

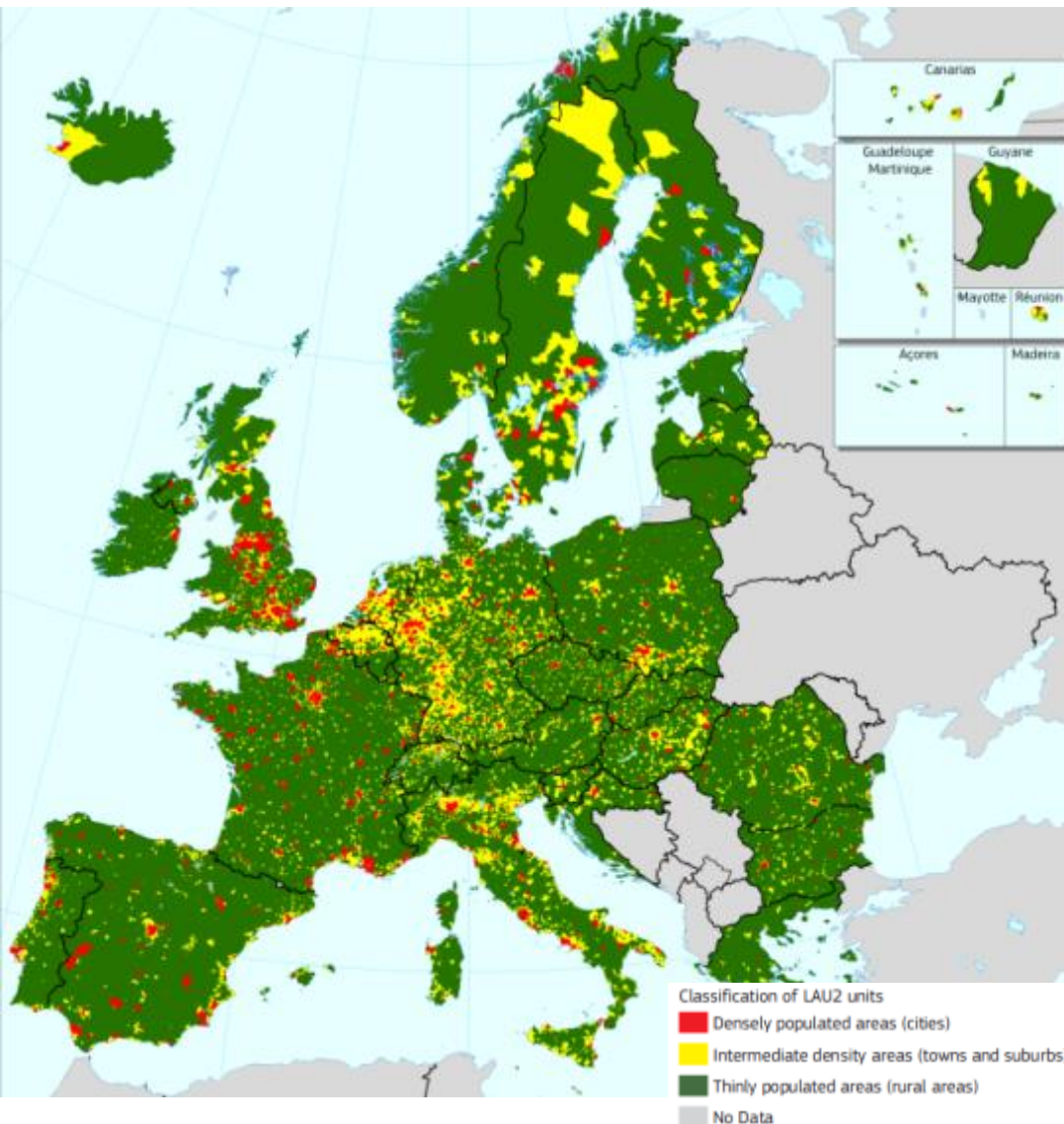


# The role of Integrated Territorial Investment in EU urban policy

**Judit Törökné Rózsa**  
*European Commission DG REGIO*  
*Urban and Territorial Development*

**Conference on SUD in the EU Member States**  
**Warsaw, 29-30 Sept, 2015**

- EU urban policy in a nutshell
- ITI as an instrument for territorial development
- State of play in programming Cohesion Policy 2014-2020



# Urban Europe

- 70% live in cities towns and suburbs → Over 300 M Europeans
- 80% appreciate living in cities
- Urbanisation is continuing
- 70% of GDP produced in metropolitan areas
- 60% of public investments is invested at sub-national level

# Elements of an EU Urban Policy

- *Primarily intergovernmental framework*
- *Territorial Cohesion in the treaty (article 174 TFEU)*
- *Strong links with **Cohesion Policy** –  
**strengthened place-based approach***
- *Building blocks to support cities*
- *Work on the **EU Urban Agenda***

# Urban dimension of Cohesion Policy

## Provisions, tools and funding for sustainable urban development

### 1. Article 7 ERDF on sustainable urban development

- Strategic orientation, earmarked funding, delegation of responsibilities

### 2. Instruments promoting an integrated territorial approach

- **Integrated territorial investment (ITI)**
- Community led local development (CLLD)

### 3. Urban Development Network

share knowledge and experience to facilitate the implementation of Article 7 ERDF

