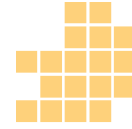




Bundesministerium
für Verkehr, Bau
und Stadtentwicklung



MORO

Stadt. Land. Europa.

Partnerschaften nachhaltig stärken

Urban. Rural. Europe.

Strengthening partnerships

DISKUSSIONSPAPIER / DISCUSSION PAPER

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Urban. Rural. Europe. Strengthening Partnerships

Discussion Paper¹

In response to global challenges, the European Union adopted the Europe 2020 strategy. With a view to achieving “intelligent, sustainable and inclusive growth”, this strategy focuses on fostering a knowledge- and innovation-based economy which is more competitive, resource efficient and greener, on high employment rates as well as on social inclusion and the reduction of poverty. In 2011, the European ministers responsible for spatial planning took up these ideas in their 2020 Territorial Agenda.

Urban-rural partnerships offer concrete opportunities to combine the objectives of Europe 2020 and the 2020 Territorial Agenda of the EU and to implement them at local level; that is to promote sustainable economic growth including the potentials of all regions and to ensure the spatial balance of such growth. In doing so, they contribute to achieving the new community objective of territorial cohesion which was added to the Lisbon Reform Treaty.

Both, the European Parliament and the European Commission² as well as the players in the EU Member States, regions and local communities address urban-rural partnerships in their working documents, studies and opinions. They point out that this form of cooperation across local authority boundaries can make a valuable contribution with a view to implementing the Europe 2020 strategy.

1) Urban-rural partnerships: an integrated spatial approach as a contribution to implementing the Europe 2020 strategy

The local and regional authorities find themselves increasingly faced with challenges which they cannot meet alone and which therefore require them to cooperate with each other. Demographic change as well as energy and climate change challenges, for example, increasingly call for integrated spatial approaches in order to ensure the provision of public services as well as a sustainable supply of energy. Urban-rural partnerships can help tackle these challenges; the competencies for regional development which are set out by the legal systems of the member states remain unaffected.

¹ Prepared on the basis of the meeting of experts from the Federal Ministry of Transport, Building and Urban Development and the Federal Institute for Research on Building, Urban Affairs and Spatial Development which took place in Berlin on 28 March 2012 as part of the MORO research project entitled “Urban-rural partnerships: large-scale, innovative, diverse”.

² Cf., for example, Federal Institute for Research on Building, Urban Affairs and Spatial Development/German Association for Housing, Urban and Spatial Development: „Partnership for sustainable rural-urban development: existing evidences“, 2012. Study commissioned by the European Commission; http://ec.europa.eu/regional_policy/what/cohesion/urban_rural/index_en.cfm

Urban-rural partnerships replace top-down approaches by a broad-based partnership approach which brings the various local and regional players in functional regions together for their mutual benefit.

Urban-rural partnerships offer numerous **advantages for regional development**:

- **Urban-rural dialogue:** Urban and rural areas are placed on an equal footing, mutual prejudices are reduced, networks are created.
- **Complementarity and fair distribution of benefits:** Different regions benefit differently from certain developments. Urban-rural partnerships interlink complementary regions in order to find joint solutions. By doing so, they can contribute to a fair distribution of benefits and to balancing growth and shrinkage within the cooperation areas.
- **Inter-regional approaches:** A specific issue can be addressed independently of regional administrative structures and even in a cross-border approach. Despite the different structures and approaches, interfaces can be identified and projects can be implemented and funded jointly.
- **Synergy effects:** By reaching a consensus across regional boundaries, resources can be used effectively and solutions can be optimized. This will create synergies.
- **More local support for large-scale projects:** Urban-rural partnerships offer a framework to reconcile interests, raise acceptance and minimize conflict potential. A consensus can be reached and opinions can be formed even on issues for which the partners have no primary competencies. In such cases, the partnership serves as a supplementary platform involving the players who have the formal competence.

