



COMPARATIVE POLICY ANALYSIS

City Regions

The possibilities of using EU structural funds for the development of urban – rural partnership in the 2014 – 2020 funding period



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The author explicitly thanks for the valuable input delivered through questionnaires by the City Regionas partners and national experts among others, Ana Prat, Paolo Mascio, Milan Turba, Bernd Gassler, Christian Nussmüller, Ilona Szarapo and Magdalena Belof.

Brussels, October 2014



This project is implemented through the CENTRAL EUROPE Programme co-financed by the ERDF.

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1. Introduction

The aim of the present comparative analysis is to investigate different possible approaches on how the EU Structural Funds can be used in order to support regional development projects in city regions and how the different forms of co-operation can be supported.

Local and regional authorities find themselves increasingly faced with challenges, they cannot meet alone and 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 to tackle these challenges; the competencies for regional development which are set out by the legal systems of the member states remain unaffected.

Within the European Cohesion Policy, the European Union possesses particular instruments to support the strategic development of different forms of inter-municipal co-operation. Based on an integrated territorial approach, urban-rural partnerships are characterised by a broad range of topics generally covered by the funding scope of the European structural funds.

In the following study analysed five European city regions in five different countries in Central Europe. It includes the city region of Halle/Leipzig in Saxony and Saxony-Anhalt (Germany), the Czech Capital of Prague with its surrounding region Central Bohemia, Turin and Piedmont (Italy), Graz and Styria (Austria) and Wroclaw with the voivodeship of Lower Silesia.

In December 2013, the EU Institutions adopted the legal framework for the new structural fund period 2014-2020. This legal framework bears several new possibilities for the support of territorial development strategies for functional areas. Alongside, the EU Member States and regions started to prepare their national and regional funding strategies in their respective partnership agreements and national and regional operational programmes. Through a detailed study of the draft partnership agreements and the operational programmes, the present study tries to figure out, how the member states and regions adopted the legal possibilities and new territorial instruments to provide funding streams towards territorial development strategies. The screening of the draft programming documents led to results for each cityregion where potential linkages can be found in the new funding period in order to support local and regional projects. Furthermore, synthetic conclusions on how the EU funding landscape has changed in comparison to the previous funding period are provided in the final chapter.

Given the fact, that due to the long legislative negotiation process of the legal framework between the European Parliament, the European Commission and the European Council as well as the negotiations of the EU Budget 2014 – 2020 between the Member States, led to a delay in the entire programming process - which is still ongoing in 2014/2015. Consequently, the majority of information received and documents analysed are based on not codified draft version. Although the main content will not change tremendously, some details are still subject of ongoing negotiations and can cause some changes.

2. The New Framework of the EU funding period 2014 – 2020 and new possible Instruments

The European Fund for Regional Development (ERDF), the European Social Fund (ESF) and the European Agricultural Funds for Rural Development (EAFRD) in the EU funding period 2007 – 2013 already provided certain possibilities to support the cooperation between urban and rural areas. The single funds mainly provided multiple funding topics like the support of business clusters, sustainable transport systems, commodity chains for food supply, risk management, local economic development or the development of the regional touristic sector.

The multi-fund approaches, where the financial means of different funds were pooled into a common project were merely in the responsibility of the national and regional managing authorities of each fund. The same is true for cross sector and territorial policy approaches that were applicably fed by financial means from different funds. One option that was applied in the expired funding period was the programming of a particular investment priority or a particular measure within the operational programmes, which was dedicated to particular urban-rural topics (e.g. in the context of urban, suburban and rural areas).¹

The first time since the establishment of the European Cohesion Policy the new funding period 2014 – 2020 had to face a lower budget than in the previous ones. Thus the regional development is cut down to 336 Billion € for the next seven years for all Member States. In particular the East German Länder shifted into a new categorisation of regions (see map on the right) with a shortage of approximately one-third of the previous budget. This more and more, led towards a thematic concentration of funding topics. With the release of the news Draft Regulations of the European Structural and Investment Funds (ESI-Funds), in October 2011, the European Commission thus provided a framework, which on the one hand follows a stricter sectoral policy orientation on the



source: European Commission 2013

EU2020 objectives (an intelligent, sustainable and inclusive growth) but included at the same time new approaches of integrated, territorial development instruments. Having finished a long and intensive legislative trilogue with the European Parliament and the European Council, in December 2013 the EU institutions adopted a final legislative package, that in the end provided a more flexible framework, which provides the following possibilities and instruments on how to fund urban-rural partnerships:

- a) sector oriented approach: supporting projects in city regions based on particular topics (like SME development).

¹ Cp.; Artmann, J., C. Huttenloher, R. Kawka and J.Scholze, Partnerships for Sustainable Rural-Urban Development: Existing Evidences, Brussels, 2012,p. 53ff.

- b) projects under article 7 of the ERDF regulation²: integrated urban- and urban-rural development projects (as own priority axis or multi-thematic priority axis, own operational programme, or own investment priority).
- c) Application of the new territorial instruments: ITI (Integrated Territorial Investments) and CLLD (Community-led local development).
- d) Project within the budget for innovative actions (Article 8 of the ERDF Regulation)³.

The final decision however, which of the provided instruments are finally available on the local and regional level for city regions depends strongly on the respective programming decisions of each EU Member State and the regions itself.

2.1. Sector approach

National and regional operational programs mainly include sector specific funding schemes (e. g. supply of energy, mobility and transport, economically oriented infrastructure, nature and environmental protection). These funding topics are codified under particular sector specific priority axis in the operational programmes. However, projects that are funded under this priority axis can also be organized in form of an inter-municipal/ rural-urban partnership and need not necessarily an particular instrument or an comprehensive territorial development strategy. The ESI regulation 2014 – 2020 determined in article 9 eleven thematic objectives. Each operational program has to translate these thematic objectives into a priority axis. Usually there is one thematic objective for each priority axis available. The following table provides an overview how these topics could be used for potential urban-rural projects:

Thematic Objectives (Art. 9 ESI Reg.)	Possible topics for urban rural partnerships
Research, technological development, innovation	Technology cluster,
ICT (Information and Communication Technology)	Broadband development in rural areas
Competitiveness of SMEs (Small and Medium-sized Enterprises)	Common business incubators, regional SME funds
Shift towards a low-carbon economy	sustainable energy supply for urban areas
Promoting climate change adaption, risk prevention and management	Common projects for flood prevention
Preserving and protecting the environment and promoting resource efficiency	Spatial planning projects for green infrastructure
Promoting sustainable transport and removing bottlenecks in key network infrastructures	Urban-rural systems for integrated public transport
Promoting sustainable and quality employment and supporting labour mobility	transport system for commuters, educational systems
Promoting social inclusion, combating poverty and any discrimination	Tackling barriers to work e.g. digital exclusion or care responsibilities
Education, training and vocational training for skills and lifelong learning	Vocational training for rural population in urban centres to overcome access obstacles
Enhancing institutional capacity of public authorities and stakeholders and efficient public administration	Promotion of new territorial governance models

Examples for urban-rural projects within the 11 thematic objectives of the funds regulation⁴

² Regulation (EU) No 1299/2013, Article 7,1.

³ Regulation (EU) No 1299/2013, Article 8.

⁴ Own table developed on basis of Regulation (EU) No 1303/2013, Article 9.