### 4. URBACT III programme

capacity building and networking on specific themes connected to SUD

### 5. Urban innovative actions

promoting innovative solutions to urban challenges

# Sustainable urban development (Article 7 ERDF )

## Provisions

- **Earmarked funding** (at least 5% of national ERDF envelope)
- Funding based on **sustainable urban development strategies** (addressing urban challenges, urban rural linkages)
- **Empowered cities** (delegated MA functions, at least project selection)

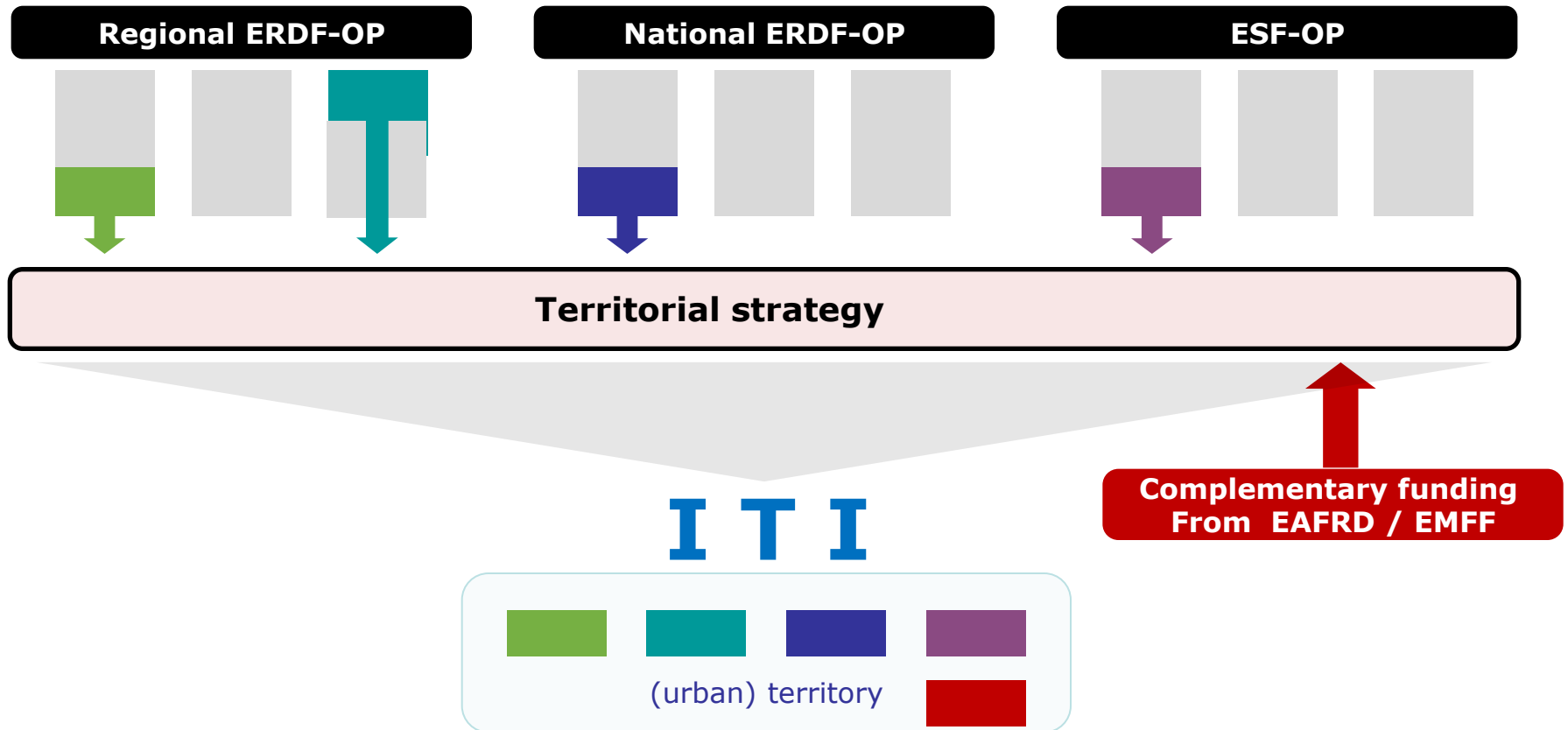
## Tools

- 3 options in programming (specific OP, specific PA, ITI)

