

"First assessment of the urban dimension in the National Strategies and Operational Programmes (2007 – 2013)"

Prof. Danuta Hübner, Commissioner in charge of Regional Policy,

at the Informal Ministerial Meeting on Urban Development

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Ladies and gentlemen,

The contribution of cities to growth and jobs is nowadays fully recognized. We need cities to implement the Lisbon strategy and the Lisbon Strategy needs strong cities.

The Community Strategic Guidelines for Cohesion indicate that the contribution of cities to growth and jobs should take into account three key dimensions of urban policy:

- role cities can play as motors of regional development and centres of innovation;
- need to improve the internal cohesion of urban areas;
- need to promote a more polycentric regional development and a balanced development of urban and metropolitan areas.

The new regulations for 2007-2013 provide all necessary instruments for the continuation and strengthening of the urban dimension in the new generation of cohesion programmes. They

strongly emphasize the need to fully involve local and regional authorities in the process, not only in the drawing up of our programmes but also in their actual implementation.

This is a window of opportunity that should not be missed.

About Commission's assessment

First, I will summarize the main findings of the first and preliminary assessment carried out by my services on how the urban dimension has been taken onboard in the National Strategic Reference Frameworks (NSRFs) and Operational Programmes (OPs) for the 2007-2013 period. Then I will outline some issues that I consider particularly important to increase the effectiveness of our investments in urban areas.

All 27 NSRFs and a selection of OPs were examined. The OP selection includes regional as well as thematic programmes both under the convergence and the competitiveness objective. The analysis was finalised in Mid-March 2007 on the basis of draft documents.

Main findings: Urban development high on our agenda

All NSRFs make reference to the urban dimension and generally cover the three dimensions of urban policy indicated in Community Guidelines. All NSRFs and most of the assessed programmes aim to reinforce the role of cities as motors of regional development and focus on issues aligned with Lisbon

goals such as entrepreneurship, innovation and support for SMEs.

The urban strategies have been transposed into the OPs in different ways: as specific priority axes, as urban or territorial priorities in sectoral programmes (such as transport, environment, IT), or as a cross sectoral approach between different priorities.

In general, Member States pursue the integrated approach to sustainable urban development which addresses the problems affecting distressed urban areas in an integrated way covering different challenges – economic growth, employment, environment, infrastructures, and social policy. The geographical area targeted varies: inner cities, urban periphery or brownfield sites.

We have also cases where the experiences gained from the URBAN Community Initiative are transferred into the new programme in a number of cases. The new Member States show a clear interest to learn from these experiences, through participation in networks, in which they did not participate in the past, and to make use of the approach developed in this context.

On the basis of the programmes which we have received so far for examination (329 out of 444 which cover more than 90% of the entire allocation), financial investments in urban development feature prominently. All together we see around EUR 100 billion to be invested in urban areas. Around EUR 3.5 billion is foreseen for the rehabilitation of industrial sites and contaminated land. Another EUR 8.7 billion is earmarked for projects for urban and rural regeneration as well as EUR 7.6 billion for the promotion of

urban transport. Approximately EUR 900 million is allocated to housing infrastructure.

The inclusion of all urban actors and stakeholders in the management of cohesion programmes on the basis of the partnership principle is foreseen. As regards the management and implementation of programmes, reference is made to local/city authorities as a rule. However, in the majority of cases no reference is made to the delegation or sub-delegation to municipal, provincial or regional authorities. Moreover, the evidence of the involvement of the private and NGO sectors in the design and implementation of the programmes is rather limited.

How to ensure a more efficient preparation and implementation of our programmes

In this context let me call your attention to several important issues:

Ensure strong coordination between all actors involved:

Considering the complexity of integrated urban development and the different levels of government involved, I wish to underline the need for strong coordination between the different actors involved at national, regional and local level. It is important to establish a clear definition of responsibilities and competences to ensure effective programme implementation.

Need to strengthen partnership approach: More attention needs to be paid to the question of partnership. Our evaluations show that cohesion programmes perform better when they reach out to

the local community. Local partnerships in design, decision-making and implementation ensure the smooth running and sustainability of urban projects.

Strategic approach everywhere when and long-term vision still lacking: Additional efforts are in some cases still needed to develop a clear and more strategic long-term vision for urban development based on a common understanding between the principal partners concerned. This will ensure the coherence of investments and create a climate of confidence in which to facilitate the commitment and involvement of the private sector.

Make use of best European practice: In carrying out actions aiming at sustainable urban development it is important to make use of the best European practice. In addressing the problems of deprived neighbourhoods the URBAN Community initiative - based on a transparent selection of eligible areas, an integrated approach covering different policies, the parallel mobilisation of public and private contributions as well as a strong citizens' participation – has turned out to be highly successful. This approach should be carried forward in the new generation of cohesion programmes.

Network programmes such as URBACT should be used in order to identify best practices across Europe concerning integrated urban development and spread these practices to other urban areas.

Capacity building and technical assistance: Finally, in order to provide local authorities with the management and technical skills necessary for defining and implementing effective urban

development operations, the Commission strongly recommends using technical assistance and administrative capacity building measures addressed specifically to this level of government. These measures can be financed through Community contributions.

Conclusions

Our first preliminary assessment of mainstreaming of urban dimension for period 2007-2013 is rather positive. Urban development is clearly one of priorities in new generation of cohesion programmes. Of course, programming exercise is far from being concluded. Almost all operational programmes are still under discussion and many matters still have to be agreed with the Commission.

Still, there are number of issues (which I have just mentioned) that need to be addressed in order to ensure maximum impact of cohesion investments over next seven years. I count on your support to tackle some of these challenges such as coordination in programme preparation and implementation; administrative capacity building at all appropriate levels; use of innovative financial engineering instruments such as JESSICA etc. I am sure that you will make your voice heard in the discussions with your colleagues responsible at different levels for the negotiation and implementation of our programmes.

Thank you very much for your attention.