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COMPETITIVE  
CROATIA

*Investment in the Future*

Support in enhancing regional and territorial dimension in  
programming documents for EU Funds 2014-2020

IPA2007/HR/16IPO/001-050401

# Territoriality in the context of EU Cohesion Policy 2014-2020

Seminar  
June 2014

# Introductions



## **KE1: Team Leader – Richard Harding**

**Over 24 years in economic development and EU Structural Funds**

- **8 years in EC - DG REGIO** - over 40 OPs with territorial focus
- **Involvement in Croatia since 2008** – UK Adviser EU Cohesion Policy



## **KE2: Alec Fraser**

**Economic development research professional for over 29 years**

- **Ex-ante Evaluator or Developer** of more than 30 EU-funded Plans, Programmes and Strategies – LEADER, URBAN, Romania PA 2014-2020
- **JEREMIE and JESSICA Instruments** - evaluation and programming



## **KE3: Vedran Đulabić**

**Specialist in Croatian, local/regional government for past 10 years**

- **Current Law on Regional Development** – key drafter
- **Croatia's Chapter 22 negotiations with EC** - adviser to MRDEUF

## **Support in enhancing regional and territorial dimension in programming documents for EU Funds 2014-2020**

### **PROJECT TASKS**

#### **Task 1: Preparation of studies and analyses**

1. Analytical study on sustainable urban development;
2. Analysis of possible approaches and risks for territorial development approach (ITI, Sustainable Urban Development and CLLD);
3. Proposals of procedures and selection criteria for target territories/areas;
4. Preliminary needs assessment for using financial instrument JESSICA;
5. Tabular analysis of the distinctions between the authorities among national, regional (county) and municipal levels related to the implementation of infrastructure and other relevant projects.

#### **Task 2: Supporting inclusion of regional proposals and comments into programming documents**

1. Recommendations on including programming inputs from regional level into the main national programming documents (PA and OP(s), Strategy for Regional Development);
2. Recommendations for inclusion of results of prepared analyses in PA and OP(s);
3. Recommendations for linking different levels of strategic planning and programming at EU, national and regional level (e.g. County development strategies).

#### **Task 3: Capacity building of staff responsible for regional and territorial dimension**

1. Trainings (seminars, workshops) on territorial approaches (ITI, Sustainable Urban Development and CLLD);
2. Recommendations for the implementation schemes/models for territorial instruments based on specific needs of stakeholders and existing experience and capacity.

# Europe 2020 Strategy

## Strategy for '*smart, sustainable and inclusive*' growth

### 1. Poverty

- 20m people out of risk of poverty and exclusion

### 2. Climate change

- Reduce greenhouse gas emissions by 20% compared to 1990
- Increase share of renewables to 20% final energy consumption
- 20% increase in energy efficiency

### 3. Education

- Reduce school drop-out rates below 10% (15% today)
- 40% of 30-34 year-olds with tertiary education (31% today)

### 4. Research and development

- Increase public and private investment in R&D to 3% of GDP (1.9% today)

### 5. Employment

- 75% employment rate for women and men aged 20-64, plus greater labour market participation of marginalised groups



## **EU Cohesion Policy 2014-2020**

### **11 Thematic Objectives**

- 1. Strengthening research, technological development and innovation**
- 2. Enhancing access to, and use and quality of, information and communication technologies**
- 3. Enhancing the competitiveness of SMEs (for the ERDF), the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF)**
- 4. Supporting the shift towards a low-carbon economy in all sectors**
- 5. Promoting climate change adaptation, risk prevention and management**
- 6. Protecting the environment and promoting resource efficiency**
- 7. Promoting sustainable transport and removing bottlenecks in key network infrastructures**
- 8. Promoting employment and supporting labour mobility**
- 9. Promoting social inclusion and combating poverty**
- 10. Investing in education, skills and lifelong learning**
- 11. Enhancing institutional capacity and an efficient public administration**

