

## Launch of an Urban Agenda for the EU

### SUMMARY

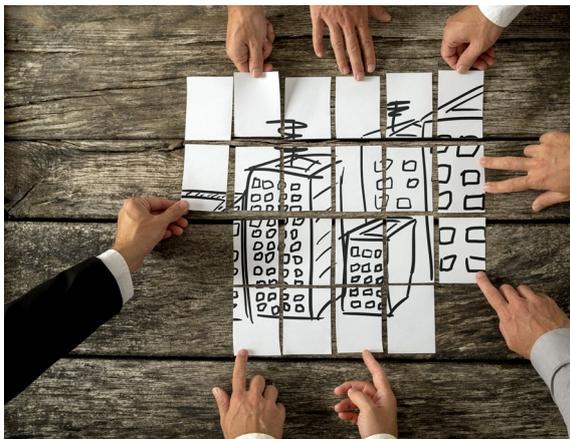
Our towns and cities are home to nearly three quarters of the EU's population and most EU policies concern them, be it directly or indirectly.

Within the EU, a shared vision of urban development has gradually taken shape at inter-governmental level. At the same time there have been increasing calls for concrete action and the development of an Urban Agenda to give city authorities and stakeholders a greater say in the process. To help guide these discussions, the European Commission launched a public consultation following its July 2014 Communication on the Urban Dimension of EU policies. Its findings indicated broad support among city stakeholders for an Urban Agenda for the EU. The European Parliament has also prepared an own-initiative report on the issue as part of this process, which was adopted at the September 2015 plenary session.

The revised 2014-2020 Cohesion Policy framework introduced a number of new instruments intended to enhance the urban dimension of cohesion funding. With the launch of Urban Innovative Actions and the introduction of the first four urban partnerships, recent months have seen both a strengthening of the cohesion policy framework and the first concrete action towards rolling out the Urban Agenda.

Building on this momentum, the Dutch Council Presidency put forward an ambitious roadmap for the first half of 2016, which led to the signing on 30 May 2016 of the Pact of Amsterdam, a clear political commitment to deliver an Urban Agenda for the EU.

*This briefing is an update of an [earlier one](#) published in March 2016.*



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## Introduction

Towns and cities are a core part of the fabric of Europe's landscape and many of the policy challenges facing Europe have a disproportionate impact on urban areas. These range from issues such as social exclusion and migration to climate action and environmental deterioration. Crucially, however, Europe's towns and cities also contain the solutions to these very challenges: as places where people and resources congregate, they provide unrivalled opportunities for promoting sustainability, energy efficiency, economic innovation and social inclusion. There is much to be gained by ensuring more effective coordination between the many policies impacting on urban areas and by taking account of the experiences of local and regional authorities in delivering policy on the ground. This can be achieved by developing a common framework of action – an Urban Agenda for the EU.

## The Urban Agenda takes shape

After decades of debate, 2015 marked a turning point for the Urban Agenda. Discussions were taken forward by the Latvian Presidency, building on the ministerial agreement reached in [Athens](#) in April 2014, which gave further political backing to the Urban Agenda and identified urban poverty as a specific working field of strengthened cooperation, and on the [conclusions](#) of the November 2014 General Affairs Council, which made explicit reference to continuing work on the urban agenda. The [Latvian Presidency](#) sought to identify the specific challenges facing small and medium-sized urban areas, with the June 2015 [Riga Declaration](#) of ministers for territorial cohesion and urban matters providing political support to develop the Urban Agenda for the EU.

## The Dutch Presidency and the Urban Agenda for the EU

As one of the countries that has been in the vanguard of discussions on the Urban Agenda, the Netherlands set itself an ambitious roadmap for its presidency in the first half of 2016, with three broad objectives: to sign the **Pact of Amsterdam**, a political declaration which officially launches the Urban Agenda for the EU and establishes its operational framework and priority themes, to set up the first four **pilot partnerships** and, lastly, to adopt **Council Conclusions** on the Urban Agenda, which is necessary to establish a firm political commitment to delivering on the Urban Agenda for the EU. The Dutch Presidency has already achieved its first two objectives, with the recent adoption of the Pact of Amsterdam representing an important milestone for the Urban Agenda.

