

## **The Urban Agenda for the EU – a New Drive for Urban Policies**

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### **Ladies and Gentlemen,**

it is a particular pleasure for me to speak at this conference – it is already the fourth time that I take part in a REAL CORP event. When the organizers asked me some months ago what I would like to talk about, I simply replied “Smart cities in EU Cohesion Policy”. I could at that moment not foresee that by today new developments would have been concluded which probably are of more topical than the announced subject matter. And as I have already spoken to this audience in previous years on many aspects of Smart Cities in our new Cohesion Policy, I allow myself to change the subject of my speech and tell you something about our new Urban Agenda for the EU.

Particularly during the period of preparing our new Cohesion Policy 2014 – 2020, during the years of 2011, 2012, 2013 representatives of cities increasingly felt the wish to be included more intensively in these preparatory works for a new Cohesion Policy.

Although we were formally obliged to discuss the new Cohesion Policy only with the governments of Member States and the European Parliament, we did our best to listen to the proposals and requests of representatives of cities, too. As a consequence a number of new elements in favour of cities and "sustainable urban development" have been incorporated into the new Cohesion Policy - all with the aim to make cities "smart". Nevertheless, urban representatives also wanted to make sure to be better integrated also in future into the formulation and implementation of urban policies - urban policies not only of the EU, but of the Member States and regions as well. Cities and Cities' associations, regions, Member States, the EU Parliament, the Committee of the Regions and the EU Commission joined forces and started to prepare an Urban Agenda for the EU. I apologize that for time reasons I cannot list all participants and all steps of the preparation of the Agenda. Just as an example I would like to mention that we, the EU Commission, have launched a public consultation on the key features of an EU Urban Agenda.

On the basis of its results, in Riga in June 2015, the EU ministers responsible for Territorial Cohesion and Urban Matters made the kick-start for the development of the Urban Agenda with a joint declaration.

A year later, the preparatory works were finished and quite recently, on May 30, 2016, the new Urban Agenda was launched formally by the EU Commission, the Member States and Urban Authorities in the so called "Pact of Amsterdam". Let me tell you in more detail what the Agenda wants to achieve and how. What are the objectives and scope of the Urban Agenda?

First what it will not do: The Urban Agenda will not create new EU funding sources, unnecessary administrative burden, nor affect the current distribution of legal competences and existing working and decision-making structures and will not transfer competences to the EU level. The Commission has no intention and no resources to micro-manage urban policies, to interfere with relations between national, regional and urban authorities.

The Commission proposes to work together and to facilitate cooperation, to put at the disposal of national, regional and urban authorities instruments which support their work.

And we want to ensure that EU policy-making better reflects the concerns of the citizens.

What the Urban Agenda does is establishing a more effective integrated and coordinated approach to EU policies and legislation with a potential impact on Urban Areas.

And the Agenda will contribute to territorial cohesion by reducing the socio-economic gaps observed in urban areas and regions.

The Urban Agenda strives to involve Urban Authorities already in the design of policies, to mobilise Urban Authorities for the implementation of EU policies, and to strengthen the urban dimension in these policies. The Urban Agenda brings a strong involvement of cities into European policy-making and thus will help to make EU policy more urban-friendly. The Pact of Amsterdam creates collaboration in a close and permanent partnership between EU, national, regional, urban and civil society representatives to boost delivery of EU policies at urban level.

The Urban Agenda focuses specifically on three pillars of EU policy-making and implementation:

The first pillar is "Better regulation":

The Agenda focuses on a more effective and coherent implementation of existing EU policies, legislation and instruments. EU legislation should be designed in such a way that it achieves the objectives at minimum cost without imposing unnecessary legislative burdens. The Agenda will not initiate new regulation, but will be regarded as an informal contribution to the design of future and revision of existing EU regulation, in order to better reflect urban needs, practices and responsibilities.

The second pillar is "Better funding":

The Urban Agenda will contribute to improving traditional, innovative and user-friendly sources of funding for Urban Areas, including EU Regional Policy funding. The Agenda will not create new or increased EU funding aimed at higher allocations for Urban Authorities. However, it will draw from and convey lessons learned on how to improve funding opportunities for Urban Authorities across all EU policies and instruments, including EU Regional Policy.

The third pillar of the Agenda is "Better knowledge base and knowledge exchange":

The Urban Agenda will contribute to enhancing the knowledge base on urban issues and exchange of best practices.

Reliable data is important for portraying the diversity of structures and tasks of Urban Authorities, for evidence-based urban policy making, as well as for providing tailor-made solutions to major challenges. Knowledge on how Urban Areas evolve is fragmented and successful experiences can be better exploited.

The Agenda will rely on the principle of an integrated approach to sustainable urban development as the guiding principle.

