A CITY FOR PEOPLE
Integrated Strategy for Urban Development 2014-2023
Municipality of Alba Iulia, Romania

Regional Operational Programme 2014-2020
Priority Axis 4 « Support for sustainable urban development »

Alba Iulia, a city for people: a more attractive place for living, working, investing and visiting.

SOCIETY  ECONOMY  CLIMATE CHANGE  DEMOGRAPHY  ENVIRONMENT
ALBA IULIA ON THE REGIONAL AND NATIONAL MAP

ALBA IULIA TERRITORY = ISUDS INTERVENTION AREA
What we seek:

- Advice relevant to small and medium-sized cities drafting ISUDS
- Constructive feedback on our ISUDS
- Networking opportunities

What we offer:

- Good practices in the field of city-branding as a small/medium sized city (‘Good Practice Model’ award-URBACT Secretariat competition)
- Innovative practices (e.g. Smart City pilot project) which create collaborative institutions and spaces for dialogue
Three questions we would like to discuss

**QUESTION 1:** How can national level Article 7 regulation implementation and the priorities and needs of the beneficiary city be more effectively combined?

**QUESTION 2:** How could an ISUDS be utilized in order to enhance cooperation between a municipality, civic society and businesses, in order to promote coherent local and regional action plans for a given sector (e.g.: tourism)?

**QUESTION 3:** Which Europe-wide alternatives are available to an Urban Authority, for funding integrated sustainable urban development projects which are (too) innovative to be included in the ERDF-Romanian Operational Programme but are not groundbreaking enough to be funded via Urban Innovative Actions?
**Urban context**

**Demography:** 74,283 inhabitants – increasing over the last 15 years, while the national trend is population decrease

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<tr>
<td>Alba Iulia</td>
<td>2,438</td>
<td>4,119</td>
<td>7,116</td>
<td>6,640</td>
<td>6,356</td>
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**Density:** 718 inhabitants/ km²

**Economy and productive activities:** new actors & new activities replaced the old factories (fire bricks, footwear and carpets) which were symbols of the Communist regime

- 50 years tradition in **fine ceramics** (& IKEA global provider)
- **food industry** (nationally dominant in their market segment)
- **wood processing** (Alba County – one of the most important wood providers in Romania)
- **automotive industry** (car parts production)
Urban context

Social composition
- Only 47% of the total population is economically active (but above the national average of 45.6%)
- 21.7% retired persons
- Relatively low unemployment rate: 6.7% (also due to persons working abroad)

Unemployment rate decreasing

Environment
- 20m² of green space/inhabitant (2020 target: 26m²/inhabitant)
- Aim at 24% reduction of CO2 emission by 2020, compared to 2008
- Solar energy and biomass – potential reliable sources for renewable energy
Urban context

Main challenges:

• Socially and economically deprived urban areas

• Degraded spaces in former industrial areas

• Mobility infrastructure needs to improve
Delivery mechanism for Article 7 implementation in Romania: Priority Axis 4 - Regional Operational Programme

The ISUDS is not linked to CLLD, but there is one deprived area in the city where a CLLD will apply.

The Managing Authority sets guidelines on:
- **Priority** axes & specific objectives
- **Eligible** activities & eligible beneficiaries
- **Compulsory ISUDS content & structure**
- **Coordination** between Intermediate Bodies and Beneficiaries
- **Fund disbursements**

The Managing Authority could:
- Create and publicise **more transparent audit rules** that will be used for monitoring and evaluation
- **Adapt** the objectives, eligible activities and eligible beneficiaries of each priority axis to local realities and needs
- **Accelerate** the launch of guides & project calls for the Regional Operational Programme priority axes that are still closed
Status of work on the ISUDS of Alba Iulia

What has been done:
Drafting – completed ✓
Public consultation – done ✓
Submission for evaluation to our regional development agency ✓

What is currently pending:
We must obtain a positive evaluation of the ISUDS from the Regional Development Agency → they use administrative criteria and content quality criteria to ascertain eligibility

What is to come:
Once the ISUDS is declared „eligible”, we can begin to submit projects under Priority Axis 4
Article 7 design and implementation in Romania

Sets guidelines on:
- Priority axes & specific objectives
- Eligible activities
- ISUDS content & structure
- Coordination between the Intermediate Bodies and the Beneficiary
- Funds disbursements