### Pact of Amsterdam

Defines objectives and establishes the operational framework for the Urban Agenda for the EU  
 Focuses on three policy instruments: better regulation, better funding, better knowledge exchange  
 Identifies 12 priority themes for the Urban Agenda for the EU  
 Defines actions and working method for institutional players and stakeholders

## The Pact of Amsterdam

Signed on 30 May 2016, the [Pact of Amsterdam](#) sets out the objectives of the Urban Agenda: to strive to establish a more integrated and coordinated approach to EU policies and legislation which impact on urban areas, to involve urban authorities in the design of policies and to strengthen their urban dimension without creating new EU funding, changing the current distribution of legal competences and decision-making structures or transferring competences to EU level. In terms of its operational framework, the activities of the Urban Agenda will be coordinated by the 'DG meeting

on Urban Matters', with the Pact also identifying the role of the key players in the Urban Agenda. These include, among others, urban authorities, Member States, the European Commission, the European Investment Bank and partnerships, which the Pact defines as the key delivery mechanism for the Urban Agenda, and whose action plans can provide input for the design of future, or the revision of current, EU legislation. An annex to the Pact, the Working Programme of the Urban Agenda for the EU, specifies its operational framework and the Urban Agenda's working method, concrete actions and themes.

### Partnerships

A vital instrument for the Urban Agenda, [partnerships](#) will be set up for each of the 12 themes, to identify the issues that need to be addressed to enhance the urban dimension in a given policy area. Participation is voluntary, with the 15 to 20 members of each partnership, which include representatives of the European Commission, Member States, local authorities, city networks and others, working in partnership with one another, with no single partner dominating proceedings. Lasting three years, each partnership prepares and implements an action plan which identifies bottlenecks and puts forward proposals for strengthening the urban dimension by focusing on three areas: **better regulation**, which looks at how to give existing rules a greater urban dimension, **better use of financial instruments**, which examines how to optimise use of current financial instruments, and **better knowledge exchange**, which considers means of improving existing networks. In addition, 11 cross-cutting issues have been identified which partnerships should consider when organising their work such as good urban governance, sound urban planning or use of integrated approaches.

#### 12 themes of the Urban Agenda for the EU

Jobs and Skills in the local economy	Climate adaptation
Urban Poverty	Energy transition
Housing	Urban mobility
Inclusion of Migrants and Refugees	Air quality
Sustainable use of land and Nature-Based solutions	Digital transition
Circular economy	Innovative and responsible public procurement

### Pilot Partnerships

November 2015 saw the launch of the first four pilot partnerships, which will serve as a testing ground for the new framework. The partnership on [Housing](#), coordinated by Slovakia, will examine the provision of good quality affordable housing and housing policy, while Belgium and France will jointly coordinate the [Urban Poverty](#) partnership, which tackles poverty and promoting the inclusion of people at risk of poverty in deprived neighbourhoods, focusing on child poverty and homelessness. The partnership on [Air Quality](#), coordinated by the Netherlands, will consider policies and systems to ensure good air quality, targeting sources of pollution such as industry, motor vehicles, and agriculture. Coordinated by the city of Amsterdam, the [Inclusion of Migrants and Refugees](#) partnership will establish a framework to manage the integration of non-EU migrants and refugees in the areas of housing, public services and employment.

### The view of stakeholders

A number of questions have been raised about how partnerships will operate, a key issue in view of their role in implementing the Urban Agenda. During an [event](#) organised

by the European Economic and Social Committee (EESC), the International Union of Tenants [called](#) for clarification on the voting principles to be used when partnerships adopt decisions, criticising the fact that civil society will effectively be represented by only two or three members in the partnerships, while academic Ivan Tovics [stressed](#) the need to ensure good geographical representation, with experts selected based on merit, not language skills or reputation, and to improve coordination, noting that improving the situation in one thematic area could have an adverse impact on others. The EESC has suggested that partnerships should have a more balanced representation, with greater involvement on the part of urban residents, emphasising a lack of information on how civil society organisations will be selected.

### Urban Innovative Actions

The first [call for proposals](#) for **Urban Innovative Actions** (UIAs) was launched on 15 December 2015. Introduced under Article 8 of the ERDF, UIAs make funding available for urban authorities, providing them with a low-risk means of testing experimental solutions in the area of sustainable urban development, which can then be rolled out across the EU. Directly linked to the themes of the Urban Agenda, [Urban Innovative Actions](#) will support the Urban Agenda by helping to identify solutions in the field of sustainable urban development in the same 12 thematic areas, and tie in with the thematic objectives under the ERDF. Selected on the basis of calls for applications, UAI projects are chosen based on the following criteria: degree of innovation, quality, level of partnership, whether results are measurable as well as the transferability of a project to other EU areas. The first call for proposals, which has a budget of €80 million, covers the following [four topics](#): **urban poverty, integration of migrants and refugees, jobs and skills in local economy** and **energy transition**.

