EU POLICIES ON CITIES: AN OVERVIEW OF MAIN ACTIONS

EU R&I is actively contributing to EU policies on sustainable urban development. This section presents an overview of main EU policies, programmes and actions on cities and gives an idea of the wealth of instruments, tools and opportunities available.

1. EU Cities and Regions

1.1 The Urban Agenda for the EU

The Urban Agenda for the EU is an innovative urban policy initiative, which has put multi-level governance into action. It has enabled cities, Member States, the European Commission managed by the Directorate-General for Regional and Urban Policy (DG REGIO) and other key stakeholders to come together to jointly tackle pressing urban matters and deliver concrete outputs for the benefit of EU citizens. Indeed, the Urban Agenda for the EU has a key role in building innovative and good governance, working in a more integrated way addressing cross-cutting issues, and in implementing the UN Habitat III New Urban Agenda.

The Agenda for the EU highlights the interconnection of various dimensions of urban life such as environmental, economic, social and cultural and the key role an integrated approach plays for sustainable urban development and the 'success' cities of 2030 and beyond. In this context, the Agenda highlights that physical urban renewal must go hand in hand with education, economic development, social inclusion and environmental protection. It also calls for strong partnerships between local citizens, civil society, industry and various levels of government.

Such an approach is important at this time, given the seriousness of the challenges European cities currently face, ranging from specific demographic changes to the consequences of economic stagnation in terms of job creation and social progress, and to the impact of climate change. The response to these challenges is critical for achieving smart, sustainable and inclusive cities and society.

EU R&I is contributing among other to the chapter of knowledge of the Agenda and the Urban Agenda partnerships (e.g. Action Plans) with the significant R&I evidence knowledge base, obtained from EU investments.

The state of play of the Urban Agenda for the EU is presented in detail in the published brochure "Urban Agenda for the EU" as follows:

https://ec.europa.eu/regional_policy/sources/docgener/brochure/urban_agenda_eu_en.pdf

and at the following site:

https://ec.europa.eu/regional_policy/en/information/publications/brochures/2019/urban-agenda-for-the-eu-multi-level-governance-in-action

- Urban Agenda Partnerships

Based on the principles of subsidiarity and proportionality, the Urban Agenda for the EU focuses on the three pillars of EU policy making and implementation: Better regulation, Better funding and Better knowledge. Twelve partnerships have been launched involving cities, Member States, the European Commission and stakeholders (eg. NGOs or businesses). The aim was to draft action plans to design and implement concrete actions

to successfully tackle challenges of cities and to contribute to smart, sustainable and inclusive growth. These partnerships focused on Inclusion of Migrants and Refugees, Air Quality, Housing and Urban Poverty, Circular Economy, Digital Transition, Urban Mobility and Jobs and Skills in the Local Economy, Energy Transition, Climate Adaptation, Innovative Public Procurement and Sustainable Use of Land and Nature-Based Solutions.

Various H2020 projects are contributing to such partnerships, in particular on the pillar on Better Knowledge.

More information on the action plans and the partnerships can be found at:

https://ec.europa.eu/futurium/en/urban-agenda

1.2 New Leipzig Charter and the Territorial Agenda 2030

The New Leipzig Charter -adopted at the Informal Ministerial Meetings on 30 November 2020 under German Presidency-provides a key policy framework document for sustainable urban development in Europe. The Charter highlights that cities need to establish integrated and sustainable urban development strategies and ensure their implementation for the city as a whole, from its functional areas to its neighbourhoods. It is strongly aligned with the Cohesion Policy and its framework for sustainable urban development. Member States agreed to implement the Charter in their national or regional urban policies. The Charter would allow Member States to develop national urban policies of high quality.

The New Leipzig Charter is also accompanied by an Implementing document which intends to guide the next phase of the Urban Agenda for the EU according to renewed parameters. Europe has a wide variety of small, medium-sized and large cities and European cities are more than places of densely arranged built structures, since they also enable cultural, social, ecologic and economic interaction. Most cities are unique, historically grown centres of outstanding cultural value shaping Europe's urban heritage and the identity of its citizens. Thus, culture is at the core of any sustainable urban development, including the preservation and development of the built and other cultural heritage.

