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EXECUTIVE SUMMARY

Study about

"SUSTAINABLE URBAN DEVELOPMENT CO-FINANCED BY THE ERDF IN SPAIN IN 2014-20: STRATEGIC GUIDELINES AND INVESTMENT PRIORITIES"

Negotiated Procedure

No 2012.CE.160.AT.012

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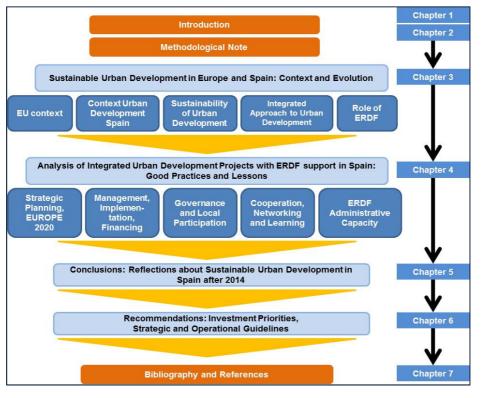
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This executive summary of the study "Sustainable Urban Development co-financed by the ERDF in Spain 2014-2020: Strategic Guidelines and Investment Priorities" (No2012.CE.160.AT.012) was commissioned by the European Commission's DG REGIO and elaborated by Información y Desarrollo, SL (INFYDE) between September 2012 and February 2013. The report reflects the vision of its authors and not necessarily the opinion of the European Commission.

Objective

The general objective of the study was to generate validated and contrasted knowledge about sustainable urban development co-financed by the ERDF in Spain, in order to draw conclusions and recommendations for action towards the strategic guidelines and investment priorities of the Funds of the Common Strategic Framework (CSF) for the period between 2014 and 2020. In this regard, the study had two different approaches, one being an analysis and assessment of recent policy of integrated urban development in Spain, emphasizing the ERDF, and the other approach sought to provide strategic recommendations on the future development of sustainable urban development measures in Spain with the support of the ERDF 2014-2020.

Methodology



The methodological approach to develop the study focuses on the case study method, which has allowed to qualified obtain and detailed information about key aspects of the projects related to sustainable urban development cofinanced by the ERDF. The methodology used was adapted to the context of URBAN projects from another framework for analysing other types of projects co-financed by the ERDF¹.

Thus, eight interviews with experts and key persons at the central level (ministries, FEMP, etc.) have been conducted and 10 cases of study have been analysed through literature review, project visits covering a total of 37 personal interviews with local politicians, managers and beneficiaries. In each case study a report has been elaborated and is annexed to the final report of the study.

The projects analysed as case studies are:

¹ Specifically, the case study methodology that was adapted to guide the analysis was originally developed for innovation projects and is presented in the document "Analysing ERDF co-financed innovative projects. Case Study Manual" 2008. DG REGIO. Brussels.

| Analysed Cases | | |
|--------------------|------------------------------|--|
| ERDF Scheme | Case | |
| URBAN II 2000-2006 | URBAN Pamplona | |
| URBAN II 2000-2006 | URBAN Gijón | |
| URBAN II 2000-2006 | URBAN Teruel | |
| URBANA 2007-2013 | URBANA Córdoba Sur | |
| URBANA 2007-2013 | URBAN Palencia | |
| URBANA 2007-2013 | URBAN Lugo | |
| URBANA 2007-2013 | URBAN Mérida | |
| URBANA 2007-2013 | URBAN Oviedo | |
| URBANA 2007-2013 | URBANA Pamplona La Milagrosa | |
| URBANA 2007-2013 | URBANA Cádiz | |

Context: Sustainable urban development at European level and in Spain

Urban development is becoming one of the lines of action of the European cohesion policy. The growing population living in urban areas in Europe (and around the world) and the importance of cities to achieve a smart, sustainable and inclusive economic and social development turn the urban space into one of the most important scenarios to initiate change. At European level there is a political consensus to promote sustainable and integrated urban development as a central measure for achieving balanced and sustainable living conditions between cities and territories in Europe. Especially the Leipzig Charter was important for promoting consensus at European level that would directly influence the local, national and European policies. The Charter recommends the principles for urban development in order to address urban issues in an effective and collaborative manner²:

1) Make greater use of the approaches related to an integrated policy for urban development:

- Creation and consolidation of high quality public spaces.
- Modernisation of infrastructure networks and improvement of energy efficiency.
- Proactive innovation and educational support.

