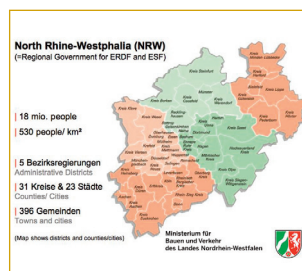
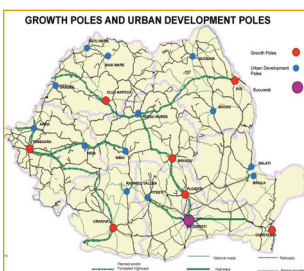


RegGov Fast Track Network

Regional Governance of Sustainable
Integrated Neighbourhood Development



January 2010



Joint Seminar for Managing Authorities & European Commission:

Managing Authorities as Partners of the European
Commission in Sustainable Integrated Urban Development

Seminar I | Budapest | 5 & 6 October 2009 | Seminar Report



Connecting cities
Building successes



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I. Introduction to the seminar

David R. Froessler | RegGov Network | Lead Expert

All European cities face problems with social polarisation and the concentration of social, environmental and economic problems in disadvantaged neighbourhoods. The new Member States of the EU are certainly facing even more severe special challenges when it comes to urban development and regeneration. With the opening of their borders and the fall of the former political systems, everything has changed there. Severe economic restructuring has meant a tremendous loss of employment opportunities, creating a burden on public resources and support. At the same time, there is an urgent need for investment in industrial areas and the housing stock, as well as technical and social infrastructure.

The fight for social coherence within our European society is therefore happening every day in local urban policy – at the local level where social exclusion, disadvantage and a lack of perspective in the life of many citizens has become a reality. In the current times of worldwide economic crisis, these tendencies have been accelerated and reinforced and there is not yet any clarity to which degree the negative impact of this crisis will hit cities in the end – and especially their disadvantaged groups of citizens and their most deprived neighbourhoods.

A successful and sustainable regeneration of urban such disadvantaged urban areas has become more and more a “matter of co-operation”. There are many reasons to search partners for co-operation in order to achieve an efficient use of invested resources and sustainable results:

- On the one hand, public resources for urban development and regeneration are getting more and more scarce – and there is an urgent need to activate additional resources in the light of major challenges and severe investment needs in many European cities.
- On the other hand, acting in partnership does not only mean to activate and integrate more capital, it also involves more know-how and experience into the operation – especially valuable when public political know-how is combined with entrepreneurial know-how from the private sector and local know-how from the local community – the residents and local stakeholders from an area to be regenerated.
- And finally, especially the involvement of local people in the design and implementation can help to create a stronger sense of ownership and responsibility amongst the later users of newly created im-



David R. Froessler

RegGov Lead Expert

The fight for social coherence and competitiveness is happening in Europe's cities

Many reasons to search co-operation and partnership

Introduction

provements – motivating them also to take care of improvements and take an active role in later maintenance.

New models of urban governance are needed to cope with the problems

All over Europe there are numerous examples of Good Practice when it comes to the challenge of motivating and activating local communities and citizens to take an active role in the improvement of their housing and living conditions. New organisational models such as Neighbourhood Management, new financial tools such as Neighbourhood Budgets and many creative methods of participation have enlarged the capacity of co-operation between the public sector and the local communities a lot and have at least started a shift for local people from being mere “consumers of public policy and projects” to assistant “co-producers” of a new future for their neighbourhood.

During the development of the Baseline Study for the RegGov-Network it has become obvious that beyond the local level there is another important element of partnership and co-operation that needs further support and innovation: The co-operation between cities with a region or agglomeration – and support for such cities from the regional level.

With the mainstreaming of European urban policy many regions in Europe – in their new role as Managing Authorities – are not responsible for the management of European Structural Funds to support integrated urban policies and neighbourhood development.

A new role for regional authorities in delivering integrated urban policy

This task - in many cases - is as new for the regional authorities as it is for the cities. And, in such a situation, it is difficult to define role and find the best possible and most efficient way of working together. Many cities would want their regional authorities to act as supporting bodies - not only providing money from European funds, but also providing help to create sustainable progress with this funding: Regions as partner of cities in urban innovation.

For many regional authorities that seems to be a difficult expectation: They see themselves much more as “authorities” - taking independent decisions about funding between cities and then controlling the proper use of European money. This role of a rather controlling public authority seems difficult to combine for them with the role as a supporter and partner of cities.

The RegGov-partners have decided to dedicate 1 of the 4 Thematic Clusters to this topic – to a targeted attempt to find new, innovative and successful ways to support innovative integrated urban policy from the regional level - and to support and enable cities to learn from each other – by developing targeted exchange and learning processes between cities in a region – or even stabilising such processes with the creation of regional networks of cities as Learning Communities.

The RegGov Network

2. The RegGov Network: Its objectives and activities and their relevance for sustainable urban policy in Europe

Brigitte Grandt | RegGov Network | Lead Partner

2.1 General Network Information

The importance of cities and problems encountered by cities is growing worldwide, which might be illustrated by the following figures and observations:

- in the year 2008 more than 50% of the world population [3.2 billion people] has been living in cities;
- nearly one third of these people is living in slums;
- currently, over 70% of the Europeans live in urban areas;
- cities play a vital role for the development of European regions;
- the goal must therefore be to change cities into attractive and liveable places for all people.

Article 8 of the council regulation on ERDF [Council regulation (EC) 1080 / 2006 on ERDF on 5 July 2006] deals with the topic of sustainable urban development and says in Paragraph 1: "... the ERDF may, where appropriate, support the development of participative, integrated and sustainable strategies to tackle the high concentration of economic, environmental and social problems affecting urban areas."

The topic of the RegGov Network needs to be seen in this framework, dealing with the question, how horizontal and vertical co-operation in urban policy can be improved. In detail, this relates to the following leading questions for all RegGov activities:

- How can long-term Integrated Neighbourhood Plans be developed and successfully implemented?
- How can horizontal co-operation be organised in a way that all relevant key players and target groups are actively involved in new forms of local democracy and co-production?
- How can vertical co-operation from the neighbourhood level to the city administration to the regional level [Managing Authorities] be developed in a trustful and sustainable way?
- How can monitoring systems be developed and implemented in order to allow regions as well as cities to foresee needs of intervention in urban neighbourhoods at an early stage?



Brigitte Grandt

RegGov Lead Partner

The challenge of improved vertical and horizontal co-operation poses many questions

The RegGov Network

A well-balanced team of cities and regions at the core of all network activities

The RegGov Network is composed of the following partners in Competitiveness Regions:

- City of Duisburg | Germany | Lead Partner
- City of Södertälje | Sweden
- District of Köbánya | Budapest | Hungary
- District of Halandri | Athens | Greece
- City of Nijmegen | The Netherlands

In addition, the following partners from Cohesion Regions are members of the RegGov Network:

- City of Nyíregyháza | Hungary
- City of Ruda Slaska | Poland
- City of Satu Mare | Romania
- City of Siracusa | Italy
- City of Belovo | Bulgaria

The last city, Belovo, has unfortunately left the RegGov Network in 2009.

2.2 The Work Programme

A detailed and ambitious Work Programme with different strands of activities

The Work Programme of the RegGov Network is designed with various levels. On the level of Network Activities, the following activities will be undertaken:

- Set up 9 Local Support Groups and provide ongoing guidance and support
- 3 Thematic Seminars with all Cities and Managing Authorities participating:
 - Seminar 1: How to develop an Integrated Local Action Plan? [Halandri, January 2009]
 - Seminar 2: How to monitor progress and achievements in Integrated Neighbourhood Development? [November 2009, Nijmegen]
 - Seminar 3: Models of good governance and partnership in the implementation of Integrated Neighbourhood Development approaches [N.N., 2010]

The RegGov Network

On the level of Thematic Cluster Activities, the following activities will be carried out. Creation of 4 Thematic Clusters with participation of the most interested partners:

- Cluster 1: New forms of regional co-operation in integrated neighbourhood development
- Cluster 2: The involvement of private sector and community representatives in efficient models of governance for the integrated regeneration of deprived urban
- Cluster 3: Integration of ROMA population into the social, cultural and economic life of their cities and regions
- Cluster 4: The development of city-wide monitoring systems for the development in urban neighbourhoods

Thematic Clusters to support
efficient use of funding and re-
sources invested

For the Managing Authorities, there is a special strand in the Work Programme foreseen:

- Participation of all Managing Authorities in 3 Thematic Seminars [divided in separate sessions for Managing Authorities and joint sessions with cities] to improve their mutual understanding and co-operation [I. in Halandri with participation from DG REGIO]
- A specific seminar with all Managing Authorities and with the three involved DG's of the European Commission in the initial phase of the network to decide their agenda and learning/productions interests [Budapest October 2009]
- Regular participation of Managing Authorities in meetings of their Local Support Groups to improve their understanding of cities and neighbourhoods when it comes to implementing the Operational Programmes
- Targeted attempts to acquire additional resources to allow a more intense work programme and exchange & learning activities between Managing Authorities involved

Active participation of all
Managing Authorities as
pre-condition for success

2.3 RegGov Products and Outcomes

On the local level, the following products and outcomes will be available at the end of the RegGov Network's implementation phase:

- 9 Local Support Groups: on-going agents of integrated neighbourhood development in the participating cities - a model to introduce new forms of sustainable partnership and co-production in the participating cities.

Local change and innovation
as the ultimate aim of all
activities

The RegGov Network

- At least 9 Integrated Local Action Plans: samples for an overall re-orientation of policy development and delivery in the participating cities.
- Active dissemination of products and findings in the participating regions, achieved by an active involvement of all Managing Authorities as well as a structured involvement of all existing regional networks of cities.

Network Level Products as
valuable input to European
debate & policy making

On the network level, the following range of outcomes and products will be developed:

- 10 Case Studies of Good Practice in Integrated Neighbourhood Development
- 3 Thematic Seminar Reports and related products
- 4 Thematic Cluster Reports and related products
- X additional target-group oriented projects with European co-financing as result of joint project development during the network's main phase
- X additional inter-regional projects as a result of joint project development of Managing Authorities during the network's main phase.

All elements of the imple-
mentation system are fully
operational by now

2.3 Activities carried out until now

The first Thematic Seminar of the RegGov Network has been realised in Halandri [Greece] on 22 and 23 January 2009. It was, at the same time, the Kick-Off Meeting for the Implementation Phase and focused on the topic: "How to develop an Integrated Local Action Plan?"

A field trip through Halandri was organised in the framework of this seminar to provide the participants with a direct and personal impression of that planning case. In addition, participants were made familiar with the Peer Review method through assessing the local planning approach chosen in the target area of Halandri.

A training session for cities dealt with the identification of essential components and the elaboration of a basic structure for Local Action Plans in three Cities as a group exercise.

A training session for the Managing Authorities focused on assessment criteria for the funding of Integrated Local Action Plans.

The Thematic Report from this initial seminar will present a compilation of tools and good practice from the partner cities and their Managing Authorities.

The RegGov Network

The next set of important activities carried out until now have been the initial Thematic Cluster Meetings – with each of these clusters being led by one of the network partners:

- Cluster 1: Regional co-operation – with Halandri, Nijmegen and Ruda Śląska participating
- Cluster 2: Private sector – with Köbánya, Nijmegen, Nyíregyháza, Satu Mare, Siracusa and Södertälje participating
- Cluster 3: Integration of ROMA – with Dortmund, Köbánya, Nyíregyháza, Satu Mare participating
- Cluster 4: Monitoring – with Duisburg, Gelsenkirchen, Halandri, Köbánya, Nijmegen, Siracusa and Södertälje participating.

2.4 Working with the European Commission: Special support...

The participation and inputs from the various DG's from the European Commission do enrich the discussion and work planning of partner cities and the participating Managing Authorities. The motivation of the Managing Authorities to cooperate with the cities gets strengthened through this involvement and support from the European Commission.

Our cities understand that co-operation with their Managing Authorities does not automatically mean new funding, but that it might improve the quality of their applications for funding and their chances in the competition for ERDF-resources.

One of the most important features with regard to this question has certainly been the element of constant co-operation: One representative from DG REGIO has followed the RegGov network all through its Implementation Phase so far and, as we strongly believe, also in the future, in order to guarantee a fruitful and long lasting cooperation.

Once a year there is an important event for our network: This is the URBACT II / Regions for Economic Change Meetings between Lead-Partner Cities, Thematic Networks with Fast Track Label and Commission Services.