European cities are also places of pluralism, creativity and solidarity. Cultural and political traditions have been foundations for the development of cities reflecting democratic rights and values. They are also living laboratories for new forms of problem-solving and test beds for social innovation. High-quality, open and safe public spaces function as vibrant urban places, allowing people to interact, exchange and integrate into society. Good urban planning and design should be reinforced to enable compact, socially and economically mixed cities with well-developed infrastructure and a healthy environment and opportunities for identification contributing to the well-being of all. This requires a holistic understanding of high-quality Baukultur as the basis of integrated planning and design processes for every man-made shaping of the built environment in European cities. It also encompasses the management and conversion of existing buildings as well as the design and construction of contemporary buildings, infrastructure and public spaces.

Cities and urban systems need flexibility as well as the ability to respond to external disruptive events and chronic stress. The robustness of cities to cope with changing framework conditions should be supported by an ability to learn from past events and from each other, flexible urban governance for the common good as well as balanced implementation of just, green and productive cities. Predictive and preventive policies, plans and projects should include diverse scenarios to anticipate environmental and

climatic challenges and economic risks as well as social transformation and health concerns.

https://ec.europa.eu/regional_policy/en/newsroom/news/2020/12/12-08-2020-new-leipzig-charter-the-transformative-power-of-cities-for-the-common-good

1.3 'ONE-STOP-SHOP' portal for cities

To help cities better address challenges such as affordable housing, energy efficiency, and to make the most out of EU funding opportunities, the European Commission has launched a new web portal, the ONE STOP SHOP for Cities.

This is an online single entry point for cities and stakeholders that provides an overview of all initiatives and support mechanisms provided by the European Union to Cities.

The EU Topic Page on Cities was launched in October 2016 (by DG REGIO) in cooperation with multiple other Directorate General's. It covers information related to the Urban Agenda for the EU; Action for Cities; Knowledge for Cities; Priority Themes; Funding for Cities; Cities Events.

EU R&I contributes to the EU Topic Page on Cities with the latest information on R&I funding opportunities, R&I policy initiatives and actions, events, data and knowledge. DG R&I Innovating Cities page, where urban stakeholders can find EU R&I city related activities/actions/projects, is linked with the ONE STOP SHOP for Cities and in this way a continuous flow and exchange of information and knowledge is ensured.

In addition, the new Urban Data Platform, hosted on the Knowledge Centre for Territorial Policies operated by the Joint Research Centre, provides a single access point to common indicators on the status and trends in over 800 European urban areas–on demography, economic development or access to services, as explained in the following Chapter on Knowledge Cities.

1.4 Urban Innovative Actions

Urban Innovative Actions (UIA) is an Initiative of the European Union that provides urban areas throughout Europe with resources to test new and unproven solutions to address urban challenges. The Initiative granted through European Regional Development Funds a total ERDF budget of EUR 372 million for 2014-2020. Although research on urban issues is well developed, potential solutions are not always put into practice because urban authorities are reluctant to use their money to test new, unproven and hence risky ideas.

Urban Innovative Actions offers urban authorities with the possibility to take a risk and experiment the most innovative and creative solutions.

The main objective of UIA is to provide urban areas throughout Europe with resources to test innovative solutions to the main urban challenges, and see how these work in practice and respond to the complexity of real life. More detailed info on UIA achievements and future vison can be found at: https://www.uia-initiative.eu/en/knowledge-lab

Under the post-2020 cohesion policy, the European Urban Initiative aims to support to cities and help bring together the diverse landscape of initiatives, programmes and instruments under cohesion policy.

The Urban Innovative Actions (UIA) is an Initiative of DG REGIO that provides urban areas throughout Europe with resources to test new and unproven solutions to address urban challenges.

EU R&I contributes to the Urban Innovative Actions with policy advice in the development of the calls and impact assessment of the UIA projects. The Urban Innovative Actions are distinctly different than the Horizon 2020 actions in as such that the UIA provide grants to single urban authorities, whereas in the Horizon 2020 Innovation Actions a consortium of partners related to and from multiple cities collaborate on one project.

