The urban dimension of EU policies - key features of an EU urban agenda

EUROCITIES response to the European Commission's public consultation

26 September 2014

Main points

An urban agenda at EU level should be based on a practical and coherent approach that directly involves cities in EU policy making. A successful urban agenda should:

- Respect subsidiarity by developing a framework for better policy coordination and involvement of cities in policy and programme development, rather than creating new legislation for cities.

- Get cities around the table by involving them as partners in decisions at member state level on investment priorities, strategic policy development and programming related to Europe 2020 and the structural funds.

- Maintain an urban dialogue by hosting regular informal Council meetings on urban policy, and biennial urban summits at EU level gathering all government levels and urban stakeholders.

- Better coordinate EU policies with an urban dimension by appointing an urban envoy in the Commission to join up policies and different government levels.

- Strengthen the involvement of cities in EU policy development through genuine collaboration and partnership, rather than consultations.

The responses to the consultation questions are based on our policy paper: An EU urban agenda - Engaging cities for a smart, sustainable and inclusive Europe, June 2014, available here: *http://bit.ly/1pAitOw*

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Question 1 – Why do we need an EU urban agenda?

Although there is no competence at EU level on urban development, there is a growing number of European initiatives, funding programmes, campaigns and policies that address various urban challenges. EU initiatives in areas such as entrepreneurship, culture, the digital agenda, air quality, transport, youth unemployment, migration, and a low carbon economy all come together in cities, which manage this diverse agenda on the ground.

The Commission's Cities of Tomorrow report emphasises that policies addressing economic, social and territorial cohesion all have a strong urban dimension, which must be fully recognised. The same report highlights cities' importance in the successful delivery of the Europe 2020 objectives for a smart, sustainable and inclusive Europe. To fully capitalise on cities' potential, cities must be involved in the strategic policy development related to the governance and implementation of Europe 2020 at both EU and national level.

The Committee of the Regions report "Towards an integrated urban agenda for the EU" mentions EU air quality legislation by way of example of a policy area where more coordination and joining up of policy objectives are needed. This is a case in point, where programmes to improve air quality in the EU, primarily in cities, are not supported by sufficient resources nor by adequate measures aimed at reducing emissions, consequently undermining cities' possibilities to meet the air quality requirements.

An urban agenda can help develop a practical and coordinated approach to EU policy-making by improving how the different policies and programmes are joined up. Integrated and territorial approaches must be strengthened in EU sectoral policies, which should better reflect the needs of cities and their surrounding areas. Addressing urban challenges in an integrated, joined-up manner ensures better, quicker results and value for money. Previous intergovernmental agreements, such as the Leipzig Charter and the Toledo Declaration, have provided the basis for better recognition of the advantages of an integrated approach in cities.

The regional policy Commissioner's mandate to oversee the coordination of policies with an urban dimension, and DG REGIO's implementation of this coordination within the Commission are positive first steps. They can be strengthened by an EU urban agenda, recognising the broad scope of EU policies with an urban dimension. A better understanding of the urban dimension of policies must become a central part of policy making at EU level.

An urban agenda is ultimately not just about the cities. The strategic challenges cities face in terms of economic development, employment, mobility, strengthening democratic participation, social inclusion and environment go beyond the administrative

city borders. Cities and their surrounding areas depend on each other to find effective policy solutions, and strengthening their functional relations can significantly speed up development. Cities that perform well benefit their surrounding areas as drivers of growth and innovation and as service providers, supporting the overall competitiveness and territorial cohesion of their regions and in the EU.

Question 2 – What should the EU urban agenda be?

Respecting the principle of subsidiarity, an EU urban agenda should be based on a practical, coherent and coordinated approach. It should be a flexible framework for engaging cities directly at EU level in developing and delivering more joined up policies, as well as for strengthening the recognition and coordination of EU policies with an urban dimension.

An urban agenda must recognise what cities have to offer in terms of delivering strategic EU objectives, and consider how best, in partnership with member states, to develop EU-level support for cities to tackle some of the most urgent priorities. An EU urban agenda should have four overall objectives:

- empowering cities to deliver the Europe 2020 objectives
- promoting a joined-up approach to policy making
- strengthening integrated territorial development
- engaging cities directly and alongside member states in policy development

Urgent challenges in cities and their functional areas, including youth unemployment, migration, poverty, strengthening democratic participation, demographic change, air quality, congestion, water and soil pollution and climate change, will change over time. An urban agenda must be able to respond to this and apply a broad scope, taking into account the range of social, environmental, and economic policies that impact directly and indirectly on cities.