- Supports beneficiaries in implementing Priority Axis 4
- Feedback during ISUDS + SUMP drafting
- Eligibility checks on ISUDS + SUMP

- Selection and prioritization of projects to be submitted by the beneficiary under Priority Axis 4

- Drafts ISUDS + SUMP and submits them to the Level 1 Intermediate Body (the Agency for Regional Development)
- Drafts project summaries for Priority Axis 4 and submits them, for selection and prioritization, to the Level 2 Intermediate Body (the Urban Authority)

European Commission

Romanian ministry of European funds (includes Managing Authorities for each Operational Programme)

Regional Operational Programme

ERDF

Operational Programme for Competitiveness

Operational Programme for Technical Assistance

12 priority axes

Priority Axis 4 “Support for Sustainable Urban Development”

5 objectives

The only eligible beneficiaries are county seat municipalities

Non-competitive mechanism: pre-allocated funds for beneficiaries

Obligation to draft an Integrated Sustainable Urban Development Strategy (ISUDS)

Obligation to draft a Sustainable Urban Mobility Plan (SUMP) ≤ 80% of funds under Priority Axis 4 = dedicated to urban mobility

Conditions for submitting projects under Priority Axis 4
Workflow under Priority Axis 4

1st phase
ISUDS

2nd phase
250 project ideas

3rd phase
40 projects that could be potentially funded via Priority Axis 4

Alba Iulia Municipality (Beneficiary)

Elaborates

4th phase
12 summaries of projects which could potentially be submitted under Priority Axis 4

Selects and prioritizes

Urban Authority (Level 1 Intermediate Body)

5th phase
8 full project applications submitted to Priority Axis 4,

Evaluates

Managing Authority of the Regional Operational Programme 2014-2020

Checks eligibility

Agency for Regional Development (Level 1 Intermediate Body)
Experience in ISUDS

PREVIOUS EXPERIENCES 2007-2013

Management of 150 million euros, following a Plan for Integrated Urban Development

- ERDF
- ESF
- URBACT

Main Focus:
Rehabilitate the largest citadel in Romania
(18th century Vauban fortification)

Main Result:
Alba Iulia now an emergent tourist destination at national and European level
The Coronation Cathedral (1922) a few metres away from the Catholic Cathedral (XI\textsuperscript{th} century)

The Hall of the 1918 Great Unification

Third Gate of the Citadel with the insignia of Austrian Emperor Charles VI

Change of Guard ceremony takes place daily (soldiers wearing Habsburg XVII\textsuperscript{th} century Uniforms)
Re-enactment of the Roman Empire guards in front of the Roman archaeologic museum

The Citadel’s moats were rehabilitated and opened up to visitors

Principia

A living Citadel – with people and for the people

Crowded Central Place of the Citadel during a cultural event
OTHER 2007-2013 OUTPUTS & OUTCOMES

A. Transportation and mobility
25 km of modernized roads & their utilities network extended
3 bridges and 2 passageways constructed/ modernized
3 new railway bridges and 1 new car bridge built

B. Environment:
100% access to running potable water
87% of households connected to the sanitation system & 1 new water treatment installation

C. Energy sustainability:
1700 solar panels installed on 4 public buildings
A modernized public lighting system

D. Urban regeneration and public services quality:
55,000 m² of walking areas and public squares
20,000 m² of new parking places
15 km of new bicycle lanes
4.7 km of walking paths
179 pieces of urban furniture
3410.51 m² of pavements, public squares and green areas
1 recreation area of 22ha – arboretum and adventure park
1 modernized elderly care centre
CURRENT SITUATION 2014-2020

- ERDF 2014-2020 estimated 75-80 million euros
- ESF
- Horizon 2020
- Interreg

Focus: „Alba Iulia – a city for people”

→ Making Alba Iulia a green, smart, cohesive, inclusive and competitive city: a better place for living, working, visiting and investing

→ Getting the tourism-based development of the city to the next level by building on 2007-2013 results

ISUDS tools:

→ 1 vision
→ 5 specific objectives
→ 15 intervention domains
→ 250 projects
Experience in ISUDS

Best practices and lessons from previous experiences

✓ **Certified tool** for identifying citizen and private sector needs – the Local Community Barometer (social survey conducted every year)