2.2. Urban – rural development under article 7

The regulation of the European Regional Development Fund set the legislative frame for sustainable urban development projects. Five percent of the national allocation of ERDF funds has to be dedicated into this thematic category. It is defined that „[...] sustainable urban development through strategies that set out integrated actions to tackle the economic, environmental, climate, demographic and social challenges affecting urban areas, while taking into account the need to promote urban-rural linkages.⁵“ Comparing this article with 2006 documents, where integrated urban development was codified in article 8 of the ERDF regulations, the geographical scope of integrated territorial development projects was widened now also to the rural areas so that actions within functional areas beyond urban “boarders” can be supported by the ERDF money. This article opened several options already in the past funding period. One option, which was partly applied, was to include a specific funding priority or measure dedicated to integrated territorial development for functional areas in the operational programmes. New article 7 opens now further different possibilities in which the funding scheme can be implemented:

- **Integrated Territorial Investment (ITI), Article 36 of the ESI Regulation⁶**
- **Specific priority axis (also multi-thematic axis), Article 96 (1) c of the ESI Regulation⁷**
- **own operational programme**

The implementation of integrated urban-rural projects within the scope of article 7 ERDF regulation strongly depends on the administrative system and the administrative tradition of implementing the multi-level-governance approach of the EU fund. Thus e.g. Germany as well as Italy or Austria is based on a strong federal system, with a high competence of the regions (in Germany: Länder) on programming and managing the regional funds, whereas in countries like France, the Czech Republic or Poland the programming and fund management is also organised on the central level.⁸ Among others this is one reason, why the application of ITI is preferably implemented in more centralised countries.

In the field of urban development (Article 7 projects), additionally two investment priorities can be combined into one multi-thematic priority axis. This option was included after some negotiations between the European Commission, the European Parliament and the Council during the informal Trilogue in 2013. This possibility opened a further funding possibility in order to support integrated urban development and urban-rural development projects through the mainstreaming programmes.

⁵ Regulation (EU) No 1299/2013, Article 7,1.

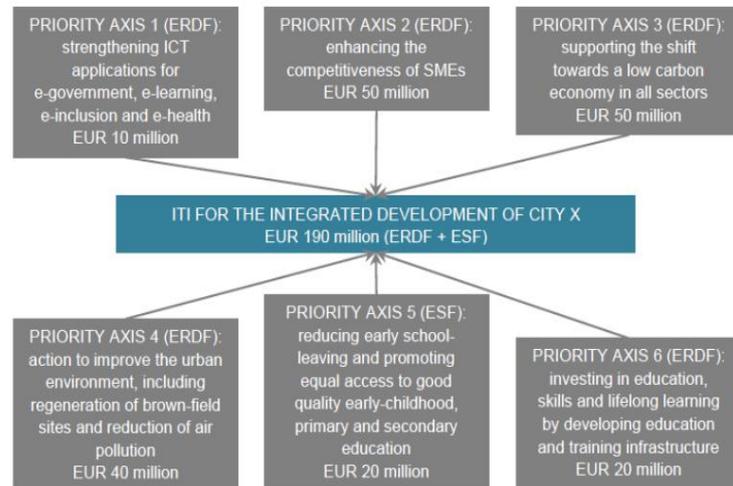
⁶ Regulation (EU) No 1303/2013, Article 36.

⁷ Ibid.: Article 96.

⁸ Cp. Directorate-General for internal Policies: EU Member States`Preparedness for Cohesion Policy 2014-2010 2013.

2.3. Integrated Territorial Investment (ITI)

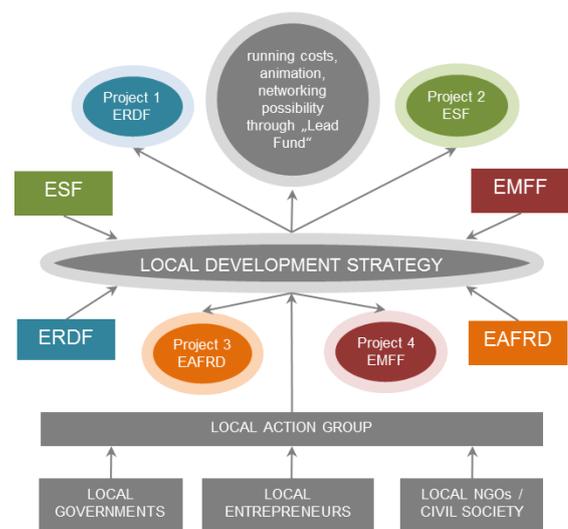
Besides a sector funding approach and urban-rural interventions defined as own priority axis, investment priority or a specific measure within an operational programme, the European Commission introduced with the new funding period two new instruments that can be used as funding vehicle to implement territorial strategies in functional areas like city regions. The first one is the Integrated Territorial Investment Instrument (ITI).



An ITI (codified in Art. 36 of ESI Regulation) is not understood as a priority axis within an operational programme or an subprogramme, it is more a technical funding tool to allow the pooling of different priority axes, operational programmes and different funds, in order to support projects within a territorial development strategy. This tool is not merely made for integrated urban development projects. Any geographical area with particular features can be subject of an ITI. The instrument with an indicative budget of each priority axis and a coherent strategy has to be included into the national and regional operational programmes. As top down instrument it is can be used for different geographical scopes (metropolitan areas, cityregions, cities or neighbourhoods). This instrument thus provides a valuable funding tool, in order to develop particular coherent strategies in particular for the level of city regions.

2.4. Community-led local development (CLLD)

The second instrument is the community-led local development (CLLD) approach. It mainly reflects the LEADER (Liaison Entre Actions de Développement de l'Économie Rurale) approach generated from the European rural development policy which is now opened to the all other ESI Funds and enhanced for thematic objectives beyond merely rural issues. It is codified in article 32 – 35 of the ESI regulation⁹. Contrary to the ITI, CLLDs are made as strictly bottom-up instruments for a smaller territorial scope. Whereas ITI could cover a whole city or even a larger territorial scope, a CLLD is designed for neighbourhood level, or smaller cities with surrounding outskirts. Within a CLLD it is the local action group (LAG) that determines the content of the local development strategy and the operations getting financed. The LAG consists of private stakeholders



⁹ Regulation (EU) No 1303/2013, Article 32ff.

and max. 49% public representatives. The instruments thus provides a basis for a smaller region and is not made to support a comprehensive development strategy for an entire metropolitan area or a city regions.

2.5. Innovative Actions, Article 8 ERDF regulation

Article 8 of the ERDF regulation offers the possibility to spend further 330 Mio. € for innovative actions in the area of sustainable urban development. This fund is independent from the mainstreaming procedure via regional and national operational programmes, as the decisions on the funding topics and the technical implementation is centralised. The European Commission and a technical agency will execute the management. The fund will include “studies and pilot projects to identify or test new solutions which address issues that are related to sustainable urban development¹⁰”. In particular these actions provide a valuable tool to test new forms of governance in urban development, that potentially may include urban-rural measures. However, the final decision on topics and the call procedure is still open.

The respective legislative act contains technical details for the implementation of the innovative actions e.g. six annual calls starting from 2015 onwards. The thematic topics however will be defined by the European Commission each year. For these projects municipalities or local authorities or city networks with a minimum of 50.000 inhabitants are eligible to submit an application. The projects can have a volume of 2 – 5 million €. ¹¹

¹⁰ Regulation (EU) No 1299/2013, Article 8,1

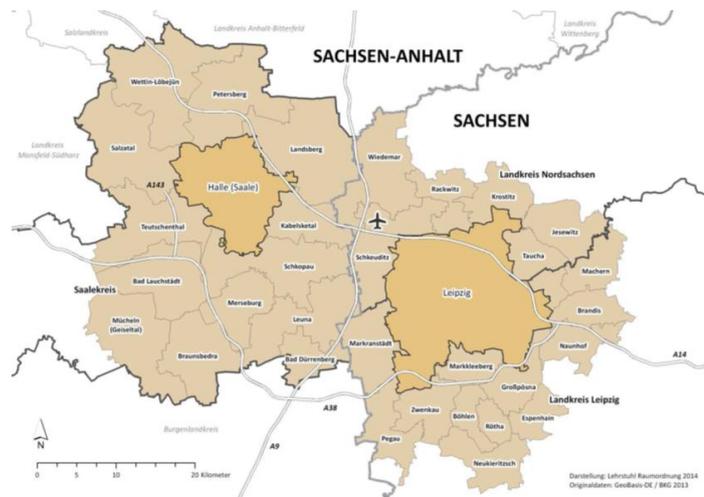
¹¹ European Commission Delegated Regulation (EU) No 522/2014.