# EU Territorial Agenda 2020

## What is Territoriality About?

- In 2008 the EU Treaty amended to economic, social and territorial cohesion
- EU Programmes for 2014-20 should not be '*spatially blind*', identifying:
  - integrated actions for Sustainable Urban Development
  - main priority areas for cooperation, taking account of macro-regional and sea basin strategies
  - where appropriate, integrated approaches to specific needs of:
    - geographical areas most affected by poverty or of target groups at highest risk of discrimination or social exclusion
    - geographical areas which suffer from severe and permanent natural or demographic handicaps

# Sustainable Urban Development

ERDF Regulation – Article 7



**...recognising the key contribution of competitive places to growth**



# **‘Sustainable Urban Development’**

## ***...a ‘more holistic’ approach for 2014-2020***

- Minimum 5% of MS ERDF allocation for integrated urban strategies
  - tackling economic, environmental, climate and social challenges
  - taking into account the need to promote urban-rural linkages
- Member States to select target cities
  - principles for selection to be detailed in Partnership Agreement (PA)
- Details on implementing arrangements to be included in Operational Programmes (OPs) concerned



# **‘Sustainable Urban Development’**

## **Strategy and integration**

- Integrated strategy for ‘Sustainable Urban Development’ in each target urban area is a pre-condition
- Selection and approval of strategies is a Member State responsibility
- EU funding to support integrated actions contributing to at least two Thematic Objectives

# **‘Sustainable Urban Development’**

## **Local decision making on project selection**

- Urban authorities to be responsible, at least, for the tasks relating to the selection of operations
  - allowing for a final eligibility check by the Managing Authority
- Managing Authority to determine the scope of tasks to be undertaken by urban authorities, concerning the management of integrated actions
  - decision to be taken in consultation with the urban authority
  - Managing Authority must formally record its decision in writing

# Integrated Territorial Investment

Croatia's chosen delivery mechanism for 'Sustainable Urban Development'

