

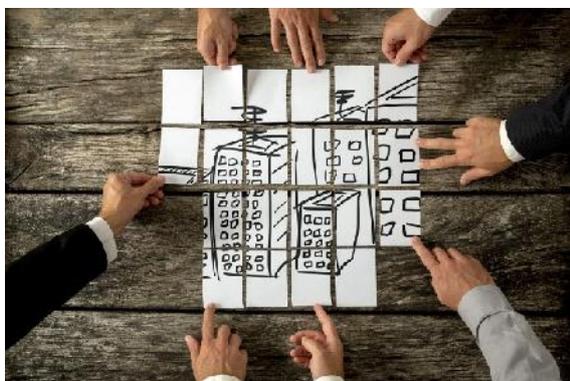
# Strengthening the Urban Agenda for the EU

## SUMMARY

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.

While the 2014-2020 cohesion policy framework introduced a number of new instruments intended to enhance the urban dimension of cohesion funding, a shared vision of urban development has gradually taken shape at intergovernmental level, accompanied by increasing calls to give city authorities and stakeholders a greater say in policymaking. 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 also prepared an own-initiative report on the issue, as part of a process that would ultimately lead to the signing of the Pact of Amsterdam on 30 May 2016, a clear political commitment to deliver an Urban Agenda.

With the pact providing for urban partnerships focusing on key urban themes such as air quality, urban poverty and housing, all 14 partnerships have now drawn up action plans, allowing the partners involved to contribute to the design of future, or revision of current, EU legislation. Many of these plans are now at the implementation stage, and the partnerships' work is beginning to have an impact on EU policymaking, with the European Parliament and the Commission taking the recommendations on board. Challenges remain, however, with stakeholders highlighting issues such as limited resources, a lack of effective governance mechanisms or low participation of smaller cities. In this context, both the new cohesion framework post-2020, which includes a European urban initiative to support the Urban Agenda, and the New Leipzig Charter, which outlines the next steps for the Urban Agenda, have the potential to improve the delivery and impact of the Urban Agenda. The process of strengthening the Urban Agenda, however, will ultimately depend not only on the partnerships' ability to deliver actions but above all on the extent to which they are taken up by the Commission, a process requiring full commitment from all partners involved.



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*This is a further update of an [earlier briefing](#) originally published in 2016 and last updated in 2019.*

## Introduction

Towns and cities are a core part of the fabric of Europe's landscape and many of the policy challenges facing Europe, such as social exclusion, environmental deterioration and migration have a disproportionate impact on urban areas. 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 coordinating 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 is the purpose of the EU's Urban Agenda.

## The origins of the Urban Agenda

### Towards a shared vision of urban development

With no legal basis for urban policy in the Treaties, discussions on urban development at EU level have taken place primarily within the framework of inter-governmental cooperation. Over time, ministers responsible for urban development have reached a consensus on specific objectives and values for urban areas through documents such as the 2007 [Leipzig Charter](#) on the sustainable development of cities, the 2010 [Toledo Declaration](#) and the 2011 [Territorial Agenda](#). After decades of debate, 2015 marked a turning point for the Urban Agenda. Discussions were taken forward by the [Latvian Presidency](#), with the June 2015 [Riga Declaration](#) of ministers for territorial cohesion and urban matters providing key political support, while the Urban Agenda finally became a reality with the signing of the Pact of Amsterdam under the Dutch Council Presidency in 2016.

### 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 that impact on urban areas; to involve urban authorities in the design of policies; and to strengthen policies' urban dimension without necessitating 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 Urban Agenda's activities are coordinated by the meeting of the Directors General for Urban Matters (DGUM), numbering national civil servants (directors-general) with responsibility for urban affairs and representatives of the Commission, the European Committee of the Regions (CoR), the Council of European Municipalities and Regions (CEMR), and Eurocities, with the DG meeting's work supported by the Urban Development Group.

The pact also identifies 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 (EIB), and **partnerships**, which the pact defines as the key Urban Agenda delivery mechanism, and whose action plans can feed into the design of future, or revision of current, EU legislation. Annexed to the pact, the Urban Agenda's working programme specifies its **operational framework**, working methods and key themes, setting out 11 concrete [actions](#): the first covers urban partnerships, with the other 10 focusing on improving the urban dimension of EU policies via vertical or horizontal coordination, impact assessments and knowledge.