The Commission should engage urban stakeholders in a policy mapping exercise which would help establish better overview and raise awareness – also internally in the Commission - of EU policies with an urban dimension. It should also help establish connections, overlaps and loop holes between policy areas, identifying coordination needs between relevant Commission directorate generals in a transparent manner. Ultimately, such a mapping exercise should lead to debate about how best to support urban priorities at EU level. The Commission, member states and cities should all participate jointly in such a process and EUROCITIES is ready to be a key partner in it.

Scale and size matter when we talk about strengths and challenges in urban areas. The issue of air quality is much more acute in our larger cities and city agglomerations, for example. Social inclusion challenges are also more prominent in our biggest cities, where

greater numbers of people facing multiple disadvantages are concentrated. At the same time, productivity increases with the size of the city. The potential for achieving progress on smart, sustainable and inclusive growth is greatest in our major cities. An urban agenda must take into account the leading role that Europe's large cities and their surrounding areas play to this end.

To ensure tangible outcomes from this consultation and other discussions concerning an EU urban agenda, the Commission should publish a communication outlining how it will take forward the agenda on the basis of inputs from cities, member states, and other stakeholders, engaging also both the European Parliament and the Committee of Regions. Based on the objective of delivering the Europe 2020 strategy, the new Commission should publish an action plan in 2015 to continue the work on developing mechanisms to engage with cities and strengthen coordination of EU policies with an urban dimension.

Question 3 – Defining the scope and focus

The Cities of tomorrow report rightly sets out the role of cities in the EU as vital to the successful implementation of Europe 2020. It gives a comprehensive introduction to European urban challenges, and proposes elements of a vision for European cities. The report provides a good foundation for further work on an EU urban agenda, together with other elements of the urban acquis, such as the Leipzig charter and the Toledo declaration. On that basis, an urban agenda should provide a practical framework for next steps promoting and supporting integrated sustainable development in our cities.

Question 4 – Strengthening cities' engagement and ownership of EU policies

Cities already play a role in developing some EU policies, although not systematically. As the level of government closest to the citizens and as strategic leaders in sustainable integrated urban development, cities have a lot to offer both when it comes to democratic legitimacy and understanding what works on the ground. As the level of government closest to the citizens, cities can engage their local communities in policy development, both local and European, bridging understanding of challenges and interests at both levels of governance. An urban agenda must make the most of the expertise and leadership present in cities. It should recognise, streamline, and strengthen the role and engagement of cities both in policy development and implementation.

Cities' engagement in EU policy development
Different EU initiatives engage cities in various ways. This can be for example through the involvement of city and city-network representatives in European expert groups or, although applied rarely, through the engagement of cities in EU-level peer reviews of national policies. Different methods have different benefits, including promoting cross sector partnerships and integrating policies, joining up the city, member state and EU

level in policy evaluation, or ensuring that new legislative proposals take into account evidence and expertise from city experts.

Generally, collaborative approaches that engage cities and their networks in upstream policy development and move beyond simple stakeholder consultations will help ensure that policies match the needs on the ground. Direct engagement will also help raise awareness in cities about new initiatives, securing their effective implementation on the ground.

The reinforced partnership provisions implementing the new European structural and investment funds is potentially a positive approach, provided the provisions are adequately implemented by member states and managing authorities. The European code of conduct on partnership emphasises the direct involvement of cities, alongside other stakeholders, in the development of partnership agreements and operational programmes. The added value of such partnership principles in terms of better programmes on the ground will only be achieved if they are fully applied in member states and not reduced to a box-ticking exercise for consulting stakeholders.

More broadly, most cities will have to focus their engagement in EU policy developments on a set of priority areas. However, it is important that cities with a particular expertise or that are facing specific challenges are heard at EU level. Network organisations can help channel relevant cities through the system based on a thorough understanding of the strengths and challenges in different cities. They also play an important multiplier role, ensuring the views and experiences of cities participating in, for example, expert groups are based on, and disseminated to, a much wider group of cities.