The Agenda also will foster coherence between urban matters and territorial cohesion. It will make use of existing European policies, instruments, platforms and programmes such as the opportunities offered by Cohesion Policy, including its sustainable urban development strand, Urban Innovative Actions, URBACT, ESPON, the 'Covenant of Mayors', Civitas 2020, Reference Framework for Sustainable Cities. It will make full use of the European Innovation Partnership 'Smart Cities and Communities' as established by the Commission.

The Urban Agenda's actions will also contribute to the implementation of the UN 2030 Agenda for Sustainable Development, notably Goal 11 'Make cities inclusive, safe, resilient and sustainable' and to the global 'New Urban Agenda' as part of the Habitat III process.

All interested parties should have equal access to information about the state of play of the Urban Agenda and should have equal possibilities to contribute to the Agenda.

An initial list of Priority Themes for the Urban Agenda has been set up. These Priority Themes will guide the actions of the Agenda:

- (1) Inclusion of migrants and refugees.
- (2) Air quality.
- (3) Urban poverty.
- (4) Housing.
- (5) Circular economy.
- (6) Jobs and skills in the local economy.
- (7) Climate adaptation (including green infrastructure solutions).
- (8) Energy transition.
- (9) Sustainable use of land and Nature-Based solutions.
- (10) Urban mobility.
- (11) Digital transition.
- (12) Innovative and responsible public procurement.

The complexity of urban challenges requires integrating different policy aspects to avoid contradictory consequences and make interventions in Urban Areas more effective.

The following cross-cutting issues for the selected priority themes will be taken into account:

- (1) Effective urban governance, including citizens participation and new models of governance.
- (2) Governance across administrative boundaries and inter-municipal cooperation: urban-rural, urban-urban and cross-border cooperation; link with territorial development and the Territorial Agenda 2020 (well-balanced territorial development).
- (3) Sound and strategic urban planning with a place-based and people-based approach. The links with regional planning, including 'research and innovation, smart specialisation strategies', and balanced territorial development will be taken into account.
- (4) Participatory approach.
- (5) Innovative approaches, including Smart Cities.
- (6) Impact on societal change,
- (7) Challenges and opportunities of small- and medium-sized Urban Areas and polycentric development.
- (8) Urban regeneration, including social, economic, environmental, spatial and cultural aspects, also linked to the brownfield redevelopment with the objective of limiting greenfield consumption.
- (9) Adaptation to demographic change and in- and out migration.
- (10) Provision of adequate public services of general interest.

What does the Operational framework of the Urban Agenda look like?

The Agenda is a coherent set of actions of key European actors. It is a new form of informal multilevel cooperation where Member States, Regions, representatives of Urban Authorities, the European Commission, the European Parliament, the Union's Advisory Bodies (CoR, EESC), the EIB and other relevant actors work in a partnership.

The actions ensuing from the Urban Agenda belong to the following categories:

- (a) Themes – The Agenda will focus on a limited number of Priority Themes which I have just mentioned.
- (b) Horizontal and Vertical Coordination – Thematic Partnerships are a new instrument for multilevel and cross-sectoral cooperation to deliver more effective solutions to urban challenges and ensure a more integrated approach at the level of Urban Areas.
- (c) Impact Assessments - When assessing territorial impacts, it will be explored if better methods as well as specific tools can be used on issues relevant for Urban Areas.
- (d) Knowledge – The exchange of knowledge and experiences as well as monitoring results in Urban Areas will be central to improving and assessing the effects of the Urban Agenda for the EU and relevant EU actions. Therefore, more reliable data on Urban Areas is needed and should be exchanged.

The concrete actions under these categories are listed in the Work Programme of the Urban Agenda.

The governance of the Agenda will work as follows:

The activities will be coordinated by the so called "DG meeting on Urban Matters." The DG meeting consists of representatives of the Member States, the EU Commission, the Committee of the Regions, cities' associations and a number of participants with observer status. The DG meeting will:

- (a) Ensure that the actions are actually supported by Member States, Urban Authorities and the European Commission;
- (b) Report to the Ministers responsible for Urban Matters and Territorial Cohesion;
- (c) Monitor progress;
- (d) Provide feedback on the Action Plans;
- (e) Give informal guidelines for future developments of the Urban Agenda;
- (f) Evaluate the current and future set of actions of the Urban Agenda;
- (g) Review the initial list of Priority Themes.

Ladies and gentlemen,

Partnerships are the key delivery mechanism of the Urban Agenda. To each of the already mentioned priorities corresponds a so-called Partnership. Their aim is to develop a multilevel and cross-sectoral governance approach.