## Integrated Territorial Investment - ITI

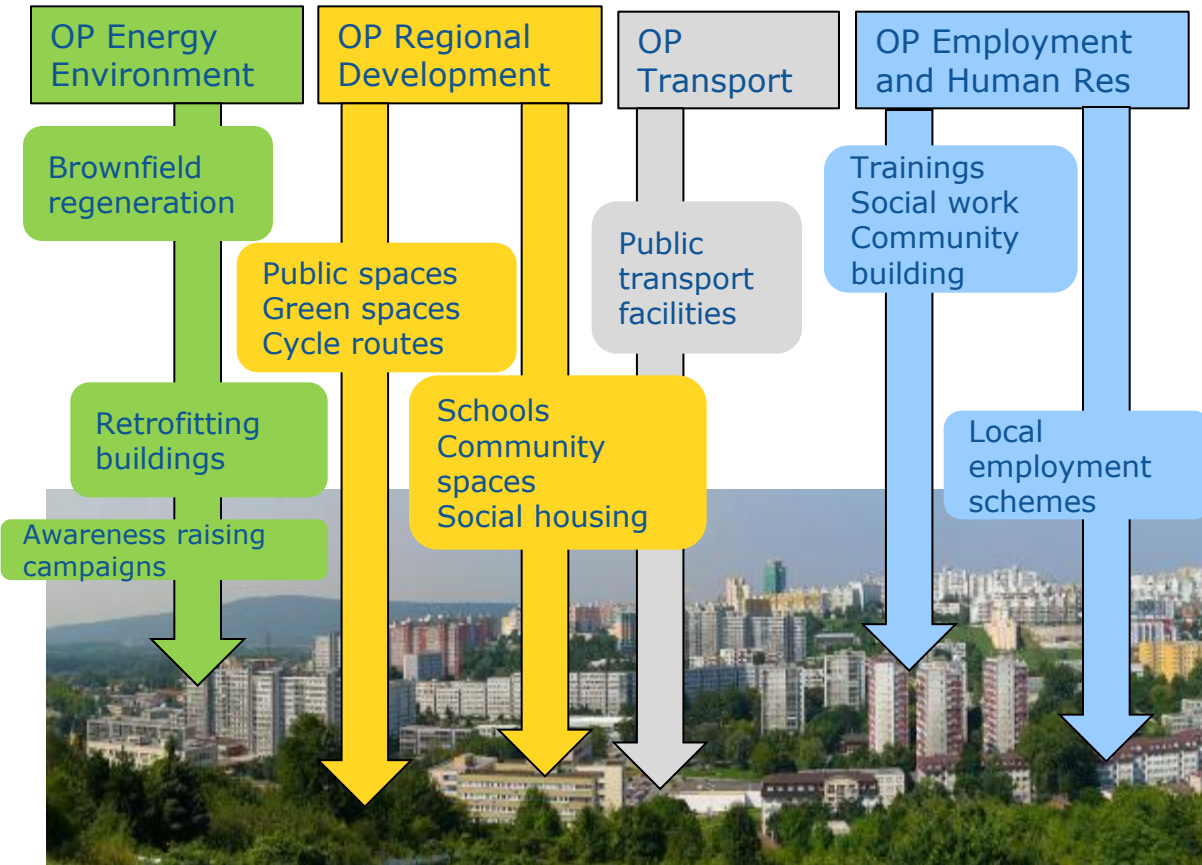
- An **implementation tool** for **integrated territorial**, including urban, **development strategies** or other strategy or pact, which requires integrated approach
- Draws funding from **more than one priority axis** of **one or more Operational Programmes** (ERDF, ESF, CF), may be complemented with financial support from EAFRD and EMFF
- For a **functional area** at any sub-national level
- **MA may designate** one or more **intermediate bodies** to **manage** and **implement** an ITI
- **Can include** elements implemented via **CLLD**

# ITI: Combination of funds and programmes





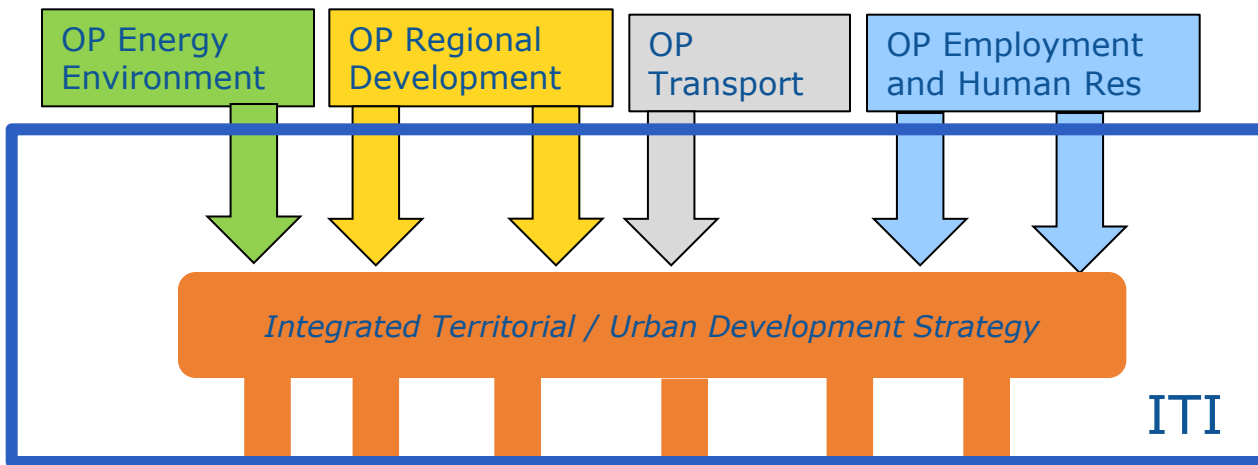
## From isolated channels of funding...