## The Urban Agenda for the EU in practice

### The role of partnerships

A vital instrument for the Urban Agenda, [partnerships](#) have been set up for each of the themes (see below), 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, under the guidance of a coordinator, a city and/or Member State. Lasting three years, each partnership prepares and implements an action plan, which identifies bottlenecks and makes 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 that partnerships should consider when organising their work, such as good urban governance, sound urban planning or use of integrated approaches.

#### 14 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
Security in public spaces	Culture and cultural heritage

## Implementing action plans

Action plans have been completed for all partnerships, with a total of 14 [finalised](#) to date. As outlined in the pact, each action plan puts forward a series of measures to identify concrete solutions in a given thematic area, focusing on the three themes of better regulation, better funding and better knowledge. The implementation of actions is well under way in most urban partnerships, and the Urban Agenda website includes a [table of actions](#) that is regularly updated to make it easy to monitor progress, providing detailed information on each action including the starting date of implementation, partners involved, outputs delivered and implementation status.

#### Examples of actions finalised under the Urban Agenda

*Identification of gaps in regulation and implementation of air pollutant emission sources*, an action under the air quality partnership [action plan](#), seeks to contribute to better regulation by modifying existing EU legislation. Outputs delivered include a joint position paper for the open public consultation on the fitness check on the Ambient Air Quality Directives and various outreach events. An action under the housing partnership's [action plan](#), *Guidance on EU regulation and public support for housing*, aims to provide clear guidance for the use of state aid support for social and affordable housing in European cities, with delivered output taking the form of an analytical position paper. *Improving access to cities for EU integration funding*, a measure outlined in the [action plan](#) of the partnership on the inclusion of migrants and refugees, involves drafting proposals to reduce regulatory barriers for local authorities and to promote tools for better access to EU integration funding. Output delivered includes adopting and disseminating a recommendation paper for post 2020 EU funding.

According to the table of actions, as at December 2020, of the 132 actions proposed under the partnerships' action plans, 49 had been fully finalised and 23 actions were at the advanced implementation stage, with a further 16 considered to be half-implemented. In addition, 39 were at the initial implementation stage, with a further 3 actions at the planning or inception stage. The air quality and public procurement partnerships are the only partnerships to date to have completed all the actions set out in their action plans, closely followed by the urban mobility partnership, which has just one action still to be finalised. As more action plans are now moving into the implementation phase, the work of the partnerships is slowly beginning to have an impact on EU policymaking, with the European Parliament and the Commission reflecting partnerships' recommendations in their work (see box below).

### Impact of the Urban Agenda for the EU on policymaking

Several of the recommendations put forward in the housing partnership action plan were taken up in the December 2020 own-initiative [report](#) by Parliament's Committee on Employment and Social Affairs, subsequently adopted as a Parliament [resolution](#) in plenary on 21 January 2021. In particular, the resolution incorporates Action 3 of the action plan, which called for a revision of the decision on services of general economic interest (SGEI) as regards the narrow target group of social housing, with point 52 of the resolution urging the Commission to adapt the target group definition of social and publicly funded housing in the rules on SGEI, so as to allow national, regional and local authorities to support housing for all groups whose needs for decent and affordable housing cannot be easily met under market conditions.

The July 2020 [EU Security Union strategy](#) specifically mentions the work of the partnership on security in public spaces, outlining that regional and local public authorities have an important role to play in improving the security of public spaces and that the launch of a new Urban Agenda partnership on 'security in public spaces' in November 2018 reflects the strong commitment of Member States, the Commission and cities to do more to address threats to security in the urban space.

In the context of its plans to draw up an action plan to implement the European Pillar of Social Rights, in January 2020 the Commission [highlighted](#) the contribution of the urban partnership for jobs and skills and its action in the field of delivering the Social Pillar at local level. In particular, the Commission posted links to two key documents prepared by the partnership: an [analysis of 12 practices](#) from cities on challenges and possible solutions regarding multilevel governance (MLG) in the implementation of Principles 1 and 5 of the Pillar, and a [guide](#) on how to deliver the Pillar at local level.

As part of the European Parliament's work on the regulation on minimum requirements for water reuse, the partnership on the circular economy presented a [position paper](#) to Parliament's ENVI committee in January 2019 that outlined four main recommendations drawing on the work of the partnership's better regulation action – helping make water legislation support the circular economy in cities. In July 2018, the Urban Agenda partnership on air quality prepared a [position paper](#) that fed into the European Commission's [fitness check](#) on the Ambient Air Quality Directive. Published in November 2019, this Commission document noted a number of issues raised by the partnership, such as a lack of communication on air quality plans and a lack of EU funding directly targeted towards air quality improvement.