3. Comparing the possibilities to fund urban-rural partnerships

The following chapter provides a comparative analysis of five cities and regions on how the policy tools explained in chapter 2 are available for each country. This deeper analysis does not provide a comprehensive description of each operational programme; it merely tries to identify potential fields of intervention for the support of inter-municipal cooperation by the EU structural funds.

3.1. Leipzig/Halle – Saxony and Saxony-Anhalt

The city of Leipzig and the city of Halle can look back on a long tradition and comprehensive experience of integrated urban development projects by using the EU structural funds. Already within the community initiatives URBAN I and URBAN II, both cities could make use of ERDF funding streams. This will also be the case in the future. However, looking at the level of the functional city region Halle-Leipzig potential support of the EU structural funds is faced with a multitude of obstacles.



The Central German Metropolitan Region (CGMR) with the cityregion Leipzig and Halle is a particular case in comparison to the further examples analysed within this policy study. Similar to the city of Prague the area of CGMR covers two different German Länder (Saxony Anhalt and Saxony) each with its own operational programme for the ERDF, ESF and EAFRD. In Germany the managing authorities of the funds are located in the regional ministries with intermediate bodies, that are responsible for the management of urban and territorial development strategies. These intermediate bodies are established in the respective departments in charge of regional development (In Saxony it is the Ministry of Interior and in Saxony-Anhalt it is the Ministry of Regional Development and Transport). This means that the entire programming and management of the ESI funds is executed on regional level through different ministries, in different regions with different political objectives. Due to this political and administrative frame, it is very complex to develop a common coherent cross-regional development strategy that would be eligible to use the EU structural funds.

A second challenging situation for the development of EU funded intermunicipal cooperation in functional areas is, that the county of Leipzig (NUTS II) belongs since 2014 to the regional category of better developed regions, while the rest of Saxony still belongs to the regions in transition. Consequently, the cityregion is subject of different funding conditions, eligibility criteria's, thematic objectives and composition of investment priorities. Some urban development projects are thus limited to a particular indicated and codified area.

The new Instruments ITI and CLLD provided by the European Commission are rarely applied in Germany. With the possibility of using a multi-thematic funding axis in the regional operational programmes for integrated urban and urban-rural development, most of the Länder decided to refuse the application of ITI. The structures for the implementation of EU funding is quite strong established

in Germany. The Länder fear to sub-delegate the management of funding streams towards the municipal level, when at the same time the financial responsibility remains at the Länder level. Consequently only a few ITI (e.g. in the north German region Schleswig Holstein and) will be applied, however neither in Saxony nor in Saxony-Anhalt. Despite this fact, the operational programme of the ERDF in Saxony-Anhalt, include two potential approaches on how urban-rural cooperation projects can be funded with EU support:

Community-led local development as multi-fund approach

The application of CLLDs will be implemented in most of the German Länder as LEADER through the EAFRD for rural development projects. One exception is Saxony-Anhalt. As one of the few Länder the regional operational programme included a multi-fund approach through the CLLD instrument in its priority axis 6 (PA 6). In addition, the ERDF can be complemented by the ESF (European Social Fund) and the EAFRD (European Agricultural Fund for Rural Development) for projects that are not limited to the rural areas. With the CLLD approach the possibility will be opened towards urban areas. The objective of this approach is to create innovative responses for the challenges of demographic and structural changes and to build an adaptation for the climate change. An important focus will be seen in the promotion of investment in SMEs outside the core cities (diversification of the economic structure).

The managing authorities for the ERDF/ESF and the EAFRD in Saxony-Anhalt started on 30 June 2014 the first call for the application, which will opened until 31 March 2015. In order to mutually elaborate an integrated territorial development strategy, Associations, municipalities, counties and companies are eligible to form a "Local Actions Group"¹².

However, the application of CLLD is quite limited by using it as a tool for larger regional development strategies. The area of a CLLD strategy should have about 20,000 to 130,000 inhabitants as a maximum (duly justified exceptions will be allowed) and is consequently not appropriate as development vehicle for an entire metropolitan region. The CLLD approach is open to each city in Saxony-Anhalt besides the urban centres of Halle and Magdeburg. Despite these limitations, the CLLD approach could be an interesting test field for smaller locally bottom-up approaches in urban-rural conurbations, since it enhances the thematic objectives beyond primarily rural development topics.

Priority Axis 4: Supporting integrated urban-rural development in Saxony-Anhalt

The composition of the single priority axes of the operational programme for the ERDF are based on a stringent intervention logic, concentration of thematic objectives and output indicators which means, that each measure has to be defined to reach specific objectives and indicators deriving from a comprehensive SWOT analysis. With these preconditions, the operational programme of Saxony-Anhalt for the ERDF includes a multi-thematic priority axis that provide some potential linkages for urban-rural projects. The funding scope is indicated with approximately 100 million €, which are around seven percent of the entire ERDF in Saxony-Anhalt.¹³

This multi-thematic priority axis (PA 4) is dedicated to the fostering of integrated urban-rural development and includes both urban and urban-rural development strategies. The starting point of

¹² Press release from the Finance Ministry of Saxony-Anhalt, Magdeburg, 30 June 2014.

¹³ Cf. Ministerium für Finanzen Sachsen-Anhalt, Operationelles Programm für den Europäischen Fonds für regionale Entwicklung (EFRE) des Landes Sachsen-Anhalt 2014-2020, p. 68ff. (state of the art May 2014).

this axis sets on promoting city-specific challenges. The investment priorities in particular names the three areas of energy saving and climate protection, preservation and development of cultural and natural heritage and the integrated use of fallow land and brownfield sites. The funding of urban-rural development projects is embedded in the following framework:

- Each field of activity has to be part of integrated urban-rural development concepts (as funding preliminary). The term “urban-rural” is not tailored towards a particular territorial dimension; moreover, it is being regarded as approach that is more flexible. However, projects have to be at least composed within a functional connected territory.
- The thematic scope, which is opened beyond urban development projects, includes brownfield development and the development of the cultural heritage (restructuring of historic landscapes)
- Both thematic objectives have to be complemented with a strategy to reduce carbon dioxide.

Saxony – a possible way by using the funding stream of Innovative actions

While have proofed in very detail the possibilities of Saxony for a potential funding approach for urban-rural development projects, the EU structural funds a more tailored towards urban development and the support possibilities in Saxony are quite limited.

The Operational Programme for the ERDF includes a Priority “sustainable urban development” with two different interventions. The first one comprises projects of “classic” integrated urban development and the second intervention is dedicated to projects for brownfield revitalisation. The last foreseen intervention is however limited to transition regions, consequently the county of Leipzig is not eligible for this intervention category.¹⁴

Consequently, a small but limited approach can be tested by developing a comprehensive development strategy within the metropolitan regions together with the city region Halle/Leipzig. A possible approach could be to develop a coherent strategy for an innovative action under Article 8 of the ERDF. In particular these actions provide a valuable tool to test new forms of governance in urban development that also may include urban-rural measures. There could be several reasons, why an innovative action could be interesting for the Central German Metropolis Region:

- The area of the central German metropolitan region in its structure is a new territorial approach; in particular, a common development strategy of a common inter-municipal marketing and land use concept beyond the borders is not common and comprises innovation potential in comparison to other European countries.
- The comprehensive experience of Leipzig in EU funded urban development projects could be an asset.

