Investment in the Future

Promoting genuine integration
for
Sustainable Urban Development
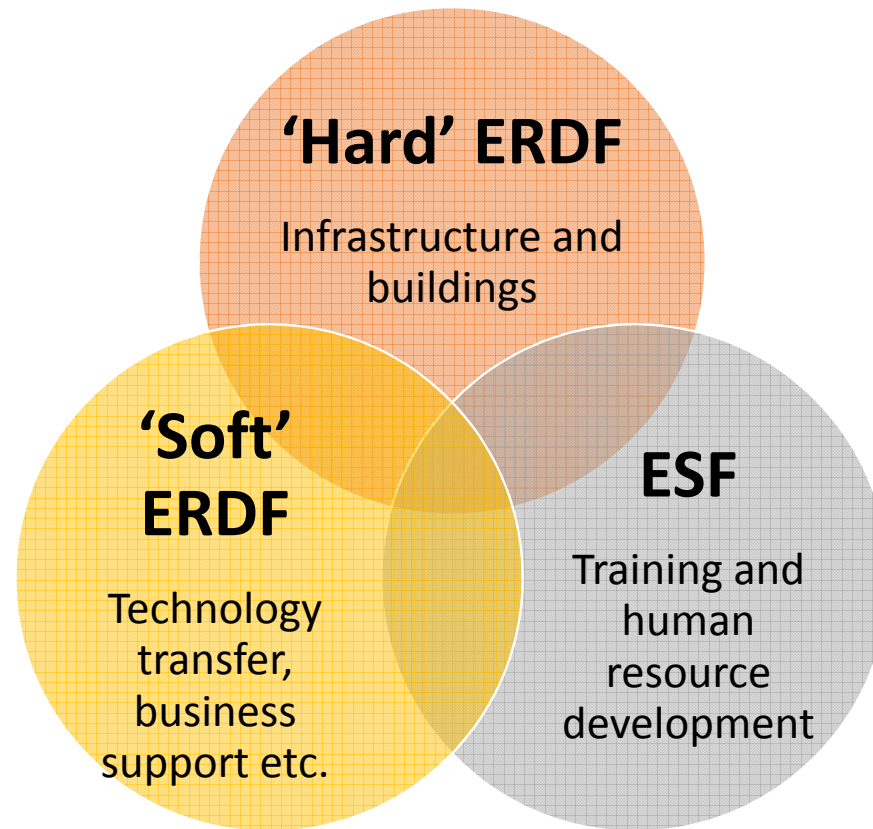
Workshop
May 2014

Integrating different investment types

- **Environmental improvements in degraded areas**
    - **Up-skilling the workforce**
- **Investments in infrastructure and buildings**
    - **Training for low carbon economy**
- **Energy efficiency and renewables**
    - **Higher education**
- **Research and innovation support for businesses**
    - **Training and support for unemployed**
- **SME development and growth**
    - **Measures promoting social inclusion**
- **Local community economic development**

Benefits of integration
in area-based interventions

'Hard' ERDF

Infrastructure and buildings

'Soft' ERDF

Technology transfer, business support etc.

ESF

Training and human resource development

- **Each element can be <u>designed</u> to be relevant to and supportive of the others**

Benefits for a designated area can be significantly <u>greater than the sum</u> of the individual parts

Other potential benefits from integration

✓More strategic use of funds – less fragmented and better coordinated delivery

✓Services that more comprehensively address the needs of clients, both businesses and people

✓Knowledge spillovers from cooperation

✓Better value for money from scarce resources – including reduced administrative costs

✓Project design and delivery that contributes to multiple objectives.