## Urban innovative actions

[Urban innovative actions](#) (UIAs) are an EU initiative, introduced under Article 8 of the European Regional Development Fund (ERDF) that provide resources for urban areas to test new responses to urban challenges, with a total ERDF budget of €372 million. They link to the ERDF's thematic objectives and support the Urban Agenda. The Pact of Amsterdam states that UIAs should be aligned with the Urban Agenda themes, and mentions them as a source of funding for actions set out in partnerships' action plans. UIAs provide urban authorities with a low-risk means of piloting solutions in sustainable urban development, which can then be rolled out across the EU. Following calls for proposals, [UIA projects](#) are chosen using the following criteria: degree of innovation, quality, level of partnership and measurability of results, and the transferability of a project to other EU areas. The fifth, most recent, [call](#), launched in October 2019, focused on the topics of air quality, the circular economy, demographic change, and culture and cultural heritage, with a budget of €50 million.

## United Nations New Urban Agenda and Urban Agenda for the EU

The Urban Agenda for the EU is the principal mechanism through which the EU is implementing the United Nations (UN) [New Urban Agenda](#) (NUA), a framework to promote sustainable urbanisation and help cities become more inclusive, environmentally sustainable and prosperous. The [Pact of Amsterdam](#) established a direct link with both the UN's 17 [sustainable development goals](#) (SDGs) and the NUA, stipulating that the Urban Agenda for the EU would contribute to the implementation of the UN's 2030 Agenda for Sustainable Development, notably SDG 11, as part of the Habitat III process. Against this background, the EU outlined a specific commitment to implement the NUA through its own Urban Agenda. This commitment was included in the Quito Implementation Plan accompanying the New Urban Agenda, which lists the commitments of the various partners to delivering the outcomes of the NUA in their territories. The Urban Agenda for the EU and the UN's

NUA set out similar visions for achieving balanced and sustainable urban development using a place-based approach, with the main themes of the EU's Urban Agenda broadly reflecting the social, economic and environmental dimensions of the UN NUA.

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

### European Parliament

Having made an important contribution to the debate in 2011 with a [resolution](#) calling for a stronger urban dimension in EU policies and the development of a joint working programme or EU urban agenda, the European Parliament strengthened the urban dimension further by successfully negotiating the delegation of powers to urban authorities under Article 7 of the ERDF Regulation during the trilogue discussions on the 2014-2020 cohesion policy package. Parliament was also heavily involved in the discussions on the Urban Agenda and adopted an [own-initiative resolution](#) (rapporteur: Kerstin Westphal, S&D, Germany) on this topic on 9 September 2015. The resolution stressed 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 called for an early-warning mechanism to allow local authorities to check compliance with the subsidiarity and proportionality principles, and argued that the Urban Agenda should strive to gain the best leverage from invested funds by creating synergies between EU programmes, and national and private-sector funding. Parliament also called 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. A long-time advocate of an Urban Agenda, Parliament's [Urban Intergroup](#) was also closely involved in the discussions. In July 2018, Parliament adopted an own-initiative [resolution](#) on the role of cities in the institutional framework of the Union (rapporteur: Kazimierz Michał Ujazdowski, ECR, Poland). It calls for the Urban Agenda to be coordinated, reinforced and formalised, highlighting also that the Urban Agenda should not remain a voluntary process. In particular, it urges the urban partnerships to adopt their recommendations and action plans quickly and calls on the Commission to demonstrate how concrete proposals are taken into account, particularly in relation to better regulation, funding and knowledge, and to include them in future legislative proposals, where possible.

### Advisory bodies and stakeholders

Representing the interests of local and regional authorities at EU level, the **European Committee of the Regions** (CoR) has been centre stage in the debate on the Urban Agenda. Its July 2014 own-initiative opinion [Towards an integrated urban agenda for the EU](#) called on the Commission to present a white paper for an integrated urban agenda, with a view 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. Its 2016 opinion on [Concrete steps for implementing the EU Urban Agenda](#), meanwhile, urged 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 called for a systematic review of ways of improving support for urban areas and recommended use of the European Investment Bank's Advisory Hub to help towns and cities access EIB financing instruments. The CoR also called for a white paper to evaluate the results of partnerships, including better governance.

The Urban Agenda has broad support among many local stakeholders. The **Council of European Municipalities and Regions (CEMR)** noted in its 2015 [position paper](#) 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, for instance. While endorsing the 12 priority themes of the Urban Agenda, the April 2016 declaration of the **Mayors of**

**the EU Capital Cities** 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.

## Assessing the Urban Agenda

Prepared by a consortium of external consultants on behalf of the European Commission, the November 2019 [assessment study](#) of the Urban Agenda for the EU aims to provide an overall assessment of its implementation and performance. Its main conclusion is that the Urban Agenda has been a qualified success, with the study highlighting strong arguments in favour of its continuation, despite the existence of certain challenges.