Results:

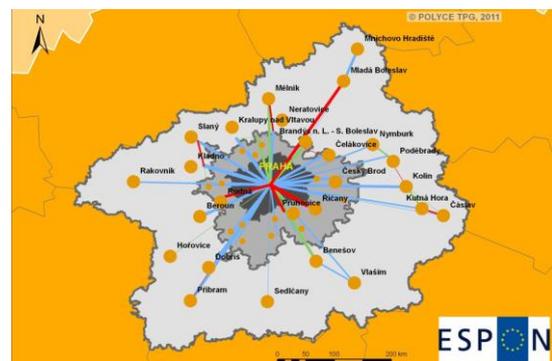
- The complex cross-regional administrative and political funding structure makes it very difficult to develop an eligible coherent territorial development strategy

¹⁴ Cf. Staatsministerium für Wirtschaft, Arbeit und Verkehr des Freistaates Sachsen, Operationelles Programm des Freistaates Sachsen für den Europäischen Fonds für regionale Entwicklung 2014-2020, p. 95ff. (state of the art March 2014).

- In Saxony both, the ITI and CLLD instrument is not foreseen in the operational programme of the ERDF. The territorial instrument of CLLD will be eligible only as LEADER approach via the EAFRD.
- The thematic axis for urban regeneration needs to be sorted out to which extend it could be used beyond deprived-inner urban areas.
- Only real possibility is to develop a project under Innovative Actions
- Saxony-Anhalt provides direct funding approach within the ERDF OP for urban rural-partnerships and an CLLD approach that includes beside the ERDF also ESF and EAFRD funding schemes.

3.2. Prague and the region of Central Bohemia

The city of Prague and parts of the surrounding region of Central Bohemia form a strong functional region. Despite a number of mutual links, common topics and similar challenges, the administrative partnership between the city of Prague and Central Bohemia region is quite limited¹⁵. The reasons, which were analysed recently by an OECD study, referred to the formal autonomy of the regional government with distinct administrative units and different regional interests, in particular the specific position of the capital towards the rest of the republic. However, both partners feel the need to solve their problems and challenges in coordination and mutual cooperation. The May 2013 floods, which deeply affected the territories of both regions, became a decisive impulse for them to cooperate.¹⁶ Moreover, the regions are economically strong growing, and a number of bilateral partnerships between Central Bohemia and Prague can form a basis for the development of a stronger partnership¹⁷. With regard to the development of the new EU funding period, Prague could be a promising example on how EU support can accelerate this process.



The ERDF operational programme for the past funding period 2007 – 2013 in Central Bohemia provided a priority axis for measures on integrated territorial development, in order to ensure the quality of life in towns and rural areas. The focus was put on the revitalisation and improvement of towns as main centres of economic growth. The OP concerned also measures for small- and medium sized towns in rural and peripheral areas. There was no common funded project however between the region of Central Bohemia and the city of Prague. The challenge lies in the different governance districts, as the city of Prague has its own Operational Programme.

¹⁵ cf., OECD, Rural Policy Reviews, Rural-urban Partnerships, An integrated approach to economic development, Paris, 2013, p. 178ff.

¹⁶ Information based on the filled questionnaire answered, by Dr. Milan Turba in March 2014 within the project City Regions.

¹⁷ ibid. p. 180

Opportunities in the Funding Period 2014 - 2020:

Within the new funding period, this issue could potentially be tackled. The draft Partnership Agreement between the Czech Republic and the European Commission supports the development of integrated territorial strategies and regards them as an effective tool to achieve a higher quality of strategic planning and management¹⁸. These strategies also bring new opportunities for efficient investment of funds in the development of regions, cities and neighbourhoods. The Partnership Agreement includes the possibility to use both, the CLLD and ITI approach. Territorial and urban issues are considered as horizontal topics. Urban-rural partnerships are mentioned explicitly as a possible approach within the new instruments. CLLD, like in most of the other countries will be mainly used in rural areas¹⁹ based on the development of Local Action Groups following the LEADER principle. The Ministry of Regional Development will coordinate and manage the administrative process in close cooperation with the Managing Authority for rural development. In the new funding programme, the Czech Republic proposes one future regional programme for Prague, which combines the former ERDF and ESF programmes and introduces a multi-fund programme.

Additionally in the Partnership Agreements, the Czech Republic indicated the implementation of Integrated Area Development Plans (IADP), where the development of urban-rural issues are mentioned as potential project topics. IADPs are integrated strategic documents that provide a SWOT analysis for a specifically defined territory and describe respective objectives and projects on how to overcome the regional and local obstacles and match their needs. The funding is based on EU resources, desirable matched with complementary funding from other sources (e.g. financial instruments). The IADPs are made for strategies in a wider area (a city and its conurbations).²⁰

Using ITI in Prague and Central Bohemia – A potential tool for urban-rural linkages?

The Partnership Agreement describes the implementation of the 5% funding from ERDF for sustainable urban development via the OP multifund programme “Growth Pole” of the city of Prague and further the implementation of six ITIs in the metropolitan areas of the Czech Republic. The number of ITI in the Czech Republic is defined by the number of metropolitan areas, identified in the Regional Development Strategy of the Czech Republic – among the Prague Metropolitan Area which also covers certain areas of Central Bohemia. The application of the ITI tool into the partnership agreement opens a new promising opportunity to support certain common projects between the city of Prague and the Central Bohemian Region that helps to strengthen the cooperation beyond the administrative borders. The draft operational programme of Prag (Prag Growth Pole OP PGP) formulates this in the following way: *“ITI and OP PGP are two individual instruments. The vast majority of planned interventions within the OP PGP do not have the relevant qualities of ITI projects and OP PGP and ITI in the Prague metropolitan area are thus not mutually substitutable; on the contrary, they complement one another in solving problematic areas. The ITI instrument in the Prague Metropolitan area is the first step towards creating a uniform organism out of two different administrative regions.”*²¹

¹⁸ cf., Ministry of Regional Development of the Czech Republic, Draft Partnership Agreement for the 2014-2020 Programming Period, Prague, June 2013, p. 115ff.

¹⁹ cf., Council of European Municipalities and Regions, Cohesion Policy, Planning of EU structural funds: Is local Government treated as a real partner?, Brussels, 2014, p.23.

²⁰ cf., Ministry of Regional Development of the Czech Republic, Draft Partnership Agreement for the 2014-2020 Programming Period, Prague, June 2013, p. 118.

²¹ Operational Programme Prague – Growth Pole of the Czech Republic – Draft Version 7.0. as of 30 June 2014.

To endorse the ITI for the Prague metropolitan region, a Memorandum on the cooperation of Prague with Central Bohemian region was signed by Tomáš Hudeček, the mayor of Prague, and Josef Řihák, the regional president. On that basis, a working group was established in the 3 + 3 format (a representative of the political leadership, strategic expert, implementation expert). During the first meeting, it was agreed to focus on the following topics:

- mobility: integrated transport system of Prague and Central Bohemia Region
- environment: flood-prevention measures
- regional education system: capacity of schools in the ring of Prague

Special Focus will be put on investment priority 2.2. to improve the attractiveness of urban public transport use in particular park and ride facilities in the vicinity of stations. These facilities form, along to the OP, a significant impact in both areas.²²

The future guarantors of the metropolitan area strategy have agreed that the ITI program managing authority shall only include the projects with an evident positive impact upon the territories of both regions. However, there are some challenging similarities to the Central German Metropolitan Area. Prague and Central Bohemia is formed by two categories of regions which are subject to different EU regulations concerning financial support: Prague – More Developed Regions and Central Bohemian region – is a less developed region. For this reason the majority of the projects will be implemented in the background of the agglomeration (i.e. in the Central Bohemian region), their main ITI initiator being the core city (Prague). The memorandum on the cooperation is a basis for the future common platform (steering committee) to develop and implement the ITI Prague metropolitan area. In the course of time, this steering committee is supposed to be extended by other subjects from municipalities, bodies of state administration, NGO's, town organizations or entrepreneurs.