2.5 Conclusion: Integrated urban development is a European challenge

“A policy of social integration which contributes to reducing inequalities and preventing social exclusion will be the best guarantee for maintaining security in our cities... Active involvement of the residents and

Success of Fast Track
networks needs continuous
support from the Commission



Progress in Cluster Activities

a better dialogue between the political representatives, the residents and the economic actors is essential to find the best solution for each deprived urban area" (LEIPZIG CHARTER on Sustainable European Cities).

Only with an intelligent co-operation and the development of new partnerships this challenge can be accomplished.



David R. Froessler

RegGov Lead Expert

3. The RegGov Network: Progress & Achievements in the Thematic Cluster Work

David R. Froessler | RegGov Network | Lead Expert

As it has been mentioned already, the core topic of the RegGov Network and all its activities is the question how horizontal and vertical co-operation on and between the different political and administrative levels in European countries can be improved in a way that successful and sustainable integrated urban development and regeneration policies and programmes are supported and facilitated.

In detail, this needs a structured debate of the following key questions:

- How can long-term Integrated Neighbourhood Plans be developed and successfully implemented?
- How can horizontal co-operation be organised in a way that all relevant key players and target group are actively involved in new forms of local democracy and co-production?
- How can vertical co-operation from the neighbourhood level to the city administration to the regional level [Managing Authorities] be developed in a trustful and sustainable way?
- How can monitoring systems be developed and implemented that allow regions as well as cities to foresee needs of intervention in urban neighbourhoods at an early stage?

3.1 Thematic Clusters as a Core Element of all RegGov Activities

In the framework of the development of the RegGov Network's Baseline Study [Feasibility Study], it became very obvious during the intense consultations in all member cities that were undertaken as part of the Intake Visit to each city and region, that successful work around this topic, if it is meant to lead to real and practical improvements in the cities and regions, needs to be broken down: To smaller and more precisely defined topics – related to different types of areas, different target groups and different aspect of urban and regional governance.

Thematic Clusters as a tool
to focus work, resources and
outcomes

Progress in Cluster Activities

This has led to be observation, that thematic work within the network needs to be broken down into smaller and more targeted thematic groups and circles, in order to use the public resources and funding provided to the RegGov Network in an efficient way. Because, there are sub-topics and aspects of the general theme that are not interesting or relevant for all members of the RegGov Network.

This observation has led to the suggestion made by the Lead Expert, later accepted and approved by the network partners, to break the international work of the RegGov Network down into so called Thematic Clusters. Each of them focusing on one or two aspects of the overall network theme – with only those cities participating in a Thematic Cluster, which can contribute to the debate and the search for innovative solutions and/or which are in need of input and innovation with regard to that particular topic.

This has led to the creation of the following for Thematic Clusters:

- Cluster 1: New forms of regional co-operation in integrated neighbourhood development
- Cluster 2: The involvement of private sector and community representatives in efficient models of governance for the integrated regeneration of deprived urban areas
- Cluster 3: Integration of ROMA population and young people into the social, cultural and economic life of their cities and regions
- Cluster 4: The development of citywide monitoring systems and programme related monitoring systems for the development in urban neighbourhoods

Each city only participates in
the most relevant and
important Thematic Clusters

3.2 Activities and progress achieved in the Cluster Work

Cluster 1:

New forms of regional co-operation in integrated neighbourhood development

This Thematic Cluster has had a very successful initial seminar in Halandri where the members presented to each other and discussed successful models of regional co-operation and support. They also identified possible forms and added value of such co-operation. All of these findings are presented at a later stage in the framework of this seminar:

The main reason for this presentation is that the members of this Thematic Cluster expect a feedback and input from this seminar – which they then want to use as the starting point for their next seminar to be implemented early in 2010.

Cluster 1:
How to make cities co-
operate and provide support?

Progress in Cluster Activities

Cluster 2:

Active participation of local communities & private sector

Cluster 2:

The involvement of private sector and community representatives in efficient models of governance for the integrated regeneration of deprived urban areas

The first seminar of this Thematic Cluster has been held in Kőbánya early this summer. With regard to the output of that initial seminar, the partners involved had realised that only a limited success and level of qualified output was possible.

Those limitations are a consequence of a lack of experience amongst all participating partners with possible forms of private sector involvement. They all feel a need to activate and integrate more private sector involvement and contribution to their urban and neighbourhood redevelopment and regeneration projects. But, as none of them has ever made any relevant experiences with such efforts in the past, it seemed difficult to even imagine what kind of support to what kind of tasks in which policy fields would be possible. This has clearly limited the potential of that initial seminar to come up with concrete and innovative proposals.

At the same time this situation is a good example that a network, even though it certainly needs a detailed and solid work planning at its start, needs to remain flexible during its implementation phase. For this Thematic Cluster this means, that the members first of all need a qualified input to their work. To inform them about possible forms of private sector involvement in urban policies, of pre-conditions and ways to activate it and good forms to handle and manage it, once it has been achieved.

Therefore, in the current phase, a Good Practice Reader for all member cities is developed by the Lead Expert. giving a strategic introduction, identifying possible contributions from the private sector and illustrating them with examples of good practice from inside and outside of Europe as a very practical tool for work in the member cities.

This Good Practice Reader will be delivered towards the end of the year – as a basis for professional and political debate in all member cities of this Thematic Cluster. So that they can get an orientation in the field, an overview over the options and possibilities – and on that basis take an informed decision what kind of private sector involvement for which policy fields they want to develop with the help of the RegGov Network in the following period.

On the basis of this Good Practice Reader and the discussion of its contents and recommendations in the member cities, the next meeting and the further work plan of this Thematic Cluster can then be planned and organised. This meeting will take place in May 2010 and define the detailed agenda for the further work of that Thematic Cluster.

Progress in Cluster Activities

Cluster 3:

Integration of ROMA population and young people into the social, cultural and economic life of their cities and regions

This Thematic Cluster has had a very successful initial seminar with a very wide participation in Nyíregyháza. During this seminar, the partners have presented to each other the situation of ROMA-communities in their cities – showing an overall picture of very severe exclusions and disadvantage. During this debate, it has also become very obvious that targeted efforts to improve this situation have become even more difficult as another consequence of the worldwide economic crisis. Public resources of the responsible local authorities as well as the general mood of the public make it more and more difficult, not only financially, but also politically – to start comprehensive programmes for the integration of ROMA and to use scarce public resources for such activities.

Therefore, this Thematic Cluster is again an example of how networks need to remain flexible during the implementation of their network plans. Here, it has been recognised by the partners that the usual step-by-step, rather ad hoc and project-based investments of the past have not led and will not lead to sustainable success.

Instead, it has been recognised, the cities affected need to develop long-term Integration Strategies for their ROMA-communities. As a focal point for all future activities, as a point of reference for targeted partnership – and as an orientation to which individual projects funding will be allocated [because they contribute to the achievement of the strategic objectives] and which project proposals will not receive scarce public funding.

Therefore, a document is currently developed by the Lead Expert for the participating cities that

- provides a general introduction into the topic,
- develops and presents a model structure for a Local Integration Strategy for ROMA and
- illustrates each element of such a strategy with examples of good practice from inside and outside of Europe.

This second Good Practice Reader, once it is delivered to the cities, will again form the basis for local discussions of a potentially successful model strategy in each city, followed by the development of local support groups for the further development and implementation of a Local Integration Strategy for ROMA-Communities in each city, and then the preparation for the development of such strategies

The next meeting of this Thematic Cluster will then be held in March 2010, discussing progress with those preparations for local integration

Cluster 3:

How to include and activate
the most excluded groups?

Progress in Cluster Activities

strategies, providing support with remaining obstacles and provide each member city with a road map towards the successful development and later implementation of a Local Integration Strategy for ROMA-communities.

As it has been indicated in the funding application and the Work Programme, this will lead to the development of additional Local Action Plans in the framework of the RegGov Network: These ones not being area-based Local Action Plans, but target group oriented Local Action Plans. This will certainly add an interesting additional dimension and innovation potential to the work and the outcomes of the RegGov Network.

Cluster 4:

Monitoring as early warning system & quality control

Cluster 4:

The development of citywide monitoring systems and programme related monitoring systems for the development in urban neighbourhoods

This Thematic Cluster has also had a successful initial meeting. It was implemented in Duisburg and dealt with the first part of this Thematic Cluster's topic: How city-wide and neighbourhood related monitoring systems can be developed that allow an early intervention if certain areas of a city start to show negative development tendencies – not waiting until a situation of multiple deprivation has been reached already that makes solutions expensive, time consuming and very difficult.

During that initial meetings, some cities have presented their models, followed by intense discussions about necessary and available data, the best possible and most efficient organisation of necessary input and information and good ways to feed all of this into standardised and reliable systems – supported and used by a variety of partners and stakeholders in the cities and neighbourhoods.

The next step will now be for all participating cities to identify with their local and regional partners which information and data they would want to be included into their own, tailor-made monitoring systems, which information is available on the necessary small-scale [=neighbourhood-based] level – and which information can be used without getting into conflict with national legislation for data protection.

Once this has been clarified in all the member cities of that Thematic Cluster, a follow-up seminar, which will be organised in April 2010, will be used to share and discuss the results of this phase – to see what are the options and limitations for monitoring systems in the participating cities. And, it will start dealing with the second part of this Thematic Cluster's agenda: The question, how integrated urban development and regeneration programmes can be accompanied and supported by intelligent and efficient monitoring and evaluation systems.

Expectations from DG REGIO

4. The RegGov Network: Relevance of the Network and Expectations from DG REGIO

Johan Magnusson | European Commission | DG REGIO



Johan Magnusson

DG REGIO

As you can see from the picture below, there are already a number of Fast Track Networks operating in the framework of the current URBACT II programme – each of them dealing with a specific topic that is of special relevance and interest for the European Commission. That is the reason why we provide them with the Fast Track Label and why we have a stronger involvement with these networks. To achieve a closer co-operation between the European Commission and the cities and regions, which deal with such highly relevant topics for a sustainable urban and regional development in Europe. Such closer co-operation and involvement does also allow us to integrate findings and lessons from the work of these network into European policy making in a much faster and direct way.

URBACT II Fast Track Networks

RfEC Theme	URBACT II Thematic Networks with Fast Track Label
1. Healthy communities	Building Healthy Communities
2. Integrated policies on urban transport	-
3. Sustainable & energy efficient housing stock	-
4. Marginalised youth	-
5. Managing migration	Open Cities MILE
6. Sustainable urban development	UNIC HerO RegGov URBAMECO
7. Brownfields & waste disposal sites	-

With regard to the next phase, we assume that after the new Call for Proposals in 2009 there will be additional networks receiving this label and joining this group.

For that next period, we want to put an emphasis on previously uncovered themes. These are especially the following topics:

Expectations from DG REGIO

New topics for future Fast Track networks

- Integrated policies on urban transport;
- Developing sustainable and energy-efficient housing stock;
- Integrating marginalized youth;
- Re-using brownfield and waste disposal sites.

One important instrument for us to support these network – and to disseminate their findings and outcomes to a wider European audience, is the Annual Conference that we organise in the framework of the “Regions for Economic Change” Initiative. The next Annual Conference will take place in May 2010 – it will not only give out the new *CityStar Awards* as an element to stimulate innovation and competition amongst European cities and regions, it will also be used to announce the new categories for the future.

First lessons – mainly based on the Pilot Fast Track Networks

So far, we can say that we learned the following lessons from Fast Track networks – an initial assessment that, at this point in time, is of course mainly based on the early Pilot Fast Track networks:

- The new partnerships and links created with this new opportunity are received positively. They help to connect the local, the regional and the European level, contributing to the development of new forms of multi-level governance. So, the main topic of your network, trying to identify and establish new ways of vertical and horizontal co-operation in integrated urban policy is at the core of this interest and need for innovation.
- They help to create new and strong links between Managing Authorities and cities with the benefit of an easier access to funding for the cities and of mutual learning and a growth of a better understanding on both sides. This helps to make the use of the ERDF-resources much smoother and more efficient.
- The concept of Local Action Plans works for both 'sides' and we are glad to see, that this concept, which has incorporated a lot of the methodology the Commission has worked on – now provides a rapidly growing number of cities with new and better development opportunities and the Managing Authorities with better prepared applications. This refers in the same way to the new tool of Local Support Groups as an important “software” for integrated urban policy in European cities and regions.

Expectations from DG REGIO

- We can also observe that the support and communication elements, which are provided by the European Commission– such as thematic inputs, contacts to Managing Authorities, conferences and seminars – are highly appreciated

Therefore, we can clearly say that these additional efforts do lead to tangible additional benefits, which are especially a positive outcome of the *two-way-bridge* that is created as a core element of Regions for Economic Change and includes:

- Participation in network meetings and activities;
- Learning about concrete projects;
- Getting in touch with and cooperating with local actors;
- Supporting integrated urban projects with long-lasting effects within the framework of the strategy of Operational Programmes;
- Using opportunities to implement OPs with the help of cities.

