



Handbook of Sustainable Urban Development Strategies

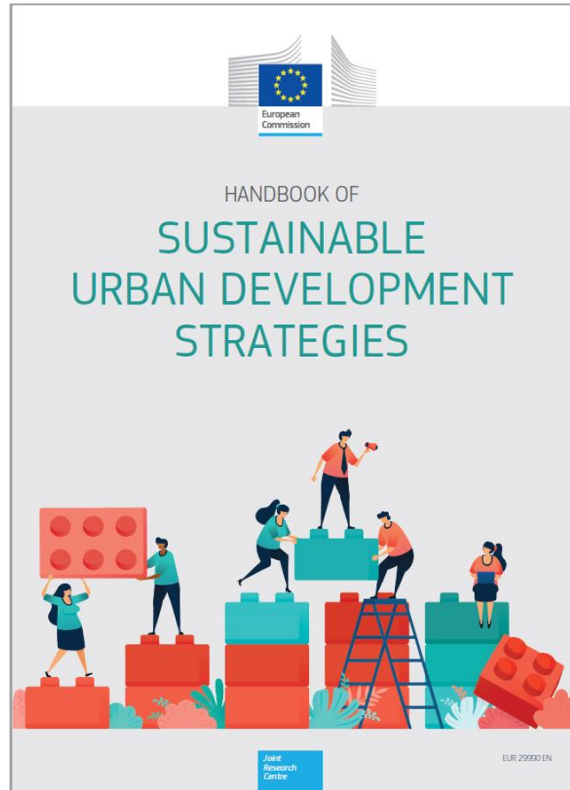


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THE HANDBOOK IN A NUTSHELL



What is it?



- The Handbook of Sustainable Urban Development Strategies was published in January 2020 by the **Joint Research Centre (JRC)** in collaboration with **DG REGIO**
- It provides methodological support to **design, implement and monitor urban development strategies under Cohesion Policy**



What is it?

- It refers to **Sustainable Urban Development (SUD)** as supported by the European Regional Development Fund during the current programming period (2014-2020) and the upcoming one (2021-2027)
- It is structured around **six building blocks** – main principles – of the **EU integrated approach** to urban development:

strategic dimension; territorial focus; governance; cross-sectoral integration; funding and finance; monitoring



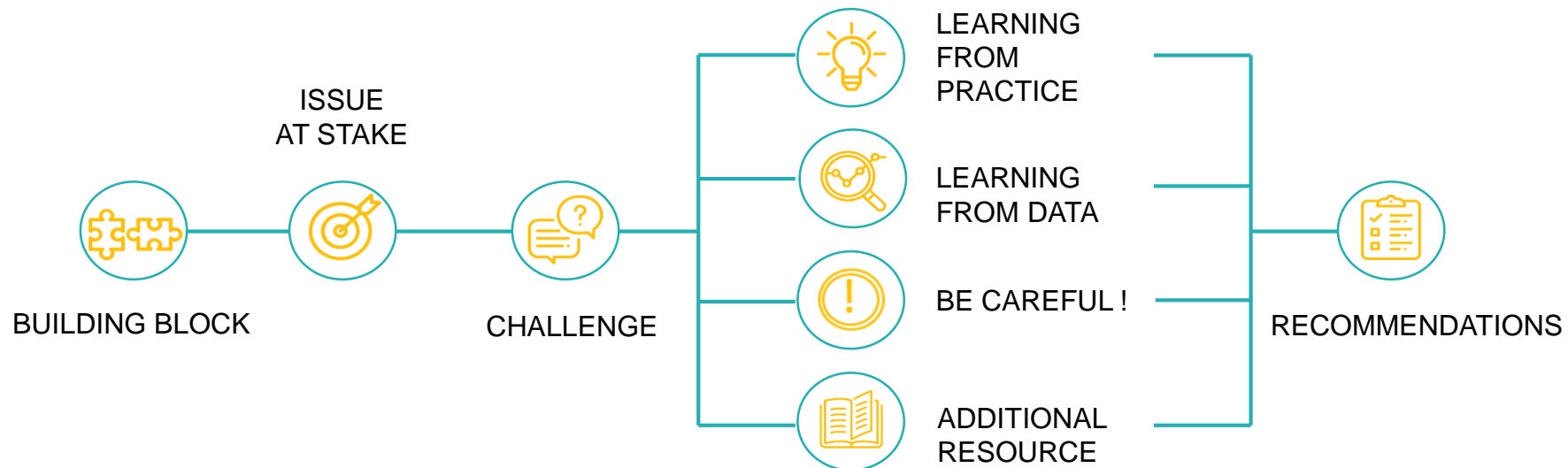
For whom?