Barriers to integration

- '**Silo' thinking – i.e. predominantly sectoral approach**

- **Too many bodies responsible for different funding strands**

- **Insufficient communication between responsible bodies**
  - …and between national and local levels
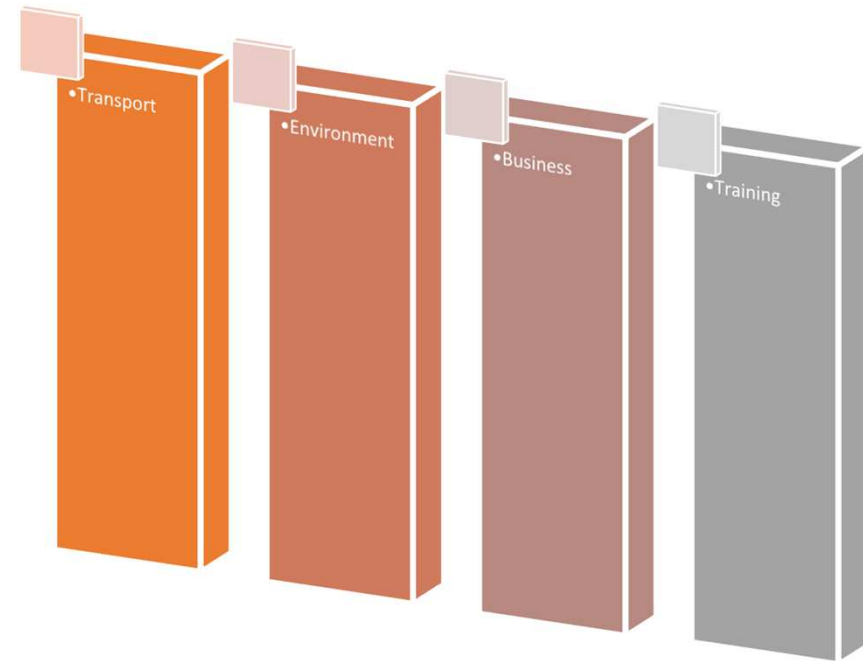
- **Large timescale differences between different investment types**

- Transport
- Environment
- Business
- Training

Promoting genuine integration
essential starting points

- 'Sustainable Urban Development' strategy for entire agglomeration prepared through broad-based partnership process

- Local stakeholders involved in project selection for target area

Increased transparency + Greater local relevance of projects = More successful integration

- Streamlining of national level decision processes <u>also</u> required in parallel

Local area project selection

- **Calls for projects – specific to ITI target area**
  - OP Managing Authority / Monitoring Committee to decide modalities
  - possibility of 'rolling' calls (no deadlines), if resources allow

- **Project selection criteria**
  - probably national core criteria, with chance for additional locally-specific criteria
  - *"Direct linkage with other projects under ITI"* - an obvious criterion

- **Project selection committee with full range of relevant local stakeholders**
  - added value from involvement of community-based organisations
  - committee could also become platform for project development
  - ***Who would chair/manage/service such a committee?***

- **OP Managing Authority & line Ministries to check eligibility / national policy coherence of projects**

Partnership is Evolving –
how it used to be....

- **Partnership was primarily concerned with dividing-up allocated resources.**

- **Partnership was more presentational than real.**

➢ Delivery was fragmented – projects based on different agendas.

➢ Competition and duplication of effort in delivery.

➢ Weak coordination of action.

➢ Poor value for money.

➢ Indifferent results.

Challenges to the Old Model of Partnership

- Evaluation findings that were critical of the quality and achievements of partnership.

- Learning and positive experiences from participation in URBAN, EQUAL and LEADER.

- Increasing costs and risks from the EC administrative and audit culture.

- Tendency for centralisation as a response to compliance risks.

Partnership is Evolving –
how it looks today….

- **Partnership as much concerned with securing objectives through influence as accessing resources.**

- **Greater collective appreciation of the potential contribution of different partner organisations.**

➢ Fewer, bigger projects.

➢ Collaboration of partners within joint projects.

➢ Better resourced organisations provide <u>most co-financing</u>.

➢ Client needs better met from more integrated services.

➢ More contracting of delivery to 3rd parties (NGOs & private sector).

➢ Administrative burden carried by those with capacity.

Integration during project implementation

If one component of an integrated package fails, the benefits of integration are lost…

- **Local support services for project Beneficiaries to be considered**

  o tailor-made support for specific actors/groups

  o 'aftercare' for projects underway

  o help with complex management of projects with different timescales
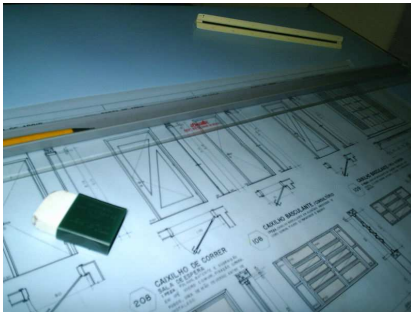
*Projects under an ITI must also deliver OP expenditure and contribute to OP targets*

Broader coordination needs

- **Vital to complement nationally-determined projects in same or nearby area**

  - need to be fully aware of timetables of project preparation, calls, selections etc.