The indicative budget in the OP PGP for the ITI is 17 million € (this amount is still under negotiation). The final setup of the ITI is planned for the turn 2014-2015. The capital of Prague, Central Bohemian region and the whole Prague metropolitan area intend to use this integrated instrument mainly to achieve an improved functional interconnection of both the territories, solution of common infrastructural problems.²³ Even with technical problems at the “embryonic” stadium of the ITI, the initiated dialogue of different stakeholder like mayors from municipalities of Central Bohemia and from different parts of Prague was crucial for a future spell over to other parts, like urban planning.

Results:

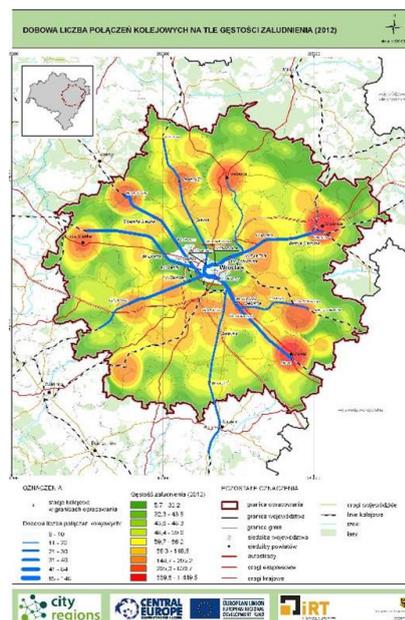
- Strategic advantage for projects development within Prague, as the city is also the MA for ESIF. Thus, there is a synergy between the structural funds support and sectorial agendas of the city authority.
- ITI approach provides instrument for potential projects for urban-rural partnerships in the Prague Metropolitan Area
- Particular possibilities are being provided in the development of urban integrated transport between the city of Prague and the Central Bohemian Region.
- Despite difficulties for a common fund management due to two administrative regions, the implementation of the ITI instrument initiated an important dialogue between different stakeholders that mainly acted individually before.

²² Ibid, p 122.

²³ Information based on the filled questionnaire answered, by Dr. Milan Turba in March 2014 within the project City Regions.

3.3. Lower Silesia and Wrocław

In the previous funding period 2007 – 2013 there were no explicit funding possibilities used to support urban-rural partnerships for cityregions through the EU structural funds in Lower Silesia. This has significantly changed within the new funding period. The partnership agreement between the European Commission and Poland on the implementation of the EU structural funds, mentions a strengthened territorial dimension with a stronger functional approach of the urban dimension in the 2014-2020 operational programmes with a broad application of the new territorial instruments from the European Commission. The partnership agreements regards cities on two levels as area of strategic intervention. The first one are Voivodeship cities and their functional areas and the second one concerns the revitalisation of neighbourhood districts within cities²⁴. This development of the strategy will be implemented both by national and mainly by regional operational programmes:



- There are 6 national operational programmes. Three co-financed by the ERDF (Smart Development, Digital Poland, Development of Eastern Poland) one co-financed by the ERDF / CF (Infrastructure and Development) one co-financed by the ESF (Knowledge and Education Development) and one operational programme for technical assistance which is also co-financed by the cohesion fund.
- Additionally there are 16 multi-fund regional operational programmes - one for each Voivodeship. The responsible managing authority for Lower Silesia is located at the Lower Silesian Marshall Office. Additionally intermediate bodies will be appointed.

The Regional Operational Programme for Lower Silesia

The Lower Silesian regional operational programme implements a multi-funds approach gathering all eleven thematic objectives from article 9 of the ESI Regulation.²⁵ This means, that project funding matches both, 7 priorities from the ERDF and 3 priorities deriving from ESF funding and includes also an urban dimension.

The interventions of the ERDF will be carried out in areas of strategic intervention like:

- Rural areas: activities are foreseen in the field of rural restoration and the improvement of the accessibility of public services, taking into account the areas that lost their city status. The measures will be carried out under various priority axes by using dedicated calls for proposals or by preferences specified in relevant investment priorities.
- Urban areas: Activities are foreseen in the field of restructuring, revitalization and strengthening the centre-creation in order to counteract socio-economic malfunctions. The

²⁴ http://ec.europa.eu/contracts_grants/pa/partnership-agreement-poland-summary_en.pdf

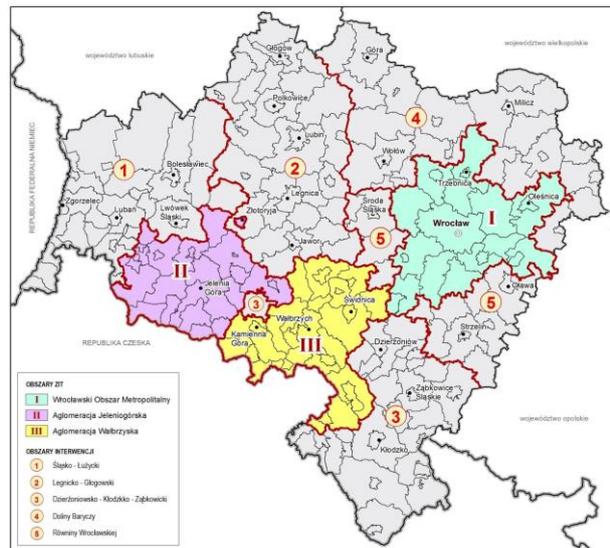
²⁵ Regulation (EU) No 1303/2013, Article 9.

measures will be conducted across various priority axes, based on the dedicated calls for proposals.

The ESF will mainly support social cohesion, aiming at improving employment opportunities, enhancing social mobility, as well as projects directed at social inclusion, by increasing the availability and quality of specialized services and social assistance. Initiated activities will contribute to the development of human resources and social capital, i.e. an increase in access, quality and efficiency of education. Additionally, the support for the rural population will include various forms of counteracting unemployment.

Applying the ITI tool in Lower Silesia

While the Implementation of CLLD for urban-rural development projects will have no significance in the Voivodeship of Lower Silesia, particular attention in Poland will be provided to the implementation of the instrument Integrated Territorial Investment. As stated in the Polish Partnership Agreement the main part of the 5% of the national ERDF means dedicated for urban development will be implemented via the new ITI-tool²⁶. The decision was taken by each ITI Association, that each Voivodeship capital city will implement an ITI. Thus, also the ITI tool is considered in the regional operational programme of Lower Silesia and shall implement a broad spectrum of objectives.



The instrument shall ensure the implementation of a common integrated territorial development strategy by cities as economic growth poles with the surrounding municipalities and the Voivodeship. Total volume for ITI is indicated with 600 Million € (26.7% of ROP) and include 439 Million € of the ERDF (19.5% of ROP) and 161 Million € of the ESF (7.2% of ROP).²⁷

In Lower Silesia the instrument ITI will cover three different areas:

- Wrocław and its functional area (as capital of the Voivodeship)
- The two further cities and its functional areas of Wałbrzych and Jelenia Góra

The funding from the European Structural funds for the ITI in Wrocław is indicated in the regional operational programme with 155 Million € coming from the ERDF and 17 Million € from the ESF. Additionally, the funding will be supplemented by further means from the regional operational programme beyond the ringfenced ITI budget²⁸.

The territorial scope of ITI was defined by the ITI association as an outcome of negotiations between individual municipalities and will be specified by decision of the Voivodeship Board. It will be confirmed

²⁶ http://ec.europa.eu/contracts_grants/pa/partnership-agreement-poland-summary_en.pdf

²⁷ Estimated Budget state of the art May 2014. The negotiations are still ongoing and the final budget may vary.

