



Project financed by the
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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

EXAMPLES

Integrated urban development supported by EU Funds

Workshop
May 2014

EXAMPLES

**Integrated urban development
supported by EU Funds**

SPAIN – Andalusia – City of Malaga
The « Iniciativa URBANA Málaga » 2007-2013

Area-based development approach

« Iniciativa URBANA Málaga » 2007-2013

Target area

OP Andalusia Priority 5: *“Sustainable local and urban development”*

- Context:
 - degraded spaces harming the attractiveness of Malaga
 - high rate of criminality and poverty, decline and ageing of population
- Total budget €14.4m
 - ERDF €10.1m – City €4.3m



Source: Arrabales y Carreteras,
Iniciativa URBANA Málaga 2007-2013

A strategy of **urban sustainability**

- Combining the residential function of the area with economic, cultural, and social uses

« Iniciativa URBANA Málaga » 2007-2013

Key components

Physical public space

- Renovation of run-down spaces in the zone of Pozos Dulces- Nosquera, Dos Aceras-Plaza Montañó, Beatas-Tomás de Cózar.

Economic development

- Grants to support the start up on new business in the area
- Entrepreneurial training
- Centre for Entrepreneurs (incubator)

Social infrastructures

- Child care centre / Community Centre

Environment

- Environmental Support Centre - advice to SMEs to implement environmental quality systems
- Awareness campaign for recycling

Social inclusion

- The Time Bank (*'banco del tiempo'*) - non-monetary exchange and swap of time, work, skills and services among residents (300 people, mostly women)



Source: Arrabales y Carreteras,
Iniciativa URBANA Málaga 2007-2013

« Iniciativa URBANA Málaga » 2007-2013

ERDF-ESF integration

Linked with...

€2.4m ESF support - National OP '*Adaptability and Employment*'

- Vocational training for unemployed people
- Entrepreneurial training
- Training of women in traditionally 'male job areas'
 - e.g. gardening, security officers
- '*Convive Malaga*' (co-existence in Malaga) training and events
 - to increase civic values among young people



ESF management body separate from ERDF

No cross-financing used



Source: Arrabales y Carreteras,
Iniciativa URBANA Málaga 2007-2013

« Iniciativa URBANA Málaga » 2007-2013

Governance and partnership

Governance scheme based on a direct relationship between national and the municipal level



Source: *Arrabales y Carreteras*,
Iniciativa URBANA Málaga 2007-2013

- Assemblies of *Iniciativa Urbana*
 - real dialogue between the local councillors and citizens
- Coordination system
 - between departments within the Municipal government
- Malaga participates in the national network of *Iniciativas Urbanas*
 - one of 45 urban target areas in Spain

« Iniciativa URBANA Málaga » 2007-2013

Results to date

Concrete achievements

- Physical renewal improving urban quality of the environment
- Limitation for vehicle traffic, increasing pedestrian area
- 300 unemployed people trained
- 2,500 citizens participated in activities launched by the «Citizenship School»
- 20 new micro-enterprises created
- €3.4m new private sector investment



Source: *Arrabales y Carreteras*,
Iniciativa URBANA Málaga 2007-2013

EXAMPLES

**Integrated urban development
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HUNGARY – City of Budapest Magdolna Quarter Initiative

Local partnership approach in difficult urban neighbourhood

Magdolna Quarter – City of Budapest

OP : Central Hungarian “*Development of settlement areas*”

- Context

- Deprived area inhabited by marginalised population
- Low education level, high unemployment and criminal rate, poor condition of local housing stock and living environment