  - could be a case for having project selection criterion *"direct links with ITI"* in mainstream of ERDF/CF and ESF OPs

- **Coordination/complementarity also with EAFRD/EMFF interventions**

- **Similar complementarity issues with cross border, multi-country and river/sea basin strategies**
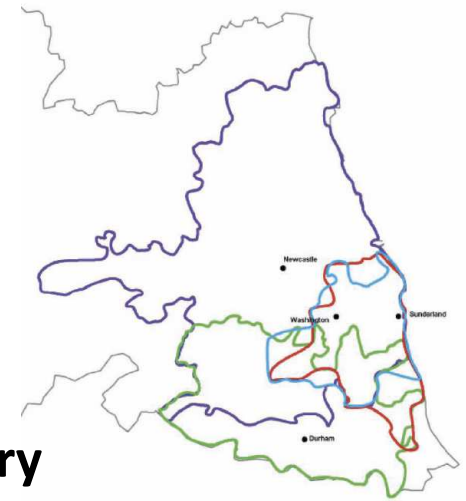
Enhanced communications

- **Constant need at local level for good quality, timely and regularly updated operational information on a broad range of projects and programmes**
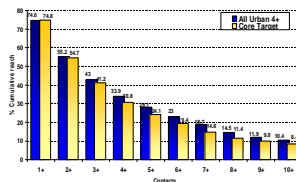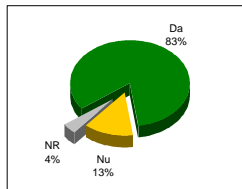
- **Strong promotional capacities required to draw maximum exemplar value from ITIs**

- **Partnership building and coordination to strengthen capacities**
  - o networking / exchange of experience events / promotion of good practice
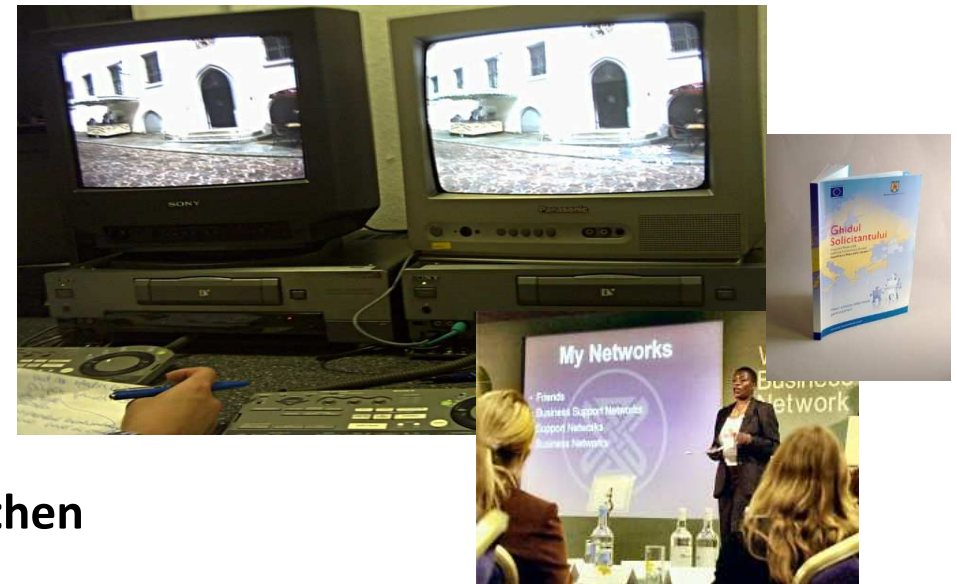
SUSTAINABLE URBAN DEVELOPMENT

Promoting genuine integration

Who will deliver all the necessary services?

Links to information sources

Urbact Results Paper
http://urbact.eu

New Partnership Dynamics in a Changing Cohesion Policy Context
(IQ-Net Thematic Paper 25(2), 2009)
http://www.eprc.strath.ac.uk/iqnet/reports_results.php?keyword=&checkbox=checkbox&prog_terr=prog_terr&prog_part=prog_part&Submit2=Submit

Urban II ex-post evaluation
http://ec.europa.eu/regional_policy/sources/docgener/evaluation/expost2006/urban_ii_en.htm