Examples of city involvement in EU policy development – positive practices

a) *European Innovation Partnership (EIP) on Smart Cities and Communities*

This partnership is an innovative way of bringing together a wide range of sectors and stakeholders, under the joint facilitation of three Commission directorates general (MOVE, CONNECT and ENER). The EIP seeks to engage stakeholders, including cities, directly in the Commission's development of policies and programmes within a flexible and informal structure. It is a challenging format as it involves different sectors, different levels of governance and a very broad group of stakeholders. However, it has the potential to help build partnerships and integrate policies across different sectors. Tasked with scaling up the rollout of smart city solutions in the EU, the EIP comprises both a stakeholder platform and a high level group (HLG). Hanna Gronkiewicz-Waltz, mayor of Warsaw and president of EUROCITIES, represents both her city and our network in the HLG. Initially, only few cities were directly involved in the supporting 'sherpa group', including Barcelona, Almere and Gothenburg, but steps were taken in 2013 to engage more cities. London, Berlin and Tallinn have since joined, increasing the efforts to draw on cities' expertise and account for their needs.

b) Review of national education programmes

Since 2012, EUROCITIES has been a member of the Commission's stakeholder group that has supported the work of the two thematic working groups (early school leaving - ESL, and early childhood education and care - ECEC). The working groups were set up under the open method of coordination in the framework of the Education and Training 2020 work programme. Gathering representatives from member state ministries of education, they are key to shaping the EU policies in the field of ESL and ECEC. City representatives regularly take part in the meetings and the work of the stakeholder group. More recently, the thematic working group on ESL was replaced with a group on school policies, which will continue the work on ESL. In April 2014, EUROCITIES members presented their URBACT project, PREVENT, providing local expertise at the first meeting of the thematic working group. The presentation led to the organisation of a study visit on cities' experiences in tackling ESL in Antwerp in June 2014. This helped strengthen the exchanges between cities, their national ministries and the Commission, joining up the three levels of governance.

c) Commission's expert group on air quality

EUROCITIES participated in the five meetings of the Commission's stakeholder expert group on the EU air policy review, between 6 June 2011 and 3 April 2013. The group provided input into the Commission's proposal on the air policy review, published on 18 December 2013. EUROCITIES air quality experts from Berlin, London and Malmo offered a city perspective, supported by input from the EUROCITIES working group on air quality. Our city experts were able to provide information about local air quality measures and the support cities need from other levels of government to improve air quality in Europe as a whole, beyond their own cities. As they reported back on proceedings to the wider network, they shared their understanding of the challenges at EU level when reviewing the air quality policy. The involvement of cities as network representatives in EU expert groups therefore has an important multiplier effect that works both ways.

Cities and implementation of EU policies

Cities work on an everyday basis with the implementation of EU policies and programmes, managing a diverse EU policy agenda on the ground. Cities know that policy coordination is challenging but necessary. This is true for all levels of governance, and cities work on a daily basis to improve coordination and remove obstacles to joined-up policies as far as possible at local level. This includes working in partnership with their surrounding areas to develop effective solutions to challenges that often go beyond the administrative boundaries of the city. As the economic drivers in their functional areas, cities can play a vital role in facilitating partnerships that are of mutual benefit to both the hub city and its partners.

Cities and their surrounding areas will be instrumental in taking forward some of EU's strategic programmes in the new budget period for 2014-2020. These include the new instruments related to the urban dimension of the European Structural and Investment

Funds (ESIF), such as integrated territorial investments (ITI) and innovative actions. It also includes the Trans-European Networks, in which cities are the functional nodes without which the wider networks will not work efficiently. They will also play a vital role in meeting the EU's long term climate and energy targets and in the further implementation of the European Innovation Partnership on Smart Cities and Communities. And through a partnership between EUROCITIES and the Commission's DG EMPL, cities will help provide the evidence base informing the implementation of the EU Social Investment Package.

In many cases, however, cities will only be able to fully play a role in taking forward new EU instruments, if those are supported at member state level. In the case of ITIs there are measures in place to promote delegation of responsibility to cities as well as to facilitate an integrated approach on the ground. Some member states have nevertheless decided not to make use of the instrument despite requests from their cities, hampering the potential positive impact in Europe of the integrated approached offered by ITIs.

Questions 5 – Better understanding of urban development processes

Capitalise on knowledge sharing between cities

The Commission clearly recognises the value of exchanges between cities through URBACT and the new urban development network. City-led networks, such as EUROCITIES, also play a vital role in facilitating the exchange of experience on EU policies and urban challenges more broadly, and by spreading innovation.