- Total budget €7.2m

- ERDF €5.4m – MS €0.9m – City €0.7m

- ❖ The **strategy**: an *integrated socially sensitive regeneration project*

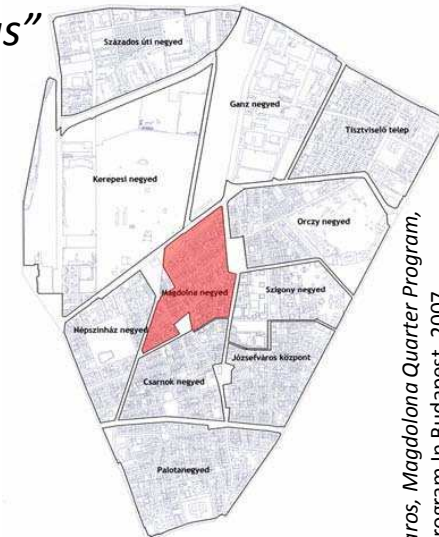
- Strengthening local society as well as improving housing and living conditions

- ❖ The **approach**

- implemented in two phases:

- 1st phase (2005-2008) financed by the municipality
- 2nd phase (2008-2011) funded by the ERDF

- Inspired by the URBAN Community Initiative in Birmingham



Source: Józsefváros, Magdolna Quarter Program, Regeneration Program in Budapest, 2007.

Magdolna Quarter Initiative

Key components

Improving housing

- Housing interventions absorbing 60% of the total budget

Strengthening local social and educational services

- A 'family preservation project'
- Regular low threshold service for young alcohol and drug users
- Special training for teachers and group-work for students

Public safety project

- Neighbourhood police patrol project;
- Public employment project (street cleaning)
- CCTV cameras were also installed

Economic and environmental project

- Renting out five municipally owned empty shops to new local enterprises
- Energy saving investments, renewal of the local square surrounded by pedestrian streets

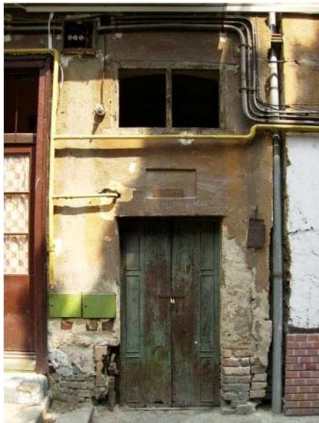


Source: Jozsefvaras, Magdolna Quarter Program, Regeneration Program in Budapest, 2007.

Magdolna Quarter Initiative

Problems encountered

Conflicts and problems in applying the integrated approach



Source: Jozsefvaros, Magdolna Quarter Program, Regeneration Program In Budapest, 2007.

- ❖ **Difficulties** to generate active involvement of local residents due to the lack of local participation in the political national culture
- ❖ **Tensions** between renovation workers and local residents (witness to criminal activities, aggression against workers)
- ❖ **Legitimacy gaps:**
 - of the management organisation due to the distrust of local politicians
 - of the various resident groups, the interests they really represent being unclear

Magdolna Quarter Initiative Results

Substantial results achieved

- Improvement of housing conditions: renewal of 16 municipal housing buildings
- Improvement of the living environment despite the establishment of pedestrian zone which fuelled serious conflicts
- Innovative social and educational projects tailored to the needs of marginalised groups
- The increase of the local civic capacity and activity by supporting local NGOs and supporting residential initiatives



Source: Jozsefvaros, Magdolona Quarter Program, Regeneration Program In Budapest, 2007.



Before/After picture, Danko Street. Source: *Magdolona Integrated Approach*, Journalist Account.

Magdolna Quarter Initiative

Success conditions

Key reasons for success

- Establishing a neighbourhood association to gather local NGOs and articulate problems of local residents towards the Municipality
- Involvement of the management body staff in conflict management training to manage emerging problems with local residents
- Restricted and limited housing renovation to avoid gentrification trap



Source: Józsefvaros, Magdolona Quarter Program, Regeneration Program In Budapest, 2007.