Urban Innovative Actions	
Open to urban authorities (or groups thereof) of over 50 000	Co-financing rate of up to 80%
Maximum of €5 million available per project	Clear link with Urban Agenda
Innovative Sustainable Urban Development projects	Max project duration of 3 years
Total budget of €372 million over 7-year period	

### Opinions of the advisory committees

The Dutch Presidency had requested opinions on the Urban Agenda from both advisory committees. The [opinion](#) of the Committee of the Regions (**CoR**) notes that the aim of the Urban Agenda is to improve the quality of life in towns and cities and to develop new urban governance, stressing that EU policies must not encourage competition between urban and rural dimensions. It urges the European Commission to play a strong coordinating role through the appointment of its First Vice-President as coordinator for the Urban Agenda. The opinion calls for a systematic review of ways of improving support for urban areas and recommends use of the European Investment Bank's Advisory Hub to help towns and cities access EIB financing instruments. In particular, the CoR calls for a White Paper to evaluate the results of partnerships, including better governance. The **EESC's** [opinion](#) stresses the importance of ensuring that civil society organisations are equal partners in implementing the Urban Agenda for the EU and argues that local strategies developed by local partnerships are the best means of implementing EU recommendations. Highlighting that cities need a mechanism to strengthen citizens' voice, the Committee suggests 'Urban Communities and Citizen Participation' as a new theme for the Agenda and notes that all EU regions

must be equally included. The Urban Agenda should acknowledge the links between urban and peri-urban areas and not restrict the development of rural areas.

## Background to the Urban Agenda for the EU

With over [70%](#) of the EU's total population resident in urban areas, towns and cities account for the majority of the EU's population today. More than just centres of population, urban areas lie at the very heart of modern society: veritable hubs of innovation, they are where the economy develops and – ultimately – where new jobs are created. Yet despite the clear potential of towns and cities for boosting the EU's economic, social and cultural development, the EU policy response to date has been slow and fragmented. As around [two thirds](#) of all EU sectoral policies have an impact on Europe's towns and cities, the EU is dependent on them for their successful implementation, and for achieving the [Europe 2020 objectives](#) of smart, sustainable and economic growth. It is difficult to imagine making progress towards meeting the Europe 2020 objectives if policies on, for example, the environment or transport are tackled in isolation. There is a clearly a need for greater coordination to deliver the best results, with an increasing number of city stakeholders (see page 7) arguing that towns and cities should be given a greater role in the design and roll-out of EU policies and that policy-making should better reflect urban reality on the ground.

### Towards a shared vision of urban development

As there is no legal basis for urban policy in the European Union Treaties, discussions on urban development at EU level have primarily taken place within the framework of intergovernmental cooperation. This ongoing process, which has largely taken the form of informal meetings of ministers, has helped shape a shared conceptual framework, leading to agreement on the objectives and principles of urban development, commonly referred to as the 'urban acquis'. Over time, ministers responsible for urban development have reached consensus on specific objectives and values for urban areas and how to reach them. The 2007 [Leipzig Charter](#) called for the sustainable development of cities through the greater use of integrated urban policy approaches, helping to ensure that cities are healthy and pleasant places to live, and placing a specific focus on deprived urban neighbourhoods. This was followed three years later by the [Toledo Declaration](#) which highlighted the important role of cities for implementing the Europe 2020 strategy through the use of integrated urban regeneration projects in such areas as energy efficiency, housing renovation or improving public transport. However, these and related declarations, including the [Territorial Agenda](#) 2020 (agreed in 2011), which advocated the implementation of the Europe 2020 Strategy in line with the principles of territorial cohesion (the harmonious development of Europe's territories – see the [Green Paper on Territorial Cohesion](#)) were not binding on the Member States. This in turn led to calls for more concrete action from the Netherlands and Belgium, a move which subsequently gained the support of Member States' directors-general for territorial cohesion, spatial development and urban development in [Vilnius](#) in November 2013 and the (then) incoming presidency trio of Italy, Latvia and Luxembourg.