²⁸ Cf. Projekt Regionalnego Programu Operacyjnego Wojwództwa Dolnośląskiego 2014-2020, p. 184ff. (April 2014)

within an agreement between the MA RPO and the ITI. The scope of tasks passed to each ITI will be specified in the agreement between the ITI and MA ROP. The selection of projects will be carried out by the ITI and project shortlists will be presented to MA ROP for final selection. The scope for particular projects comprise the following topics:

- The development of a sustainable and efficient transport for the city and its functional area (e.g. integrated ticketing, park and ride facilities, bicycle routes).
- The revitalisation of the socioeconomic functions of deprived neighbourhoods (soft measures like the activation of the neighbourhood and community building, projects for social inclusion of long-term unemployed persons, families and vulnerable people)
- The development of green infrastructure as interventions to support the climate protection
- Support of energy efficiency measures (energy efficient refurbishment of buildings)
- Strengthening of the development of urban and urban-rural functional areas in terms of tourism, the access to services
- Support of innovation infrastructure.

The first talks on the establishment of an ITI started in 2012/2013. In 2013 an official agreement was signed between all ITI participants which comprises in total 15 communities (6 urban and 7 rural). The core of the ITI is the city of Wroclaw. The administrative structure of the established ITI organisation was drafted so far on four different levels:

ITI steering committee: includes representatives (among mayors) of the participating municipalities and is responsible the strategic decisions concerning the ITI policy.

Presidium: includes eight representatives of the ITI. The presidium takes the decisions of the main tasks and is responsible of the monitoring.

Boards: The board has an advisory role and gathers representatives from NGOs, business sector, public partners.

Wroclaw ITI secretary: is responsible for the technical implementation. The secretary is located at the municipality of Wroclaw. It cooperates with managing authorities (9 persons) and is responsible for the promotion and the technical assistance.

The structure and the involvement of different levels of stakeholder provides the ITI with a high potential to close the administrative gap in the functional area between the city of Wroclaw and the surrounding municipalities and allows to close the gap of the capacities of fund management locally. The ITI strategy allows a place based development approach for the whole city regional area.

Results:

- Poland has introduced a strong territorial approach within its partnership agreements and explicitly refers to the support of functional regions
- Wroclaw with Lower Silesia will use with the ITI an interesting multi-fund approach for the cityregion, it provides the possibilities for a comprehensive range of projects in the functional area, in the fields of transport, environmental and climate protection and tourism

3.4. Styria and Graz

The city of Graz can already look on a valuable experience under the 2007- 2013 ERDF programme with funding possibilities of an integrated project with the city of Graz and surrounding communities²⁹. The previous funding period provided ERDF programmes on regional level (one for each Bundesland). The Department of Economic Affairs and Innovation as well as the Department for Regional Development of for province and municipalities managed the ERDF funding stream and dedicated a significant part of the fundings available towards urban and spatial development projects.

The Styrian ERDF OP provided within its priority axis 2 (“Strengthening the attractiveness of Regions and places”) particular actions that could allow EU funding for integrated sustainable spatial development, tourism in deprived neighbourhoods and investment for environmental protections. Additionally one action was dedicated to urban-rural development. The responsible intermediate funding authority of this action was established in the city of Graz itself (Executive Office for Urban Planning, Development and Construction, European Programmes and International Cooperation Unit). The whole administrative structure based on a good cooperation among the managing authority and the intermediate bodies for the territorial fund management.

Example: URBAN PLUS – Urban-Suburban development in the south of Graz

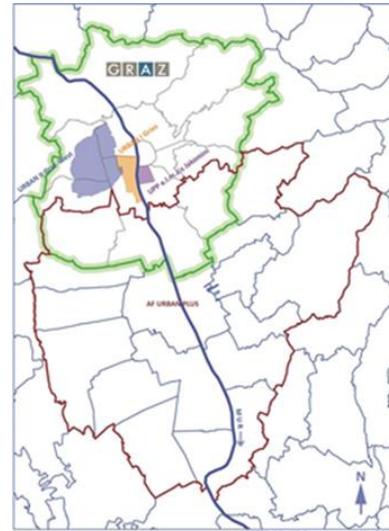
The ERDF subsidized in total 27 sub-projects within URBAN PLUS with 2.791 million Euro during the period 2007 – 2013 (total budget including national sources: over 7 million Euro). The basic goal of the project was to identify economical as well as ecological potentials and problems and to handle them on a basis of an integrated concept. Four urban quarters of Graz and 16 municipalities in the suburban zone in the South of the City with over 100,000 inhabitants were involved.

The project focussed on the following four overall goals:

- An integrated plan crossing the urban boundary as a basis for a foresighted and coordinated development of the whole area
- The amelioration of traffic and mobility between the town and its surroundings
- The development of open space, action for leisure activities and for ecological compensating measures
- Local partnerships to raise the quality for life, work and recreation.

Anm. NUS: korrekte Grafik siehe Beilage

Basically is this EU-funded project a joint development of city districts and surrounding communities to create a networked and powerful business location as well as a precious and attractive living, working and recreation area.



²⁹ Cf. **Amt der Steiermärkischen Landesregierung Abteilung 14 - Wirtschaft und Innovation**, Regionale Wettbewerbsfähigkeit Steiermark 2007-2013 - Europäische Fonds für regionale Entwicklung (EFRE) Operationelles Programm genehmigt von der Europäischen Kommission am 4. Mai 2007.

2014 – 2020 Future possibilities of urban – rural development within Austria.

With the new funding periode, Austria will have one national operational programme for the ERDF instead of regional ones as it was the case between 2007-2013. This programme primarily concentrates on structures that are oriented towards international competition with a strong focus of the strengthening of growth poles and its interlinkages with its conurbations and hinterland. Thus, the programme was drafted as complementary to the Austrian programme for the development of rural areas, which also puts a focus on the stabilisation of the regions and the mobilisation of local endogen development potentials. A particular focus was put on the urban dimension in connection with innovation related actions. The strategy envisages for Vienna to further pursue an integrated urban development approach and a further focal point on the cooperation within functional areas (city regions) for Styria and Upper-Austria.

The application of the community-led local development approach or integrated territorial development will not be relevant for Graz and Styria since it is not foreseen in the ERDF operational programme due to expected high administrative efforts. Only for the region of Tyrol, CLLD is going foreseen as a pilot initiative, as the particular strong connection in Tyrol between regional management and LEADER approaches is being regarded as adequate pre-condition.

The operational programme for the ERDF in Austria provides four thematic priority axis. Besides the focus on research and development, support for small- and medium sized enterprises as well as low-carbon economy the fourth priority axis is dedicated to urban and territorial dimension.

This priority axis is drafted as multi-thematic axis merging four different thematic objective into one integrated strategy. This strategy takes up not merely the spatial category of urban areas but also city regions. Therefore, the operational programme includes the city region Graz as central area with its development axis towards Leibnitz and Maribor (Slovenia) supplemented with further centres and its functional areas of Styria. The municipal departments are responsible for the implementation of the integrated strategies, or they can be partners within the development of integrated strategies and act as moderator in the decision-making process.

The multi thematic axis is composed by four different thematic objectives (TO) including five investment priorities:

- TO 4: **strategies towards carbon dioxide reduction in all types of areas.** This TO include the adaption of smart cities initiatives in order to develop projects with model character in particular in the field of urban mobility.
- TO 6: **urban proximity and revitalisation:** optimising of locations and settlement patterns
- TO 8: is dedicated to use endogen potentials in order to support the **growth of employment**
- TO9: **Community-led local development and combating of social segregation**

Submeasure functional areas: urban and urban-rural cooperation

Not all thematic objectives will be available in each certified funding area. Thus, for example, TO 4 will be mainly available in city centres like Vienna as well as the social segregation topic. The CLLD approach will be only applied in the region of Tyrol. However, the priority axis comprises with TO 6 some very interesting and promising sub-measures that can strengthen through single activities the cooperation

of administrative bodies in functional areas. The challenges, which are under focus concerns the overcoming of inter-municipal competition in particular between urban centres and their conurbation, which results from the small-scaled municipal structures as well as the current organisation of financial transfer between the municipalities. As particular challenge, the operational programme describes the less optimal spatial management, which bears the danger of urban sprawl with a high spatial consumption and the transfer of housing and living functions into the conurbations. In order to prevent such spatial developments, the Austrian ERDF programme will support projects that contribute to a sustainable environmental protection and a more balanced land use concepts for cities and their functional conurbations.