*Municipality faced by risks and uncertainty connected to coordinated planning and implementation of investments:*

- *Availability of funding*
- *Timing of calls*
- *Financing conditions*
- *Eligibility of costs*

## ...to funding integrated strategies



*Municipality elaborates integrated strategy (and selects projects)*

*Part of risks eliminated:*

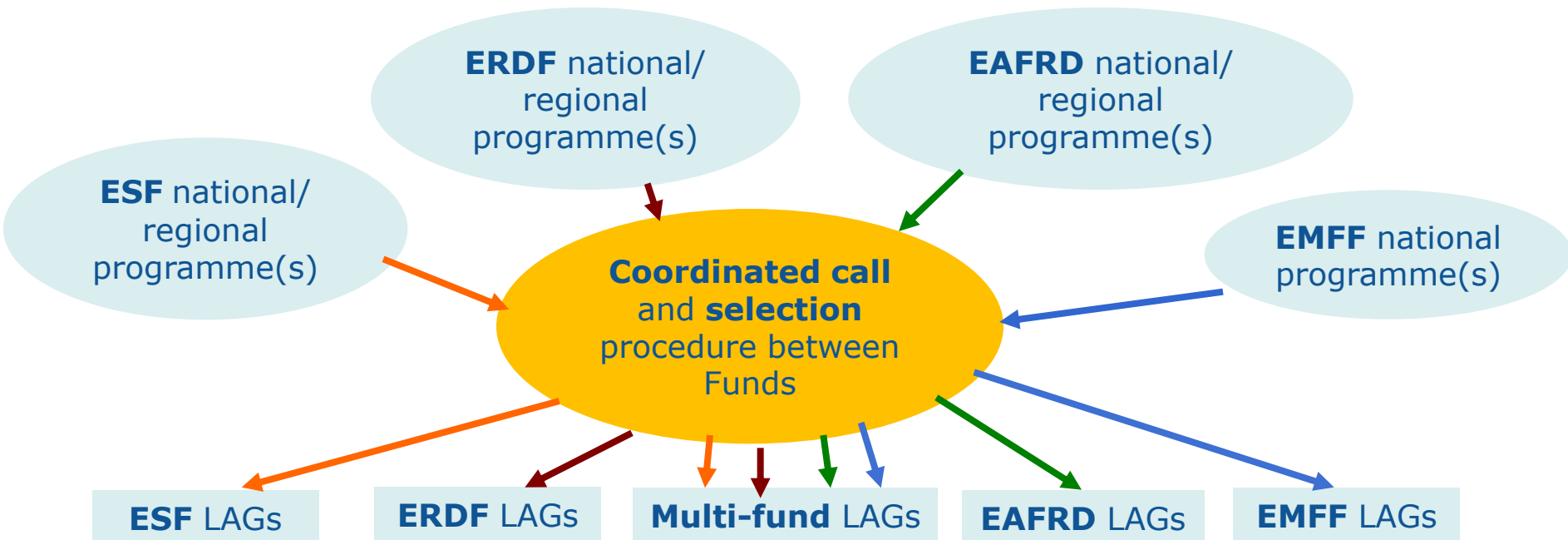
- *Availability, amount*
- *Timing*



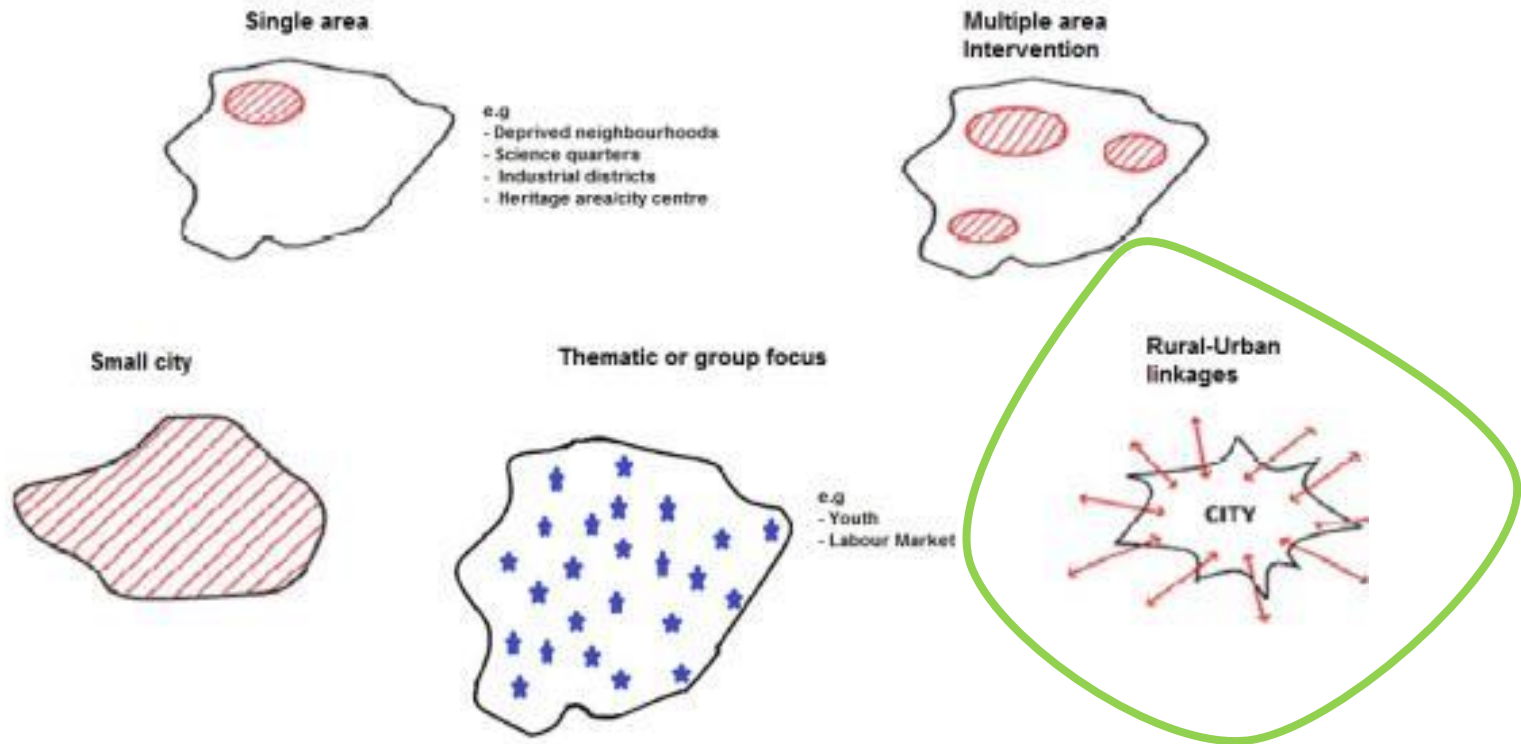
# CLLD in the strategic programming

## Partnership Agreement

implementation arrangements of CLLD:  
*(types of) territories, focus, funding, Fund coordination*



# CLLD: a variety of territorial scenarios



ITI	CLLD
Urban development strategy or other <b>territorial strategy</b> or pact	<b>Bottom-up</b> integrated area-based strategy
<b>Flexible</b> – but generally top-down, public sector-led	Bottom-up, <b>community-led</b> (public, private, civil society)
Target areas or the principles by which strategies will be selected should be set out in Partnership Agreement	MS define selection criteria and target areas, selection of CLLD strategies through competitive procedure by responsible MA(s)