2) Pay special attention to deprived neighbourhoods within the overall context of the city:

- Search of strategies for the improvement of the physical environment.
- Strengthening of the economy and the labour market at local level.
- Proactive education and training programmes for children and youth.
- Development of efficient and affordable urban transport

Especially since the Community Initiative URBAN with calls on the programming periods 1994-1999 and 2000-2006, the European Commission is promoting integrated urban development that now is developed within the framework of the Europe 2020 Strategy. Among the various Community policies that contribute to integrated urban development, the following should be highlighted: the urban policy promoted by DG Urban and Regional Policy which promotes urban development within the framework of ERDF support to sustainable urban solutions, the Environmental policy with the European Green Capital scheme and the support to sustainable development at the urban scale, the support from DG Energy for more efficient and less polluted cities through the Covenant of Mayors and the fight against the effects of global warming as well as the policy of sustainable

² European Council (2007): Leipzig Charter on Sustainable European Cities. Approved for the Informal Ministerial Meeting on Urban Development and Territorial Cohesion in Leipzig on 24/25 May 2007.

urban mobility and DG Employment and Social affairs fighting against unemployment and social exclusion - problems that are particularly concentrated in urban areas.

In the present funding period (2007-2013) integrated urban development is incorporated within the main Programs of the ERDF through Article 8 of the ERDF Regulation. Also in 2007-2013 the new financial instrument JESSICA (Joint European Support for Sustainable Investment in City Areas) that promotes solutions for financial engineering for investments related to integrated urban development was launched in cooperation with the European Investment Bank.

The integration of the objective of sustainable urban development within the development Programmes supported by the ERDF will be consolidated in the next **programming period 2014-2020**. Therefore, the new proposal of the ERDF Regulation states in its Article 7 that at least 5% of ERDF resources allocated at national level "*shall be allocated to integrated actions for sustainable urban development delegated to cities*". The Commission will establish a platform for urban development (Article 8) and foresees that the ERDF may support innovative actions (Article 9).

In **Spain** urban development has been traditionally understood as an aspect linked to housing policy and the development of settlements and infrastructures. There is still a lack of culture within the Administration regarding integrated territorial development, although recent initiatives have been started at central and regional level, as evidenced by the Spanish Strategy on Local Urban Sustainability (EESUL)³. At the central level, the field of urban development is traditionally linked to the Housing area. Currently, the Secretary of State for Housing and Urban Actions in the Ministry of Public Works is in charge of the urban development policy in Spain. On the other hand, the Ministry of Agriculture, Food and Environment promotes sustainability, among others, at an urban and local level. Thirdly, the Ministry of Finance and Public Administration, by channelling ERDF projects dedicated to integrated urban development (URBAN and URBANA) has been assuming for some years now the role of facilitator between entities at different administrative levels in Spain. At a CCAA level, few regions have developed tools or legislative frameworks to promote urban development and renewal from an integrated perspective. A notable exception at regional level are the "Ley de Barrios" programme in Catalonia (2004) and in the Balearic Islands (2009) which introduced an integrated approach to urban development. Likewise, the local cohesion program IZARTU (2001-2008) promoted by the Basque Government has to be named.

In Spain, the role of the ERDF and the European Commission has been, and still is, very important for promoting the approach to integrated and sustainable urban development, focusing on disadvantaged neighbourhoods. Especially the UPP programme (Urban Pilot Projects) and the URBAN Initiative constituted an important advance between 1990 and 2006. In the programming 2007-2013 the support of sustainable urban development in line with the Article 8 of the ERDF Regulation is mainstreamed as an activity within the National Strategic Reference Frameworks and the Regional Operational Programmes. Adapted to the dimension of Spanish municipalities and as a common framework for local initiatives, the URBANA programme (46 projects) was created in 2007 for municipalities with a population of over 50,000 inhabitants and provincial capitals, promoting integrated projects the line of the previous URBAN. In 2008 the Network of Urban Initiatives (RIU) was created as a network and common forum that brings together sectoral urban development initiatives supported by the ERDF in Spain.

