



## **Intergovernmental cooperation on Territorial Cohesion and Urban Matters**

### **Summary report by the Trio Presidency EE – BG – AT**

**July 2017 –December 2018**

#### **Context**

Territorial Cohesion is one of the three cohesion objectives in the Treaty on European Union. Urban Areas play an ever more important role in Territorial Cohesion by their growing dynamics in terms of demographic, economic and environmental development. In addition, expectations towards the EU at global level require action with respect to meeting policy objectives on Urban Development, such as the UN 2030 Agenda, the UN New Urban Agenda or consolidated contributions on regional development by EU Members at OECD level.

Ministers of both policy strands have given clear directions during previous Presidencies, which was the base for the Trio Presidency programme: the Territorial Agenda of the EU (TAEU 2020) shall be revised by 2020; The Urban Agenda for the EU (UAEU) shall be continuously implemented, and an intention to arrive at a revision of the Leipzig Charter by 2020 has been articulated, also with a view to better realign TAEU and UAEU.

In addition, Cohesion Policy is one of the most important policies at EU level to implement the objective of Territorial Cohesion. Negotiations on the new legislative package for the next programming period 2021 – 2027 have started during the Trio Presidency, and this window of opportunity shall be used to work on becoming more effective in using Cohesion Policy for the Territorial Cohesion objective.

Within this framework, the Trio Presidency worked on several specific objectives, on which the following achievements can be reported. In addition, the Trio has concluded specific recommendations, for consideration by the next Presidencies.

#### **1. Ensuring continuity and improving an effective Governance for cooperation between Territorial Cohesion and Urban Development**

##### ***Activities and achievements***

The Trio Presidency has given high priority to continuing the working process towards a revised TAEU by 2020 and the further implementation of the UAEU. With a view to both, the Trio promoted closer cooperation and (re)alignment of both policy strands with a view to enhancing territorial cohesion and integrated (urban) development through:

- Organizing back-to-back meetings and joint meetings of the working formats as well as a joint seminar of Director Generals of both policy strands on territorial governance; increasing joint understanding about the importance of governance and its crucial features for the implementation of territorial and urban development processes;
- Establishing a Task Force for the renewal of the TAEU and agreeing on a mandate for its proceedings;
- Adopting a time line for the TAEU review process, elaborated by the Task Force and endorsed by the Director Generals at the meeting on 12 Nov 2018;

- Achieving a broad common understanding among Member States on the objectives of a revision of the TAEU 2020, which needs less effort on revising its current thematic objectives (apart from amendment of new themes which have emerged since 2011), but rather strong focus on a better implementation system, i.e. on the governance of the revised TAEU, on both, EU level and the translation into national governance systems;
- Establishing a Technical Preparatory Action Group (UATPG) to better prepare and structure the UAEU technical coordination, making best use of scarce time and resources for decision making by UDG and DGUM and supporting the acting presidencies in an efficient manner;
- Achieving official support by the Council, Commission and Committee of the Regions on political level for the UAEU, acknowledging the UAEU as a new model of partnership and direct dialogue between urban authorities, national and European institutions and other stakeholders to address common urban challenges;
- Monitoring the implementation of the UAEU and its Partnerships, including reflecting on the working method, its critical factors, general type and character of outcomes and results as well as implementation. Several Action Plans of the Partnerships and even first results from the Partnerships have been discussed;
- Reflecting and debating on how necessary technical and logistic support for a rolling agenda can be ensured beyond 2020; such support is deemed necessary for coordination of the UAEU process as such as well as for UAEU Partnerships. Prioritization of next steps for the process took place, under consideration of available time and resources of the UAEU working formats.

### ***Main recommendations***

#### *on coordination between Territorial Cohesion and Urban Development:*

- Continue organizing joint events of both policy areas (territorial cohesion and urban development) in order to strengthen the coherence and links between them, to encourage cooperation and to apply an integrated approach;
- Promote the use of tools and approaches for supporting polycentric territorial development depending on the national context, priorities and long-term development vision.

#### *on TAEU:*

- Follow the DGTC guidance as endorsed at the meeting on 12 November 2018 for further work on the TAEU review;
- Continue the debate about the political embedding of a renewed TAEU post 2020 at EU-level, therefore further develop the link with Cohesion Policy post 2020, SDGs, identify synergies and horizontal issues with UAEU and Leipzig Charter and Macro-regional strategies; Continue scoping governance solutions for a revised TAEU post 2020 and the necessary framework conditions at EU-level (e.g. implementation partnerships, policy labs, etc.) and kick-off cooperation on potential pilot actions for the TEAU post 2020;
- Coordinate and integrate evidence, lessons learned and results of the TAEU revision process into the programming of ESPON post 2020, other EU Programmes and other EU cooperation initiatives, such as the Macro-regional strategies.

on UAEU:

- Give highest priority to capitalizing on and implementing results on all governmental levels; To this end, summarizing results and recommendations across all partnerships and themes with a view to more strategic communication and more effective implementation;
- Ensure further implementation of the UAEU through ongoing support for the work of Partnerships as well as supporting the UAEU governance process for a longer perspective; In case support to the UAEU through Cohesion Policy instruments should not be implemented, a supporting intergovernmental governance scenario should be (re)considered;
- Elaborate a concrete time line for the review process of the Leipzig Charter by 2020, integration the Pact of Amsterdam with its working method and seeking close coordination with the TAEU review process, in order to ensure matching pace and complementarity of both policy processes;
- Continuously update and consider the lessons learned for the overall pace and capacity of the process, i.e. the number of parallel Partnerships and the length of their working period for the further development of the UAEU working method and governance;
- Continue the work of the UATPG in order to prepare efficient discussion, opinion forming and decision making of UDG and DGUM, with a view to processing and communicating results of UAEU partnerships and the UAEU governance, in an efficient, inclusive and transparent manner (to be explored further).

## **2. Identifying and exploring new themes and narratives for TAEU and UAEU, based on evidence of needs and potentials**

### *Activities and achievements*

In its shared common understanding on territorial and urban development to be promoted in an integrated way, the Trio has set focus on identification and deepening debate on themes and narratives which – due to their strategic importance – deserve closer consideration in both, the process to review the TAEU and providing continuity for the UAEU as a rolling Agenda.

- The Trio started the debate about priority themes for territorial and urban development and potential key topics for the TAEU post 2020, respectively for the ongoing agenda development of the UAEU. This work was based on the preliminary results of the ESPON project European Territorial Reference Framework, which have been proven to be of highest relevance.
- In terms of thematic contributions to the TAEU revision, the Trio deepened the debate on the following themes and considerations:

- Addressing challenges and opportunities of digitalizing governance and public services should be considered as a strategic approach to increase territorial cohesion and urban development:

*ESPON Policy Brief on the territorial and urban dimensions of the digital transition of public services* [www.espon.eu/digital-transition](http://www.espon.eu/digital-transition)

- Innovative policy responses to challenges of shrinking areas in Europe deserve further examination by continuing the debate on the role of functional linkages and interactions between urban areas with different growth dynamics:

*ESPON Policy Brief “Shrinking Rural Regions in Europe”*: [www.espon.eu/rural-shrinking](http://www.espon.eu/rural-shrinking)

University of Tartu study “Shrinking regions and innovative solutions: entrepreneurship, employment and the accessibility of services”: [www.skytte.ut.ee/sites/default/files/skytte/shrinking\\_regions\\_and\\_innovative\\_solutions\\_study\\_report.pdf](http://www.skytte.ut.ee/sites/default/files/skytte/shrinking_regions_and_innovative_solutions_study_report.pdf)

- To overcome cross-border obstacles both on land and sea borders, promotion of voluntary practical solutions needs consideration, based on earlier initiatives by the Member States and the Commission:

Commission Communication “Boosting Growth and Cohesion in EU Border Regions”: [www.ec.europa.eu/regional\\_policy/en/information/publications/communications/2017/boosting-growth-and-cohesion-in-eu-border-regions](http://www.ec.europa.eu/regional_policy/en/information/publications/communications/2017/boosting-growth-and-cohesion-in-eu-border-regions)

Report of the Working Group on innovative solutions to cross-border obstacles: [www.espaces-transfrontaliers.org/fileadmin/user\\_upload/REPORT\\_20170628\\_WG\\_on\\_Innovative\\_Solutions\\_to\\_Cross-Border\\_Obstacles.pdf](http://www.espaces-transfrontaliers.org/fileadmin/user_upload/REPORT_20170628_WG_on_Innovative_Solutions_to_Cross-Border_Obstacles.pdf)

- Promoting the use of various tools and approaches for supporting polycentric territorial development needs higher attention, but also requires adaption and translation into the national context, priorities and long-term development vision:

ESPON Policy Brief on Governance, planning and financial tools in support of polycentric development, April 2018: [www.espon.eu/polycentric](http://www.espon.eu/polycentric)

- Recalling the result of the ESPON project COMPASS Comparative Analysis of Spatial Planning Systems as regards the expectations of national spatial planning systems towards the EU-level;
  - As a follow-up of earlier Presidencies, taking note of the progress report of the TAEU Working group on Climate change adaptation as presented by Slovakia.
- The Trio reaffirmed the UAUEU Process as a rolling Agenda; it established in cooperation with the Commission two new UAUEU partnerships: Culture and cultural heritage and Security in public spaces;
  - First steps towards development of new UAUEU themes have been taken by a survey and further structuring. Knowledge and evidence base for developing new UAUEU themes has been strengthened by integrating the expertise of ESPON, URBACT and JPI Urban Europe in the process;
  - The importance of cross-cutting dimension in UAUEU themes has been stressed and the need to better address the cross-cutting issues in the Pact of Amsterdam has been highlighted to arrive at a more integrated territorial approach.