- The Handbook has as main targets:
 - **local authorities** (cities, intermediate bodies)
 - **managing authorities** (regions, national governments)
 - **practitioners and other relevant stakeholders**
- It is especially useful for public authorities **less familiar** with the functioning of EU funds



How does it work?

- Each chapter is dedicated to a **building-block**, and focuses on most critic and recurrent **issues at stake**.
- For each issue key **challenges** are identified, and tackled through **examples, data, potential risks** and link to other **resources**.
- For each issue a series of **recommendations** is listed.



Building block

Each building block is characterised by a different colour

- ▶ Build in criteria for revision through which strategies can be adapted when changes happen (political redirection, sudden unforeseen priorities etc.), particularly as strategy implementation necessarily takes more than one EU programming period in most cases.
- ▶ Develop national repositories of good practices on the selection of operations and eligibility of expenditure.
- Engage structured cooperation between managing authorities and local authorities.
 - ▶ Formulate explicit criteria for the selection of LAs, taking into account the organisational capacity of both MAs and LAs, building on existing frameworks for selection, and providing clear eligibility criteria.
 - ▶ Maintain the involvement of LAs in defining the OP and in the delivery and implementation phases, using bi-directional feedback. A permanent working group or mechanism connecting the relevant government departments, MAs and LAs can be useful in providing a conduit for local objectives to be taken into account when drafting SUD measures at the OP level.
- Work on SUD timing in the management of operational programmes.
 - ▶ Develop and select strategies early on so that the SUD implementation phase is not delayed and can work within the time horizon of cohesion policy.
 - ▶ Introduce a deadline for the approval of SUD strategies to ensure timely implementation, especially when a high number of strategies are expected.
 - ▶ Avoid pre-allocation of funding before local development needs are identified.
- Provide capacity-building for all stakeholders that are involved in designing and implementing strategies at all levels (MAs and LAs).
 - ▶ Adjust institutional capacity to the workload, investing in local administration expertise in order to ensure that officers can understand place-based approaches and grasp opportunities.
 - ▶ Enhance technical expertise relating to strategic planning and complexity management at MA level, and EU funds management at local level.
 - ▶ Use technical assistance and administrative capacity building measures to uphold resources for local capacity building.
- Promote policy learning among beneficiary local authorities:
 - ▶ Develop templates for SUD strategies as part of national guidelines to facilitate benchmarking of strategies and collection of basic information.
 - ▶ Manage national policy exchange platforms on SUD strategies.
 - ▶ Promote networking in order to help people team up and influence national agendas.

SYNERGIES WITH OTHER POLICY FRAMEWORKS

In this section we address:

How to build an SUD strategy when a strategy for the city already exists?

How to connect SUD strategies with national and global urban agendas?

How can SUD strategies develop synergies with regional/national Research and Innovation strategies for Smart Specialisation?

The post-2020 SUD strategies will be designed and implemented in a context of radical transformations and rapid change. In order to cope with this fluid situation, it is crucial to **find effective ways of using available planning instruments strategically**. The strategic way to do things does not necessarily require a full integration of strategic frameworks and a full set of goals, but enables punctual improvement of synergies and complementarities, in several ways and domains, according to contingent needs and available resources.