## Voices in the debate on an Urban Agenda for the EU

### Committee of the Regions

The process was further strengthened in late 2013 by the discussions on the drafting of the CoR's [own-initiative opinion](#), *Towards an integrated urban agenda for the EU*. This opinion, adopted in July 2014, called on the Commission to present a white paper for an

integrated urban agenda, which would seek to eliminate existing inconsistencies and overlaps and identify which elements of EU funding programmes have the potential to support urban development. The opinion argued that the white paper should lead to the urban dimension being anchored in the EU decision-making process (a concept referred to as '**urban mainstreaming**') rather than formulate a specific EU strategy. It noted the need for a new model of governance to ensure the closer and earlier involvement of towns and cities at all stages of the policy cycle.

### European Commission

In February 2014, the Commission organised a first forum entitled [CITIES: Cities of Tomorrow: Investing in Europe](#). Using a 2011 [report](#) as the main starting point, forum participants showed broad support for an Urban Agenda, calling on the Commission to play a leading role in advancing this [process](#). In follow-up, the Commission adopted a [Communication](#) in July 2014 on the Urban Dimension of EU policies. Its purpose was to launch a public consultation on the need for an urban agenda, outlining six key questions to make it possible to define the objectives of the Urban Agenda and identify how it will function. According to the [results](#) of this public consultation, presented at the second [CITIES forum](#) in June 2015, respondents felt that the Urban Agenda for the EU should help cities to implement European priorities and, in this way, push the EU towards achieving its political objectives. Most considered that there is no need for new legislation, new funding sources or for the transfer of new competences to the European level but rather for better legislation that reflects urban realities and structured dialogue respecting subsidiarity. In response, the Commission proposed that the Urban Agenda focus on the three priority areas of **smart, green and inclusive** cities, ensure the effective application of better regulation tools such as territorial impact assessments, improve the coherence and coordination of EU policies with an impact on cities e.g. by providing cities with a single access point to EU initiatives and, lastly, improve urban intelligence, benchmarking and monitoring by carrying out new urban research and harmonising urban data sources. Furthermore, the Commission suggested continuing the dialogue with stakeholders and Member States in order to identify critical urban issues in the three priority areas, map the urban-related EU initiatives in these areas and identify the main actors, networks and platforms involved.

### European Parliament

The European Parliament made an important contribution to the debate in 2011 with a [resolution](#) calling for a stronger urban dimension for EU policies and the development of a joint working programme or an 'EU urban agenda'. The EP strengthened the urban dimension further by successfully negotiating the delegation of powers to urban authorities under Article 7 of the ERDF Regulation (see below) during the trilogue discussions on the 2014-2020 Cohesion Policy package. It was also heavily involved in the discussions on the Urban Agenda. The European Parliament adopted an [own-initiative resolution](#) (rapporteur Kerstin Westphal, S&D, Germany) on this topic on 9 September 2015. The resolution stresses that the Urban Agenda should involve the local level more closely at all stages of the policy cycle, based on a new multi-level governance method. It calls for an early-warning mechanism to allow local authorities to check compliance with the subsidiarity and proportionality principles, and argues that the Urban Agenda should strive to gain the best leverage from invested funds by creating synergies between EU programmes, national and private sector funding. The EP also calls for territorial impact assessments to ensure the feasibility of relevant EU policy initiatives at local level as well as the appointment of a special EU urban

coordinator to monitor the coordination of policies with an urban dimension and the creation of a 'one-stop shop' on urban policies, with the latter demand reflected in the final text of the Pact of Amsterdam. It highlights the need for more detailed urban data, and regular urban policy summits, drawing on the 'Cities of Tomorrow' forum, noting that the Urban Agenda should be in line with the EU's overall objectives, particularly EU 2020, and be part of the Commission's annual work programme. As a long-time advocate of an Urban Agenda, the EP's [URBAN Intergroup](#) was also closely involved in the discussions.