### **Main recommendations**

*on coordination between Territorial Cohesion and Urban Development:*

- Consider and take up the results by the territorial evidence provided into national and EU territorial and urban policies, in particular when revising the contents of the renewed TAEU;
- Consider territorial cooperation as an important approach to enhance integrated territorial development and polycentric development, in a cross-border context as well as in a national one, for integration of different sectors as well as for the integration of different governmental levels. With a view to future EU Cohesion Policy and other EU Policies, simplify the application of cooperative territorial approaches;

- Consider government-led policy interventions to the demographic change and “smart shrinkage” of regions, instead of leaving it to market forces only. Shrinking cities and regions in Europe shall continue learning from each other’s innovative development practices. Member States shall consider targeting the use of ESIF and national funds persistently towards innovative responses to those challenges, if relevant:
- Digital transition requires a strategic vision and innovative policy responses at all levels and for all urban areas. Public and private sectors are necessary to jointly design and customise complex digital solutions for urban environments, tailored to local urban needs. Cities need to overcome (or helped to overcome) the skills and funding gap in digital transformation, especially in smaller towns. Progress in digital transition of EU urban areas shall be reviewed periodically;
- Intensify policy coordination at EU level on the issues related to functional cooperation areas (e.g. metropolitan areas, cross-border areas, transnational areas, city networks, rural-urban linkages) and how these topics can be addressed by the EU programmes and instruments.

*on TAEU:*

- Further build on a cooperation with ESPON; in particular taking into account the findings and results of the ESPON-project European Territorial Reference Framework; e.g. as regards the scenarios and proposed policy pathways;
- Take up results of the TAEU working Group on Climate Change and consider them during the next presidencies, in exchange and close coordination with the UAEU Partnership on Climate Change Adaption.

*on UAEU:*

- Continue developing new themes and partnerships in a structured and integrated way, based on the existing work by the Trio and by systematically capitalizing on evidence from applied research, e.g. by ESPON, URBACT, JPI Urban Europe or EUKN. A stock of consolidated new themes and partnerships should be ready for decision for the Ministerial Meeting in 2020 at the latest.

### **3. Setting impulses for Cohesion Policy to better address territorial cohesion and integrated urban development**

#### *Activities and achievements*

The time of the Trio Presidency fell into the starting period of setting up a new legal framework for EU Cohesion Policy with legislative proposals tabled by the Commission and negotiations within the Council starting during the Trio Presidency term. The Trio used this window of opportunity to strengthen an integrated approach and effectiveness of future EU Cohesion Policy towards territorial cohesion and urban development through the following actions:

- Organizing a discussion between the Member States on the need for more flexibility in the implementation of integrated investments at territorial level. Integrated territorial indicators were proposed for measuring the effectiveness of complex integrated investments in the cities and regions in the context of the Cohesion Policy post-2020;
- Fostering debate to promote the use of various types of indicators and tools to measure the results and impact of integrated investments on an aggregate territorial level:

*ESPON Policy Brief on Indicators for Integrated Territorial and Urban Development:*  
[www.espon.eu/integrated-indicators](http://www.espon.eu/integrated-indicators)

- Organizing a differentiated discussion on the Commission Proposal of Art. 10 of the future ERDF/CF Regulation (European Urban Initiative), with a particular focus on the envisaged Commission support for the continuation of the UAEU, complementarities with other existing instruments and the envisaged governance model of the European Urban initiative;
- Adopting Council Conclusions on Streamlining the Delivery System and Implementation of Cohesion Policy and the European Structural and Investment (ESI) Funds post 2020, which welcomed the UAEU and acknowledged it as a new model of partnership and direct dialogue between urban authorities, national and European institutions and other stakeholders to address common urban challenges;
- Making use of ESPON results for the new programming period 2021 - 2027; e.g. by making use of available ESPON guidance:

*ESPON contributions to post-2020 programming of European Structural and Investment Funds:*  
[www.espon.eu/post-2020](http://www.espon.eu/post-2020)

### ***Main recommendations***

#### *on coordination between Territorial Cohesion and Urban Development:*

- Pay more attention to the territorial impact of the ESIF in order to better match territorial needs with funding opportunities;
- Make use of joint events in both policy areas in order to apply an integrated approach with a view to the new Cohesion Policy period, intensify policy coordination at the EU level on the issues related to functional cooperation areas (e.g. metropolitan areas, cross-border areas, transnational areas, city networks, rural-urban linkages) and reflect how these topics can be addressed by the EU programmes and instruments;
- Continue reflections about the potentials of the EC's proposals for Cohesion Policy post 2020 to enhance the territorial and urban dimension during the programming phase; this includes raising awareness for territorial evidence by ESPON as well as reflecting on the EC's proposal for ECBM in the light of the results of the Working group on Innovative solutions for border regions;
- Promote the use of various types of indicators and tools to measure the results and impact of integrated investments on an aggregated territorial level.

#### *on UAEU:*

- Thoroughly reflect on future support for the UAEU from cohesion policy instruments and realistic alternatives, if necessary;
- Follow up on the call of the Member States upon the Commission to come up with details about the envisaged governance model of the future European Urban Initiative as soon as possible. This is necessary in order to take the corresponding steps to ensure support for the UAEU process beyond 2020. Member States offered their active cooperation for the development of this model and suggested their involvement at an early stage.