In terms of its key strengths and achievements, the study emphasises that the Urban Agenda's added value derives largely from its multi-level, multi-stakeholder approach, with the partnerships offering a unique opportunity for stakeholders at all levels to get involved and seen by cities as a first step towards their greater participation in future EU policymaking. In particular, the partnerships' flexible and experimental nature is highlighted as a key reason for their success, enabling them to define their objectives using a 'bottom-up' approach that takes account of the diverse interests of their members.

On weaknesses, the study points to a lack of certainty regarding the implementation of many actions and the extent to which stakeholders are able to implement them. Further cause for concern is the small number of actions focusing on better regulation or better funding, with better knowledge actions, accounting for almost half of all actions, likely to have less impact than actions under the other two pillars. An uneven level of stakeholder engagement in the Urban Agenda is another issue, with Member States and the Commission (beyond DG REGIO) in particular demonstrating weak engagement. Limited resources are a further challenge, with members facing time constraints and limited funding. The study also highlighted the ineffectiveness of the Urban Agenda's governance mechanism, with the Urban Development Group (UDG) and DGUM playing only a limited guidance and coordination role for partnerships. Lastly, internal communication remains a problem, with internal and external coherence of the Urban Agenda low.

Striking a positive note overall, the Commission's June 2019 [report](#) on 'The state of play of the Urban Agenda for the EU – Multilevel governance in action' emphasises that the Urban Agenda represents a new model of governance and has helped put urban issues on the EU agenda, helping EU policy-makers understand cities' key role and strengthening cities' position at national and EU level by giving them more scope to get involved and have their voices heard in national and EU policymaking. Released a few days ahead of the biennial CITIES forum in Rotterdam in November 2017, the Commission's [report](#) to the Council noted that the Urban Agenda had achieved concrete results during its first year, with 12 urban partnerships under way and a governance system in place. It considered that the working method based on multi-stakeholder involvement worked well and could be rolled out in other policy areas, highlighting also the balanced nature of the cities in the partnerships as regards size and geographical location. The report also stressed that many cities had shown their ability to make a meaningful contribution to EU policymaking.

Published in November 2019 at the request of the European Parliament's Committee on Regional Development, the [study](#) on the Urban Agenda: Assessment from the European Parliament's Perspective considers that the Urban Agenda represents a vital addition for the multi-level governance of urban issues in the EU, yet argues that the partnerships have yet to harness the full potential of the approach. While recognising that action plans can be an agenda for change, the study notes that they are not always precise when it comes to the technical details of funding and regulations and highlights the need for greater expertise on urban issues in order to design better actions, particularly when it comes to small and medium-sized urban areas. According to the study, the short-term nature of action plans, and of the partnerships in general, means that there is a lack of alignment with long-term issues and insufficient engagement to develop better knowledge,

better funding and better regulation. It also draws attention to the partnerships' specific format, which favours the participation of international organisations and larger cities over smaller and medium-sized cities, thus failing to draw on smaller cities' valuable local expertise.

### Recommendations for strengthening the Urban Agenda

The **European Commission's** 2019 [assessment study](#) recommends enhancing implementation by extending the current 14 partnerships and establishing transparent processes and objectives for partnerships or, alternatively, replacing current partnerships after three years with a new integrated working method. It suggests improving stakeholder engagement by changing the selection process to ensure partners have sufficient expertise, providing adequate resources to encourage small city participation and strengthening links with EU institutions, or by developing the format of coordinators' meetings. To refine the Urban Agenda's governance mechanisms, the report suggests improving guidance from the DGUM/UDG and the Commission and clarifying their roles in the governance process. It also suggests increasing city representation in relevant EU-level governance bodies and, lastly, aligning the Urban Agenda more closely with other EU programmes.

Calling on the Commission to show greater political commitment to the Urban Agenda and incorporate it into flagship initiatives such as the European Green Deal, the **COR's** [opinion](#) of 14 October 2020 urged the Commission to establish a much closer link between its future Better Regulation agenda and the Urban Agenda and to ensure that recommendations issued by partnerships are taken into account. Its practical recommendations to improve implementation of the Urban Agenda include establishing the membership of future partnerships in a fully transparent way, with city involvement based on city size, and action to implement the list of cross-cutting themes through pilot actions involving a member of each partnership. It also called for stable funding under the 2021-2027 MFF and European urban initiative to cover the costs of cities participating in the Urban Agenda and the launch of a European Commission communication campaign to disseminate its results.