Under the Investment Priority 6e (*Optimising the local place and settlement structures in frame of urban-rural partnerships*) the programme has foreseen two part measures:

The first one is composed to establish and to support of management structures for the common elaboration of integrated development strategies. In detail, funding is planned for:

- several forums with the participation of different urban-rural stakeholder
- the development of concerted development strategies
- support of projects based on partnership approaches
- funding of external expertise

The second part measures comprises the piloting of implementation projects to optimising the local place and settlement structures in frame of urban-rural partnerships which are based on the mutually elaborated strategies of the first part measure. Thereof, it can be funded:

- development and revitalisation of industrial and real estate brownfields (e.g. through new forms of cooperation of spatial management, involvement of investors etc.)
- revaluation of existing or suboptimal used areas and buildings in order to reactivate urban and suburban structures
- development of inner-urban green structures as natural areas
- development of local recreation areas under consideration of access of different user groups as well as the connection of inner-urban areas with the urban proximity

The fund under this investment priority will be available to municipalities, associations, public bodies and companies.

Results:

- The city of Graz has already a long experience in using the ERDF for integrated urban development projects under the Community Initiatives URBAN I+II as well as the previous funding periode with URBAN+.
- The programmatic framework however allows a direct funding from the ERDF OP on urban-rural partnerships. This funding stream would be also available most likely for Graz and its conurbation in Styria.
- Besides the national operational programme, Innovative Actions provided by European Commission could be interesting

3.5. Turin and Piedmont

In 2007-2013 Italy was a country with one of the highest number of Operational Programmes under the European Structural Funds (21 regional operational programmes for the ERDF, 21 regional operational programmes for the ESF and national programmes for the ERDF). The Managing Authorities of the programmes are located in the respective national and regional ministries in charge.

The regional operational ERDF programme for Piedmont of 2007–2013 dealt with the physical and territorial dimension. The Priority Axis 3 covered in particular funding priorities on spatial improvement by promoting the cultural assets, entrepreneurial activities, the integrated recovery of urban and deprived areas. For this axis, the Operational Programme raised 107 Mio. € from the ERDF.

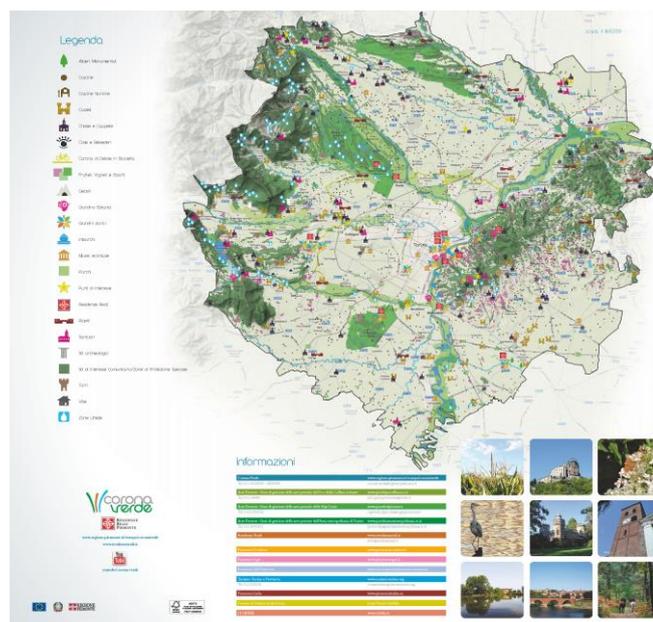
Furthermore, the bottom-up LEADER approach with funding from the EAFRD was of particular interest for the Piedmont region. LEADER was the axis 4 of the Rural Development Programme for 2007 – 2013 and promoted an integrated, endogenous and sustainable approach, starting from the initiatives presented by rural areas. Such initiatives were grouped in “Local Development Plans” submitted by thirteen GAL – Gruppi di azione locale – Local Action Group. The GALs cover the whole regional territory, and put into practice the local development plans referring to a wide array of measures already included in the abovementioned Axis 3 from diversification of agriculture, development of micro-businesses, promotion of tourism and services, enhancement of rural heritage. Through the involvement of the GALs the bottom-up approach was privileged and used as a leverage to start cross-cutting projects having a high added value.

The spatial development strategy “Corona Verde” co-funded via 10 Mio. € ERDF significant projects in the urban-rural environment surrounding the main city Torino.

Example: Corona Verde supporting a peri-urban landscape quality and environmental fruition involving ERDF Funds.

The metropolitan area of Turin includes one of the largest peri-urban areas of northern-Italy with a multitude of valuable natural and cultural sites. In order to protect the landscape, to support the agricultural sector, and promote tourism the Region of Piedmont developed a strategic development plan in 1999.

The project known as "Corona Verde" (Green crown or belt) concerns 13 protected areas in the proximity of the city of Turin. The EU considered these areas important community sites to preserve nature according to 92/42 EU/Directive. These areas are very rich in biodiversity, as far as flora and fauna are concerned. Turin itself is crossed by three rivers, which can offer to the urban population quality green areas along the riverbanks.



Corona Verde involves 93 Municipalities and relies on a governance structure that involves Local Authorities, stakeholders, beneficiaries. Objectives are stated in a common binding agreement. The steering board includes the Region, the Province, the Park of the Po river and of the Torino hill as well as six groups of local Municipalities. The aim of the project is to develop the green infrastructure, reinforcing waterways as ecological corridors, and reducing of negative impact of infrastructure, as well as supporting peri-urban agriculture as a key to the preservation of rural landscapes and the support of tourism.

In 2011, each grouping of Municipalities prepared its own master plan that later merged into the general master plan, under regional coordination. From the project described in the master plan, 15 projects with a volume 13.1 million € where co-funded by the ERDF (10 million €). In particular the programme funded the development of cycling routes and greenways, facilities for outdoor leisure, re-naturalisation, mitigation of infrastructures as well as landscaping of the surrounding of heritage sites, awareness raising and promotion³⁰.

Worth mentioning the Rurbance project, co-financed by ERDF in the frame work of the Alpine Space Programme, having as Lead Partner the Region Lombardy. Rurbance starts from the assumption that rural and urban communities must be seen as equal players where each can exchange knowledge, culture, development models, traditions, values investments. With such a vision, the project aims at strengthening existing governance mechanisms and cross them with a co-operative driven approach, with the aim to promote co-decision in the creation of planning instruments that should become a common practice in the decision-making processes at regional and local level. The project has also the objective to develop an integrated vision of local development and to re-orient plans or programmes at local and regional level through the adoption of the shared approach. Rurbance involves the rural-urban areas of Milan, Grenoble, Styria, Turin, Bayrische Voralpen, Zurich, Verona, Lubiana.

The relationship between landscape/local development/Alpine areas, finally, is crucial for the Region Piedmont. The way to include the mountain dimension into local development strategies is multi-faceted and gives birth to a number of different views related with the perspective adopted to look at different phenomena. The Metropolitan area of Torino, in particular, that is being established by the Italian Law and will be formally implemented as of 2015, will encompass a diverse area with 315 municipalities most of which located in alpine areas, often with problems that are far from the issues of a post-industrial urban region. Migration, mobility, desertification of remote areas, on the one hand, but on the other an asset that is crucial for the development of the whole areas (as the Winter Olympic Games in 2006 showed). The identification of specific territorial coalitions and, simultaneously, variable geometry territorial coalitions is a crucial task for Torino and Piedmont. Improving the ability to define new challenges for the system as a whole must also cope with the effects of the economic crisis, leading towards a view to seeking synergies, innovation and cohesion. The use of an efficient and effective new tools of the EU programming taking into account the specificity in relation to the territorial whom they are addressed (the ITI Integrated Territorial Investments; Integrated Sustainable Urban Development, Participatory Local Development Type inspiring experience of LEADER) play a major role.