This added value can be created, in particular, if **urban-rural partnerships** meet certain **requirements**, such as:

- **Functional relationships and problem focus:** Urban-rural partnerships are a particularly suitable option where a common approach towards the implementation of projects and processes at a functional spatial level makes sense and is practicable. Their configuration should thus be based on functional relationships and common fields of action. Therefore, different scales of urban-rural partnerships exist.
- **Win-win situation:** All players involved are to gain added value from the partnership. Partners should participate on a voluntary basis. It is also important to be aware that not every single project must bring immediate benefits to each partner but that the individual projects in total can create added value for all players involved.
- **Equal rights:** It must be possible for all urban and rural partners to work on equal terms. Equal voting rights for urban and rural partners in decisions are a means to achieve this. An orientation towards consensus and finding joint solutions to conflicts increases the acceptance of urban-rural partnerships.
- **Transparency:** Processes and decisions must be comprehensible and transparent and ensure an early involvement of the players concerned.
- **Interdisciplinary and multi-level approaches:** Partners from different areas - government, public authorities, industry, academia, civil society groups etc. – as well as from different spatial levels - such as local communities, regional authorities or federal state authorities - should be involved. This will contribute to developing consensual concepts for the development of the functional region concerned.
- **Political resolve:** A decisive factor for cooperation that provides long-term stability is the political support it receives. Political resolve can, for example, manifest itself in a common strategy and/or partnership agreement.

Projects, issues, fields of action for urban-rural partnerships

An integrated approach – in the sense of a common strategy of action - should be the objective of every partnership. If it does not already exist, it must not be imposed but rather build up gradually. This can be achieved through individual projects (“learning by doing“) and requires time.

With a view to implementing the Europe 2020 strategy, potential fields of action, approaches and projects also include:

- **Innovations and competitiveness:** Establishment of knowledge and innovation based cooperations and clusters to develop regional innovation potential, to foster technology transfer and to achieve a critical mass by establishing networks and by linking existing parallel networks with each other (by linking SMEs in rural areas to metropolitan regions, for example, they could be provided with better access to innovations and innovation funding).
- **Regional production and marketing chains:** Enhancing the internal and external marketing of a joint area by integrating regional products from agriculture, the craft industry and tourism/recreation areas into integrated production and distribution chains with joint marketing. This will increase the visibility on the market, improve planning possibilities and make the range of products and services more easily accessible to potential customers.
- **Efficient education systems and improved qualification:** Ensuring and improving educational opportunities by link-ups between schools and universities in urban and rural areas (for example by using new distance learning methods); cooperation between companies and universities/vocational training institutions to develop practice-oriented degree and vocational training programmes; campaigns to upgrade skills, e.g. by promoting regional subjects in academic studies.
- **Digital agenda:** Development of internet access for rural areas, e.g. through broadband infrastructures (if these are not created by the market); internet-based public, social and medical services for the (rural) population.
- **Limiting resource consumption, reducing emissions and increasing energy efficiency:** Development of intelligent approaches to promote energy efficiency or sustainable spatially integrated energy strategies (which combine the potential of rural areas to generate energy with consumer structures in urban areas); joint management of land use as a contribution to a good stewardship of soil resources.
- **Sustainable and efficient transport:** Developing regional mobility concepts and attractive local public transport services; improving links of regional with national and European transport networks and logistics chains to optimize transport operations; organising commuter flows; better connecting and integrating rural regions with the large-scale transport infrastructure.
- **Ensuring the provision of public services:** Ensuring social infrastructures, particularly in rural areas; developing coordinated concepts which integrate growing and shrinking regions; ensuring the large-scale provision of health care in rural areas.

2) Instruments and forms of assistance to urban-rural partnerships

Today, the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the European Agricultural Fund for Rural Development (EAFRD) already provide scope for granting financial assistance to urban-rural partnerships. The decision as to whether such assistance will actually be granted lies with the individual fund managing authorities. This also applies to the implementation of joint territorial strategies across different policy areas which may receive assistance from different funds.

A special advantage which EU cohesion policy has over the instruments which are managed centrally in Brussels is that it can better support spatially integrated approaches and that funding can thus be focused on a territorial perspective. Assistance to integrated territorial approaches from the structural funds should, from a spatial development perspective, take account of

- the establishment of urban-rural partnerships and the development of integrated regional development strategies which should be as concrete as possible, as well as
- joint urban-rural initiatives.

The proposals of the European Commission for the structural funds regulations from 2014 onwards provide for new instruments which are to make it possible to do so more efficiently than in the past, although there are still some questions to be answered regarding the shape and the implementation of these instruments.

Integrated instruments of the proposals for the structural funds

The proposed regulations provide for a thematic concentration in accordance with the objectives of the Europe 2020 strategy. Each priority axis of the Operational Programmes (OP) is to be allocated to one of the eleven thematic objectives. A compromise has since been reached in the European Council to the effect that several thematic objectives can be grouped under one collective priority axis.