✓ **Methodology for prioritizing projects** (in collaboration with World Bank experts)

Current experience relevant to the ISUDS

✓ “Smart City Alba Iulia 2018” pilot project: agreement with the Romanian ministry of communications + a wide range of companies (from Microsoft, Orange, IBM, Siemens to local startups) investing in 100 pilot intelligent solutions for all areas of public life

→ relevance to ISUDS: creates institutional collaboration models and spaces for dialogue between local administration + central administration + business sector
Building the evidence base for the strategy

Strengths & competitive advantages:
- tourism
- cultural heritage
- diversified economy
- natural resources
- tradition in certain economic sectors (fine ceramics)

Weaknesses & current challenges:
- micro-regional economic disparities (Alba Iulia vs its peri-urban area)
- insufficient correlation between local and regional strategies
- high rate of demographic dependence

Opportunities for future development:
- smart city pilot project
- pre-allocated funds under Article 7
- European context favorable for innovation and smart specialization

Challenges:
- defining a more precise economic profile
- switching a production-based economic model to a new one, based on innovation
- smart specialization in sectors with a high added value
Main steps to identify SWOT elements

- Documentation – public documents & specialized literature
- Research & analysis of the situation in the field
- Scientific research & appropriate analysis methods
- Analysis & synthesis
- Workshops for public consultation & for defining objectives

Experts leading the process (local university collaboration)

- Strategic planners
- Urbanists
- Economists
- Territorial & regional development specialists
- Architects
- Local experts from the Municipality
Type of data & evidence used

- Data from the National Institute of Statistics & from regional/local institutions
- Information about Alba Iulia in the urban system on local, regional and national level
- Urban performance index (OECD 2012 methodology)
- Territorial development index (Hull scores)
- Reilly-Converse model to calculate Alba Iulia’s attraction area
- Gravitational attraction models between Alba Iulia & cities in its attraction area (demographic gravitational model + economic gravitational model)
Vision and change

ALBA IULIA – A CITY FOR PEOPLE

**ISUDS strategic objectives**

1. Sustainable, intelligent and competitive economic growth
2. Inclusive social development
3. Climate change adaptation
4. Encouraging and maintaining demographic balance
5. A sustainable, clean and green urban environment
INITIAL SITUATION : RAW DATA collection, processing, analysis

→ CITY AUDIT ON THE 5 CHALLENGES OF ARTICLE 7: trends & extrapolation

→ CITY NEEDS AND SOLUTIONS ON THE 5 CHALLENGES OF ARTICLE 7: expert panel & consultations

→ 5 STRATEGIC OBJECTIVES ON THE 5 CHALLENGES OF ARTICLE 7: brainstorming, scenario development & scenario analysis →

→ 15 INTERVENTION DOMAINS: analysis of existing and potential future resources

→ 250 PROJECT IDEAS: actions & project implementation

→ DESIRED CHANGE
1. Sustainable, intelligent and competitive economic growth
   - research & innovation
   - IT&C infrastructure
   - sustainable cultural tourism & city-branding strategy

2. Inclusive social development
   - educational infrastructure
   - health infrastructure
   - social services infrastructure
   - cultural & sports infrastructure
   - effective & transparent administration
   - quality housing
3. Climate change
- adapting to climate change
- mitigating negative impact

4. Encouraging and maintaining demographic balance
- increase natality
- support young people
- support elderly people

5. A sustainable, clean and green urban environment
- develop urban mobility as a service
- regenerate public spaces
- energy efficiency, green energy production & rational use of resources
- sustainable urban development through regeneration of former industrial areas
Synergies between ERDF & ESF

Example: one deprived area of Alba Iulia (see map) is an intervention area for two major projects:

- One ERDF funded project (under Priority Axis 4): investments in infrastructure

- One ESF funded project through CLLD: investments in human capital
Tools and budgets for implementing ISUDS in Alba Iulia

- ERDF
- ESF
- Horizon 2020
- URBACT
- INTERREG
- National funds from Romanian government programmes
- Private funds
Challenges

the Municipality of Alba Iulia has a proven capacity to manage large projects & large funding, we have to deal with the fact that the priorities of the city and the priorities of the funding initiatives often diverge

- the objectives of operational programmes which can cover ISUDS actions do not cover all our project ideas (urban mobility example)