³⁰ Cf., Rega, Carlo, Landscape Planning and Rural Development, Key Issues and Options towards Integration, Hamburg et.al., 2014, p. 52.

The new programming period

In the 2014–2020 programming period the partnership agreement indicated five new national operational programmes. The decision was that some funding streams will be re-shifted up to national level. Among them there are several multifund programmes merging ERDF and ESF funds. The Italian draft Partnership Agreement envisages two spatial strategies. The first one is a strategy for the development of inner areas. These include mostly marginalised rural and sparsely populated areas, facing demographic decline, with the objective to strengthen and to improve basic services.

The second one is a strategy for metropolitan areas, under the national operational programme for metropolitan cities (*Programma Operativo Nazionale Città Metropolitane 2014-2020*). This programme targets 14 Italian metropolitan areas.³¹ The operational programme that could bear some potentials for funding for inter-municipal - and therefore peri-urban - cooperation projects. The managing authority of this NOP is based in the national ministry in charge; the responsibility for the local management of the projects is located however in an intermediate body (in the case of Piedmont the Municipality of Turin). The option of developing Integrated Territorial Investment has not been envisaged so far at national level, though both at national and regional level this option is not completely excluded and could be explored though within very narrow constraints. Of course ITI would be a very effective tool for enhancing urban-rural cooperation via focused project in larger metropolitan areas. At local level, the Piedmont Region is finally revising the regional operational programmes on ERDF, ESF and EAFRD. At the time of writing, the ERDF regional programme is articulated under five thematic axes covering the thematic objectives 1 (R&D), 2 (ICT support), 3 (SME development), 4 (low-carbon economy) and thematic objective 6 (protection of the natural and cultural heritage). The last thematic axis could be of particular relevance for urban-rural initiatives since it concerns the protection of natural and cultural assets. This axis also can also include interventions on urban development.

As a general comment, the funding instruments envisaged in Piedmont are not ideally conceived for urban-rural cooperation projects. However there is still room to try and integrate funding on specific projects. The Corona Verde strategic project will be definitely carried on during the coming programming period, benefitting from additional ERDF and possibly EAFRD funding. It could move into a second phase. From a purely planning and physical development project, it could become a more structure governance model, involving directly all Municipalities concerned, dealing with green values in a more integrated way, including also issues and policies on green space maintenance, management and promotion. The bottom-up approach via CLLDs however could provide additional significant possibilities for peri-urban actions. Each rural development plan must dedicate a minimum of 5% of the EAFRD towards CLLD initiatives. However the EAFRD funding is currently mainly scheduled via the main programme with a strong focus on agricultural issues.

Results:

- urban-rural partnerships not explicitly mentioned as focal point in PA/OP
- Italy and Piedmont has not actively promoted the adoption of ITI
- Urban-rural projects could potentially be developed via the national ERDF OP on metropolitan development
- Piedmont has gained significant experience and reached success with the LAG methodology within LEADER; CLLD could be an possible instrument also for sub-urban areas.

³¹ Dipartimento per lo Sviluppo e la Coesione Economica, Programma Operativo Nazionale Città Metropolitane 2014 -2020, Documento di programma 22 luglio 2014.

4. Conclusions

The present policy analysis provides a status quo report of the current situation of the programming process of seven European Regions. Hence, the information received depicts merely the status of the Operational Programmes during the negotiation process with the European Commission. The main content will remain the same, however smaller changes could appear until the official adaptation by the European Commission latest, in Winter 2014/2015. Nevertheless, the present information can already lead to some basic conclusions, that despite a quite small sample of investigated regions and programmes on how inter-municipal forms of co-operation in city regions can be supported through the European Structural funds.

- a) The results show, that there were no significant support possibilities and usage of European Structural Funds in the programming period 2007 – 2013 for urban-rural partnerships. Only the Operational Programme of Styria with a special intervention for the southern area of the city of Graz as well as the ERDF support of the project Corona Verde in the conurbation area of Turin. Most of the programmes put the focus within a territorial approach on integrated urban development projects.
- b) The scope of multi-level governance of the EU structural funds is relatively broad within the investigated regions and depends on the tradition of the administrative system within the Member States.
- c) In the particular case in comparing the central European Member States Germany, Italy, Austria with the Eastern European Member States Czech Republic and Poland, clearly shows, a difference in adopting the new territorial Instruments ITI and CLLD. While the “New” Member States will use in particular ITI nearly to cover comprehensive parts of the 5% of ERDF means for urban or urban-rural development projects, the application in Germany, Italy and Austria however is quite low. This results among others from a strong federal governance system and strong traditional administrative structures.
- d) In general, most of the investigated programmes provide a possibility or at least a possibility is indicated, that regional development projects may be eligible through the European Structural funds. **In comparison to the previous funding period there is a significant increase of tools and funding opportunities for urban-rural partnerships via the EU structural funds.**
- e) The single funding opportunities however, are subject of the decision of the respective administrative bodies in charge on national and regional, local level provide a strong range between the single partner areas. This starts from the application of ITI with foreseen interventions of urban and urban-rural development projects (Prague, Wrocław), an own national operational programmes with at least single sub-measures (Italy), to specific priority axis which are dedicated towards urban-rural development (Austria, Saxony-Anhalt) or multi-fund CLLD approaches for smaller punctual measures (Saxony-Anhalt). Multi-fund approaches (measures commonly supported by different funds) are applied in Prague (ERDF and ESF in the regional operational programme), Lower Silesia (ERDF and ESF in the regional operational programme) and Saxony-Anhalt (ERDF, ESF, EAFRD via the community-led local development tool). Only Saxony concentrates in particular for the county of Leipzig the indicated ERDF means within urban development measures in deprived neighbourhoods. However, with this approach Saxony is not an exception a German-wide comparison. Merely the regions of Bavaria, Saxony-Anhalt and Brandenburg have currently foreseen the topic of urban-rural development within their draft operational programmes.

The following table provides a short-listed overview on potential fields where potential fields of different kind of urban-rural partnerships could be funded.

2014-2020			
Thematic Axis URP	ITI	CLLD	SA / IA
Halle (SA)	Prague/Central Bohemia	Halle (multi-fund)	Halle / Leipzig
Austria (Graz)	Wroclaw/Lower Silesia	In Austria only pilot in Tyrol	Leipzig
Italy (own OP)		Piedmont (EAFRD)	Turin

own table: describing potential funding approaches

Depending on the extent of the area and the range of project volume Halle, Graz, Turin could approach projects within a thematic axis. Prague and Wroclaw could see a possibility through the ITI instrument. An only real urban-rural approach is being provided via the CLLD is in Halle (but very local and small). For the whole city region Halle/Leipzig an real access is only feasible via the Innovative Actions (IA). The regional operational programme of Piedmont and the regional operational programme of Saxony provide potential possibilities beyond the included territorial instruments in sectoral topics like SME development of low carbon strategies or for flood prevention - as it is the case in Saxony which are independent from certified deprived areas.

5. ANNEX

5.1. Abbreviations:

ERDF = European Fund for Regional Development
ESF = European Social Fund
EAFRD = European Agricultural Fund for Rural Development
CF = Cohesion Fund
EMFF = European Maritime and Fisheries Fund
ITI = Integrated Territorial Development
CLLD = Community-led local Development
LAG = Local Action Group
OP = Operational Programme
ROP = Regional Operational Programme
MS = Member States
PA = Priority Axis
IP = Investment Priority

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