When it comes to the *expectations from DG REGIO* towards your network and the other Fast Track Networks, the following elements seem to be most relevant.

We would expect your networks as well as the other Fast Track networks to foster *cooperation between Managing Authorities and cities*:

- to establish regular exchange with cities and Local Support Groups;
- to help feed the key lessons learnt from the network in to the strategic reporting at the end of 2009 and to contribute with inputs for the 5th Cohesion Report;
- to help to ensure the implementation of Local Action Plans;
- to actively capitalise on experience and good [and bad] practice;
- to put high emphasis on active communication and dissemination, also by participation in conferences and seminars.

We would also expect from your work and the one of the other Fast Track networks a *contribution to the discussion and planning of the post-2013 period*, especially with regard to the following topics:



Clearly defined expectations
towards the work and outco-
mes of Fast Track Networks

Expectations from DG REGIO

- The role of the interregional ETC strand for innovating cohesion policy mainstream programmes. This includes the questions how to achieve a stronger mobilisation of Managing Authorities and more commitments. And, of equal importance and value, the question how capitalisation processes can best be organised in order to help improving the effectiveness of cohesion policy by supporting the capacities of regions to innovate and learn.
- The role of urban development in cohesion policy in the post-2013 period with the option of a continuation of Regions for Economic Change as a testing ground for new approaches and with inputs to relevant new urban challenges and new themes to be included.

Important questions that should always be on the agenda, are from our point of view:

- How will a continuation of the development in cities and neighbourhoods be carried on, once the funding has sopped [reliable and solid Exit Strategies]?
- What kind of support is need to enable cities to develop and implement successful Integrated Local Action Plans?
- What are favourable conditions and possibly necessary support activities to allow cities to establish and manage successfully Local Support Groups to provide their integrated action with a solid basis and integrated all possible elements of support?
 - How and with which practical tools and methods can we improve the capitalisation process to make sure that all of these lessons learnt are noticed, understood and applied on a wider scale in European cities and regions?

So, as you can see from this short presentation, the European Commission does in fact link some very crucial and precisely defined expectations with the Fast Track networks, their activities and, especially, their outcomes in terms of products as well as lessons to be offered to other European key players in urban and regional policy.

In return, I can assure you that we, as we did in the past, will always be available to support you in your efforts and I think I can also say that in the name of the other DG'S which have expressed a special interest in your network, but unfortunately have not been able to attend this seminar due to a heavy work load and other obligations.

Continuous support in re-
turn for professional work
and tangible outcomes

Expectations from Romania

5. The RegGov Network: Expectations from the Romanian Managing Authority

Stefan Oachesu | Romanian Ministry of Development, Public Works and Housing

For us as a Managing Authority in a country, where a lot of pressing problems need to be solved and a lot of local authorities need to be provided with guidance and support when applying for resources from the European Structural Funds and, later on, using them for implementing their urban projects, the participation in a network like RegGov is important.

Our expectations to the activities and outcomes of this network relate to two dimensions of its work and possible benefits:

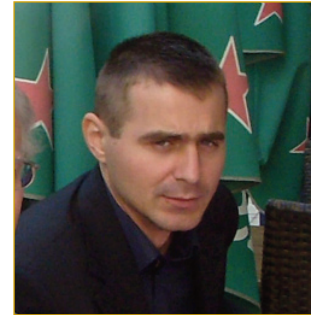
- a structured and fruitful exchange with the other Managing Authorities involved and
- the challenge of a trustful and efficient vertical co-operation between Managing Authorities and the cities they are responsible for.

With regard to the co-operation with the other participating Managing Authorities, the following elements are important for us:

- We would hope that the co-operation and exchange with these Managing Authorities would support us in the task to improve the mainstreaming of the urban dimension [the so called Acquis Urban] into the Operational Programmes.
- And, we would hope and expect, that with regard to the problems that all of us encounter during the programming, contracting and implementing of the urban development dimension of our Operational Programme, we would be able to support each other as RegGov-partners in the search for better solutions and innovative approaches and activities to overcome the problems we have identified and discussed.

With regard to the topic of vertical co-operation between Managing Authorities and cities as local authorities we have the following expectations towards the co-operation with our colleagues from other Managing Authorities in Europe that we would like to realise in the framework of the RegGov Network:

- We think there is a chance that the joint work in this network with all local and regional partners can lead to a better understanding of the local needs amongst the participating members from Managing Authorities.



Stefan Oachesu

Romanian Ministry of

Development, Public Work

and Housing

Expectations with regard to
the co-operation with other
Managing Authorities

Expectations with regard to
the co-operation between
cities & Managing Authorities

Expectations from Romania

A new inter-active learning
process between cities and
their regional authorities

- This might, in the limits of the given structures and regulations, allow the Managing Authorities to adjust their programmes to the local needs in order to improve the impact and benefits of the Structural Funds resources used in their cities.
- An equally important benefit from this joint work with cities and Managing Authorities might be that we, as Managing Authorities, develop a better understanding of the cities' point of view – how they see, regard and assess our Operational Programmes and what kind of changes and improvements their perspective might suggest as useful and enlarging efficiency and sustainability of these funding sources.
- In return, I would expect that the cities, as a consequence of this joint work and learning exercise, develop a better understanding for our regional and national perspectives and why certain elements of the Operational Programmes as well as the procedures applied might be necessary from our point of view, even though they do not seem attractive or reasonable from the local point of view.

If the joint work experience between cities and Managing Authorities from various countries in Europe will lead to such learning processes and an improved mutual understanding, I am convinced that in the end of this network's life we would be able to observe two very important and fundamental improvements amongst the participants – and amongst a wider European audience, if the right channels and methods for dissemination are found and used:

- Local Authorities will be able to develop their funding applications, development strategies and integrated projects in compliance with the regulations and demands of their Operational Programmes – enhancing their chances for funding and accelerating procedures until funding can be provided.
- Managing Authorities will, thanks to this learning and exchange exercise, be able to disseminate targeted Examples of Good Practice, developed together with our partners from the RegGov Network, achieving a wider impact by providing them to all other cities we are working with and using them as illustrations and basis to provide also their planning and implementation capacity and quality.

The URBACT Perspective

6. European cities in times of world-wide economic crisis: Assessment from a European point of view and relevant activities of the URBACT-Secretariat

Jean-Loup Drubigny | Director URBACT Secretariat | Paris

The impact of the current world-wide economic crisis is becoming more and more visible in the daily work of the URBACT-Secretariat. Not only in the reports from cities and network meetings concerning a severe growth of unemployment and dramatic reductions in the available public budgets of local authorities for necessary local projects and activities.

Also on the network level, the impact of this crisis has reached the URBACT Secretariat, as there are already some networks that are funded by the URBACT-programme, which now loose partners in their implementation – entire cities that drop out of networks, as it is felt the necessary co-financing cannot be generated anymore, or partners in the Local Support Group, like private sector representatives, who drop out of these newly set up co-operation platforms in our cities.

6.1 Impacts of the economic crisis on European cities and regions

I have mentioned already that one of the short-term impacts of this crisis has been a significant growth in unemployment. Another observation indicates, that young people are the first victims and most affected by the consequences of this crisis.

Another impact of this crisis, that is very relevant for our work and frightening us, is the direct and relatively short-term impact on migration: A very obvious examples for this direct impact is the Republic of Ireland, which became in the beginning of the new century a country of immigration with many migrant workers – often from the new Member States, came to find work here and to contribute to the development and growth of this country. Due to the crisis, many of them have left – so that Ireland again became an emigration country over the last year.

Those people who go back to their countries come back with some money and professional experiences. But, this development of professional skills is not always so well-developed after only a short time of work abroad. Therefore, in many cases they are not yet able to act as a valuable potential for growth in their countries of origin.



Jean-Loup Drubigny

Director URBACT Secretariat

Short-term negative impact
of the crisis for cities as well
as their networks

Unemployment and exclu-
sion of young people are the
most severe problems

The URBACT Perspective

Therefore, this “re-migration” of course is not only creating problems for the development of the Irish Republic and the individual families, which are affected. We also receive reports from our cities in the new Member States that many migrant now come back to their cities, where they join the growing number of unemployed people and families – but, at least with the benefit for these families that the costs of living are a lot cheaper in their native countries.

A new kind and dimension
of 'reactive mobility' that
needs attention & action

So, we currently observe a *very reactive mobility* inside of Europe that is quite new. The worst and most deprived situation might be the situation of Romanian people. Due to the crisis, severe problems of xenophobia – with Roma in Italia, with regard to other groups in England – are growing in European and adding a serious additional element to the severe consequences of the economic crisis in cities that should not be neglected politically.

But, the situation in the various countries and regions within the European Union is *very diverse*. Some governments have increased their spending, others have shortened public expenditure. A crucial factor is the question how the municipalities are financed – to which degree they are depending on the central state or are free to raise local taxes. But, in general, one can see that due to the crisis the space for local authorities to act and manoeuvre has been reduced significantly all over Europe.

6.2 Activities of the URBACT Secretariat to support cities and regions

Numerous activities of the
URBACT programme to sup-
port cities with innovation

The first reaction of the URBACT Secretariat has been the organisation of an *expert seminar* in February/March this year as a one-day brain storming exercise that we realised together with the European Commission.

The URBACT-projects were asked to re-orient their work in order to take this topic into account. There were already two Final Conferences organised as Open Seminars – one on the topics of the impact of the crisis on deprived neighbourhoods and what these neighbourhoods could contribute to solutions – the other one on migration and the economic crisis.

Currently, a *survey on the impact of the crisis* is started together with the partner cities of URBACT – working with around 200 cities around Europe. The first question we want to help clarify with this research project is: What is the impact of the crisis on the project that you are working on in URBACT?

The URBACT Perspective

The second, more interesting question, is if the city has a recovery plan and what is regarded as the most innovative initiatives that the cities have taken to cope with the crisis.

Towards Christmas of this year, we want to have the results of this survey and to extract 15 – 20 cities with their recovery plan to be highlighted and presented to other cities to demonstrate how other cities in Europe found solutions.

It is not the idea that a programme like ours can find the solutions to the economic crisis and its negative impact on cities. But, it can make existing solutions on the ground visible and disseminate them to other cities as a support for their efforts and a source of ideas and inspiration for the development of their own, tailor-made solutions, strategies and political decisions.

A Second Call for Projects has been organised by our team in Paris that was closed ten days ago: In the framework of this new call for projects, all potential applicants were asked to present their projects in relation to the impact and effects of the crisis. Many of them have shown close relations to this question in their applications.

As a next step in our efforts to support the cities and regions of Europe in their struggle with the consequences of the worldwide economic crisis is a debate that we will organise at our Annual Conference in Stockholm in November 2009. We want to use this forum as well to discuss solutions and responses of cities, which are available across Europe and might offer lessons and examples of good practice to others.

7. The International Funding Acquisition Unit at the Province of Gelderland

Wilco van Kalkeren | Province of Gelderland

The International Funding Acquisition Unit [IF Unit] is a service providing organisation that is part of the Province of Gelderland. The IF Unit implements activities for the local authorities in the Province of Gelderland, for the regions and for the Province itself.

The activities contain support for local authorities and the Province with the search for opportunities to acquire additional financial resources for the implementation of plans which are included in the “Regions and Cities Programme”-contracts.

Make existing solutions &
elements of good practice
visible and useable for cities



Wilco van Kalkeren
Province of Gelderland

The IF Unit in Gelderland

A highly professional and innovative Service Agency as part of a regional authority

The acquisition of international funding is the missing element in current value chains, which the authorities need to bridge in co-operation with commercial partners.

Through the addition of the IF UNIT to this value chain, the unit will be able to maintain more intense contacts with local authorities, regions and the internal organisation. This will lead to many international requests directed to Europe, while currently the policy of all related parties is more a sum of ad hoc activities.

Therefore, direct contacts will be intense which will mean that the office is always well informed about developments on the side of potential clients.

The core objective of the Unit is always to support local authorities, regions and the Province with the acquisition of additional financial resources for the purpose of the implementation of this Cities and Regions Programme [RSP].

It is also an objective to offer to all interested partners in the local authorities, in the regions and within the Province administration a competent partner for all questions related to European and national subsidies.

Build bridges between cities, regions & Europe and avoid destructive competition

This can also help to avoid wrong competition between cities and regions amongst each other or between the Province and cities – because in theory all of them can become competitors when they submit funding applications for national or European funding..

In the provision of its service, the Unit benefit from

- a wide network of [European] partners,
- the use of its own financial resources,
- lobby work and
- the good and close contacts with local authorities, regions and the internal departments of the Province administration.