1.5 URBACT programme

URBACT is a European exchange and learning programme promoting sustainable urban development, which integrates economic, social and environmental dimensions. It enables cities to work together to develop new, pragmatic and sustainable solutions to major urban challenges, reaffirming the key role they play in facing increasingly complex societal changes. So far 7 000 people from 500 cities, in 29 countries, have participated in the URBACT programme. Building on the success of the World Cities project and drawing on the solid approach of the EU-funded URBACT network, city pairs will be supported in their efforts to design, implement and manage sustainable urban practices in an integrated and participative way.

1.6 Urban Development Network

The Urban Development Network (UDN) is made up of more than 500 cities/urban areas across the EU responsible for implementing integrated actions based on Sustainable Urban Development strategies financed by ERDF in the 2014-2020 period.

1.7 Cohesion policy post-2020 and synergies between Horizon 2020 and the European Structural and Investment Funds

'Cohesion policy' is the policy behind the hundreds of thousands of projects all over Europe that receive funding from the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund. In 2014-2020 Cohesion Policy fostered the urban dimension and fight for social inclusion and set 11 thematic objectives supporting growth for the period 2014-2020 of which the first objective was to strengthening research, technological development and innovation.

Indeed, the 2014-2020 period has put the urban dimension at the heart of Cohesion Policy. More than 50% of the ERDF resources for this period have been invested in urban areas. Around 10 billion euros from the ERDF have been allocated to integrated strategies for sustainable urban development and about 750 cities have been empowered to implement these integrated strategies for sustainable urban development.

For the post-2020 period, the aim is to further improve the effectiveness of cohesion policy investment in delivering the EU's environmental and climate goals. This will require a significant effort by the public and private sectors, as well as consumers and citizens and reflection on how cohesion policy can better support sustainability transitions in regions and cities. For the next long-term EU budget 2021-2027, the Commission proposes to modernise Cohesion Policy, the EU's main investment policy and one of its most concrete expressions of solidarity.

The new EU investment framework for the in 2021-2027 focuses on a smarter, greener, carbon free, and more connected Europe, through innovation, digitisation, economic transformation and support to small and medium-sized businesses, implementing the Paris Agreement and investing in energy transition, renewables and the fight against climate change. It also promotes a more social Europe, delivering on the European Pillar of Social Rights and supporting quality employment, education, skills, social inclusion and equal access to healthcare. It also supports a Europe closer to citizens, by supporting locally-led development strategies and sustainable urban development across the EU.

Strengthening synergies between Horizon Europe and the [European Structural and Investment Funds](#) (ESIF) is about building interactions between investment strategies and interventions as a way to have significant impacts on the economy, combining place-based innovation investments in smart specialisation priorities with world-class research and innovation initiatives, thus ensuring a higher impact of the funds.

The European Commission and the Member States are mandated by the regulations that lay down the rules for the ESIF, Horizon 2020, and other EU programmes directly managed by the Commission in the areas of research, innovation and competitiveness - in particular COSME, Erasmus+, Creative Europe, European Union Programme for Employment and Social Innovation ("EaSI")and the digital services part of the Connecting Europe Facility- to ensure coordination, synergies and complementarities.

- Cohesion policy action against coronavirus

The Coronavirus outbreak presents a major challenge to the entire European Union. National, regional and local communities are on the frontline in countering the disease and its consequences. Solidarity and responsibility across our societies and between EU countries are key to overcome this challenge. The benefit of collective and coordinated action as a community outweighs individual and parceled responses.

The Commission has, therefore, launched in April 2020 two packages of measures: [the Coronavirus Response](#) Investment Initiative (CRII) and the Coronavirus Response Investment Initiative Plus (CRII+), which were swiftly endorsed by the European Parliament and the European Council. This was supplemented on 27 May with the presentation of the REACT-EU package. Existing funds have been re-oriented and new funds are available in all EU countries and regions to tackle the crisis.

1.8 Smart Specialisation-Strengthening Innovation in Europe's Regions

Conceived within the reformed Cohesion policy of the European Commission, [Smart Specialisation](#) is a place-based approach characterised by the identification of strategic areas for intervention based both on the analysis of the strengths and potential of the economy and on an Entrepreneurial Discovery Process (EDP) with wide stakeholder involvement. It is outward-looking and embraces a broad view of innovation including but certainly not limited to technology-driven approaches, supported by effective monitoring mechanisms.