Outlining the common position of its central, regional and local governments, the **Netherlands'** 2020 [non-paper on the future of the Urban Agenda](#) suggests linking the EU Urban Agenda to the Commission's annual work programme and key strategies such as the Green Deal, to help align partnerships' work more closely with EU policies, and providing sufficient funding to develop the Urban Agenda post 2020. Other proposals include setting up an Urban Agenda high-level group, to be made up of high-level representatives of cities, Member States, the European Parliament and the Commission, to push forward urban issues at EU level, and the organisation of an annual EU urban leadership summit to help EU, national and urban leaders identify a common agenda and actions.

Examining the extent to which the Urban Agenda has impacted on urban governance coordination structures and national urban policies, the European Urban Knowledge Network's October 2019 [report](#) identifies the Urban Agenda of the EU as the main motor of change driving the development of national urban policy and considers that it has empowered cities to a certain extent, viewing the involvement of cities as promising albeit problematic. In this context, the report notes that while the Urban Agenda helps cities to address their problems, ensuring that their voices are heard at national level, the actual involvement of cities in the Urban Agenda remains limited, with small and medium-sized cities in particular lacking sufficient resources in terms of time, staff and funding to play a full part. In conclusion, the report argues that it is still not clear what real influence the cities involved in the Urban Agenda will have on EU policies.

The Urban Agenda's innovative nature has also attracted the interest of academics. While noting that the Urban Agenda marks a step towards the successful involvement of cities and local authorities in EU policymaking, Eva Purkarthofer's 2019 [paper](#) investigating the partnership approach in the Urban Agenda points to the lack of financial resources as a factor hampering partnerships' work, with participation often a challenge for smaller organisations and cities. The paper also reveals differences in the level of commitment among partners. The lack of certainty regarding the extent to which actions will actually be implemented is also highlighted as another limitation, with the paper noting that the success of the whole process is ultimately dependent on how well embedded the Urban Agenda is in EU policy and on its links with other policy areas.

The above assessment reveals a certain consensus among stakeholders regarding the key challenges facing the Urban Agenda. The issue of **limited resources** is frequently cited as a problem,

with several players calling for stable funding under the MFF and European urban initiative. With the **low participation of smaller cities** another important challenge, increased resources could help increase their involvement, with some stakeholders also calling for a more transparent partner selection process to ensure the participation of cities of all sizes. **Ineffective governance** is widely seen as a problem, with stakeholders proposing measures such as improving guidance from the DGUM, increasing city representation in EU level governance bodies and setting up a high-level group on the Urban Agenda. There have also been numerous calls to align the Urban Agenda more closely with the Commission's annual work programme and/or strategic priorities, and thus strengthen governance by embedding the Urban Agenda more firmly in EU policy and giving it a longer-term perspective. Other issues include **ineffective implementation** of the Urban Agenda and its **limited focus on better regulation and better funding**, with suggestions including action to ensure recommendations are taken into account, higher levels of thematic and legal expertise within partnerships, stronger ties with EU institutions and better links with the Commission's better regulation agenda. **Uneven levels of commitment** are a problem, with commitment often lacking on the part of the Commission and Member States, while, last but not least, **poor communication** is also an issue, leading to calls on the European Commission to launch a communication campaign.

## The Urban Agenda for the EU beyond 2021

### New cohesion policy framework 2021-2027

On 29 May 2018, the Commission published its long-awaited [legislative proposals](#) for the cohesion policy framework for the 2021-2027 period. Comprising four proposals for new regulations – a common provisions regulation, a joint ERDF-Cohesion Fund (CF) regulation, a regulation on provisions for territorial cooperation, and a regulation for a new cross-border mechanism – the proposed package sought to establish a simpler and more flexible framework for cohesion policy that would continue to cover all EU regions while also aligning cohesion policy more closely with the European semester and EU economic governance.

As part of a process of simplification, the 11 thematic objectives of the previous period have been reduced to five policy objectives: a smarter Europe; a greener, low carbon Europe; a more connected Europe; a more social Europe and, lastly, a Europe closer to citizens, which will foster the sustainable and integrated development of urban, rural and coastal areas through local initiatives. The proposed new framework places a greater focus on sustainable urban development. Following the conclusion of trilogues and the recent [political agreement](#) between the European Parliament and the Council on the new regulation on the ERDF and CF, Member States will be required to earmark 8 % of their ERDF resources for investments in sustainable urban development. This is up from the 5 % allocation applicable in the 2014-2020 period and is to be implemented through a range of territorial tools, with the relevant territorial authorities or bodies to be involved in the selection of the operations.