Common Provisions  
Regulation –  
Article 36

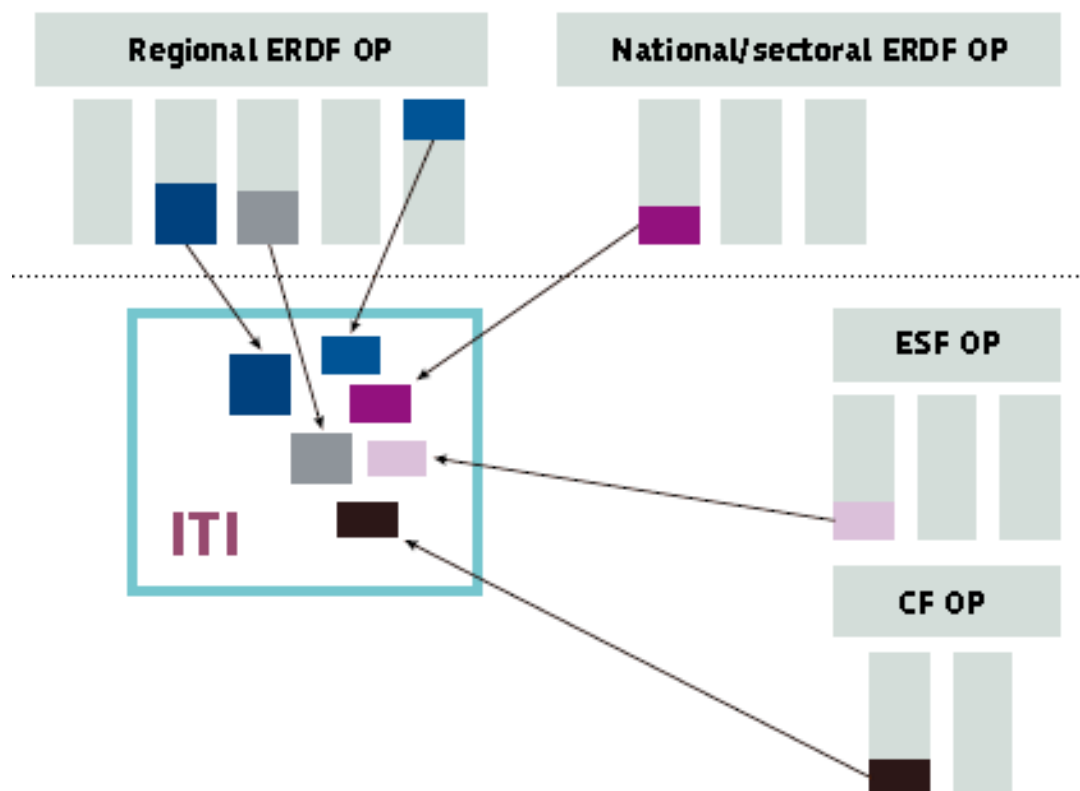


Diagram from Commission Factsheet on ITIs – May 2012

# Integrated Territorial Investment (ITI)

- **Optional delivery mechanism requiring integrated investment under more than one Priority Axis or more than one OP**
- **Those parts of the Priority Axes identified will be implemented in a joint manner**
- **Possible delegation of implementation tasks**
  - e.g. to a local government body, or other entity
  - flexibility in depth and type of delegation
- **OP(s) concerned must set out an indicative financial allocation for ITIs**
  - allocation is for ITIs taken together
  - MS therefore needs to take an early view on what is likely to be the content and balance of ITIs

# **Integrated Territorial Investment (ITI)**

## **Relationship with Sustainable Urban Development strategy**

- **ITI target area must be covered by a single integrated strategy**
  - i.e. not just separate Municipal-level type strategies
- **ITI may support only part of an urban area covered by an integrated strategy**
  - any other EU and/or national Funding for the area, outside the ITI, should also be governed by the integrated strategy
- **ERDF, ESF and Cohesion Fund within an ITI may be ‘*complemented*’ by resources from EAFRD and EMFF**
  - with respective allocations identified in the relevant Rural Development and/or Fisheries programmes



## Community-led Local Development

- **Compulsory for EAFRD (Rural Development)**



- **Optional for the other EU Funds**

# Community-led Local Development (CLLD)

Highly specific 'bottom up' approach, within OPs for addressing problems of the very poorest neighbourhoods and communities in towns and cities – as well as rural and fisheries areas, which:

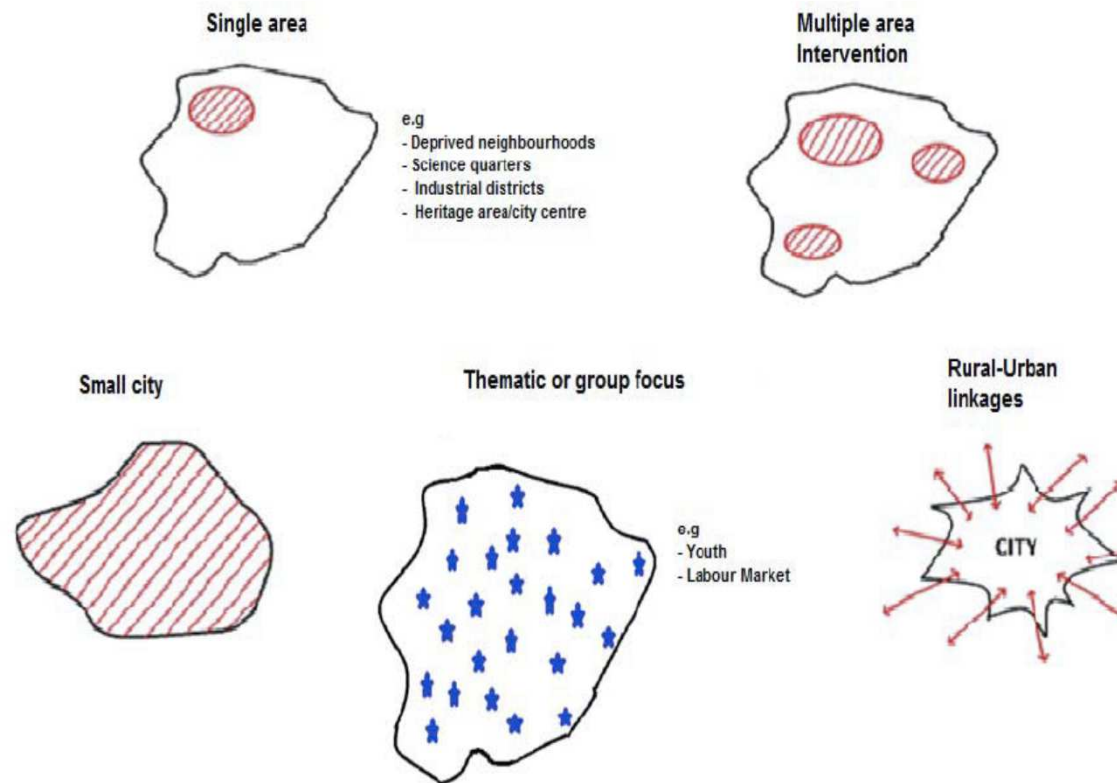
- focuses on specific sub-regional territories
- is community-led, by 'Local Action Groups' composed of representatives of local public and private socio-economic interests
- is carried out through integrated and multi-sectoral area-based Local Development Strategies