<b>Any size</b> as long as focused on a coherent functional geography	<b>Sub-regional</b> (10.000–150.000 inh.- except duly justified cases)
Single fund (ERDF, ESF or CF) or several funds (ERDF, ESF and/or CF complemented by EAFRD and/or EMFF)	Single fund or several funds (ERDF, ESF, EAFRD and/or EMFF)
Implementation by designated <b>intermediate body or MA</b>	Strategy & implementation by <b>local action group</b>
<b>Optional</b>	<b>Optional</b> (except for EAFRD)

# Support provided to MS/Cities

## *Documents*

- **Article 7 guidance**
- **ITI Scenarios**
- **CLLD guidance**

## *Platforms for learning and exchange*

- **The Urban Development Network**
- **Capacity building measures of URBACT III**



**Objectives:** *Capacity-building, networking and Exchange of experience at EU level*

- Support cities in the implementation of Article 7 and 8
- Develop and promote an integrated approach to urban development
- Create a platform of two-way knowledge exchange between cities, MA-MS and Commission
- Mainstream knowledge generated in URBACT networks

**Tools:** Workshops, Specific working groups, peer reviews, study visits, websites, studies and expert work

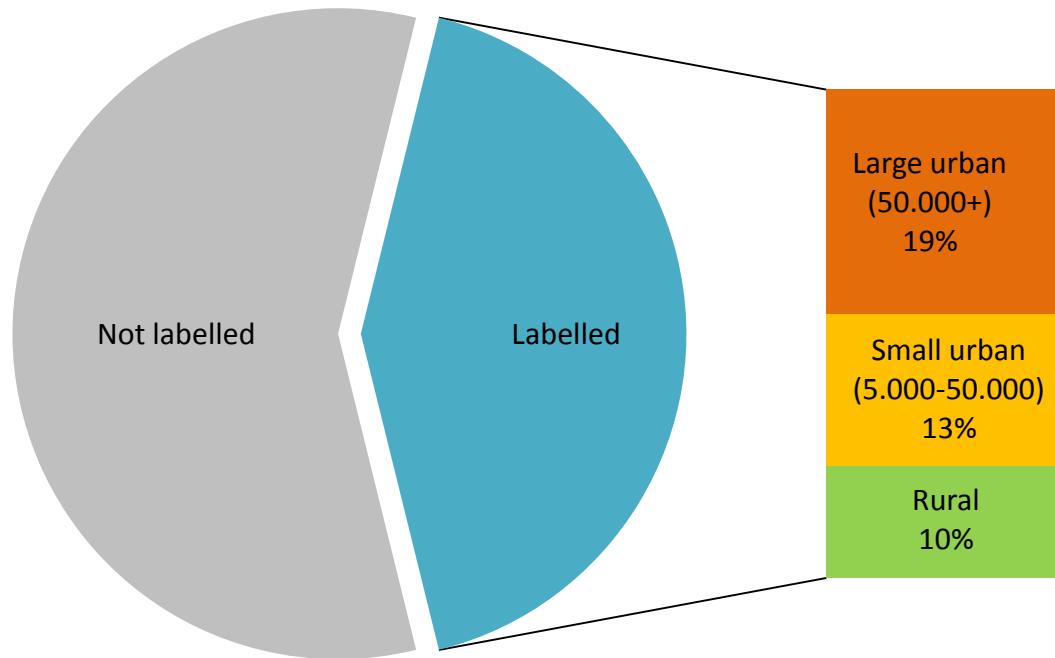
**Upcoming events** (in Brussels):