For the implementation of all activities, the work of the IF Uni is based on the following principles, which form the core elements of its Mission Statement:

- all work will take the form of integrated action;
- there will be a strong focus on co-operation, partnership and client-oriented work;
- there will be no repetitive routines, but a permanently creative way of working;

The IF Unit in Gelderland

- even though the IF Unit is part of a large regional authority, there will always be open communication;
- one of the main functions of the IF Unit will be building bridges between various geographical levels [cities – regions – countries – European level] and between policy fields;
- there will be no 08.00 - 17.00 o'clock mentality, but instead full commitment for a challenging task that does not ask for office hours;
- the IF Unit will not be a “reacting authority”, but rather take the initiative;
- the IF Unit will not only act as an incubator to help resources, bring partners together and get innovative action off the ground, it will also continue to take care of its supported initiatives once they have become operational;
- predominant features of the IF Units work will be commitment, quality and reliability



In its efforts to turn this Mission Statement into reality, the unit offers the following services to internal and external clients:

- provision of relevant [EU] information concerning opportunities to acquire subsidies;
- support for local authorities and regions with the development of funding applications and in some cases participation in the development of funding applications and support until the final accounting;
- the search for project partners within and outside Europe;
- support with lobby work;
- search for sponsors and co-financers and
- provision of information to civil servants in local authorities and regions.

The unit intends to improve the co-operation between cities, regions and other authorities. As the unit is composed of co-workers of the regional authorities, there is only a short line between the cities and the region.

Also, the staff of the unit knows the way of working of regional authorities very well. The co-operation can be built upon a trustful relationship between the region and the local authorities that has been built up over the last years.

A wide range of innovative,
tailor-made services to all in-
terested stakeholders

Improve co-operation
and efficiency - using well pre-
pared structures & people

The IF Unit in Gelderland

In summary, the strengths of the unit are

- unique quality and skills of the staff with regard to European regulations;
- a special relation with users [local authorities, regions and internal departments]
- quality of service
- a unique product range.

Special support for smaller and less experienced local authorities

Another advantage is that the experiences of especially smaller local authorities with regard to Europe will be enlarged in a simple way. This will help to improve the know how of civil servants in these local authorities as another additional positive policy effect.

The unit will make a targeted effort to use and activate potentials for the local authorities and regions which are not yet used to this kind of working and activities until now.

In summary, this newly created
International Finance Acquisition Unit
at the Province of Gelderland is:

- different
- not duplicating
- not limiting
- a vehicle to create win-win situations for all parties involved.

Stefan Oachesu
Romanian Ministry of
Development, Public Work
and Housing



8. The Urban Dimension of the Romanian Regional Operational Programme 2007 - 2013

Stefan Oachesu | Romanian Ministry of Development, Public Works and Housing

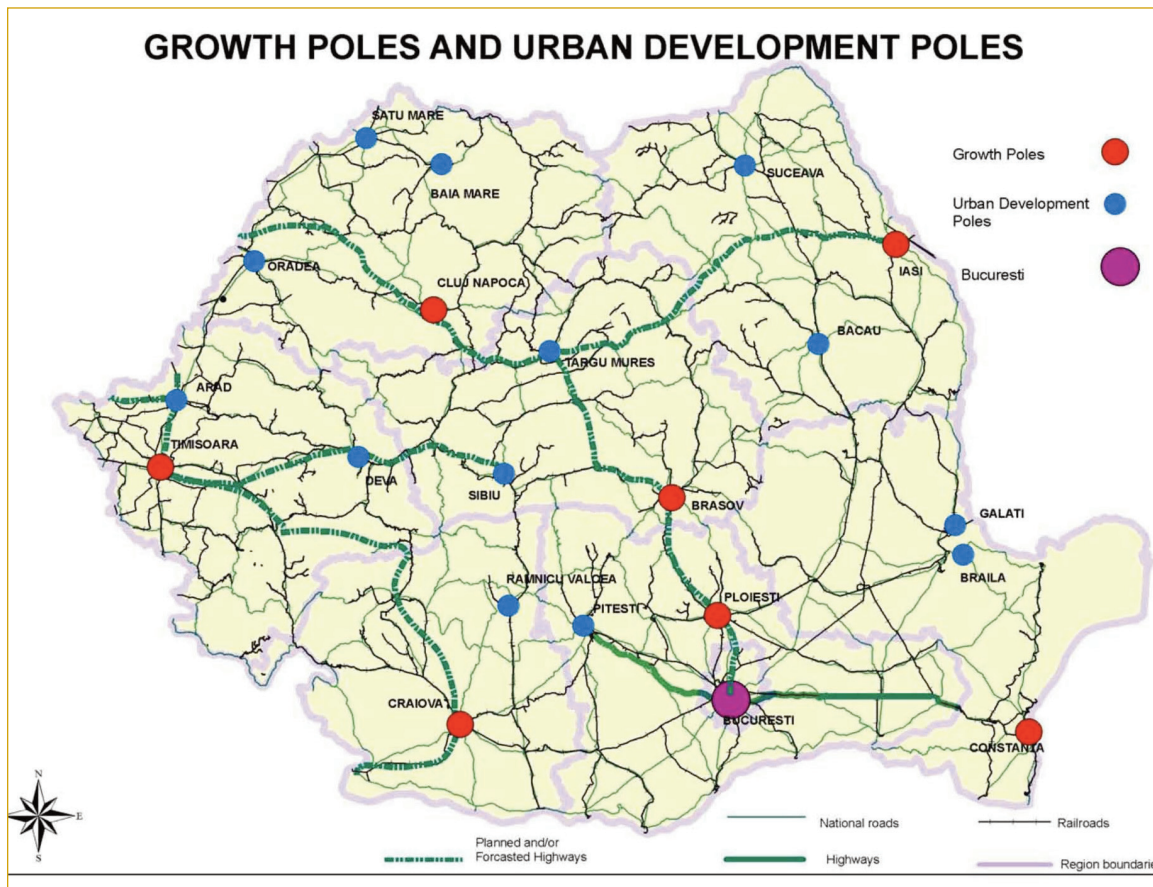
8.1 General information

The Romanian Regional Operational Programme 2007-2013 is divided into the following six Priority Axes:

- Support to sustainable development of Urban Growth Poles;
- Improvement of regional and local transport infrastructure;

Romania: OP & Urban Dimension

- Improvement of social infrastructure;
- Strengthening the regional and local business environment;
- Sustainable development and promotion of tourism;
- Technical assistance.



8.2 Support to sustainable development of Urban Growth Poles

To the Priority Axis “Support to sustainable development of urban growth poles” 1.4 billion Euro [30% of the overall ROP financial allocation] have been dedicated in order to increase the quality of life and to create new jobs in cities with the following measures:

- rehabilitating the urban infrastructure,
- improving services, including social services, as well as by
- developing business support structures and entrepreneurship.

Key area of intervention in this Priority Axis are Integrated Urban Development Plans implemented through projects addressing the following issues :

A strong emphasis on Sustainable Urban Development in the Romanian OP

Romania: OP & Urban Dimension

- Rehabilitation of the urban infrastructure and improvement of urban services, including urban transport;
- Development of a sustainable business environment;
- Rehabilitation of social infrastructure, including social housing and the improvement of social services.

Three precisely defined types of eligible areas

In order to provide the funding and the implementation with a pragmatic structure, have been identified:

- **Growth Poles** – 7 large urban centres and their hinterland, designated by Government Decision: Iasi, Constanta, Ploiesti, Craiova, Timisoara, Cluj-Napoca and Brasov;
- **Urban Development Poles** – 13 cities, designated by Government Decision: Suceava, Bacau, Braila, Galati, Pitesti, Râmnicu Vâlcea, Arad, Deva, Satu Mare, Baia Mare, Oradea, Sibiu and Târgu Mures;
- **Urban Centres** - towns over 10.000 inhabitants, other than Growth Poles and Urban Development Poles.

8.3 Organisational and administrative arrangements

A well-developed system of support structures as reliable software for the process

In order to support the successful implementation of all measures, the following organisational and structural elements have been realised for the Urban Growth Poles:

- Seven co-ordinators have been established for each Growth Pole.
- An Association for Intercommunity Development [AID] has been created for each Growth Pole; it comprises the city identified as urban core of Growth Poles and territorial administrative units in their hinterlands [towns, communes]. County Councils may also be members of this Association.
- The geographical area of the Growth Pole has been defined and established.
- Technical Teams of experts have been installed at the level of each Growth Pole, having the task to elaborate, monitor and implement the Integrated Urban Development Plans.
- For each Growth Pole, decision-making mechanisms have been defined and established.
- An agreement on the Integrated Development Plans has been achieved, including an action plan containing a list of projects set up by the AIDs.
- Projects are financed from all Operational Programmes of NSRF, the National Programme for Rural Development, as well as from national programmes and other sources: like EIB, EBRD, etc;

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- Priority is given also by other Managing Authorities for SOPs to projects which are promoted by the Growth Poles;
- The Regional Operational Programme allocates up to 50% [about 630 mil. Euro] from the financial allocation of ROP Priority Axis I.

For the **Urban Development Poles**, the following organisational arrangements have been made:

- The projects are implemented within the administrative borders of cities designated as urban development poles.
- Integrated Development Plans, including an action plan with a list of projects, are developed by the municipalities. These plans should contain at least two types of projects out of the three eligible categories of activities: urban infrastructure, business structures and social infrastructure.
- The projects are financed from the funds allocated to ROP Priority Axis I [up to 20% - about 253 million Euro], as well as from national programmes, private sources etc.

The organisational and administrative implementation arrangements for the **Urban Centres** are designed as follows:

- Urban Centres are small and medium sized towns with over 10,000 inhabitants.
- They have to develop Integrated Urban Development Plans, including an action plan with a list of projects; These projects should contain at least two types of projects out of the three eligible categories of activities: urban infrastructure, business structures and social infrastructure;
- The Integrated Urban Development Plans are implemented in "Urban Action Zones" with at least 10.000 inhabitants, geographically located within an Urban Centre.
- The projects are financed from the funds allocated to ROP Priority Axis I [up to 30% - about 503 million Euro], as well as from other sources.

Beneficiaries of this support to sustainable development of Urban Growth Poles are:

- Local public authorities
- Associations for Intercommunity Development
- Partnerships between local public authorities.

Intelligent structures to support efficient delivery and smooth operation

Beneficiaries of the funding and the support system

Romania: OP & Urban Dimension

8.4 The implementation system

Growth Poles submit their Integrated Urban Development Plans [IUDP] to the Romanian Managing Authority for assessment and approval. Applications for projects which are included in the Integrated Urban Development Plan is then done to the IBs of the Managing Authority in the case of projects financed under ROP and to the MA for SOPs in the case of projects financed under other operational programmes for evaluation.

Urban Development Poles and Urban Centres submit their Integrated Urban Development Plans together with the projects included in IUDP's action plan to the IBs of MA for ROP for evaluation.

Calls for proposal have been launched in November and December 2008:

- Growth Poles: Open calls with rolling submission
- Urban Development Poles: Open calls with rolling submission
- Urban Centres: Deadline submission [31st of March 2009]

With regard to the governance of the urban dimension of the Operational Programme, the following elements of Good Practice we applied seem successful and relevant:

- The Cities and Municipalities Associations were involved in the elaboration of the ROP and in the process of identifying urban issues as being one of the most important priorities for Romania, in line with the Community Strategic Guidelines for Cohesion 2007-2013 – attending to the forums organised both at national and regional level.
- The Cities and Municipalities Associations are members of ROP Monitoring Committee as observers.
- The Cities and Municipalities Associations contributed to the identification of Growth Poles and Urban Development Poles.
- The use of the integrated approach and Integrated Urban Development Plans as strategic planning tools.
- The participation of citizens to the elaboration of the Integrated Urban Development Plans as a condition for the approval and financing of the projects within the integrated urban development plans.
- The use of Technical Assistance resources [Pre-Accession Funds] to support the local authorities of Growth Poles with the development of their Integrated Urban Development Plans during the period from June until November 2008.

A set of "Elements of Good Practice" can already be identified & communicated

Innovation & Regional Exchange

- The development and dissemination of Methodological Guidelines for the development of Integrated Urban Development Plans carried out by ROP Managing Authority.
- Regular meetings with representatives of the local authorities of Growth Poles and Urban Development Poles to support them in the process of developing and implementing their Integrated Urban Development Plans.

