterdam (May 2016)
 - GAC conclusions endorsing Pact of Amsterdam (June 2016)
 - Renewal Leipzig charter (2007) under German Presidency
- **Support by the EP**
 - Westphal Report (2015)
 - Regular meetings REGIO/ Urban Intergroup + MEPs
 - EP resolution (2018)
- **Support by the CoR**
 - Opinion (2015, 2016 and 2018)
- **Support of EESC**
 - Opinion (2016)

Urban Agenda for the EU- State of play

- Work on 14 Partnerships
- 11 Action Plans nearly finalized
- 6 Action plans under implementation
- Reinforced coordination between DGs
- Commission urban website ('one-stop-shop')
- Territorial Impact assessment development
- Alignment of thematics between UA EU-UIA and Urbact
- Improved communication and transparency (Futurium public consultation)
- Report to the Council, Cities Forum (Nov 27-28 Rotterdam)

Germany

- *In Germany, cities and the national level are actively involved in the Urban Agenda*
- *9 out of 12 Partnerships have German partners. Cities like Duisburg, Hamburg, Munich, Stuttgart, Berlin and Bielefeld contribute and Karlsruhe leads the Partnership on urban mobility*

Urban Agenda for the EU

What are the next steps?

- Embed the UAEU in the post 2020 MFF (actions of the partnerships and EUI)
- **Assessment study** of the Urban Agenda
Assess to what extent the UAEU has achieved its original objectives in terms of **effectiveness, efficiency, relevance, coherence and EU added value.**
- Intergovernmental process:



Thank You

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