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
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

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 Montaño, 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 Carreterías, Iniciativa URBANA Málaga 2007-2013
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 Carreterías, 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

- 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 *Initiatives Urbanas*
  - one of 45 urban target areas in Spain

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

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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
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: Jozsefvaros, Magdolona Quarter Program, Regeneration Program in Budapest, 2007.
Magdolna Quarter Initiative
Problems encountered

Conflicts and problems in applying the integrated approach

- **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

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

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

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

2\textsuperscript{nd} largest of the three UK metro systems
...after the London Underground Network - 74.7 km

Opened in stages during 1980-2002

ERDF funding

\begin{itemize}
  \item € 10m for first extensions 1981-1983
  \item € 3m for extension to Newcastle Airport - 1991
  \item € 17m for extension to Sunderland – 2001
  \item € 0.6m for new station at Simonside - 2008
\end{itemize}

€ 30.6m total

http://www.nexus.org.uk

EU grant rate typically 20\% of total eligible costs
‘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!
Wider effects

Focus for international events
- Olympic Games, Tall Ships

City centre living
- New life – new value
- Nightlife hot-spot

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 Hoult's 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..!
Links to information sources

Malaga and Magdolna Case Studies – AEIDL

Newcastle Quayside regeneration strategy

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