EXAMPLES

**Integrated urban development
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**UK – Newcastle Upon Tyne
25 years of urban regeneration**

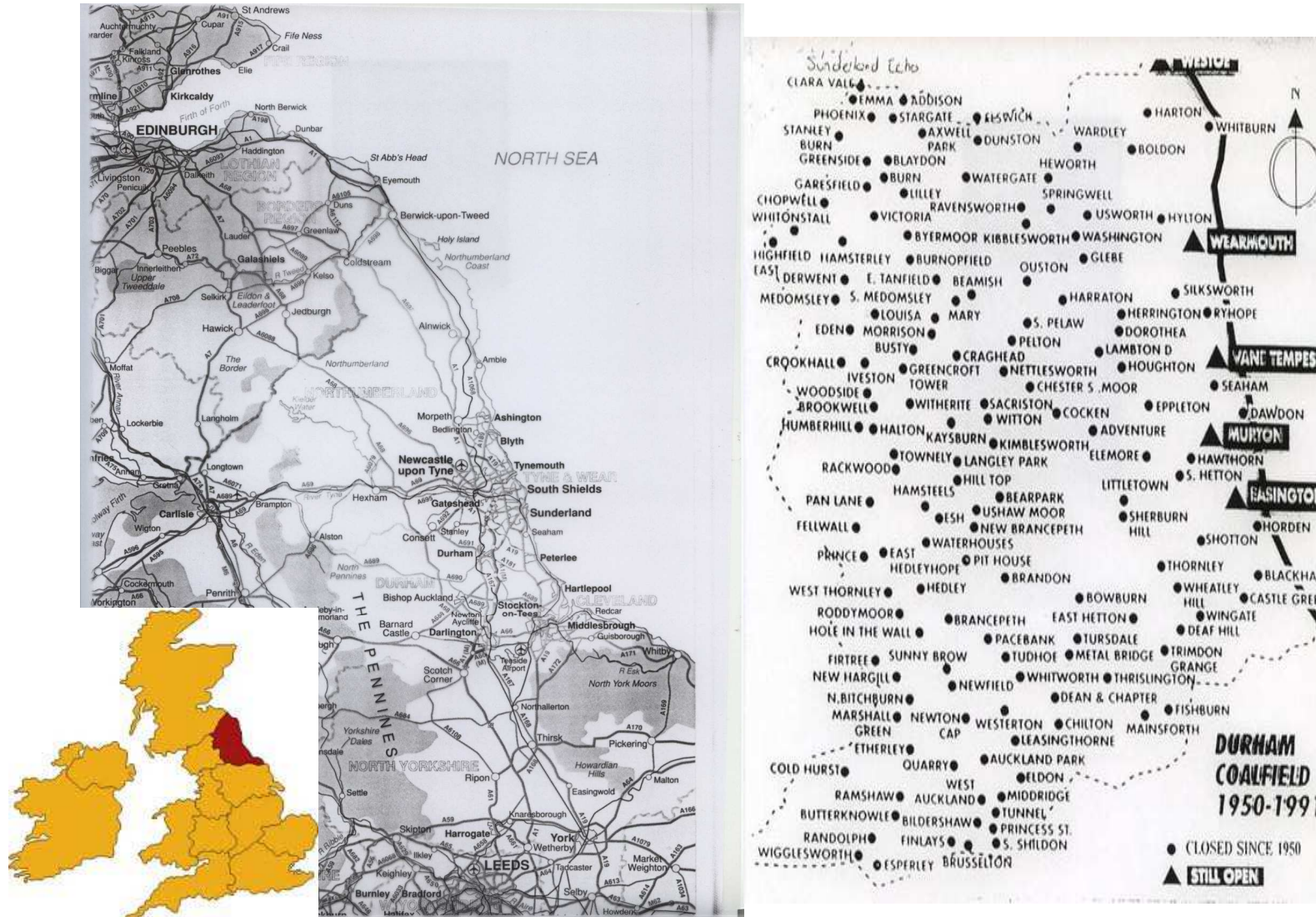
Pioneering integrated and low-carbon approaches