9. Stimulating Innovation and Progress in Integrated Urban Development through Regional Exchange: Results & Recommendations from RegGov Thematic Cluster No. 1

David R. Froessler | RegGov Network | Lead Expert

Thematic Cluster No. 1 of the RegGov-network deals with the topic, how co-operation between local authorities can improve innovation potential, achievements and performance of integrated urban policy. In addition to a structures debate to analyse the existing situation in the participating regions, the members of that Cluster have, during their first seminar in Halandri this year, made an effort

- to identify forms and activities of co-operation;
- to identify the benefits that such co-operation can have for the participating regions as well as their surrounding regions and
- equally to identify possible forms of support that regional authorities could give to such co-operation efforts between cities in order to reach such added value for their local and regional development.

As a conclusion of their first seminar and a task for the Lead Expert, the members of that Thematic Cluster have defined a number of questions that should be discussed with the representative from the Managing Authorities and the European Commission during this seminar:

9.1 The overall situation

With regard to the overall situation and political framework in the participating cities and regions, the following relevant key conclusions can be summarised at the end of this seminar:

- Only a few of the member states represented in this Thematic Cluster do have a national ministry for urban development or urban policy that has a tradition and experience in designing and delivering the framework for integrated urban regeneration on the local level.



David R. Froessler

RegGov Lead Expert

Creating links between the
different strands and activities
of the RegGov Network

Innovation & Regional Exchange

- In those countries with such ministries dedicated to the policy field of urban policy, there is a reliable policy framework that has been developed over years and that allows cities to develop long-term policies and projects under the guidance and with the support of their national partners in the ministries.
- In other countries, urban development projects - mainly large projects - are financed by national ministries on the basis of ad hoc decisions. This is a model that gives targeted support to urban policy on the local level in selected cities and for selected projects, but in most cases does not support or allow continuity and conceptual urban policy on the ground over the years and beyond the limits of each single project that is subsidised.
- In this last group of countries with more project-related funding from the national level, urban policy is still seen as a mainly physical development and construction task. A good example for this type of urban policy on the national level is Greece, where these projects are financed by the Ministry for Public Works.

9.2 The Regional Dimension

Regional support structures
mainly existing in the old
Member States

The conclusions with regard to the regional level, central to the topic of this Thematic Cluster and more relevant to the direct potential to bring about change within the framework of the RegGov-network, are similar to the national level observations:

- Only a few of the member states represented in this Thematic Cluster do have regional ministries or authorities with a strong position in policy development and related experiences with the provision of funding for urban policy in the region's cities.
- In cases like Germany, those regional ministries work in the framework of a national urban policy and nationally defined funding schemes - but they can specify and adapt those national regulations to a certain degree to the specific situations and needs of the cities in their region.
- In other cases, like the Netherlands, such negotiations and adaptations of urban funding to local needs are undertaken in direct contact between the national ministry and the cities. Here, groups of cities – in most cases organised along the lines of size of cities – cooperate and form exchange and lobby groups. But, in the end, each individual funding agreement in most cases is based on a contract or a contractual agreement between the national government and each individual city. Regions – in this case. The Provinces – take a more and more stronger role in this game by offering valuable support to their cities and the creation of innovation in urban policy.

Innovation & Regional Exchange

- In all other countries, the mainstreaming of funding for urban policy from the European Union has created for the first time a need to deal with urban policy on the regional level. Sometimes, the political system and culture allows regions to practice such a new role and “grow into it”, in other cases this role is taken over rather by the central governments, leaving the regions without much factual influence on this new policy field and task.

9.3 Example No. 1: The Innovation Agency Urban Restructuring West in North-Rhine Westphalia

The Innovation Agency Urban Restructuring West is related to one specific funding scheme in the framework of NRW's urban policy – the programme “Urban Restructuring West” that support cities in coping with and adapting to the consequences of demographic change. The Innovation Agency is a network formula that has been developed by a private consultancy firm which acts as Network Manager and partner of cities.

Each city that is interested in a participation, can sign an individual contract with this private consultancy firm, agreeing on a set of common services which are the same for all participating cities. The sum of individual contracts that has been signed between the private consultancy firm and cities from the region determines, at each moment in time, the overall project budget of the project and the scope of activities the network can undertake.

The management of the network is overseen by a Steering Group in which each city, that has signed a project-related contract, is represented with one member and also the relevant departments of the regional ministry and representatives from the county administrations. This Steering Committee meet twice a year to decide the Work Programme for the Innovation Agency over the next 6 months. Currently, 23 local authorities are member of the Innovation Agency Urban Restructuring West. Most of them have signed contracts with a three-year duration to provide the project with the necessary perspective and stability to develop and implement mid-term services and innovation.

The Innovation Agency Urban Restructuring West has, from its start on, had the objective to work and create innovation on two levels:

- The network level, where an exchange of information, dissemination and the creation of innovation in urban policy is undertaken with a wide range of activities and methods.



A voluntary network of cities that want innovation
support and exchange

Innovation & Regional Exchange

Personal support and coaching in the cities as a core element of success

- The city level, where the team of the Innovation Agency provides direct support to cities – not only in project development and the creation of strategic innovation – but also in terms of designing and moderating local participation and planning processes.

The most important activities of the Innovation Agency are the services provided to the cities in the region:

- Individual support to local authorities in the development of long-term integrated projects and funding applications in close co-operative with the funding authorities.
- Individual support and coaching to the local authorities in the implementation of their integrated programmes.
- Support with the design and management of local co-operation processes in the member cities –neighbourhood-based processes as well as city-wide processes.
- Organisation of a structured and targeted exchange of experience between cities and training sessions for all relevant groups and stakeholders in local urban policy.
- Information Management and Public Relation Work through a very active website which is updated on a weekly basis.
- Organisation of an Annual Conference for wider dissemination and dialogue.

Innovative web-based services to reach a wider audience in the region

One core element of the innovation support that the agency provides not only to its members, but to the general public are the services offered through its website. They contain the following core elements:

- Information and documents concerning the policy and its implementation in the region as well as on the national level.
- Information and links to similar projects in other regions to support online learning and exchange.
- Detailed information about all projects implemented in North Rhine-Westphalia by presenting each of them in a standardised format on the website [Project Files] and updating them regularly in co-operation with the cities.
- Information about relevant studies, publications and conferences – in the most relevant cases not only by putting the general information online – but by visiting conferences and meetings and writing Online-Reports for the website.
- A weekly NewsService with a limited range of core information that is put online every Monday morning with the information about the update sent to currently 600 subscribers to this NewsService.

Innovation & Regional Exchange

- An Online Dictionary to answer general questions of cities with regard to the recently changed funding regulations.
- „Project of the Week“ – a standardised project description that is published with the NewsService each Monday – always showing an innovative example of a German or international project related to the currently most urgent questions and tasks in the implementation of this policy.
- „Good Practice Readers“ published twice a year – each of them dedicated to a topic where innovation is needed – presenting an overview over achievements and developments with regard to this topic [“State of the Art”] and a wide variety of Examples of Good Practice that can help local authorities to adapt ideas and formulas that worked elsewhere to create successful projects and innovation in their own target areas.
- “Flash Lights”, which are short publications that deal with absolutely new questions and ideas – just indicating the direction for further thinking and innovation development, without being able to present already a variety of examples of good practice like the readers. They are mainly meant to stimulate debate and thinking in cities and amongst interested and creative people.
- On-Site Reports from relevant events in North-Rhine Westphalia – reports that are written by the team from interesting conferences or workshops as well as events in the member cities as part of the dissemination work for the member cities and their “success stories”.
- The “Urban Restructuring Lounge” – a different format of exchange platform – unlike the thematic workshops the lounges are carried out in the evening, with wine, antipasti and candle light – offering a different atmosphere and space for thinking, which is more free, less output oriented, stimulating wider thinking and creativity as part of the planning process.

A creative mixture of exchange methods to stimulate interest and learning

9.4 Example No. 2: Well-structured Co-operation between Silesian Municipalities and Districts

The Silesian Union of Municipalities and Districts is a voluntary association of local governments located in Katowice in the Region of Silesia in the south of Poland. It refers to an area with 4.7 mio. Inhabitants. The association currently has 125 members [cities, towns, rural communities, districts] and is organised in 12 committees and one Urban Policy Working Group.

Self-organisation of cities in the absence of regional policy and support

Innovation & Regional Exchange

A new Working Group to
strengthen the position and
impact of cities

The Working Group on Urban Policy was created by Silesian Union of Municipalities and Districts in 2007 with the following aims:

- to study the results of the URBAN Community Initiative in EU-15 [the Acquis URBAN];
- to participate in the European debate about urban aspects of Cohesion Policy in the programming period 2007-2013 and beyond 2013;
- to participate in Polish debate about the future of national urban policy;
- to urge the regional government to create a regional urban policy;
- to exchange experiences concerning urban development between Silesian cities;
- to support cities in URBACT II projects [thematic networks and working groups].

The Metropolitan Association of Upper Silesia [GZM], established in 2007, combines the potential of 14 cities of the Upper-Silesian conurbation. It is an organisational structure that is aimed at the integration and promotion of a cohesive metropolitan organism. The Association is comprised of cities of the total area of 1,218 km², inhabited by nearly 2 million people. This places the Upper Silesian Metropolis in the group of important metropolitan centres in Europe.

A new Metropolitan Association with a wide range of
tasks and services

The Metropolitan Association of Upper Silesia has the following objectives:

- Preparation of common development strategy for its member cities.
- Funds raising from domestic and foreign sources.
- Co-operation with local governments, local and regional organisations as well as government administration authorities.
- Preparation of a promotion strategy for the Upper Silesian Metropolis.
- International co-operation with the Regional Association of the Ruhr Region and with the University of Technology in Aachen.

Thanks to the co-operation of cities in this platform, it became possible to initiate several projects aimed at an improvement of the quality of public transport and the environment. These projects indirectly contribute to the economic growth of the region:

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- Unification of the electronic enrolment system for upper-secondary schools in the area of Upper-Silesian Metropolis [in the area of the whole province].
- The Silesian Public Services Card – a project implemented among others by KZK GOP and GZM.
- The modernisation of tramway and trolleybus infrastructure including accompanying infrastructure [Partners: Tramwaje Śląskie S.A., Municipality of Tychy].
- Development of a waste management system for GZM cities including the construction of waste incinerators This project was implemented by GZM and co-financed from the Infrastructure and Environment Operational Programme.

Impressive examples of investment that has been undertaken by this co-operation platform are:

- Reconstruction of the road system in the Upper-Silesian Metropolis – construction of A1, A4 motorway and Cross-Regional Highway (DTŚ)
- Reconstruction of cities centre in Katowice: A developer plans the development of office and residential as well as retail space. The project intends to enlarge and improve the public space in the city centre.
- Reconstruction of cities centre in Gliwice: The New Centre will comprise, amongst other improvements, a reconstructed railway station, the central transfer junction, shopping centres, new pedestrian routes and administration and office buildings.

Massive investment and
change shows that joint
commitment creates change

9.5 Forms of Regional Support Activities

Obviously, the amount and variety of experiences with support activities for integrated urban policy – provided from the regional level to the city level – differ again along the same lines of various policy models and experiences in the participating regions:

- In some countries with regional ministries and experiences of target urban policies, the support for regional exchange and support activities to and between cities is initiated and funded by the responsible ministries as integrated part of their urban policy.
- In cases like the Netherlands, such co-operation and exchange activities are again organised mainly by the central government, in most cases grouping and organising cities with relation to their size and placing an equally important focus on the involvement and or-

Various forms of regional
support are possible and
have clear benefits

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Each participating region
with its own forms and ex-
periences to learn from

organisation of residents' participation in such exchange and learning experiences as they are seen as equally important partners in the development and implementation of local integrated neighbourhood policies.

- In the case of North-Rhine Westphalia, exchange and learning between cities is organised with a very strong focus and commitment from the responsible regional government. The main difference towards the Dutch model is that here the cities are not grouped and organised along the lines of a comparable size. In the North-Rhine Westphalian model, cities – no matter which size or location in the regions – are organised in networks which focus on a specific policy. For each of the three integrated urban policies, which are offered currently in North-Rhine Westphalia, a network of cities receiving funding in the framework of this particular policy is subsidised. Therefore, in this case, a city can at the same time participate in more than one regional network.
- In other cases, like the Polish partner city and its region, the organisation of regional co-operation and exchange is taken over by associations of cities. Here, in the light of a lack of a regional ministry as an active partner, cities from coalitions and lobby groups to support each other and to strengthen their voice towards the regional and the national policy level. The results are valuable and important regional frameworks for co-operation – with regard to the Dutch and the German model they show a clear lack of funding that would be necessary to make a better use of these platforms and the commitment of cities and actors involved.
- No case has been reported in the framework of the participating cities and regions where a newly established Managing Authority would be sufficiently developed and organised in the implementation of this new task to offer support for such co-operation and exchange activities. In these countries and regions, where this is a completely new task, the corresponding national and regional authorities still seem fully occupied to fill this new role and responsibility with life and did not use this opportunity to extend this role beyond the provision of mere funding, by adding elements of providing know-how and exchange opportunities at the same time.

