



**COUNCIL OF EUROPEAN MUNICIPALITIES AND REGIONS
CONSEIL DES COMMUNES ET REGIONS D'EUROPE**

**CEMR Response
to the
European Commission's
Staff Working Paper:
Cohesion Policy and cities:
the urban contribution to
growth and jobs in the
regions**

Brussels, February 2006

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Introduction

1. The Council of European Municipalities and Regions (CEMR) reaffirms its strong support for an ambitious, pan-European cohesion and regional policy for the period 2007-2013 and for the proposed architecture for the future as set out by the European Commission in July 2004. CEMR presented its position on the draft structural funds regulations, which are available at our website.
2. Concerning the territorial dimension of the draft Community Strategic Guidelines presented by the Commission in July 2005, the CEMR in its response to the consultation had noted with regret the lack of integration of both an urban and a rural dimension in the three priorities defined, "attractiveness", "knowledge and innovation" and "more jobs".
3. In this context, we welcome the Commission's initiative of clarifying the urban dimension of the structural funds and welcome the overall approach developed in the Commission's working paper on sustainable urban development. CEMR believes that the themes identified in the working paper cover the whole range of challenges and opportunities encountered by Europe's towns and cities.
4. We appreciate the recognition by the European Commission of the important role urban areas play in realising the objectives of the EU's regional policy, including their function as motors of economic development in Europe. Incorporating urban areas effectively into the EU's regional policy is a key element in securing its success.
5. In particular, CEMR welcomes the working document's dual emphasis: it rightly proposes to pay attention to the development of targeted, area-based, integrated approaches to urban regeneration (in continuation of the Community Initiative URBAN), whilst on the other hand recognising the need to view the urban contribution to growth and jobs in the context of regional development as a whole.
6. CEMR's response to the consultation is structured around four key recommendations:
 - Strengthening the delivery mechanisms of urban measures in the structural funds
 - Reflecting the broad range of urban realities
 - Improving governance and complementarity
 - Fostering local strategic partnerships for sustainable communities

Strengthening the delivery mechanisms of urban measures in the structural funds

7. CEMR has followed negotiations of the urban dimension in the Council Structural Funds working group with some concern. We note the fact that in the current state of negotiations, the urban dimension may be an optional element of the national strategic reference frameworks and the operational programmes.
8. We continue to support the Commission's original proposal on the urban dimension and believe that a requirement should be placed on member states to submit information on the urban approach followed in the context of the operational programmes under the "convergence" and "regional competitiveness and employment" objectives.
9. We recommend that the Commission monitor closely the extent to which member states take into account urban issues in the national strategic reference frameworks and the operational programmes.
10. CEMR stresses furthermore that it is essential to sub-delegate to urban local governments the specific funds that address urban issues within the structural funds operational programmes (point 7.1). The relevant cities should be treated as full partners in relation to the development and implementation of specific urban operational programmes, with management responsibilities and resources delegates to them.

Reflecting the broad range of urban realities

11. We note positively the Commission's working document's recognition of the diversity of Europe's local actors. Europe is characterised by a unique polycentric structure of large, midsize and small cities. The large majority of Europeans (80%) do not live in large cities but in small and medium-sized towns and municipalities. Strengthening the rural areas is thus indispensable. We therefore call for a sustainable EU structural policy that addresses fully the needs of both urban and rural areas. Urban development should not happen to the disadvantage of its surrounding area.
12. As CEMR has continually emphasised, cities, municipalities and regions are interdependent. Urban areas cannot be seen in isolation from their surrounding areas. In many cases urban centres and their surrounding region are closely intertwined. One example of this interdependence is the case of commuting patterns, with many people working in the urban centres, yet living in the surrounding rural areas. To foster regional development requires complementary policies and enhanced strategic alliances between cities and their surrounding towns and regions across administrative boundaries.
13. To ensure balanced development, and strengthen the competitiveness of Europe's regions in a cohesive manner, it is

paramount that the EU's urban actions extend beyond the traditional metropolitan centres and also consider the towns, second tier towns, and market towns which link the dominant urban centres.

Improving governance and complementarity

14. CEMR is concerned that the partnership principle of the structural funds has not been consistently implemented throughout the member states. We therefore encourage the Commission to carefully monitor and evaluate the involvement of municipalities, towns, cities and regions in the preparation and implementation of the national strategic reference frameworks and the operational programmes throughout the EU member states.
15. We note that EU action in urban areas as a whole falls short of a cohesive EU urban policy. The Urban Community Initiative; the Innovative Actions for Cities, Objective 1 and 2 actions in urban areas; INTERREG programmes covering sustainable urban development (including URBACT); the Urban Audit; the range of Environment Thematic Strategies with an urban dimension; and urban actions in other policies such as R&D, innovation, and state aids for instance do not necessarily combine into an effective overall strategy.
16. To maximise the urban contribution to growth and jobs, the EU should make complementarity between the urban actions in all its programmes a priority for the forthcoming financial period. This complementarity may be enhanced through a strengthened 'interservice working group' within the Commission services. However, it needs to be ensured that the working group's remit covers the objectives defined by the Bristol Accord on Sustainable Communities (i.e. not only large cities but also small and medium-sized ones).
17. Another important element to enhance the quality of the EU's policies and legislation from the local perspective is to further strengthen the structured dialogue process between the Commission and the associations of local and regional authorities.
18. As regards cooperation activities, the current INTERREG programmes have made a valuable contribution to sustainable urban development. We welcome the proposal to reform the cooperation regime (INTERREG) by extending the URBACT programme to a much wider range of cities within the proposed 'European framework for the exchange of experience and good practice'.
19. CEMR welcomes the Bristol Accord reached at the Informal Ministerial Conference on 6-7 December 2005 and underlines the importance of putting it into practice. We welcome the emphasis on the importance of fostering skills and exchanging good practice, including the proposal for a European Sustainable Communities Skills Symposium and the continuation of the European Urban

Knowledge Network (EUKN). However, we emphasise the need to ensure representation of the whole breadth of urban realities at the symposium and in the case studies compiled by the EUKN. It is important that there is a balanced approach to gathering information on building sustainable communities of all sizes and geographies.

Fostering local strategic partnerships for sustainable communities

20. The Commission working paper rightly acknowledges the financial pressures local authorities across Europe face (see section 'Financing Urban Renewal'). To respond adequately to today's challenges and to build sustainable communities of the future, enhanced cooperation between public and private actors will be paramount. Some examples of such innovative public-private cooperation are the creation of business improvement districts, city marketing initiatives as well as municipal local action groups.
21. CEMR shares the Commission's view that to create sustainable communities requires careful coordination between urban authorities and rural and regional authorities (see section 'Governance'). Strategic alliances between local and regional administrations can create important synergy effects.
22. CEMR stresses the importance to provide adequate room for manoeuvre for inter-communal cooperation amongst neighbouring municipalities, small and medium-sized towns alike. In this context, CEMR sees a need for enhanced complementarity between the EU's internal market policies and the regional policy objectives of sustainable urban and regional development.

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