Newcastle Upon Tyne (UK) - 1890



NORTH EAST ENGLAND

Massive decline of traditional industry 1970-1990



Newcastle at end of 1980s

High unemployment

- localised pockets over 25%
- growing long-term unemployment



Mis-match of skills to needs of 'modern' economy



Industrial dereliction

- particularly riversides
- former ship building areas

Little new investment

Loss of confidence



Urban development strategy

Long-term strategic vision

- physical regeneration of riverside areas
- 10-year time horizon



Strong partnership

- central / local government and private sector
- statutory powers for redevelopment



EU Structural Funds



- Regional programmes from 1989

Newcastle polluted site - *before*



Newcastle polluted site - *after EU funding*



Environmental benefit
+ Economic development
= Double dividend

BUT.... Who gets the jobs?

EU programmes bring new integration

ERDF investments plus ESF support

Partnership between developers, business and local community



Training and recruitment projects:



- construction skills
- tailored packages for incoming companies



Newcastle Royal Quays Employment Centre placed 2,000 local people into work

***Themed* approach to regeneration**

'soft' as well as 'hard' investments

Newcastle Quayside's strategy...

Creative industries



Sage Music Centre



- ERDF and ESF support for arts-based SMEs
- Niche sector – clustering effect
- Visitor attractions
- Social and educational spin-offs



Baltic Gallery
Industrial heritage building



Tyne and Wear Metro

2nd largest of the three UK metro systems

...after the London Underground

Network - 74.7 km

Opened in stages during 1980-2002

ERDF funding

€ 10m for first extensions 1981-1983

€ 3m for extension to Newcastle Airport - 1991

€ 17m for extension to Sunderland – 2001

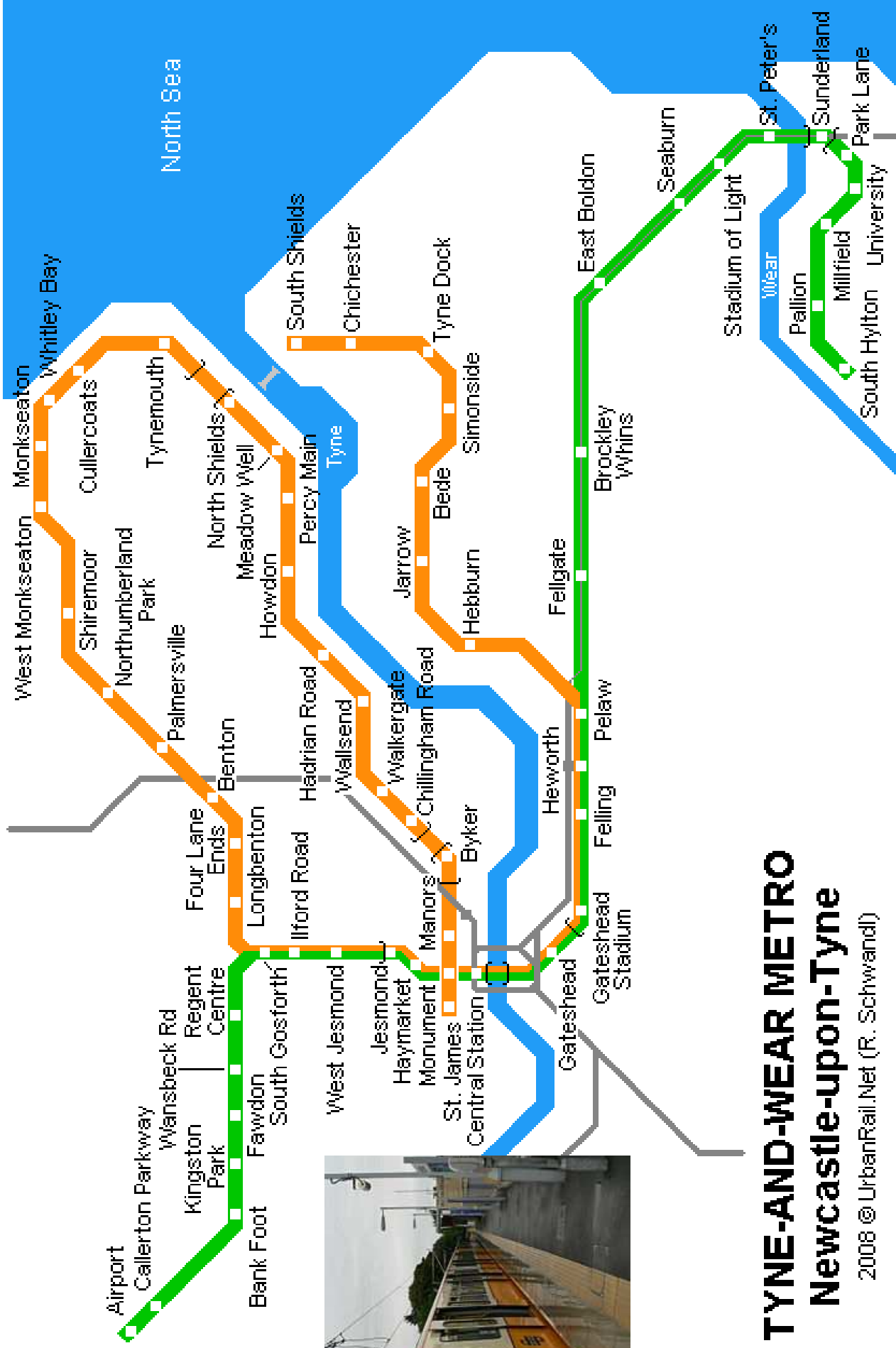
€ 0.6m for new station at Simonside - 2008