The **ability of cities to implement strategies** using ERDF funds is mainly influenced by (ECORYS, 2010):

- previous experience in the field of integrated urban development;
- a conducive national/regional institutional and policy framework.

Moreover, synergies between SUD and Research and Innovation strategies prove to be of interest for EU and local policy makers.

How to build an SUD strategy when a strategy for the city already exists?

Previous experience in strategic planning and **existing frameworks in place at local level can lead to different uptake of strategies**.

Analysis of strategies shows that out of 841 strategies, 62% have been built on pre-existing strategies, with no change (13%) or limited adaptation (48%). Only 38% of strategies have been specifically developed to meet SUD requirements. They include all strategies in the Czech Republic, Finland, Croatia, Lithuania, Malta, Slovenia and Slovakia, and a rather high proportion of strategies in Greece, Spain, Italy, Poland, Romania and UK.

There are **more SUD strategies that rely on pre-existing strategies** in more developed regions than in less developed regions.

Learning from data

Issue at stake

Challenges

All challenges are listed at the beginning of each issue

Highlighted content

Highlights can be part of the main text



Building block

Highlighted content

Longer highlights are in separate boxes.

STRATEGIC DIMENSION

Be careful!

devising an active role for local authorities in a multi-level governance setting (Larrea et al., 2019). This implies major and challenging changes for the public sector including (Raunio et al., 2016):

- new types of partnerships and cooperation models to be managed;
- a more community-driven and bottom-up approach;
- a switch from a linear innovation process to open innovation processes;
- the development of a different mindset about the facilitating role of urban administrations in an innovation ecosystem.

Cities can thus become **living labs** to test out innovative solutions for societal challenges through the involvement of universities and research organisations, public authorities, the business sector, civil society organisations and citizens. An open innovation platform is described as an approach to urban development that systematically strives to open the urban environment and its services to be developed by third parties.

Furthermore, SUD strategies can complement S3 by covering a variety of activities that could support the implementation of innovation policies at local level directly. For example, by including R&I in their portfolio or investing in complementary policy areas such as education, training, infrastructures and entrepreneurship, as in the case of the SUD strategy of Rotterdam (NL). Moreover, Smart Specialisation can help build connections not only with EU Structural Funds for research and innovation but also with **EU research policy**, especially considering the new mission-oriented approach introduced in Horizon Europe for post-2020.

Additional resource

NESTA (2015) CITY INITIATIVES FOR TECHNOLOGY, INNOVATION AND ENTREPRENEURSHIP (CITIE)

The City Initiatives for Technology, Innovation and Entrepreneurship (CITIE) report provides city policymakers with a resource to help them **develop the policy initiatives that catalyse innovation and entrepreneurship** in cities.

CITIE comprises four main components:

- a framework for understanding how policy in key areas can be used to support innovation and entrepreneurship at the city level;
- a diagnostic tool that allows cities to self-assess how they perform against this framework relative to 40 global cities;
- a range of examples and case studies from around the world that shine a light on best practice;

- findings derived from the analysis of 40 leading cities around the world.

City performance is measured against nine policy roles that city governments can adopt to support innovation and entrepreneurship. The roles are Regulator, Advocate, Customer, Host, Investor, Connector, Strategist, Digital Governor and Datavore.

For each of these roles, the report highlights its scope, identifies the specific actions that constitute good practice and presents examples, shows how each city performs, and extracts lessons from top-performing cities.

For more information

City Initiatives for Technology, Innovation and Entrepreneurship (CITIE): <https://www.nesta.org.uk/report/citie-a-resource-for-city-leadership/>