Within this scope, projects by urban-rural partnerships (e.g. projects to develop and implement regional energy concepts within the priority of resource efficiency) are also eligible for funding, on the one hand. On the other hand, the integrated approach – including urban-rural partnerships, too - can be pursued when planning and implementing the programmes.

The new, special instruments which the proposed regulations provide for integrated spatial approaches are of particular interest to urban-rural partnerships. They allow for a consolidation of the individual priority axes of an operational programme as well as of different funds (ERDF, ESF and EAFRD).

- **Integrated territorial investment (ITI)** in accordance with Article 99 of the Proposal for a General Regulation: As top-down oriented instruments, ITI should allow for the funding of integrated measures and objectives within a selected functional territorial unit. To this end, funds from different priority axes of the corresponding ERDF and ESF operational programmes are to be concentrated on the implementation of projects. Concrete spatial units are not specified: urban-rural approaches, but also approaches in rural areas, a city as a whole or in a neighbourhood etc. are possible.
- **Community-Led Local Development (CLLD)** in accordance with Articles 28 to 31 of the Proposal for a General Regulation: CLLD is a bottom-up instrument which is based on the tried and tested Leader-approach from rural development. This local development approach is to facilitate integrated, multi-sectoral strategies within smaller functional territorial units. In addition to the EAFRD, it may also include funds from the ERDF, ESF and EMFF (European Maritime and Fisheries Fund). The measures are to be implemented by a local

action group where non-public players represent at least 51 per cent of the voting rights. This is to ensure, among others, the establishment of administrative capacities, a transparent selection procedure as well as the coherence of the selected projects with the local development strategy.

Implementing structural instruments

These new instruments should be taken up by Member States and regions and used in an innovative manner. Here, urban-rural partnerships are a cross-cutting issue in which integrated spatial approaches can be introduced or further developed – depending on the regional context and history of cooperation. Also, existing development and planning areas and their concepts would not be superseded by new territorial approaches but can be interlinked, if necessary, to form larger functional contexts and projects, in keeping with the principle of variable geometry.

Therefore it would be desirable, from a spatial development perspective, to take urban-rural partnerships or integrated approaches for functional areas into account in the partnership agreement and in the individual operational programmes of the various funds.

- The **Partnership Agreement** between the European Commission and the individual member states should point out how an integrated territorial approach can be pursued. In addition, it should point out how the various funds and policy areas can be linked and how coordination between fund managers (keyword: “lead fund”) can be achieved. Already at this stage, it should become clear that the inclusion of urban-rural partnerships is a key element of a territorial perspective in implementing the Europe 2020 strategy and should be supported. The use of the integrated instruments ITI and CLLD, which were proposed by the European Commission for this purpose, among others, should be described.
- The **Operational Programmes (OP)** should take up the urban-rural approach and address it in concrete terms. This approach could also include “cross-border” urban-rural contexts – both with regard to regional boundaries within a country as well as national borders (e.g. as part of the European Associations for Territorial Cooperation). The application of sustainable urban-rural approaches can be promoted by a dialogue between fund managers and spatial planning players. With regard to the timeline for implementation, there should be no requirement to submit a comprehensive territorial development concept for the Operational Programmes as early as by 2013 and to present detailed proposals for integrated approaches (ITI/CLLD). However, the integration of the EU funding instruments made available as well as the corresponding allocation of funds should already be provided for during the programming phase. It would be desirable that existing urban-rural partnerships get actively involved as early as in the programming phase and demonstrate the added value of using the new integrated instruments in the actual situation. Regional discussions and conferences could help reduce uncertainties in planning as well as in the implementation of the new instruments.
- So far, there is no experience with the implementation of the new structural instruments (ITI, CLLD) to promote functional regions. In order to increase practical knowledge on the specific integrated urban-rural approaches throughout Europe, it would be desirable that the European Commission takes corresponding innovative measures for the **experimental trialling of urban-rural partnerships** (e.g. pilot and model projects). In order to further explore the possibilities and limits of coordination across funds, it would be conceivable to trial projects or project packages, within the framework of urban-rural partnerships, which use various funds (structural funds, EAFRD) at the same time. The experiences and findings from these experimental approaches could then inform the discussion on the structural funds programming period after 2020.