**Urban OPEN Day** (14 Oct 2015), **UDN Seminar** (24 Nov 2015)

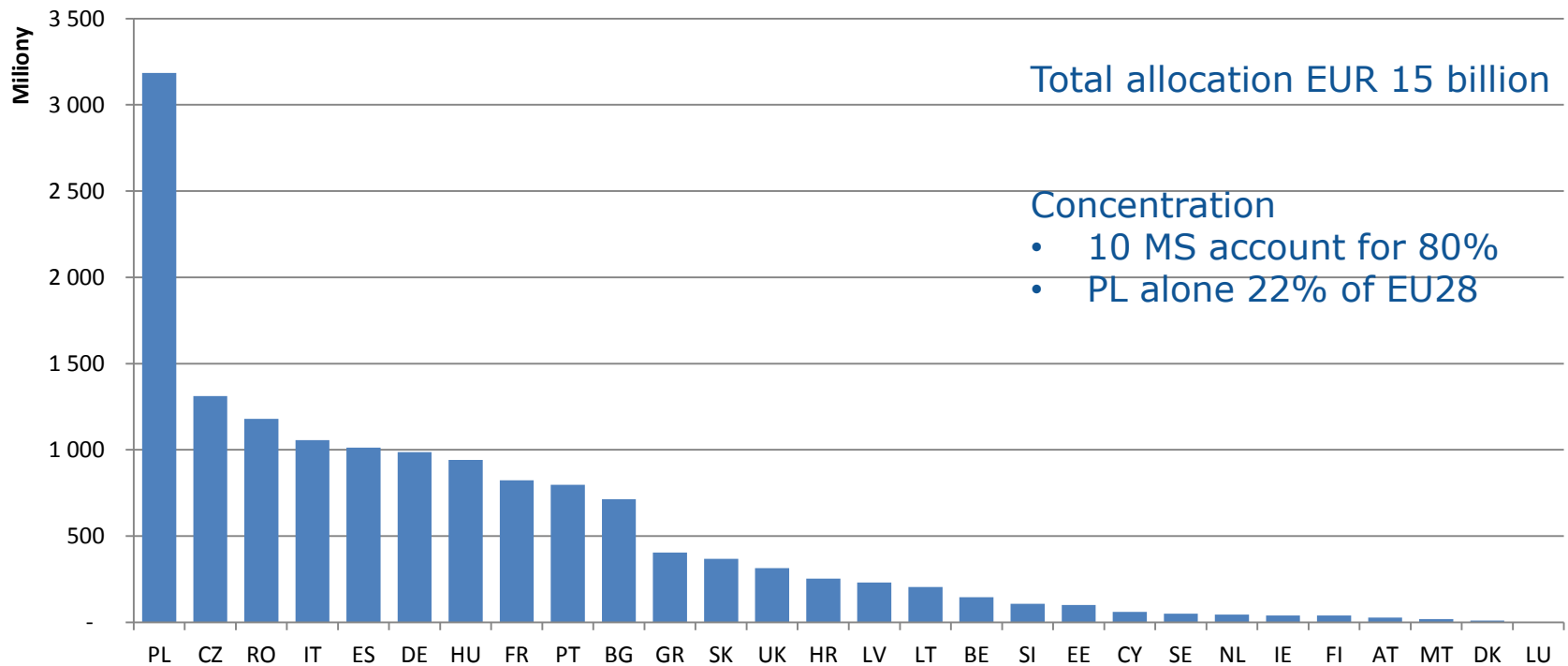
# State of play of the territorial dimension of programming