In addition, all urban tools are to be combined in a single programme replacing the urban innovative actions, the European **urban initiative**, which will be implemented by the Commission in direct and indirect management, with a total of €400 million. In line with the political agreement on the regulation on the ERDF and CF, Article 10 provides that this new initiative will cover all urban areas and will support the Urban Agenda for the EU, including support for the participation of local authorities in its thematic partnerships. In this context, the regulation stipulates that the ERDF should provide support for the organisational costs of such participation so as to stimulate the involvement of local authorities in partnerships. In particular, the text states that Member States, regional and local authorities should be actively involved in managing and implementing the European urban initiative, while actions under the EUI are to be used to promote urban-rural linkages within functional urban areas, among other things. The European urban initiative will cover two strands of sustainable urban development: support for innovative actions, and support for capacity and knowledge building, territorial impact assessments, policy development and communication. In terms of monitoring and governance, the Commission will be required to submit

a report every two years to the European Parliament and the Council on developments in connection with the European urban initiative, with the text also stipulating that the governance model of the European urban initiative must include the involvement of the Member States, regional and local authorities and cities.

Endorsed at the informal meeting of EU ministers responsible for urban matters, the 14 June 2019 [Declaration of Ministers](#) in Bucharest helped reaffirm the Member States' commitment to the Urban Agenda. It recognised the need to put a stronger emphasis on improving the urban dimension of EU legislation by strengthening the link between the better regulation agenda and the work of the partnerships, highlighting also the need to involve larger numbers of cities beyond those directly involved in the partnerships. In addition, the ministers agreed to support the implementation and continuation of the Urban Agenda in line with the guiding principles of the new Leipzig Charter in order to guarantee a coherent policy framework for urban development at EU level, improve the Urban Agenda and ensure coordination between different initiatives by closer alignment of the EU's territorial and urban agendas.

## The Urban Agenda and the New Leipzig Charter

A key policy document that helped establish the concept of integrated urban development at EU level, the Leipzig Charter on Sustainable European Cities was adopted during the 2007 German Presidency of the Council of the EU and was influential in the development of EU initiatives such as the Urban Agenda. Recently updated to link in with this new urban framework and take account of the fresh challenges facing cities, the [New Leipzig Charter](#) was adopted at the informal meeting of ministers responsible for urban and territorial development on 30 November 2020 and is accompanied by an [implementing document](#) – 'Implementing the New Leipzig Charter through multilevel governance: next steps for the implementation of the Urban Agenda'. This document establishes a link between the Urban Agenda's working method and the charter's strategic principles of good urban governance. Outlining the next steps for the Urban Agenda, it sets out proposals to further strengthen its impact and efficiency through action in five areas, including multilevel cooperation, communication and governance (see box).

In order to help put these ideas into practice, the implementing document also identifies a series of measures to be taken by the various players involved in the Urban Agenda process. Ministers call on the **European Commission** to play an active role in implementing the Urban Agenda in line with the New Leipzig Charter, facilitate its implementation through support under the European urban initiative and support the implementation of actions put forward by thematic partnerships. The Commission is also asked to align its actions on strengthening the urban dimension of EU policies with the EU Urban Agenda, in particular regarding its political priorities, work programme and legislative work, and to report back regularly on implementation of the Urban Agenda.

Action asked of the **Member States**, meanwhile, includes measures to engage relevant bodies at all levels of government in developing and implementing the Urban Agenda, support for implementation of actions, consideration of the recommendations of thematic partnerships, improved links between national urban policy frameworks and the Urban Agenda and more high-level support for the Urban Agenda to help drive forward urban issues at EU level. Ministers call on **local and regional authorities** to take action such as playing an active role in development and implementation of the Urban Agenda, contributing their expertise to assessing the impact of EU legislation at local level and cooperating with local and regional authorities of all sizes in moving forward with the Urban Agenda.

The **European Parliament** is called upon to take account of the results and recommendations of the partnerships when dealing with new or existing legislation and to establish a continuous link between the Urban Intergroup and the Urban Agenda process. The **European Economic and Social Committee** and the **COR** are meanwhile asked, among other things, to support the partnerships with legal and procedural expertise and through dissemination activities to involve a broader range of stakeholders. Lastly, the **EIB** is urged to take measures including contributing its financial

expertise to support partnerships' work in the area of better funding or reflecting Urban Agenda objectives in its lending, grant-loan blending and advisory services.