By way of example, more than 300 city experts and decision makers participated in the CASCADE peer-to-peer learning and networking programme on local energy leadership (www.cascade.eu). Funded by Intelligent Energy Europe and led by EUROCITIES, the programme ran from September 2013 to April 2014. CASCADE networking has helped improve cities' existing projects and policies, and has inspired new ones. For example, the CASCADE peer review in Tampere helped the city set more ambitious energy and climate mitigation targets (GHGs down by 40% by 2025 instead of 20% by 2020). In Mannheim, a CASCADE study visit led to improvements in the way the city communicates its energy efficient services to citizens. Participating cities have recommended that the CASCADE peer-to-peer methodology, which helps cities learn from each other, should be disseminated both at national and European level. The 19 cities that have worked together as CASCADE partners are committed to continuing the collaboration and sharing of experiences once the project ends.

Our network provides a permanent structure for ongoing exchanges between city experts and politicians. How are other cities implementing the EU directive on waste management? Can we do more to reach EU air quality requirements? How do other cities support their local entrepreneurs? What can we do as cities to become more energy efficient? In addition to building capacity and raising awareness of EU policies with an

urban dimension, these exchanges improve the implementation of EU policies on the ground.

The Commission and member states must make the most of these knowledge sharing and capacity building activities that EU funded projects and other networking activities between cities provide. They must do so by actively staying engaged in relevant project process and ensuring that project results feed into both national and EU level policy developments. To this end, better mechanisms to share project results with the relevant part of the European Commission must be established. This could be through the Commission's inter-service group on urban issues complemented both by project visits and a digital platform for reporting on innovative project results.

Improving urban data from the local level

Data on urban development collect and developed by for example Eurostat, the urban audit and ESPON provide essential information for policy making in the EU. Still, there is potential to do more. First of all, there is need for the development of uniform basic data. It is increasingly recognised that data collection must take place where policies are implemented – in many cases at local level. The collection of flow data - measuring relations between cities and their surrounding areas - is also becoming increasingly important to improve understanding of functional areas. Whereas many larger cities hold a lot of data about local development, only the European Commission, together with the OECD, has the capacity to gather comparable data at European scale, and to analyse that data, turning it into evidence for policy developments.

The urban audit should become an active and easy to use tool. It should provide regular, up-to-date information on the performance of cities related to the Europe 2020 objectives. The urban data must be set against the regional and national context to allow for comparison between the performance of urban areas in relation to their member states. In particular, data needs to make it possible to assess the ability of cities to deliver the objectives, identifying the barriers and obstacles preventing them from doing so. The data analysis should be tied in with the wider process of the European semester, and should contribute to evidence for recommendations. The process could be piloted in collaboration with a select group of cities in 2015-16.

Question 6 – Ensuring the implementation of the EU urban agenda

Role of cities

Cities are committed to engaging in the further development of an EU urban agenda. This includes for example the identification of priority actions at EU level based on urban challenges and opportunities, where cities and their network organisations should be fully involved. EUROCITIES members are 133 of Europe's major cities; cities ranging from 250,000 inhabitants, like Espoo in Finland, to London, with over eight million inhabitants. Our members include most of Europe's capital cities and second tier cities. With our

membership, we are well placed to ensure that an EU urban agenda is relevant to, and supported at, local level.

Examples of the role of cities in policy development and implementation are outlined above. As leaders of sustainable integrated urban development, cities offer the knowledge of what is needed and what works on the ground that EU initiatives must be based on. Through networking activities, cities share knowledge of good practice on tackling urban challenges and implementing EU policies across Europe, stimulating capacity building. Cities offer democratic legitimacy, as the level of government closest to citizens and home to 75% of the population, connecting EU strategies and policies with the local level.

Role of the European Commission

The Commission will have the capacity to lead and coordinate an EU urban agenda, involving urban stakeholders and all levels of governance. There are some concrete steps the Commission can take to strengthen coordination capacity and to capitalise on the expertise and leadership in European cities.

a) Appointing an EU urban envoy within the European Commission

The increasing cross-sector coordination of policies with an urban dimension at European level must be reinforced. The commissioner for regional and urban policy, who oversees the coordination of urban issues, must have adequate resources to drive this process and to ensure that the urban dimension is taken into account in new initiatives.

To support this, the Commission should appoint an urban envoy to monitor the practical implementation of such coordination. The envoy should maintain close links with both the implementation of Europe 2020 and the territorial agenda, and have a remit that is both horizontal (engaging all relevant policy sectors) and vertical (engaging all levels of government). The envoy must become a driving force within the Commission's inter-service group, which currently coordinates policies with an urban dimension across the different directorate generals. The role must also extend to impact assessments, guaranteeing that the urban dimension of forthcoming legislation is adequately assessed. Similar coordinator roles exist in other areas, including the Commission's SME Envoy or the anti-trafficking coordinator.

