



EUROPEAN COMMISSION

Brussels, 27.04.2015
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Dear President,

The Commission would like to thank the Bundesrat for its Opinion concerning the Commission's Communication on "the urban dimension of EU policies - key features of an EU urban agenda" {COM(2014) 490 final}.

The Commission notes that some of the Bundesrat's comments relate to the reform of the EU cohesion policy, which was adopted by the European Parliament and the Council on 17 December 2013.

As regards the Bundesrat's call on the Commission "not to erect any unnecessary obstacles to structural fund support of the urban dimension", the Commission would like to recall that the co-legislators agreed on several ways in which the European Structural and Investments Funds could intervene in urban areas to support the implementation of local integrated strategies. This could be done for example through integrated territorial investments, community-led local development or in the framework of Article 7 of the European Regional Development Fund (ERDF) Regulation.

As regards the latter, the Commission would like to highlight that the purpose of integrated actions for sustainable urban development (implemented under Article 7 of the ERDF Regulation) is not to guarantee a minimum amount of funding to urban areas – at least 50 % of the ERDF is expected to be invested in urban areas in the new programming period – but to allow for integrated actions with a certain level of commitment and responsibilities by the urban authorities in their design and implementation.

Furthermore, the set of options available for Member States in order to intervene in urban areas has been designed, as a general rule, to facilitate integrated approaches and foster ownership at the local level. The Commission will closely monitor how these opportunities have been taken up in the design and implementation of the programmes.

The co-legislators have also endorsed the Commission's proposal to support the consolidation of existing networks on urban issues as well as the existing urban knowledge base. However, previous programming periods have demonstrated the difficulties in accessing information on how ERDF money is being used in and by cities. The Urban Development Network set out in

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Article 9 of the ERDF Regulation will allow a direct access to the cities whose projects are funded by the ERDF under the integrated actions for sustainable urban development (Article 7 of the Regulation) and the innovative actions in the area of sustainable urban development (Article 8 of the Regulation). This will allow for a better monitoring and exchange of experiences on the implementation of ERDF investments for which cities are at least partly responsible. It will also allow for an increased quality of operations, the possibility to link ERDF funded operations to other EU urban initiatives etc. The Urban Development Network will not as such replace or overlap with existing networks but will complement them. The Commission will also encourage cooperation between the Urban Development Network and already existing networks and cooperation structures, including URBACT.

The Commission agrees with the Bundesrat that urban development issues have to be considered in a wider territorial context that goes beyond the administrative boundaries of cities. As already indicated in the Communication and in several reports (e.g. the report on the Cities of Tomorrow and the Sixth Cohesion Report on Economic, Social and Territorial Cohesion), the Commission also actively supports the development of urban-rural partnerships.

The Commission will further analyse the suggestions expressed in the Bundesrat's Opinion together with the well over 200 responses received during the public consultation, so as to report on the results of this analysis. In that regard, the Commission wishes to stress that the reflection on an EU urban agenda is a continuous process which will not end with the publication of the report.

The Commission hopes that these clarifications address the issues raised by the Bundesrat and looks forward to continuing our political dialogue in the future.

Yours faithfully,

*Frans Timmermans
First Vice-President*

*Corina Crețu
Member of the Commission*