### **Implementing the New Leipzig Charter through multi-level governance – A common vision for the future of the Urban Agenda**

#### **Consolidating, delivering and advancing the Urban Agenda for the EU**

Ministers emphasise the importance of the Urban Agenda for fostering implementation of the UN NUA and agree on the need to make the EU Urban Agenda more impactful and efficient in the future, with the three pillars of better regulation, better funding and better knowledge playing a key role. Sufficient funding and effective implementation structures based on multi-level governance are pivotal for its strong delivery.

#### **Maintaining and reinforcing multi-level and multi-stakeholder cooperation**

Multi-level and multi-stakeholder partnerships will remain the Urban Agenda's key delivery mode, with a more flexible setup in terms of duration and composition and specific goals to determine partnership cooperation. Involvement of cities of all sizes is key with partners selected on the basis of dedicated calls to ensure adequate expertise. New themes for partnerships should be in line with and provide input to EU policy priorities.

#### **Achieving better regulation, better funding and policy coherence**

The better regulation strand of the Urban Agenda will be linked to the Commission's annual work programme and Fit for Future platform while in future the EU Urban Agenda and its partnerships must be ensured continuous access to legal support to design actions that benefit EU cities and regions. Ministers also commit to consider the actions and recommendations emerging from the Urban Agenda.

#### **Ensuring better knowledge and stronger communication**

Given the need for improved internal communication among key actors, ministers recommend strengthening horizontal and vertical dialogue on urban policy by, among other things, ensuring that the Urban Agenda harnesses the potential of research and innovation activities supporting science and policy coordination.

#### **Governing the urban agenda for the EU with efficient decision-making support structures**

Recognising the Urban Agenda's lack of an effective governance mechanism and the need to focus more on outreach and implementation, ministers acknowledge the key role of the Member States in this respect and consider intergovernmental cooperation on urban matters to be the appropriate platform for discussing and governing the Urban Agenda in future. The Directors-General for Urban Matters (DGUM) remain the Urban Agenda's central coordinating and decision-making body, supported by the Urban Development Group (UDG), with ministers also agreeing to work on setting up a permanent secretariat for urban matters under the European urban initiative.

Confirming the commitment of the Member States and sending out a clear message to the Commission about the need to continue the Urban Agenda, the Council's [conclusions](#) of 15 December 2020 welcome the document 'Implementing the New Leipzig Charter through multi-level governance: Next steps for the Urban Agenda for the EU' as a further development of the Urban Agenda for the EU, advancing multi-level governance and multi-stakeholder cooperation in urban development, and pursuing the objectives of the New Leipzig Charter. The Council conclusions closely reflect the proposals outlined in the implementing document accompanying the New Leipzig Charter, and set out many of the measures that the players involved are called on to take.

## Preliminary assessment of the Urban Agenda beyond 2021

Taken together, the document 'Implementing the New Leipzig Charter through multi-level governance' and the new ERDF and CF Regulation provide the foundations for a new approach that has the potential to improve implementation of the Urban Agenda and strengthen its impact. Many of the key challenges identified by the players involved have been addressed, with a number of their recommendations also directly reflected in these documents.

The issue of the **limited resources** available for the Urban Agenda, and the resulting calls to provide sufficient funding for its development, is reflected in the proposed ERDF and CF Regulation, which allocates €400 million to the European urban initiative, a new mechanism that supports all urban areas and the Urban Agenda. The **low participation of smaller cities** in the Urban Agenda has also been addressed by the proposed ERDF and CF Regulation, which stipulates that support will be

available under the new European urban initiative to cover organisational costs relating to the participation of cities in partnerships, so as to promote local authority involvement, with ministers also agreeing that the involvement of cities of all sizes is key. Furthermore, ministers have recognised the **lack of an effective governance mechanism**, with the New Leipzig Charter implementing document acknowledging the key role of Member States in this respect and affirming the role of intergovernmental cooperation on urban matters and the DGUM, calling also on the Commission to align its actions on strengthening the urban dimension of EU policies with the Urban Agenda, particularly regarding its political priorities, work programme and legislative work. Ministers have also agreed to work on setting up a permanent secretariat for urban matters under the European urban initiative to support the future delivery of the Urban Agenda, while the ERDF and CF Regulation states specifically that the governance model of the European urban initiative shall include the involvement of Member States, regional and local authorities and cities.