€ 30.6m total

<http://www.nexus.org.uk>

EU grant rate typically 20% of total eligible costs





TYNE-AND-WEAR METRO **Newcastle-upon-Tyne**

2008 © UrbanRail.Net (R. Schwandl)

'Building bridges'...

Over 25 years of EU Funds have:

- **successfully bridged funding gaps**
- **promoted integration with wider regional strategies:**
 - **business**
 - **tourism**
 - **human resources**



Not possible without EU Funds!



Millennium Bridge



Wider effects



City centre living

- New life – new value
- Nightlife hot-spot



Focus for international events

- Olympic Games, Tall Ships



Social housing programme

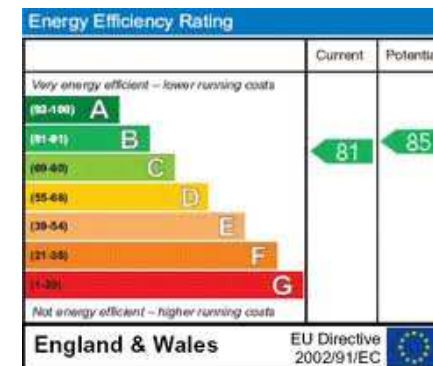


New challenge...

Low carbon urban development



2010 - North East England designated UK's 1st "low carbon economic area"



... New opportunity!

Newcastle recognised as UK's most sustainable city

Forum for the Future - 2012

*Newcastle reduced carbon emissions more than any other UK major city
2005-2009*

- **Commitment to reduce emissions by over 34% by 2020**
 - from 1990 levels
- **Low-carbon degree courses at local universities**
- **1,800m bore hole at technology centre 'Science Central'**
 - geothermal energy for 11,000 homes and shopping mall
- **1,000 electric vehicle charging points**
 - North East region
 - major awareness raising on low-carbon transport

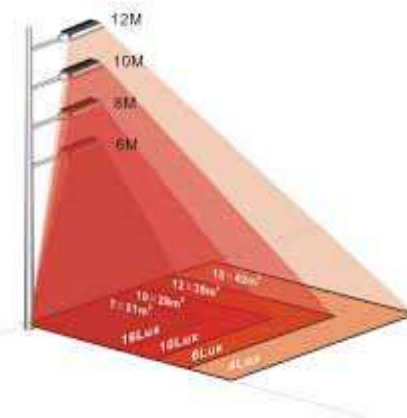


Low carbon business in Newcastle

- Riverbank Enterprise Zone - offshore renewable energy companies



- Investment funds for sustainable technology businesses
 - EU-supported 'Proof of Concept Fund'
 - Local company developed LED street lights using 70% less electricity