Within each one of these Partnerships representatives of the EU Commission, the European Investment Bank and other EU institutions, of 5 Member States, 5 urban authorities and cities' associations will work together. The strong involvement of practitioners from Urban Authorities is essential, but participation at Partnerships is voluntary. To ensure focus and real impact on the ground, Partnerships should have a bottom-up approach analysing, inter-alia, concrete cases in Urban Areas which exemplify bottlenecks and potentials.

Each Partnership will formulate an Action Plan with concrete proposals for Better Regulation, Better Funding and Better Knowledge, related to the theme of the Partnership, which can be regarded as non-binding contributions to the design of future and the revision of existing EU legislation, instruments and initiatives.

The input of the Partnerships for future and existing EU regulation with an urban impact will be submitted to the European Commission and to the attention of incoming EU Presidencies in view of their possible inclusion in the workprogramme of these Presidencies.

Four Partnerships have already been created, namely for Air Quality, Housing, Urban Poverty and Inclusion of Refugees.

Each Partnership should not last more than two or three years and structure its work in five phases, namely a stocktaking phase, followed by preparatory actions, identifying bottlenecks and focus areas for the action plan. Then the important agreement on an action plan should follow, completed by the implementation phase and finally the evaluation.

Member States promised to engage bodies at all levels of government in the implementation of the Urban Agenda. They explicitly agreed on the need for better involvement of urban and regional authorities, in the preparation as well as the evaluation of EU policy.

Urban Authorities are invited to take an active role and to provide the required expertise for all Urban Agenda.

Urban Authorities are encouraged to work together with Regional Authorities, the private sector, local communities, knowledge institutions and civil society in bringing forward the Urban Agenda.

In Amsterdam, on May 30, the Ministers invited also the Committee of the Regions, as the Union's advisory body formally representing regions and municipalities at EU level, to contribute to the further development of the Urban Agenda.

Also EURO CITIES, CEMR and other bodies representing Urban Authorities, are called upon to do so and – most importantly - to make use of the outcome of the Urban Agenda for the EU actions, especially the work of the Partnerships.

As regards the European Commission, it will further strengthen its coordination and streamlining of policies having an impact on Urban Areas, in order to enhance the complementarity of the policies and strengthen their urban dimension.

By the end of the year, the European Commission will set up a one-stop-shop for matters regarding the Urban Agenda and the urban dimension of EU policies. The European Commission will support the implementation of the actions of the Urban Agenda, particularly the work of the Partnerships. We will consider the results and recommendations of the Partnerships when drafting relevant proposals for and reviewing EU legislation, instruments and initiatives. The European Commission will also continue to work with Urban Authorities and their representative organisations when developing new policy and legislative.

The EIB already plays an important role in the financing of urban investments, in grant-loan blending and in advising Member States and cities about urban project preparation and financial instruments.

The EIB will develop better funding approaches in the urban context, including financial instruments.

Ladies and gentlemen,

Summing up I would dare to say that with the Urban Agenda a new era has started. After decade-long discussions at intergovernmental level on coordination of urban related topics with little progress on the ground, cities and other urban areas now have a new forum and strong supporters to formulate replies to the most demanding challenges. A tight form of cooperation on urban policy matters has opened the door for direct participation of urban areas and cities.

Please allow me at the end of my speech to inform you about something different from, but nevertheless linked to the Urban Agenda. I think it is of particular interest to you, also because you could engage and participate in a new urban element of our Cohesion Policy.

In the new programming period 2014-2020 we strongly recognise the cities' role as innovators by introducing a new instrument – the Urban Innovative Actions. The Commission manages this initiative by organising EU-wide calls for proposals. We will look for the most interesting, innovative and forward-looking ideas for addressing urban challenges.

These could be pilot projects, demonstration projects or new urban experiments which would be of interest across Europe. We want to create an urban laboratory in the real world, so to say!

Wherever we find a new policy-solution, we'd like this to be tested in other cities and ultimately, if suitable, scaled up to the regional or national level. We have reserved 371 million Euros over the 2014-2020 period to fund these actions. The EU Regional Fund contribution per project is maximum € 5 Mio, the co-financing rate is maximum 80%, and the duration per project is limited to 3 years. The projects should be submitted by an Urban Authority of more than 50.000 inhabitants, and from the five selection criteria I will just mention innovativeness (the most important), quality, measurability and transferability.

By the deadline of the first call for proposals at end of March 2016 we have received 378 project applications, divided over 4 priorities which were chosen from the priorities of the Urban Agenda. The highest number of projects were submitted in the field of "jobs and skills in the local economy" (124), followed by energy transition, integration of migrants and urban poverty. Surprisingly the largest number of projects came from Italy (104), followed by Spain (71). From Germany we received only 23, from France 19...

Therefore I only can invite you to develop together with others exciting and innovative urban projects for cities, and have them accepted and submitted by cities to us in one of the next annual calls – the next will be presumably in November 2016! With that I want to conclude and thank you for your attention.