Coordination procedures must be fully transparent. They should involve cities and city networks directly where this can help inform about the scope of the urban agenda and policies that work on the ground. This can facilitate a better understanding of strengths and challenges in cities, as well as the requirements for policy solutions that would support an integrated approach in cities.

b) Strengthening the dialogue with cities at EU level

Currently, different methods of engagement with cities are used in different policy areas, as outlined above. In general, consultation and partnership processes need to be

significantly strengthened and systematically applied as early as possible and across a wider range of policy areas, including on impact assessments. The Commission should exchange internally as well as with cities on the different consultation and cooperation models, and on how to develop them further. In the longer term, an urban agenda should support a move from testing partnership approaches that involve cities to assessing the impact of these partnerhips. The evidence of the impact should be found in the quality of policies being developed at EU level and implemented locally.

Engagement with cities must be geographically balanced, because cities' strengths and challenges vary in different areas of the EU. In some cases, when this requires travelling to Brussels, the Commission should reimburse costs. This would give cities from all member states the opportunity to engage. For some cities, such a direct dialogue at EU level complements their engagement with regional and national policy development. For others, it can help inspire similar processes nationally.

In addition, meetings with mayors and study visits to urban areas should be included more systematically in commissioners' programmes when they travel to member states. Our network can help facilitate this. It would be an effective way to ensure that commissioners across the board are aware of the city perspective of the European policies for which they are responsible. Involving cities in the co-organisation of these visits will also guarantee a meaningful experience, maximum effectiveness and impact. Commission delegations in Member States could be briefed to increase their awareness of urban issues and the opportunity to co-organise visits with cities.

c) Regular urban summits

The urban forum on 17-18 February 2014 should set a precedent for biennial urban summits, bringing stakeholders from all levels of governance and different sectors together. The format of the summit needs to be significantly developed in order to better engage both cities and member states. EUROCITIES helped organise a side event during the February forum. We would be pleased to commit to closer involvement in future events, ensuring they engage cities at both political and policy expert level. The urban summits should become working sessions with real opportunities for cities to contribute to the debates with commissioners and EU policy experts across the relevant policy areas. The summits should help assess the impact of EU policies on cities and urban areas, and how best to involve cities in forthcoming initiatives. Urban summits should stimulate a dialogue between European, national and city level government.

Role of member states

An urban agenda respecting the subsidiarity principle will clearly not affect member state competences on urban development. It should take into account the growing attention to cities and their increasingly recognised role and put all the relevant government levels at the table as true partners in developing EU initiatives that have an impact on cities.

As a general point, member states would gain efficiency if they were to systematically and directly involve cities in strategic policy development and programming, notably in relation to the National Reform Programmes (NRP), in the framework of the Europe 2020 strategy, and within the partnership agreements (PA) that define the investment priorities of the European Structural and Investment Funds (ESIF). However, the current governance processes in many member states diminish the role that cities can play. Europe's driving forces of smart, sustainable and inclusive growth - its major cities - need to be partners in the structures and processes that determine policy and investment priorities in their member states, and not just be consulted. Partnership requirements with sub-national authorities, including cities, have been significantly strengthened in the new ESIF. However, evidence from cities suggests that the requirements are far from systematically implemented in the different member states.

At a more practical level there are a number of steps that member states can take jointly and nationally to support an EU urban agenda:

- Member states should strengthen their exchanges of experience on national programmes for urban policies that empower cities to deliver the Europe 2020 objectives. The debate should include consideration of competences and resources at local level to tackle urban challenges. These exchanges could take place in the urban development group (UDG), which is chaired by the rotating EU presidencies and gathers national ministries in charge of urban development. The presidencies should make it standard practice to integrate city presentations in their meetings, providing good practices of tackling urban challenges and policy implementation on the ground, which can inspire national policies across the EU.

- The same group should take the lead in organising regular informal Council meetings of ministers in charge of urban development. The meetings can be linked to the biennial urban summits, endorse the work of the UDG on different urban challenges, and help sustain political momentum in the EU on urban matters.

- Taking inspiration from the European Commission's inter-service group on urban matters, similar coordination structures and procedures should be established where they do not already exist at national level. This coordination should engage other ministries on the urban dimension of the policies they lead on, to ensure a joined up approach nationally.

- Members states should engage cities in an 'early warning' procedure on forthcoming EU policy initiatives. This process would strengthen national and city level exchanges about the urban dimension of new initiatives and their impact on cities, which should inform the negotiation processes at EU level.