9.6 Forms and Activities of Regional Co-operation

Those cases where cities have a tradition of co-operating and exchanging know-how with regard to integrated urban policy show us a variety of forms and activities that are possible and useful:

- One model is the organisation of subsidised city-networks as a platform for exchange of know-how. In these networks, which are

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financially supported by the regional authorities, cities can join voluntarily – normally having to pay a contribution to the network's operational costs – and can then jointly decide what kind of activities the network implements to fulfil the needs of the participating cities for input, support and innovation.

- If such regional financial support to city-networks is not available, cities can join together to create [self-financed exchange platforms](#). Such a form of co-operation between cities is not only valuable to provide to each other support in the absence of support from the higher political and administrative levels. It can also be useful to create a platform of cities for a more powerful lobby work – to achieve a higher recognition for the topic of integrated urban policy on the regional and national level and, in an ideal case, a growing awareness for the added value of exchange between cities on those level, possibly then followed by the provision of national and/or regional resources to support such exchange. Until such resources are provided, the potential of self-financed regional city networks is limited and in the cases regarded offers more in terms of lobby work than in terms of real learning and innovation potential.
- A third model that has been discussed is the option of exchange and training activities [organised by associations of cities](#) for their members. Such associations can exist on the regional, the national and on European level, financed with different models, and they can offer valuable learning and exchange opportunities for their members.
- Another model of regional co-operation of cities in the field of integrated urban policy is [joint lobby work of cities](#) to maximise their influence on policy making. The difference towards the models described above is that in these cases the coalition between cities is rather realised in ad-hoc groups of cities – related to a specific common topic or a regional project framework. This kind of co-operation can have a clear added value, but normally only related to the specific occasion and planning case, without have an immediate structural option for an improved learning and exchange potential between cities.
- Very closely linked to this last model are the occasions where [cities co-operate in the framework of the development of regional plans](#). These cases are rather forms of “participation” of cities in regional planning than co-operation activities between cities. Nevertheless, they can help to convince local professionals and policy makers of the added value of regional co-operation between cities in urban planning.
- Very closely related to that last group, but usually more implementation led and bottom-up organised, is the [co-operation be-](#)

Various co-operation
models - each having its own
benefits and pre-conditions

Innovation & Regional Exchange

tween cities in a joint project development and/or project implementation, e.g. on the level of metropolitan areas or agglomerations, in order to improve the impact of a project or an action. Here, cities join together for planning as well as implementation, which also means the contribution of funding from each city into the overall project. Again, such co-operation is case-related and does not necessarily go beyond the topic of the individual project, leading the way to a potential structural co-operation of cities on the regional level.

Many forms how regions can support inter-city learning and capacity building

When it comes to the question how regional authorities can support and stimulate co-operation and learning between cities, again various forms can be found in the participating regions:

- The first and easiest form is the provision of funding for regional exchange and co-operation networks of cities. Here, the regional authorities define rules and regulations for such networks, pre-conditions for their funding and then support the networks and their exchange activities as part of their urban policy. The degree to which they participate or get involved as regional authorities in these exchange activities and the network business can then take different forms.
- In a further model that can be found in practice, the regional authorities do not only provide funding for the creation and operation of such networks, they directly organise these exchange activities themselves. This leaves them more scope to define the topics and contents of the network activities and allows them to use them in a much more targeted way for their regional policy making and for targeting the learning and innovation they create. The potential risk of this form is that it leaves cities more in the role of “consumers” of regional activities and does not allow them to become the “drivers of exchange” and take over responsibility to maintain and develop such exchange networks and activities.
- A different form of regional support to integrated urban policy can be the provision of funding for experts – either employed by the regional authorities or hired as external experts – to support cities in the development of integrated projects and the acquisition of necessary funding. This model can be very helpful in political contexts where the national governments still keep the main responsibility for urban policy making and the provision of related funding and where the creation of city networks still seems to be difficult in the given policy context and experience of policy making. In such cases, coaches for cities can be a first and very helpful step on the way to quality development and support in integrated urban policy.

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- A similar form to provide “expertise on demand” to cities is the provision of finance for **Regional Expert Teams** who can be used by cities for the development of strategies and projects to support the acquisition of funding or – less developed – for the later implementation of their projects. Again, this can be a valuable input to promote quality and innovation in integrated urban policy but, like the last form, leaves it pretty much as a business between an individual city and an expert, while the element of mutual learning and support between cities is not developed in the framework of such models.
- A further, and again more indirect, form of regional support to the creation of success and innovation in integrated urban policy is the financing of **practice-oriented research projects** related to questions of urban policy. Such research projects can create valuable know-how that can help to improve the performance of urban policy if the right channels and methods for dissemination are found and used afterwards to manage the transfer from research result to local practice.
- A final valuable form of regional support for the creation of progress and innovation in local integrated urban policy is, of course known in this Thematic Cluster, the financial support provided by regional authorities for cities to take part in **European exchange and learning processes**. Such support and its impact is of course maximised if the benefits are not limited to the individual participating city, but if the regional authorities at the same time organise a dissemination of the innovation and learning amongst more cities within their regions, e.g. through regional seminars or regional publications, promoting innovative policy elements and principles and examples of good practice in other countries or regions.

9.7 Regional Co-operation & Support: Added value for cities

For a Thematic Cluster that wants to strengthen the support for and participation in regional co-operation and exchange activities, it is of course essential to identify the added value that is linked to such activities. During this first seminar of Thematic Cluster No. 1, the following elements of **added value** created by regional exchange and learning activities could be identified:

- For the participating cities, such exchange opportunities offer a chance to get support and gain know-how in the development of urban development strategies and projects – looking beyond the

Co-operating cities create
stronger and more
competitive regions

Innovation & Regional Exchange

limits of their own experiences and becoming able to integrate a larger amount of experiences into their local policy development and implementation.

- The debate of the participating local professions indicated very clearly the a direct exchange with other cities and professionals from those cities dealing with the same problems and topics delivers in most cases knowledge and insight that is much more useful than the knowledge of advisors and researchers which could be hired in by the cities.
- In this sense, such co-operation activities if provided with a structured or even structural framework, can be used by cities as a valuable platform to develop new solutions and approaches, including the know-how from various cities and local policy environments and adapt it to their own local situation with the support of colleagues who are close to the same situation, but still have an external view on the policy of the other city.
- At the same time, such structured co-operation can be used as a platform to develop joint positions towards policy makers and funding providers on the regional and national level, which is something that should not be seen as a more powerful opposition mainly, but rather as a more qualified partner on the local level for regional and national governments – also helping them to create a better use and a more successful and sustainable impact of the resources they invest in the local level in urban policy.
- Such co-operation platforms of cities also have the added value that here numerous problems can be solved and questions can be answered by mutual support which would otherwise lead to requests towards resources from the regional or national authorities.

9.8 Regional Co-operation & Support: Added value for regions

Supporting city networks is
a good investment for the
future of regions

The last two observations have already indicated that regional co-operation between cities does not only have a clear added value for the cities, but also for the regions. Motivations for regions to organise and or fund such co-operation activities of cities include the following elements of added value for them:

- With such support, they can help to increase the knowledge-basis in the region with regard to urban policy topics, leading to an improved potential for the creation of innovation and sustainable success of urban policy on the local level.
- This means at the same time an increase of problem solution capacities in the cities of the region – normally enhancing the po-

Innovation & Regional Exchange

tential of regional resources invested to really contribute to lasting change and improvement of social cohesion and competitiveness in the cities of a region.

- At the same time, such support can help cities to become organised partners of regional authorities, leading the way for an improved and more coherent feedback from and co-operation with cities in regional policy.
- Especially with regard to the new role of many regional authorities as Managing Authorities for the European Structural Funds, it can be confirmed that such form of support for exchange and learning between cities lead to more qualified funding applications with higher chances for success and sustainable achievements, something that is important not only for the development of each individual region, but also for the results of the monitoring that Managing Authorities have to do towards the European Union.

In summarising these benefits also for the regions, it can be said after the discussions of this cluster meeting, that **support for exchange and learning activities between cities in the field of integrated urban policy leads to**

- a more efficient and successful use of public funding and subsidies;
- the development of stronger cities with increased competitiveness and improved social cohesion and, as a sum of these benefits, to
- stronger and more competitive regions in inter-regional, national and international competition.

9.9 Regional Co-operation & Support: Questions to the Managing Authorities

The participants of this city seminar formulated the following questions to be submitted to and discussed with the regional authorities in the framework of that seminar by the Lead Expert:

- What kind of support and / or incentive could DG Regional Development provide to stimulate the development or regional support and exchange activities in the framework of the implementation of the various Regional Operational Programmes – especially in those cases where the responsible regional authorities are not yet prepared to offer such support?

Questions of cities,
submitted for clarification

The NRW Experience

- Why are the parts of the Regional Operational Programmes that are dedicated to Technical Assistance not available for such activities provided to the cities and what exactly are they spent for in the participating regions?
- What are the obstacles for the participating Managing Authorities without regional support and exchange activities towards the development of such services? Is it a lack of staff resources or rather a lack of understanding with regard to the added value of such activities?
- What kind of support would such Managing Authorities need to enable them to develop and offer such services their cities?



Bernd Mielke

North-Rhine Westphalian

Ministry for Construction

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Policy delivery between hierarchy and partnership - a successful formula

10. Regional Governance of the Socially Integrative City Programme of North-Rhine Westphalia [NRW]

Bernd Mielke | Ministry for Construction and Traffic | North-Rhine Westphalia [NRW]

10.1 The administrative system and structures

Germany is a federal republic with 16 federal states. We have three political and administrative levels, which are relevant to understand our urban policy:

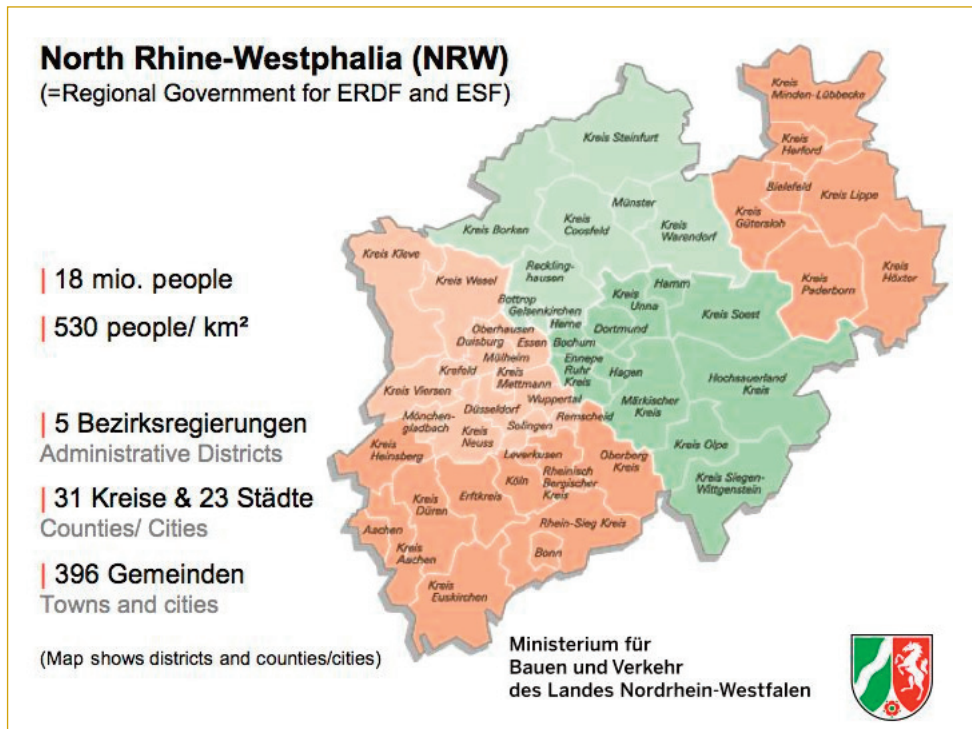
- the federal level,
- the federal state level with the administrative districts and
- the city and town level.

The counties are in brackets in the overview because they are not responsible for urban policy, but only fulfil certain administrative functions in its delivery.

When it comes to the development and delivery of policies, we do not have a strictly hierarchical structure, but rather a mixture of hierarchy and side by side responsibilities. The federal states are, for example, responsible for schools and education. On the federal level there is no responsibility for that. That is why we have different school systems in the different federal states.