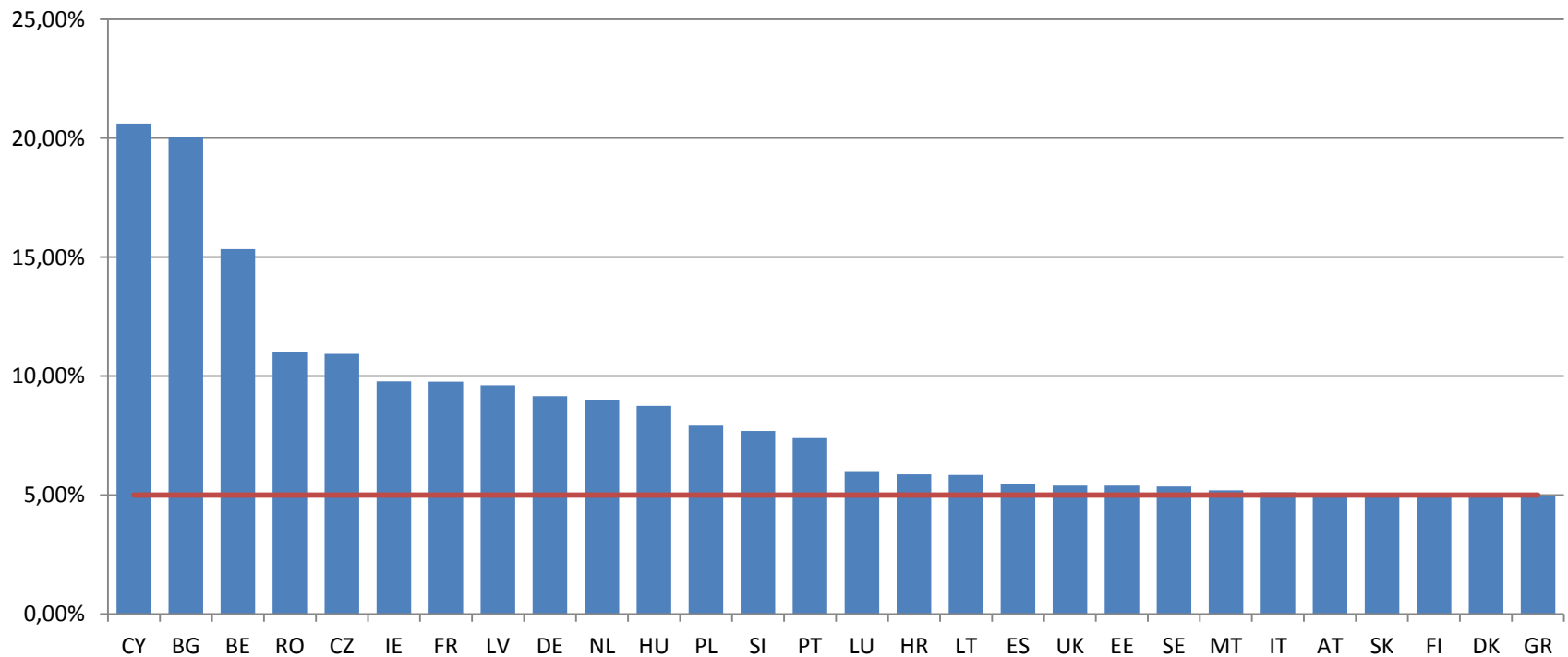
# Preliminary allocation of Cohesion policy funds by type of territory



# Amount allocated to Article 7 ERDF



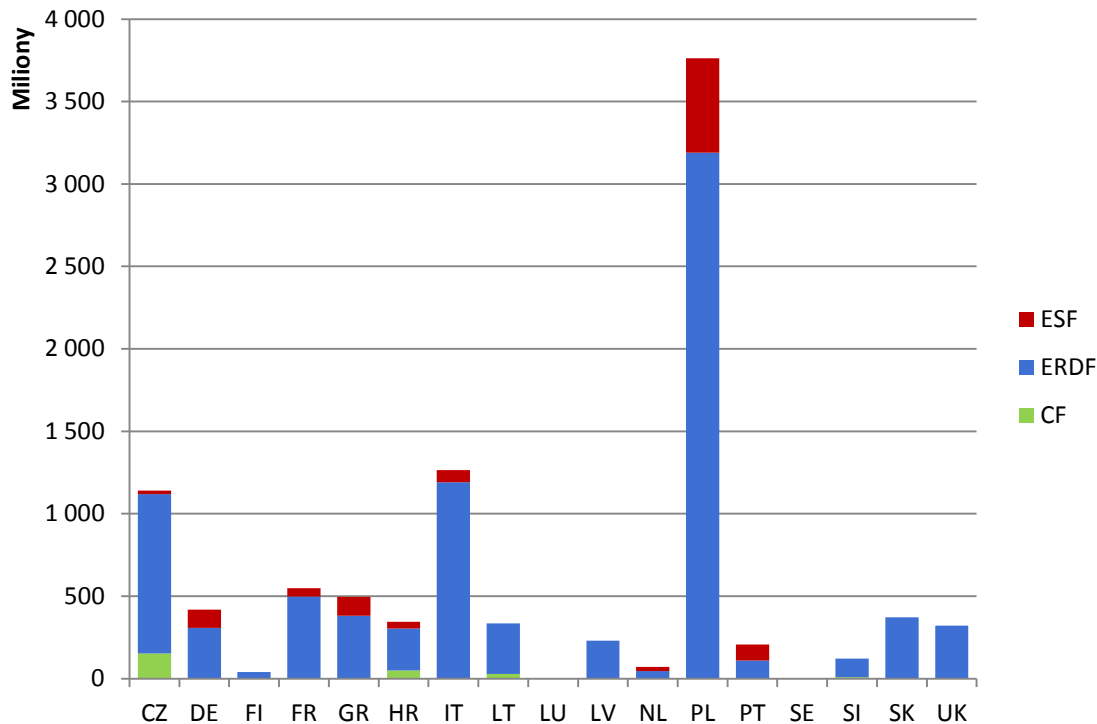
# Share of ERDF allocated for Article 7



# Programming results on Article 7

- 110 OPs involved : ERDF allocation of approximately EUR 15 billion
- Diverse geography on relative ERDF allocation
  - BE, BG, CY : 15-20% of ERDF
  - 11 MS between 7.5-11%
  - 14 MS between 5-6%
- Thematic focus within sustainable urban development
  - 50% on shift towards low carbon economy (incl. energy efficiency, renewable energies, sustainable urban mobility)
  - 20% environment (incl. brownfield regeneration, air pollution)
  - 20% on employment, poverty and social inclusion (incl. regeneration of deprived communities)