RECOMMENDATIONS

- Build SUD strategies on pre-existing local strategies, where possible, and in any case, taking them into account.
 - ▶ Draft them as specific documents, even when they rely heavily on existing strategies.
 - ▶ Adapt the existing strategy to the OP's goals and logic, for example through an action plan, and include a section where it is clearly stated how the activities described contribute to the programme objectives.
 - ▶ Ensure a stable framework, facilitating synergies among existing policy instruments and creating a learning path across programming periods.
 - ▶ Capitalise on previous arrangements for administration and management of ESIF and projects.
- Provide clear links to domestic policies at the local, regional and national levels.
 - ▶ Member States should align SUD strategies to domestic policies as much as possible in order to ensure synergies and, where an NUP does not exist, develop purpose-built schemes.
 - ▶ Make explicit the mechanisms that show how the integrated SUD strategies are interlinked with other strategies and national policy frameworks.
 - ▶ Gather knowledge and select actions related to other policy frameworks and funding streams.
 - ▶ Provide national frameworks to align SUD strategies to SDGs and other supranational urban agendas.

Recommendations

Main recommendations are structured in sub-points.



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THE SIX BUILDING BLOCKS



1. Strategic dimension

How to build a strategy as a **collective transformative roadmap** towards a future situation.

Issues at stake:

- Strategies as bridges between operational programmes and projects.
- Synergies with other policy frameworks.



How do we ensure that SUD strategies bridge operational programmes and local policies?

- The SUD strategy in **Rotterdam** (NL) has benefitted from better integration of policy goals (developed at city level) and policy delivery instruments (provided at operational programme level).



2. Territorial focus

How to match challenges and opportunities with appropriate type of **territory and scale**.

Issues at stake:

- Targeting neighbourhoods.
- The functional area approach.
- Urban-rural linkages.



How can we achieve cooperation among actors (municipalities) when there is not a pre-existing framework?

- The implementation of the Integrated Territorial Investment (ITI) strategy for **Brno** (CZ) functional area served for the establishment of an inter-municipal cooperation based on governance.



3. Governance

How relevant **authorities and stakeholders** decide to plan, finance, and manage a specific strategy.

Issues at stake:

- Multi-level governance.
- The multi-stakeholders approach.
- The bottom-up and participatory approach.



How to build administrative capacity, and benefit from experiences available at different levels of government?

- In the **Wałbrzych agglomeration** (PL) the ITI has been used to create a framework of cooperation across the regional, district and local tiers, building responsibility for implementing cohesion policy in a broader range of partners, and boosting administrative capacity.

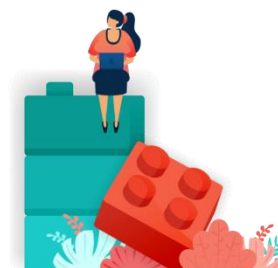


4. Cross-sectoral integration

How to promote strategies and project which **are integrated, multi-sectoral and multi-dimensional**, overcoming the "silos" structure characterising public organisations.

Issues at stake:

- Cross sectoral-integration within the Cohesion Policy structure.
- Cross-sectoral integration in territorial governance.



How can we integrate themes at the operational programme level?

- The **Tuscany** Managing Authority (IT) introduced for the Urban Priority Axis a programme manager in charge of vertical integration (with beneficiaries) and of horizontal integration (within administrative sectors).



5. Funding and finance

How to mobilize **various sources of funding**, including domestic funds, private investments and financial instruments.

Issues at stake:

- The integration of ESI funds amongst themselves and with other domestic funding.
- Involving private investors and the third sector in SUD funding strategies.
- Enhancing the use of financial instruments and financial products.



How could private sector be engaged in funding SUD?

- **Athens** (GR) managed to combine European Structural and Investment Funds (ESIF), European Investment Bank (EIB), national, municipal and private funds to implement its ITI for Sustainable Urban Development called 'Athens 2020'.



6. Monitoring

How to set up **efficient indicators and monitoring systems** to measure performance and impact.

Issues at stake:

- Monitoring framework.
- Data on tangible and intangible effects.
- Different levels of objectives.



How can local objectives be aligned with regional, national or global sustainability agendas?

- In **A Coruña** (ES) the SUD strategy indicator system is an innovative and coherent instrument that takes into account indicators from several policy levels, including the global one (UN Agenda 2030, UN Habitat).



More information



urban.jrc.ec.europa.eu/urbanstrategies



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