### **The view of city associations**

There is wide support for the idea of an Urban Agenda among city stakeholders. **Eurocities**, an association speaking for over 130 major cities across Europe, argued in its September 2014 [contribution](#) to the Commission's public consultation that the Urban Agenda should respect subsidiarity and that cities should be involved in national decisions on Europe 2020 programming, calling for the appointment of an urban envoy at the Commission to improve coordination of EU urban related policies. Its 2015 [paper](#) called for a strategic framework for the Urban Agenda that empowers cities to deliver on Europe 2020, promotes a joined-up approach to policy making and engages cities directly in EU policy making. **Energy Cities** [believes](#) that the Urban Agenda should not be restricted to specific urban challenges and that cities should be given a greater role in EU policy development and implementation processes, calling for a new form of governance where local authorities voluntarily contribute to EU objectives. The 2014 [contribution](#) by the **Council of European Municipalities and Regions (CEMR)** noted that the EU should optimise the current *acquis* rather than create a new policy, arguing that the Urban Agenda needs to take account of urban and rural linkages and that the Commission should carry out local impact assessments of its policies for new legislation. In its 2015 [position paper](#) it argued that the Urban Agenda should facilitate local authorities' action on the ground by treating local governments as key partners, giving cities better access to EU funding and collecting accurate local data, among others. Whilst endorsing the 12 priority themes of the Urban Agenda, the April 2016 [declaration](#) of the mayors of the capital cities of the EU called on the Commission to include the Urban Agenda for the EU in its annual work programme and reflect the urban dimension more systematically in its impact assessments, urging all parties involved to work quickly to remove the bottlenecks to current urban challenges.

### **First reactions to the adoption of the Pact of Amsterdam**

While noting that the Urban Agenda will undoubtedly help towns and regions face current challenges such as migration by involving them in shaping EU legislation, and ensure that municipalities have better access to EU funding, **CEMR** [warns](#) that without the support of European institutions and Member States to ensure its continuity, the Urban Agenda for the EU will remain only a political declaration. **Eurocities** [noted](#) that the adoption of the Pact of Amsterdam shows important political recognition of the role of cities in the EU, yet stressed that the success of the urban agenda depends on strong political leadership within the European Commission, adding that it would like to see the urban agenda lead to a more effective approach to policy and funding with an impact on cities, especially with a view to the post 2020 financial framework.

### **New Cohesion Policy developments 2014-2020**

In the context of the discussion on the EU's urban agenda, it is also useful to examine the new Cohesion Policy framework, which accounts for one third of the EU's [total](#)

[budget](#) (heading 1b of the Multiannual Financial Framework – MFF) and which, notably, places a new focus on the urban dimension during the 2014-2020 programming period. One of the key developments in this area is [Article 7](#) of the ERDF Regulation which provides that at least 5% of the European Regional Development Fund resources allocated at national level under the investment for jobs and growth goal must be earmarked for integrated actions for sustainable urban development. Urban authorities are responsible for tasks relating at least to the selection of operations, and may also undertake tasks concerning the management of integrated actions which tackle the economic, environmental, climate, demographic and social challenges affecting urban areas, thereby giving cities a greater say. The urban dimension has also been reinforced through Article 8 of the [ERDF Regulation](#). It supports studies and pilot projects to identify or test new solutions addressing issues related to sustainable urban development ([Urban Innovative Actions](#)), encouraging innovation in this field and the involvement of urban authorities in their preparation and implementation. Equally, the [Urban Development Network](#) (UDN) established under Article 9 of the ERDF boosts local level involvement, advancing discussions on the implementation of the urban dimension by supporting capacity-building, networking and the exchange of good practices between urban authorities implementing sustainable urban development strategies. By calling on the Commission to align the work of the UDN and the themes of Urban Innovative Actions to the framework of the Urban Agenda, the Pact of Amsterdam has recognised the importance of these tools for delivering the Urban Agenda, establishing a direct link with the cohesion policy structure for 2014-2020.

### Future outlook

After many years of discussion, the Urban Agenda for the EU has at last become reality. With the Pact of Amsterdam signed on 30 May 2016, a concrete plan is now on the table to enhance the urban dimension of EU policy, and the Slovak Presidency of the Council has [committed](#) to continuing work on the Urban Agenda. Europe stands on the threshold of a new era in urban policy, yet the coming months will be critical for the success of this venture. In many ways, the EU's new urban adventure has only just begun.

### Main references

[The role of cities in cohesion policy](#), Hamza, Christine et al, EP Policy Department B, PE 529.075, European Parliament, 2014.

[Past developments and future prospects](#), Atkinson, Rob: paper presented at an RSA workshop on 'The New Cycle of the Cohesion Policy in 2014- 2020', Institute for European Studies, 2014.

[Communication](#) from the Commission on the Urban Dimension of EU policies – Key Features of an EU urban agenda, COM(2014) 490 final, 18 July 2014.

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