The relationship between the cities and the states includes a guarantee of self-government of cities and towns in the constitution, including urban land use planning. They cannot be controlled by the central government of the regional states, although these levels of government try to influence their local policies by offering them funding programmes.

The NRW Experience



So, when it comes to the possibilities of the central and the regional governments to take influence on local urban policy, one tool they can use is their right to define the legal framework – planning laws and related legal regulations that influence the policies in the cities. On the other hand, money is offered for special tasks and in the framework of special urban policies. If the cities want to receive such funding, they have to accept the conditions of the programmes and co-finance with their own local money.

The state can only intervene
in local urban policy with
legal regulations & funding

North Rhine-Westphalia has about 18 million inhabitants and there are five quite big administrative districts. These are the Regional Authorities for the ERDF and ESF Funding. The state is quite big representing only one region and one Managing Authority.

10.2 ERDF-Funding in NRW's urban policy

ERDF money is based on Operational Programmes, which outline regional strategies and policy measures. The Operational Programme of North-Rhine Westphalia contains three priority axes:

- The first one is called “Strengthening the Basis of Business” and provides financial support and advice to SME's and start-up companies.
- The second one is called “Innovation and Knowledge-Based Economy”, focusing on the promotion of innovation in industry

The NRW Experience

through support for clusters and networks, supporting the development of industry-oriented technology and research infrastructure as well as innovative services and inter- and intraregional co-operation.

- The third one deals with “Sustainable Urban and Regional Development”. It is targeted on urban areas with specific economic and social problems, such as high rates of unemployment, challenges related to the integration of migrants or deficits in urban design and on the elimination of developmental restraints in regions of industrial change.

NRW Objective 2 Programme 2007- 2013 (ERDF)		
Strengthening the basis of business	Innovation and knowledge-based economy	Sustainable urban and regional development
Providing financial support to SME and start-up companies	Innovation, promotion of clusters and networks in industry	Integrated development of deprived urban areas
Offering advice to SME and start-ups	Industry-oriented technology and research infrastructures	Elimination of developmental restraints in regions of industrial change
	Innovative services	
	Inter- and intraregional cooperation	
Sustainable development		
Equality between women and men and elimination of discrimination		

About 30% of the ERDF money is transferred to the third priority. This is quite a big part of the entire Operational Programme. The topic “Integrated development of deprived urban areas” is open to all cities that show certain indicators of deprivation. The second topic „Elimination of developmental restraints in regions of industrial change“ is mainly focused on the Ruhr Area.

10.3 The Example of the Socially Integrative City Programme

The example of one of
three integrated policies
NRW offers to its cities

The urban policy of North-Rhine Westphalia is partly financed with the resources of this third priority axis. As an illustration of the way in which this is implemented, I will give you a simplified view on the funding procedure of the Socially Integrative City Programme, which is a good example.

Our urban policy has defined a procedure of several steps that need to be accomplished once a city wants to get money for its development in a deprived neighbourhood.

The NRW Experience

The first compulsory step is to develop an Integrated Local Action Plan [LAP], which needs to put the intended regeneration scheme into the framework of the city's overall situation and planning. The LAP defines a comprehensive strategy for several years and contains

- an analysis of the situation in the target area,
- priorities for the development of the area,
- measures to improve the situation and
- a financial plan.

Projects that are not related to this LAP are not eligible for funding. In order to obtain such funding, cities need to clearly define the boundaries of their target areas and organise a formal decision of the city council to define this particular area as the target area for a certain urban policy intervention.

The rules for the LAP include the integrated funding of different measures, e.g. targeted on an improvement and upgrading of public spaces, support for the local economy or topics like integration and ecology. The main focus should be placed on building measures, but also on participation and empowerment of local communities and the involvement of different key players from the municipality, different ministries and private stakeholders.

The Integrated Local Action Plan is the basis for the application and, once it has been submitted to the ministry, is assessed by an Inter-Departmental Steering Committee that is comprised of members of several ministries. This committee also has the function to co-ordinate different funding strands.

If the LAP is approved, the cities can apply for funding of concrete projects each year. To stay flexible, the LAP can be updated if necessary. The ministry annually publishes the schedule of all approved projects. This two step procedure is a central element of the funding procedure: The first step gives the cities an overall framework for multi-annual integrated action that is checked by various regional ministries and approved once the necessary quality is achieved. On that basis, the cities have then the right to put forward annual applications for funding, all within the framework of the approved overall plan, but now breaking it down into annual project and budget plans.

The ministry decides on exemptions from the funding rules as a further step. This is possible and happens quite often. It simply means that a overall policy is needed as a framework for action – but that then, the ministry still is open to take into account the specific situation in each city and neighbourhood and enable them to implement the best possible projects in the framework of this overall regulation.

No funding without integrated long-term planning

Assessment and approval of all LAP's by an Inter-Departmental Steering Committee

The NRW Experience

A standardised monitoring
and reporting system

A monitoring system has to be applied by the municipalities – collecting a number of defined data and send them to the ministry in order to allow an overall monitoring concerning the use of public resources and its achievement. In addition, the ministry executes its own evaluation focusing on special elements of this integrated task.

Funding is always provided for a limited period only. Therefore it is necessary to know how the improvements can persist after the end of funding. This is currently a very important field of work for us. How cities can develop so called “Exit Strategies” and make sure that once the public funding is over a positive development in the target areas can be continued and support without regional funding. In theory, cities have to show right from the beginning how this exit strategy can work. But in reality, such perspectives can only be developed during the implementation of the Integrated Local Action Plan.

At the moment, we have about 50 areas in this programme. 25 of them are already finished. The rest of the areas are on the way to be finished. I agree that in some areas it might be difficult to reach the point where one could say the problems of these areas are now solved and they do not need any further regional support. But, we still do have to insist on the development of Exit Strategies and on the fact that our funding is only time limited, as this is part of the constitution, so that local authorities always need to show to the government of North-Rhine Westphalia how they imagine to continue and support the positive development after the end of our funding.

10.4 Supporting Cities with their Integrated Urban Policy

Regional authorities need to
set clear rules - but can still
work as partners of cities

The key elements of the relationship between Managing Authorities and the cities in North-Rhine Westphalia are the rules set up by the Managing Authority. First of all, there must be a LAP with a certain approved quality if the cities want funding. The element of participation and the nature of an integrated approach must be clearly considered and reflected in that plan. The cities are free to determine their LAP and they are quite flexible regarding inevitable changes during the implementation of these multi-annual programmes, because the ministry believes that the cities know best what to do in certain situations.

The ministry is a connecting link for urban policy as well as funding programmes of other regional and national ministries and the EU. It coordinates different funding schemes for LAPs. It displays general information, i.e. on the funding programmes and on urban policy issues - like the impact of shopping malls or of climate change. The ministry gives direct advice to municipalities i.e. regarding their LAPs.

The NRW Experience

In finally, the ministry also is funding city networks. At the moment we have three networks in North-Rhine Westphalia:

- The Socially Inclusive City Network – focusing on the most derived areas in the region.
- The Network Urban Restructuring West – related to a funding schemes that helps cities to cope with the consequences and effects of demographic change on urban development.
- And the network related to the funding programme “Active Urban and District Centres”, dealing with strategies to reactivate and improve city centres and district centres in the North-Rhine Westphalian cities.

These networks can be used by their member cities for an exchange of ideas and concepts between the cities but also between the cities and ministries. Such exchange activities can deal with funding programmes and their implementation [i.e. requirements of monitoring and evaluation], about experiences and good examples. We hope that these discussions lead to the growth of a spirit of co-operation and mutual support between cities in our region, rather than a spirit of competition.

The networks are normally connected to one funding scheme. If a city gets money in a certain programme, it can join the network and gets 70% of the costs refunded by the ministry. If a city does not receive funding from any of these programmes, it can still join the network but in that case it has to pay 100% of the costs. In principle, all networks are open for all cities.

These networks do also offer learning opportunities for the entire region because they all have very active web pages where they offer information for each city and stakeholder in the region. The networks publish everything they do.

What we do find very important in our work is that the ministry really acts as a partner for the cities. Cities can always get in touch with the staff from the ministry to ask for advice and support. And we from the ministry go permanently to the cities. And when the ministry is in the cities, both sides try to collaborate to find the best possible solution in each individual case - which is based on the framework of our funding policy and legal regulations, but still in most cases is tailor-made work for each city and neighbourhood.

For each policy & funding
scheme one network is
subsidised

Good co-operation needs
commitment, trust and
flexibility on both sides

Conclusions & Recommendations



Katalin Pikler
Hungarian Ministry for De-
velopment and Economy

Many Romanian cities loose
partners and resources to
co-finance

State intervention to
prevent further growth of
unemployment

11. Conclusions & Recommendations from the Debate

David R. Froessler | RegGov Network | Lead Expert

Thematic Cluster No.

11.1 Cities, regions and the economic crisis

The very quick impact of the worldwide economic crisis on cities and regions in Europe, which Mister Drubigny has presented from the UR-BACT point of view, re confirmed by the participating members of Managing Authorities.

In Romania, one of the essential problems currently is that the Romanian Managing Authority had already accepted 200 projects and that some of them have been withdrawn now because the co-financing cannot be contributed anymore from the cities. Because that money is needed elsewhere for more urgent works now. Also, there are cases where beneficiaries had already signed for their participation and contribution and now, as a consequence of the crisis, they do not contribute any more. This refers also to private companies and private contributions.

Many cities as well as companies have no choice in the current situation – they rather pay immediate bills and carry out immediately urgent activities than commit resources to long-term development plans and projects. Pre-conditions for motivated activities and planning have become worse due to the fact that in many cases salaries of civil servants have been reduced due to the crisis and its impact.

The Romanian government therefore currently checks possibilities to provide those cities most in need with 100% subsidies for their important projects that had been agreed before the crisis.

For the Hungarian situation, Mrs. Pikler reports that the policy of the government is to maximise the support for cities to implement the Operational Programmes. The most important objective of the government is to prevent further growth of unemployment and, wherever possible, still create additional employment opportunities.

In Hungary, in a first step towards the implementation of the Operational Programmes, integrated strategies needed to be developed – in this first step, 160 – 170 Hungarian cities have actively participated. Now these cities should present their Action Plans to the government in order to bring the programme from the planning into the implementation phase with a real impact in the Hungarian cities. Currently, it is unclear how many cities will be able to use this opportunity and

Conclusions & Recommendations

submit Action Plans and applications for project funding to the government.

The Hungarian situation is in a certain way special – as the [international] media have presented an exaggeratedly bad image of the country's financial situation, when the Hungarian state received a loan from the IMF. And such reporting can have a severe impact on the investment climate and the willingness of investors to contribute to growth and development in a country.

A crucial element of the particular crisis in Hungary has been the fact that many Western European banks had provided loans here, which they withdrew when the crisis hit them. This is why Hungary has been hit more severe than other countries.

In the meantime, 25 billion dollars have been provided by the IMF and half of it has been used so far. The strings attached were amongst others that a large part of that money had to be put into the banking sector. As a result, the situation of the banks in Hungary has now clearly improved, so that recently the bank ranking of Hungary was improved, which can certainly be seen as one pre-condition for a recovery.

But still, many private people are in very difficult situations, often due to bank loans with foreign banks, often focused on houses that were built with these credits. Many of these people are now not able anymore to pay the interest rates on their loans – and also the property value has gone down so much that a very risky situation has grown for many consumers.

With regard to investment in the capital, it can be observed at the example of the hotel sector that 3-star and 4-star hotels for business people are operating fine, but the 5-star hotel business feels a shrinking. One such 5-star hotel was just completed last year, but it has not been opened yet and picked up its business because the market situation does not seem right for such a step. For another 5-star hotel that was still under construction, this construction process has been slowed down by the investors.

The situation in Poland is not as bad as the situation in Bulgaria and Romania, especially with regard to the projects of cities. But still, many of the Polish cities cannot pay the necessary 15% local co-finance anymore. The most severe problems are expected for the next year, because due to higher rates of unemployment this year, local authorities will have less tax resources next year. This growth of unemployment relates mainly to the industry where many people lost their job as a direct consequence of the economic crisis, while the service sector still is doing quite well in Poland.



Paul Stein

Province of Gelderland

Slow recovery of the bank sector - but severe problems for private households

The hotel sector as a good indicator for economic climate and investors' trust

Poland expects the peak in crisis of local authorities only for next year

Conclusions & Recommendations



Robert Leiwólf

District of Kőbánya

Sweden might come out of the crisis with less damage than other countries

Successful crisis management in Germany - but high burdens for the future

Currently, the spending process related to the European Structural Funds is slowing down in Poland. As a reaction to these tendencies, money is currently re-distributed to cities that can still afford the local co-finance. As in other European regions, this leads to the consequence that the poorest cities get more and more excluded from funding through the Operational Programmes, which is concentrated more and more upon the more wealthy cities.

