

EU Urban Agenda – State of play

SUMMARY

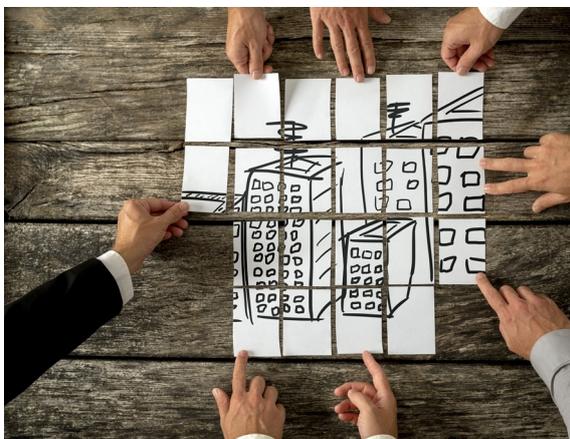
Our towns and cities are home to nearly three quarters of the EU's population and most EU policies concern them, be it directly or indirectly.

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 EU 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 indicate broad support among city stakeholders for an EU Urban Agenda. 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 increase the role of cities in cohesion programming and implementation and thus 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 has put forward an ambitious roadmap for the coming months, which should lead to the signing in May 2016 of the Pact of Amsterdam, a binding political commitment to deliver on the promise of an EU Urban Agenda.

This briefing is an update of an [earlier one](#) published in July 2015.



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The EU Urban Agenda takes shape

Towards agreement on thematic areas

After decades of debate, 2015 was a turning point for the EU 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 EU 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 for developing the EU Urban Agenda.

The incoming Dutch Presidency launched a [survey](#) in July 2015 inviting Member States to select themes for the EU urban agenda, while the Commission organised three thematic workshops in September 2015 on smart, sustainable and inclusive cities in the context of the EU urban agenda. Based on this input and on the findings of the Commission [Staff Working Document](#) of 27 May 2015, the October 2015 urban development group meeting broadly endorsed 12 themes for the Urban Agenda. Following consultations with experts, Member States, NGOs and other stakeholders, a set of priorities is now on the table.

Urban Partnerships

A key delivery mechanism of the EU urban agenda, [urban 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. The 15 members of each partnership, which include representatives of the European Commission, the Member States, local authorities, city networks and other stakeholders, work together in partnership with one another, with no single partner dominating proceedings. Lasting a maximum of 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 EU Urban Agenda

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 action plans of the pilot partnerships should be submitted to the Ministerial Conference on 30 May 2016.

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 EU 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 15-member 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 Committee 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	
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	First call open until 31 March

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.**

The Dutch Presidency and the EU Urban Agenda

As one of the countries that has been in the vanguard of discussions on the EU Urban Agenda, the Netherlands has 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 EU Urban Agenda 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.

Pact of Amsterdam

Establishes the operational framework for the EU Urban Agenda and defines its objectives

Focuses on three policy instruments: better regulation, better funding, better knowledge exchange

Identifies 12 priority themes for the EU Urban Agenda

Defines actions and working method for institutional players and stakeholders

The Pact of Amsterdam

A [draft version](#) of the Pact of Amsterdam was prepared in December 2015 and is currently under discussion. According to the document, the EU Urban Agenda will ensure that EU legislation better reflects urban needs, practices and responsibilities without the creation of any new EU legislation, organisations or funds. In terms of its **operational framework**, the Pact lists a number of actions to improve the urban dimension of EU policy. These include setting up partnerships, aligning Urban Innovative Actions with the themes of the EU Urban Agenda, action to ensure the inclusion of partnerships' recommendations in European Council Conclusions and the organisation of informal ministerial meetings. The Pact establishes the composition and role of **Partnerships**, such as preparing action plans, noting that such plans will consist of recommendations that can provide input for the design of future, or the revision of current, EU legislation.

Opinions of the advisory committees

The Dutch Presidency has requested opinions on the Urban Agenda from both advisory committees. The [draft opinion](#) of the Committee of the Regions (**CoR**) argues that modern governance based on an integrated approach is the key to solving problems in cities and that a stronger focus on urban issues will not mean less support for rural areas. It promotes the appointment of the European Commission's First Vice-President as coordinator for the EU Urban Agenda and its inclusion in the Commission's annual work programme. It stresses the benefits of expanding impact assessments to include the urban dimension and puts forward a number of suggestions for improving support conditions for cities. The Committee calls for the remaining eight partnerships to be set up without delay and for both a report on the implementation of partnerships by the end of 2016 and 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 EU Urban Agenda 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 Agenda should acknowledge the links between urban and peri-urban areas and not restrict the development of rural areas.

Background to the EU Urban Agenda

Towns and cities are part of the fabric of Europe's landscape. With over [70%](#) of the EU's total population resident in urban areas, they account for the majority of the EU's population today. More than just centres of population, towns and cities 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. While cities are sometimes differentiated from towns based on size (e.g. [towns](#) have between 5 000 and 50 000 inhabitants, whereas cities are considered to be larger), this document uses the umbrella term 'towns and cities' to refer to urban areas in general.

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.

An EU Urban Agenda

Despite the clear potential of urban areas for boosting the EU's economic, social and cultural development, the EU policy response to date has been slow and fragmented. An increasing number of city stakeholders (see page 7) argue that towns and cities should be given a greater role in the design and rollout of EU policies and that policymaking should better reflect urban reality on the ground. With around [two thirds](#) of all EU sectoral policies having 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. Equally, 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 clearly a need to ensure more effective coordination between the many policies impacting on urban areas and to support and bring together the efforts of local, national and EU levels of governance to help deliver the best results. This can be achieved by developing a common framework of action – an EU Urban Agenda.

Towards a shared vision of urban development

As there is no legal basis for urban policy in the founding treaties of the European Union, 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 EU Urban Agenda

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 EU 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 EU agenda, outlining six key questions to make it possible to define the objectives of the EU 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 an EU Urban Agenda 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 EU 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 is also heavily involved in the current discussions on the EU 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 EU 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 EU 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. It highlights the need for more detailed urban data, and recommends the organisation of 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 EU 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 EU 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 EU 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 noted that the EU should optimise the current *acquis* rather than create a new policy, arguing that the EU 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 EU 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.

New Cohesion Policy developments 2014-2020

In the context of the current 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](#) 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. To help Member States carry out integrated actions in areas such as sustainable urban development, the Common Provisions Regulation has introduced two new territorial tools: [Integrated Territorial Investments](#) (ITI) and [Community-Led Local Development](#) (CLLD). Not only do they allow funding from different funds to be combined, they also create significant scope for local level participation. ITIs provide a means of ensuring an integrated approach involving investments from the ESF, ERDF or Cohesion Fund under more than one priority axis of one (or more) operational programmes. In particular, they allow Member States to designate local authorities to carry out the management and implementation of an ITI, giving cities a greater role in delivering funding. CLLD involves the design and implementation of a community-led local development strategy by a local action group composed of representatives of public and private local socioeconomic interests. In decision-making terms, neither public authorities nor any interest group represents more than 49% of the voting rights, ensuring the delivered strategy is acceptable to all. It is this bottom-up approach which is the hallmark of CLLD.

Future outlook

After many years of discussion, the EU Urban Agenda is at last starting to become a reality. The Dutch Presidency has set itself an ambitious agenda for the months ahead. With the Pact of Amsterdam due to be signed on 30 May 2016, the EU Urban Agenda is firmly within reach. Europe is standing on the threshold of a new era in urban policy and has arguably never been closer to achieving political agreement on the EU Urban Agenda. The coming months will be critical for the success of this venture.

Main references

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

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[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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