Methodology for selecting target areas to be specified in OPs

*Extract April 2013*

# EC Guidance on Community-led Local Development

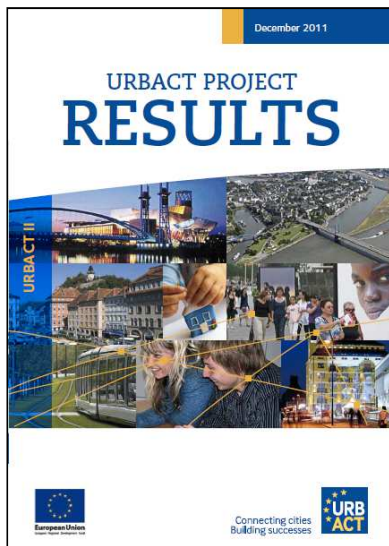
Figure 1: Possible configurations of CLLD in urban areas





# EC-funded innovative actions for Sustainable Urban Development

*...building on URBACT experience*



## €330m EC budget governed by Delegated Act

- EU-level calls for projects - open to urban areas of over 50,000 population
- Maximum grant per urban area = €5m

## EU-level urban platform

- Capacity building and networking between cities
- Membership open cities implementing integrated 'Sustainable Urban Development' interventions



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### Links to information sources

- Published EU Cohesion Policy Regulations 2014-2020
  - [http://ec.europa.eu/regional\\_policy/information/legislation/index\\_en.cfm](http://ec.europa.eu/regional_policy/information/legislation/index_en.cfm)
- EU Delegated Act on innovative actions for Sustainable Urban Development
  - <http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1401208837964&uri=CELEX:32014R0522http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1401208837964&uri=CELEX:32014R0522>
- EC draft Guidance on Community Led Local Development (CLLD)
  - [http://ec.europa.eu/regional\\_policy/what/future/pdf/preparation/clld\\_guidance\\_2013\\_04\\_29.pdf](http://ec.europa.eu/regional_policy/what/future/pdf/preparation/clld_guidance_2013_04_29.pdf)
- EC draft Guidance on Integrated Territorial Investment
  - [http://ec.europa.eu/regional\\_policy/what/future/pdf/preparation/fiche\\_integrated\\_territorial\\_investment.pdf](http://ec.europa.eu/regional_policy/what/future/pdf/preparation/fiche_integrated_territorial_investment.pdf)
- Urbact Results Paper
  - <http://urbact.eu>