- eligible activities & eligible beneficiaries of operational programmes which can cover ISUDS actions do not always allow our Municipality to implement the desired actions
Funding scheme case study: urban mobility in Alba Iulia

What is funded via Priority Axis 4
- Rehabilitation of public transport infrastructure (dedicated bus lanes, modernized bus stations)
- Electric/ hybrid buses
- Dedicated bicycle lanes
- Bike rental points
- Walking areas
- Green spaces and urban furniture along the roads, along the bicycle lanes and along walking areas

What is not funded via any OP but we want to do in Alba Iulia:
- Intermodal transportation system
- Common ticketing system for all the transportation means
- Park & ride system

What we eventually use: mix of grants, credits, private funds.
Governance and stakeholder engagement

**PRINCIPLE**

involve a wide range of external actors

- regional and local public bodies
- academia
- cultural institutions (local museums, public libraries)
- private providers of public utilities
- civil society organisations, religious organizations, syndicates
- economic agents (hospitality sector, telecommunications, professional training providers, social services providers, real estate agents)

**MECHANISM**

consultation on general topics during ISUDS drafting + cooperation for specific projects/ actions during ISUDS implementation

**POLITICAL SUPPORT**

- The City Council endorsed the ISUDS following a debate
- Political support & stability are guaranteed: the mayor of Alba Iulia is currently running his 6th mandate, until 2020
Participation

Background of citizen and stakeholder participation
- Local community barometer
- Public consultation

Level of participation – placation and partnership elements:
we introduced partnership principles and were able to follow through in practice in most cases

ISUDS implementation:
- Core structure within the Municipality
- External structure (see previous slide)
- Secretariat (coordination of these two layers)
Timeframe and Monitoring

**Timeframe:** 2014-2023
- regulated by the Managing Authority, so that all projects from 2014-2023 can be fully implemented and achieved until the end of the ISUDS timeframe

**Monitoring:**
- Ex-ante evaluation
- Constant monitoring
- Mid-term evaluation
- Ex-post evaluation

**Indicators:** (give a few examples)
- Financial indicators
- Output indicators
- Outcome indicators
Evaluation of the strategy

**Strengths**
- Solid analytical basis
- Diversified funding scheme

**Weaknesses**
- Not enough funding available

**Opportunities**
- Integrated approach
- Wide range of project ideas

**Threats**
- Lack of motivation among external partners
Question for round table 1

How can national level Article 7 regulation implementation and the priorities and needs of the beneficiary city be more effectively combined?

Why:

because of some important bottlenecks encountered in our activity (some of them similar to what we encountered in the 2007-2013 programming period)

- Restricted eligible activities
- Restricted eligible beneficiaries
- Unpredictable audit rules
- Allocated funding does not match local level needs
What has been done:
we have communicated our needs to the Intermediate Body, along with other municipalities from the same region; the Managing Authority came to Alba Iulia (in spring 2017) for consultations.

What worked:
Alba Iulia, along with other municipalities from the same region, succeeded in delivering the message to central government.

What did not work:
the fundamental issues remain the same – no solutions offered from the Managing Authority.
Question for round table 2

How could an ISUDS be utilized in order to enhance cooperation between a municipality, civic society and businesses, in order to promote coherent local and regional action plans for a given sector?

Why:
Such cooperation is crucial in sectors such as tourism and culture, which are long-term development triggers for Alba Iulia.
What has been done:
local administration initiatives to forge cooperation proposals

What worked:
a few cooperation actions with the private sector on social issues, from a corporate social responsibility perspective

What did not work:
a functioning cooperation forum (actors involved in tourism & hospitality sectors, public authorities) still has to be put in place
Which Europe-wide alternatives are available to an Urban Authority, for funding integrated sustainable urban development projects which are (too) innovative to be included in the ERDF-Romanian Operational Programme but are not groundbreaking enough to be funded via Urban Innovative Actions (UIA)?

Why:
because we have were faced with such cases, for instance, an intermodal transportation hub
What has been done:
we submitted an application for UIA 2017 to seek funding for an intermodal transportation hub in Alba Iulia

What worked:
the application was the only one with a Romanian lead partner. It was highly praised and it successfully went through the first UIA selection phase

What did not work:
the application was rejected as it was not innovative enough at the European level
Thank You

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