For the Polish Managing Authorities it seems to be an important task to analyse in more detail which type and size of cities is more and more excluded here, what kind of projects are postponed and which criteria are used by the cities for this selection process. This would also seem very important in order to allow a better assessment of these tendencies' longer-term impact.

The representative from the Swedish Managing Authority reports that the unemployment rate has increased especially in industrial areas on the west side of Sweden, where there is more industry than in the Stockholm area. The local authorities in Sweden, which were also hit by reductions in tax income and got problems with their local co-finance, have been subsidised by the government. At the moment, an increase in GDP is observed in Sweden, so that there is hope that the worst is over and that in general Sweden has not been hit as hard by this crisis as other European countries. So far, there seems to be no impact on projects which would have been delayed or given up.

From Germany, it is reported that the governments have undertaken targeted measures to speed the implementation of necessary projects up. The procurement rules have been changed until 2010 in order to facilitate this and significant public money has been offered for the improvement of public infrastructure. In parallel, subsidies have been provided on a large scale to subsidise employees, who were threatened by unemployment, to stay in their jobs with a reduced amount of weekly hours, so that – once the crisis has gone over its peak – they are still available in their companies as skilled and experienced work force and not lost when it comes to times of economic recovery.

While this approach obviously has helped a lot to smoothen the effects of the worldwide economic crisis on the labour market and the situation of cities, it has of course, at the same time, put a tremendous burden on the public budgets on all level of state – national, regional, local – which are now rather seen as threats for the future development and the situation over the next years.

The Dutch partners report that in their country the biggest bank has been taken over by the national government and others are supported. With regard to investment in urban development, it is ob-

Conclusions & Recommendations

served that many private households do not have the money available anymore to invest into housing of their own. But, it seems there are still wealthy housing associations who jump into that situation where people cannot achieve ownership anymore and therefore need to rent. So, investment into the housing market has not been stopped entirely, but it has taken a different form.

But, the Dutch partners make the same experiences as the Romanian and Polish Managing Authorities. Many project there have been stopped, so that also here the Managing Authorities try to re-direct those resources into other cities.



Tomasz Kolton

Silesian Marshall Office

11.2 Sources, Options and Potentials for Support

This raises the question, if – as one support activity from the European Union – it would be helpful to loosen the N+2 regulation, so that there are more chances for Managing Authorities to make sure the Structural Funds are invested in those cities that need them most, rather than re-directing all the money to wealthier cities, just to make sure that no money is lost.

Loosen the N+2 regulation
as a supporting mechanism?

In general, answers and contributions from the European level could be:

- to loosen the procurement rules;
- to change the N+ 2 rule
- to send out ROP-Facilitators / Coaches to the regions in need
 - to offer micro-credit programme for the regions
 - to implement a meaningful and targeted European Recovery Plan

This raises the general question, how the dialogue between the European Commission and the regions can be improved in this situation, to make sure that in close co-operation and with a solid understanding of each other's situation the best possible answers and reactions to this currently very difficult situation can be found and implemented. The partners feel that they, thanks to the RegGov Fast Track Network, have a chance to learn from each other and to have a direct dialogue with the Commission, while most Managing Authorities in Europe do not have such a regular opportunity.

A good and regular dialogue
between the Commission
and the regions is more
important than ever

Conclusions & Recommendations



Birgitta Svensson

Swedish Agency for

Economic and Regional

Growth

As an example of good practice in this situation the representative of the Romanian Managing Authority reports that they have constant meetings with the responsible person in DG REGIO. There are eight intermediate bodies in each region and they pass on this information to be included into the exchange with DG REGIO.

The Polish colleagues report that they are – in an intermediate position between the cities and the Commission – also in a good dialogue with DG REGIO. But, they observe at the same time that most of the cities are not very much involved in a debate about the future of the programme, they mainly compete for money from these funding sources.

The Dutch partners report that their four Managing Authorities – each of them representing two provinces – have monthly meetings with the government in The Hague to communicate information about the situation in the cities and regions to their national government. In parallel, the thirty biggest cities from The Netherlands get together regularly for exchange meeting, which are not necessarily focused on the impact of the economic crisis, but will certainly include that topic when necessary.

NATIONAL RESPONSES should contain the following elements:

- Check which national rules create additional problems or how they prevent or slow down efforts to cope with the crisis
- Provide extra resources to cities to enable them to cope with the crisis, stabilise employment etc.

The examples from the participating regions and countries have shown that the reactions of national government have been different - using different tools and instruments to help reduce the effects of the economic crisis.

One important question in this framework is always, as in the case of Germany, what the short-term benefit of such intervention is compared to the long-term burden that is placed on a national economy with such interventions. Here, it obviously needs a very careful and responsible analysis before starting short-term actionism.

Which burdens do short-term interventions place on the future of economies?

Conclusions & Recommendations

MANAGING AUTHORITIES' RESPONSES

could include the following elements:

- Free cities from local co-financing or reduce the rate or allow it to be taken over by others
- Make a structured analysis of which projects are stopped, regarding types of cities but also types of projects and which criteria are used to take this decision, what is implemented and what is postponed
- Provide extra resources to cities to enable them to cope with the crisis, stabilise employment etc.
- A more structured, intense and targeted co-operation between the various funds – especially ESF and ERDF?



Krzysztof Kocwin

Silesian Marshall Office

The Managing Authorities, especially when different funds and ministries start to co-operate in a targeted way, do have scope for action and change. This potential can be significantly enlarged if the measures and limits are assessed and, whenever possible and necessary, adapted in co-operation between national governments and the European Commission.

The Polish colleagues report that their Managing Authority will launch additional Calls for Proposals and that they decided to pay a part of the subsidies in advance, so that cities - and sometimes even entrepreneurs - are not stopped in their efforts and commitment by a lack of potential to pre-finance.

In Poland it was also decided to implement JESSICA next year - a Feasibility Study has been completed for this purpose and now negotiations with the EIB are on their way.

The European Commission, when trying to contribute to solutions in the member states and their regions and cities, has to face the fact that there is a huge diversity of context around Europe.

The Commission has a recovery package, aiming at making it easier to spend the money from the Structural Funds. This includes various elements, Romania used it to shorten the period for project evaluation and now uses it to change the rate of prefinancing. 100% financing can be paid out now and co-financing can come later, but these offers are

Managing Authorities can
provide active support

Support activities discussed
and implemented on the

European level

Conclusions & Recommendations

New tools - which some-
times take far too long be-
fore they can be applied...

not always taken up by the member states, often because there are national rules that prohibit this.

The Recovery Package also includes financial engineering mechanisms – e.g. with JESSICA in kind contribution was allowed because many cities do not have cash, but they might have land that they can use as contribution.

The Commission wants to support integrated, sustainable urban development but this is a complex that also included the soft components. And one has to be afraid that just these ones will be losing out if it is more about short-term visible success.

There has been a debate on the de-commitment rule in the framework of that plan: But, the result was to stay with the period of commitment because there is a strong wish to spend the money as fast as possible as that is part of the recovery programme. The main aim is to make it easier to spend as much money as possible now in times of crisis.

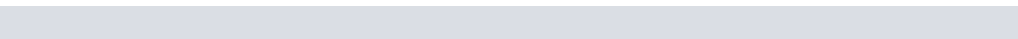
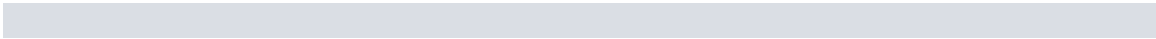
david r froessler | duesseldorf | january 2010

Annex

Seminar Programme

List of Participants

Imprint



Seminar Programme

Monday, 5 October 2009

- 8.30h Meeting at hotel reception and walk to seminar venue
- 9.00h Welcome of participants and opening of the seminar
Katalin Pikler | Hungarian Ministry for Development and Economy
- 9.15h Introduction to the programme and the intended seminar outputs
David R. Froessler | RegGov Lead Expert
- 9.30h The RegGov Network: Its objectives and activities and their relevance for sustainable urban policy in Europe
Brigitte Grandt | RegGov Lead Partner
- 10.00h Overview Presentation | Progress & Achievements in the Thematic Cluster Work
David R. Froessler | RegGov Lead Expert
- 10.15h Coffee Break
- 10.30h The RegGov Network: Relevance of the network and expectations from DG Regional Development towards the outcomes of RegGov-Activities
Johan Magnusson | European Commission | DG REGIO
- 11.00h Panel Discussion I:
Expectations of the participating Managing Authorities towards the activities and outcomes of the RegGov-network and assessment of first experiences with its implementation and the co-operation with the RegGov member cities

Incentive Statement
Stefan Oachesu | Romanian Ministry of Development, Public Works and Housing
- 12.30h Lunch Break

Seminar Programme

13.30h Panel Discussion II:

Experiences of the Managing Authorities with the implementation of the Operational Programmes' urban dimension: Achievements & Obstacles

Incentive Statement

Tomasz Kolton | Silesian Marshall Office

15.00h Coffee Break

15.30h Plenary Discussion:

Experiences with the implementation of the Operational Programmes' urban dimension and potential for support and innovation through co-operation between Managing Authorities and through improved co-operation between Managing Authorities and the European Commission

16.45h Conclusion: Results of Seminar Day I and their consequences for the further work of the RegGov Network

David R. Froessler | RegGov Lead Expert

17.00h End of Seminar Day I

Tuesday, 6 October 2009

8.30h Meeting at hotel reception and walk to seminar venue

9.00h Introduction to the Programme of the Day

David R. Froessler | RegGov Lead Expert

9.15h European cities in times of world-wide economic crisis: Assessment from a European point of view and relevant activities of the URBACT-Secretariat

Jean-Loup Drubigny | Director URBACT Secretariat | Paris

10.00h Coffee Break

Seminar Programme

10.30h Panel Discussion III:

Using European Structural Funds and promoting integrated urban development and social inclusion in times of world-wide Economic Crisis

Incentive Statements

Wilco van Kalkerem | Province of Gelderland

Stefan Oachesu | Romanian Ministry of Development, Public Works and Housing

12.00h Lunch Break

13.00h Panel Discussion III:

Stimulating innovation and progress in development and implementation of integrated urban development strategies through regional exchange

Incentive Statements

David R. Froessler | RegGov Lead Expert | Results & Recommendations from Thematic Cluster "Regional Co-operation"

Bernd Mielke | MBV NRW | North Rhine-Westphalian Practice and Experiences

14.30h Coffee Break

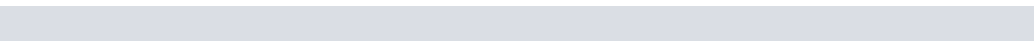
15.00h Plenary Discussion:

How to support innovation in integrated urban policy on the regional level: The role of Managing Authorities and the

16.15h Conclusion: Results of the seminar and their consequences for the further work of the RegGov Network

David R. Froessler | RegGov Lead Expert

16.30h End of Seminar and Transfer to Airport



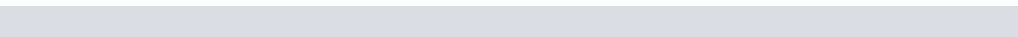
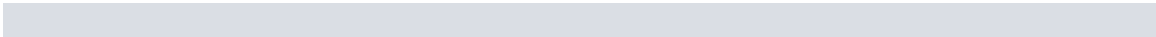
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- Brigitte Grandt | RegGov Lead Partner
- Wilco van Kalkerem | Province of Gelderland
- Krzysztof Kocwin | Silesian Marshall Office
- Tomasz Kolton | Silesian Marshall Office
- Róbert Leiwolf | District of Köbánya
- Johann Magnusson | European Commission | DG REGIO
- Bernd Mielke | Ministry for Construction and Traffic of the Land of North-Rhine Westphalia
- Stefan Oachesu | Romanian Ministry of Development, Public Works and Housing
- Katalin Pikler | Hungarian Ministry for Development and Economy
- Paul Stein | Province of Gelderland
- Birgitta Svensson | Swedish Agency for Economic and Regional Growth

Moderation:

- David R. Froessler | urbano | Urban Research & Consultancy



RegGov Fast Track Network

Regional Governance of Sustainable
Integrated Neighbourhood Development

Joint Seminar for Managing Authorities
& European Commission:

Managing Authorities as Partners of the European
Commission in Sustainable Integrated Urban Development

| Budapest | 5 & 6 October 2009 |

Seminar Report

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