- Low-carbon cluster of energy consultancies - leaders in their fields

Encouraging growth in the digital economy

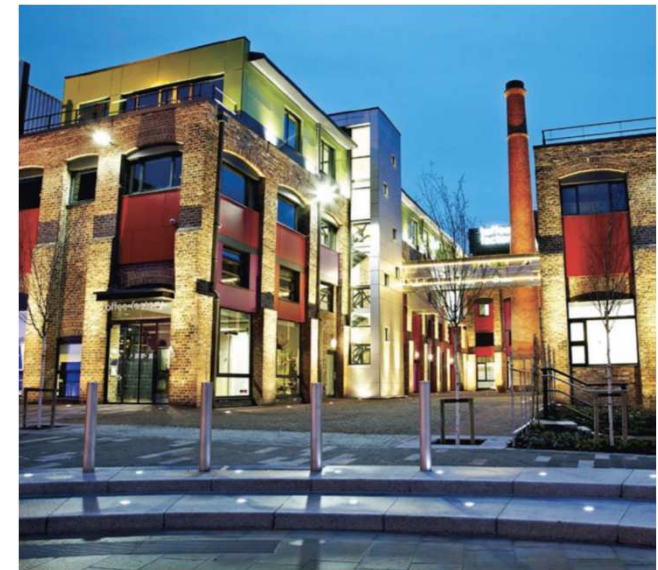
Newcastle University project through €15m Digital Economy Research Centre (SiDE)

- key element of National Research Council's UK Digital Economy research programme
- capitalising on life-changing benefits offered by digital technologies



Ouseburn and Hoults Yard regeneration areas

- now home to growing cluster of digital and creative companies



Campus for Ageing and Vitality

- **Life expectancy in Newcastle is projected to grow rapidly**
 - people over 85 to increase by 67% in next 20 years
 - 75 to 85 age group to grow 33% over same period
- **Many young people still leave the city for economic opportunities elsewhere**



- **New University Campus on former hospital site**
 - focus for world-class research, led by the Institute for Ageing and Health
 - studies on activity into older age and combat age-related diseases such as Alzheimer's and dementia
- **Businesses can co-locate on Campus and benefit from collaboration with the research base**

‘Science Central’

Research and technology transfer hub in the heart of the city

- **New home for Newcastle University’s sustainability research institutes**
- **Prime location for growing companies and leading scientific organisations**
 - **dynamic environment for collaboration between businesses and scientists**



- **Showcase of scientific progress towards sustainable living**
 - **buildings incorporating green living walls, low carbon modes of energy provision, local food production etc.**



Newcastle's future development strategy

Despite successes, local economy is still fragile

- 67.9% employment rate in the region is lowest in England
- Unemployment, at 9.9%, is England's highest



City's development strategy to 2020 focuses primarily on:

- Private Sector Services - Creative and Digital
- Industrial – Automotive / Electric Vehicles, Low Carbon, Renewable Energy
- Education - Universities and applied sciences

There's still so much to do..!



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Links to information sources

Malaga and Magdolna Case Studies – AEIDL

<http://www.aeidl.eu/en/projects/territorial-development/other-activities-in-territorial-development.html>

Newcastle Quayside regeneration strategy

<http://www.jrf.org.uk/publications/community-development-tyne-and-wear-development-corporations-approach>

Newcastle City Deal

www.newcastle.gov.uk/.../newcastle_city_deal.pdf

Newcastle City Council – Future Cities Feasibility Study

<https://connect.innovateuk.org/documents/3130726/3794125/Feasibility+Study+-+Newcastle+City+Council.pdf/f52fb022-ca50-40d3-9fa8-cc757253ff34>