# Expected use of ITI in urban areas



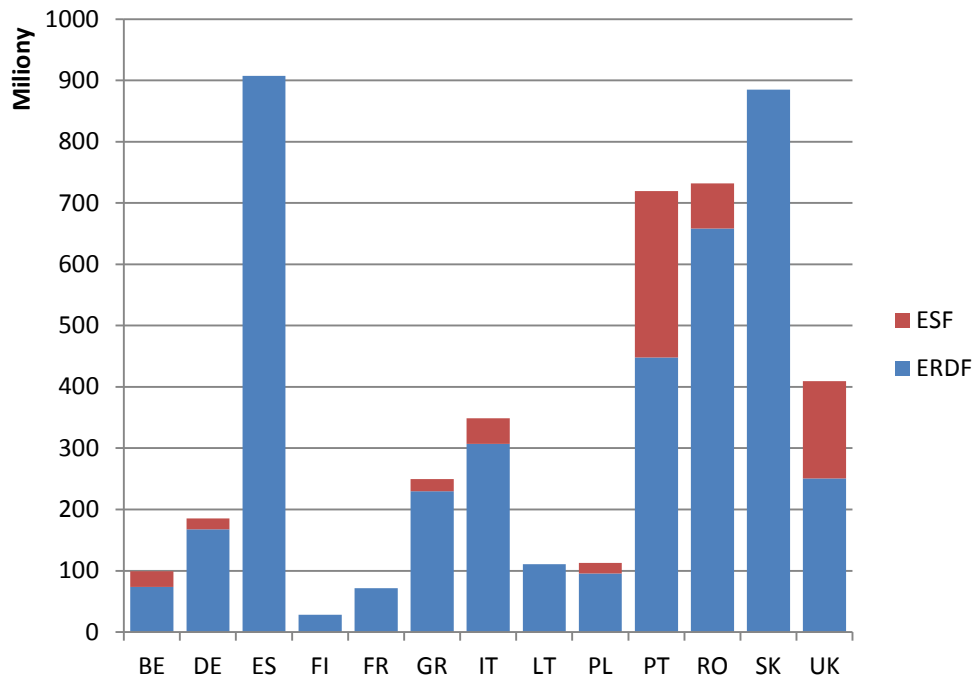
17 Member States,  
total allocation EUR 12.8 billion

Integration of ERDF/ESF 9 MS

Bulk of allocation on

- energy efficiency/renewables
- urban environment
- Deprived urban communities

# Expected use of ITI in extra-urban areas



14 Member States,  
total allocation EUR 4.8 billion

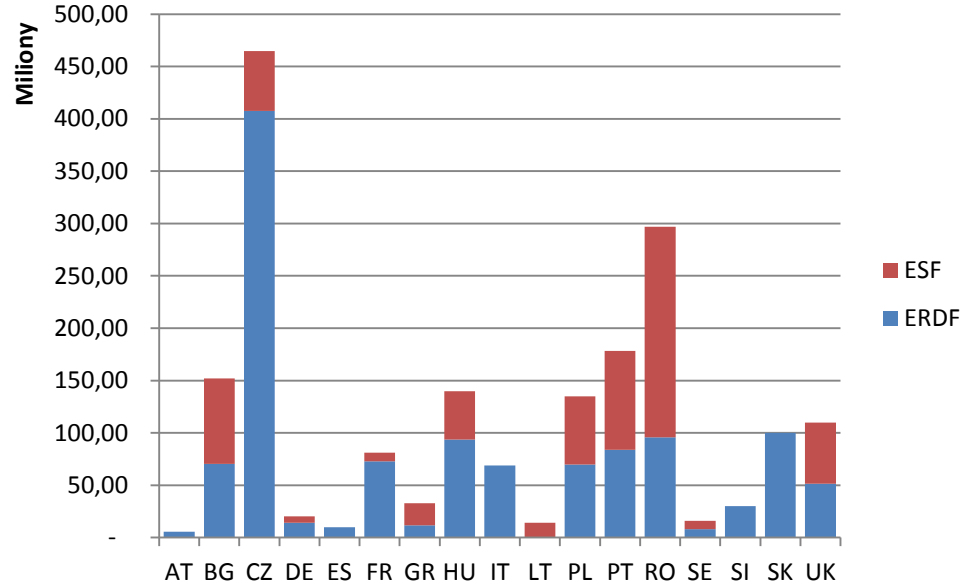
Integration of ERDF/ESF 8 MS

Variety of areas

- Administrative regions
- Regions with specific challenges
  - Economic restructuring,
  - Natural or cultural heritage

Bulk of allocation on transport and environment infrastructure and energy efficiency/renewables

# Expected use of CLLD under Cohesion Policy



17 Member States,  
total allocation EUR 2 billion

Integration of ERDF/ESF 11 MS

- Variety of territorial scenarios
- Rural areas complementing EAFRD funding
  - Deprived urban areas
  - Urban-rural linkages

## Next steps

### *Gaining more knowledge*

- **Study on new provisions**
- **Study on article 7 and ITI strategies**
- **Study on CLLDs**

*Co-operation and knowledge exchange on the European level: the Urban Development Network*

*Drawing lessons and proposals for the new period*





# Thank you!

REGIO-H1-URBAN-TERRITORIAL@ec.europa.eu  
ec.europa.eu/inforegio