Problems in terms of the **effectiveness of implementation**, and the Urban Agenda's **limited focus on better regulation and better funding** have been addressed through commitments on the part of ministers to ensure that partnerships have continuous access to legal support to design actions that benefit EU cities and region, and to link the better regulation strand of the Urban Agenda to the European Commission's annual work programme and Fit for Future platform. In addition, the New Leipzig Charter implementing document also notes that partnership members will be selected based on dedicated calls to ensure adequate expertise, responding to calls to ensure that partners are selected in a transparent way and that they have thematic knowledge, with ministers also making a commitment to consider the actions and recommendations emerging from the Urban Agenda. Lastly, in the area of **communication**, ministers recommend strengthening horizontal and vertical dialogue on urban policy, for instance by ensuring that the Urban Agenda harnesses the potential of research and innovation activities that support science and policy coordination.

In spite of these developments, questions remain, however, regarding the extent to which some of these measures have the potential to strengthen the Urban Agenda. While the establishment of the European urban initiative, which will support urban areas and the Urban Agenda with a budget allocation of €400 million, is to be welcomed, it should be noted that this amount is not significantly higher than the €372 million allocated during 2014-2020 to the urban innovative actions that the European urban initiative is replacing, raising questions as to how much more support this new initiative will be able to provide. What is more, this final amount actually represents a reduction on the original amount of €500 million set out in the European Commission's 2018 proposal. Notwithstanding the provisions stating that European urban initiative support may be used to cover cities' partnership participation costs, helping to target support where needed, it remains far from certain whether the European urban initiative truly represents an increase in resources for the Urban Agenda for the EU as called for by stakeholders.

When it comes to the issue of governance, the ministers' commitment to work towards the establishment of a permanent secretariat for urban matters, which can support future delivery of the Urban Agenda by providing partnerships with communication, expertise, management and administrative support, and support the Directors-General for Urban Matters (DGUM) and the Urban Development Group (UDG), is a positive development. However, it should be noted that the DGUM will nonetheless remain the Urban Agenda's central coordinating and decision-making body, supported by the UDG. In particular, there would appear to be little clarification of the specific roles of the DGUM, the UDG or the Commission in the governance process, implying few changes in the operation of these governance structures. Crucially, the question of how to ensure that the ideas put forward by partnerships are taken up remains largely unanswered, with ministers simply agreeing to 'consider' the recommendations and actions emerging from the Urban Agenda. Similarly, while the Commission and the Member States are called on to support and implement the Urban Agenda recommendations, it remains unclear how this could be guaranteed in practice. The call on the Commission to align its actions with the Urban Agenda, particular regarding its political priorities, work programme and legislative work could also prove difficult to follow up on.

## Outlook

After many years of discussion, the Urban Agenda for the EU is now a reality. Following the signing of the Pact of Amsterdam and the successful launch of the urban partnerships, all partnerships have completed their action plans. Work has begun in earnest on implementing actions within the framework of those documents while the work of the partnerships is slowly beginning to have an impact on EU policymaking, with Parliament and the Commission reflecting their recommendations in their work. Yet despite these positive developments, challenges still remain, not least in terms of a certain imbalance in the composition of the urban partnerships, problems such as ineffective governance and implementation, and a lack of human and financial resources.

The new 2021-2027 cohesion framework, which includes a European urban initiative to support the Urban Agenda, and the implementing document accompanying the New Leipzig Charter, which outlines the next steps for the Urban Agenda, address many of these challenges. Together they have the potential to improve implementation of the Urban Agenda thanks to measures that establish dedicated funding or promote the participation of smaller cities, and by setting out the actions that need to be taken by the various players involved. While the 2019 Bucharest Declaration had already helped reassert Member State support for the Urban Agenda, the commitments set out in the implementing document accompanying the New Leipzig Charter were given further strength and recognition through their inclusion in the Council conclusions of December 2020, sending out a clear message to the Commission regarding the strong support among Member States for the idea of continuing and building on the Urban Agenda. It is to be hoped that this document can help formalise some of the requests made of the Commission, not least that of ensuring that it acts on the recommendations emerging from the Urban Agenda.

The importance of this issue cannot be understated. The process of strengthening the Urban Agenda will ultimately depend not only on the partnerships' ability to deliver actions but above all on the extent to which those actions are taken up by the Commission, a process requiring commitment, dialogue and goodwill among all partners involved.

### MAIN REFERENCES

[Pact of Amsterdam](#) establishing the Urban Agenda for the EU, 30 May 2016.

[Implementing the new Leipzig Charter through multilevel governance: next steps for the implementation of the Urban Agenda](#), 30 November 2020.

[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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