In fact, Smart Specialisation is an innovative approach that aims to boost growth and jobs in Europe, by enabling each region to identify and develop its own competitive advantages. Through its partnership and bottom-up approach, smart specialisation brings together local authorities, academia, business spheres and the civil society, working for the implementation of long-term growth strategies supported by EU funds.

The three key streams of smart specialisation are: "SMART" aiming to identify the region's own strengths and comparative assets; "SPECIALISED" aiming to prioritise

research and innovation investment in competitive areas; "STRATEGIC" aiming to define a shared vision for regional innovation. For instance, smart specialisation in practice made it to bring around 15.000 new products to market, create 140.000 new start-ups and 350.000 new jobs during 2020.

A representative example of "smart specialisation in action", taking advantage of local potential, is the Smart Specialisation approach in the region Centre-Val de Loire, which helped clearly identify local competitive assets: energy storage, biopharmaceuticals, cosmetics, environmental engineering, and tourism. This has helped better target support for projects with high potential, such as the LAVOISIER Programme (http://www.lestudium-ias.com/fr/content/le-programme-lavoisier) specialised in the development and industrialisation of materials and systems oriented towards new and renewable energies.

Another example is the Smart Specialisation approach in setting up the 'transport system of tomorrow' in Finland. Finland has focused, through its national smart specialisation strategy, on developing smart cities. This initiative, the Six City Strategy, addresses the need for sustainable urban development by exploring the strategic advantages of the six biggest Finnish cities: Helsinki, Espoo, Tampere, Vantaa, Oulu, and Turku.

Two EU-funded pilot projects have already started: Robot Buses (SOHJOA) and Climate Streets. SOHJOA develops sustainable intelligent transportation solutions, with electric buses already operating in Helsinki. Climate Streets develops and tests solutions to cut down greenhouse gas emissions and energy consumption levels, in cooperation with local business, real estate owners, residents and the city administration in the fields of housing and transport.

Inter-regional cooperation on innovation for local and regional development

Support focuses on ways to improve and internationalise regional innovation and cooperation in and between the EU, Latin America and the Caribbean. The programme stimulates the development or strengthening of regional strategies involving SMEs in the innovation sector, and it will promote international value chains. It will collect and share experience, good practice and lessons learnt to enable knowledge management and development. The 'Smart Specialisation (S3) platform' established by the European Commission acts as a multiplier to further promote knowledge sharing inside the EU as well.

1.9 The Urban Intergroup at the European Parliament

The URBAN Intergroup at the European Parliament is a cross-parties and cross-committees grouping with an horizontal approach to discuss urban related issues.

The main objectives of the Urban intergroup are to: monitor the legislative and non-legislative work of EP's committees on urban related issues; work on common EU strategies – to put urban needs on the agenda of EU policies; be actively involved in the preparation of EU legislation; constantly stay in contact with partners and practitioners; and inform about realisation of EU policies on the ground.

The UI brings together over 89 MEPs representing most EU Member States, all the political groups at the European Parliament, and working in all the parliamentary committees. Their work focuses on a number of subjects linked to sustainable development of urban areas such as environment and energy efficiency; urban transport; housing; social aspects (social exclusion, migration, ageing of the population); services of general interest; local public finances.

1.10 European Committee of the Regions

The [European Committee of the Regions](#) (CoR) is the European Union's assembly of local and regional representatives that provides sub-national authorities (i.e. regions, counties, provinces, municipalities and cities) with a direct voice within the EU's institutional framework.

The CoR is jointly organising with the European Commission's Directorate-General for Regional and Urban Policy, the European Week of Regions and Cities, 11 to 14 October 2021. The main focus of the 2021 edition are: "Green Transition, for a sustainable and green recovery"; Cohesion: from emergency to resilience"; "Digital Transition for Citizens' engagement: for an inclusive, participative and fair recovery".

The CoR also collaborates with DG R&I on the KEP, Knowledge Exchange Platform, as described in Section 1.