Therefore, considering the institutional and political context in Spain, the following SWOT can be identified:

³ Ministry of Environment and Rural and Marine Affairs (2011): Spanish Strategy and Local Urban Sustainability (EESUL). Government of Spain. In collaboration with the Ministry of Public Works. <u>www.magrama.gob.es</u>

Strenghts

- High-level political commitment to support integrated and sustainable urban development as shown in the Toledo Declaration (2010).
- Strategic Framework to guide policies to support sustainable urban development with the document EESUL (2011) "Spanish Strategy for Urban and Local Sustainability".
- Large experience with integrated urban development projects at neighbourhood level, mainly through UPP and URBAN.
- Successful regional policies to support integrated urban development with the URBAN approach in Catalunya, Baler Islands and Basque Country (Ley de Barrios, IZARTU).
- Existence of networks and policies to protect the local and urban environment, e.g. large number of Local Agenda 21 initiatives, Covenant of Mayors projects, etc. (this means, commitment from the local base for sustainable local development). With the Network of Urban Initiatives, launched in 2008, there exists an important tool for networking, exchange of experiences and good (bad) practices and learning.

Opportunities

- In the Common Strategic Framework for 2014-2020 integrated sustainable urban development will be supported in many ways
- The new Fund regulations propose that at least 5% of ERDF Programmes should be dedicated to sustainable urban development. This enhances the capacity to act in this field for the next period. Also, ESF and ETC will support directly sustainable urban development in 2014-2020.
- With the Integrated Territorial Investments (ITI) there will be an opportunity to support integrated programmes.
- There are opportunities to create sinergies and combine funding for urban development from ERDF, ESF and other schemes for projects at local level (INTERREG, Intelligent Energy Europe,
- In 2014-2020 it is expected that the Urban Development Funds co-financed by JESSICA will be fully operational to be integrated in URBAN projects (Andalucía and national).

Weaknesses

- At central level there is that ONE entity missing that promotes and coordinates the topic of sustainable urban development.
- Practically no exploitation (dissemination, lessons) of previous experiences and projects UPP, URBAN and URBANA.
- The Network of Urban Initiatives has not yet reached its full potential of action to serve as an open space for exchange,
- Insufficient integration of innovative topics and Europe 2020 issues in urban development projects and policies (ICT, Energy, climate change, CO2, creative economy).
- Only few projects adopt real integrative approaches to solve urban problems (use of ICT for more efficient energy systems, create jobs through modernisation in housing, etc.).
- Difficult start of the financial instrument JESSICA in 2007-2013 so that it it just starting to become operational for projects in Spain.

Threaths

- The EESUL as national integrating strategy has not yet been officially approved by the Spanish Government. There is a threat that this relevant document might stay without practical
- There are practically no incentives at central level to exploit innovation and technological advancements for sustainable and integrated urban development.
- The economic and financial crisis represents currently for municipalities and the private sector an important barrier to invest in sustainable urban development.
- The demographic loss of population in cities and urban areas is intensified with the effects of the crisis and migration to other countries, especially by young talents.

Analysis of integrated urban development projects in Spain

In-depth analysis of the cases has provided information and good practices about the five key aspects to be analysed. The following table summarizes the results:

| Analysed Aspect | Success Factor | Recommendations for the future |
|---|--|---|
| Strategic planning and integration of the EU 2020 targets | Objectives and measures that reflect the principles of smart, sustainable and inclusive local development. Truly integrated strategies with a common strategic vision based on the perspective and needs of the citizens and as part of the development strategy for the city. Integrative measures aimed at integrating at least two of the project's objectives. Innovative approaches in terms of urban development policies. | Link the sustainable urban development project with the strategic development process of the city as a whole. Create a common vision for the area in the future that goes beyond solving current problems. Start public participation processes from the planning phase of the project. Develop integrative measures that create synergies between the objectives of the strategy. Foresee innovative measures and pilot projects that should serve as pilot projects and living laboratory for future municipal policies. TO AVOID: Strategies that add only sectorial actions without integration or a common vision for more quality of life in the neighbourhood. Traditional sectoral measures that are already being carried out in the city and do not involve innovative aspects. |

| Analysed Aspect | Success Factor | Recommendations for the future |
|--|---|--|
| Implementation and financing of Sustainable Urban Development projects | Leadership and commitment to the project at the political level – visible both inside the City Council as to the public. | Having a team to manage the project with experience, leadership and proactivity that looks out for communication and cooperation within and outside the Council. |
| | Dynamic, proactive and resolute direction and coordination of the project. | Establish offices that are located in the project area and open to the public. |
| | A good and fluid communication between the managers of the project and the municipal and general services that implement it. Direct contact with the citizens and openness throughout the project. The ability to search and create synergies | Search and enhance synergies with other funds, other policies and other public and private initiatives. TO AVOID: Beginning the implementation of measures and works without a suitable system of administration and control. Leaving the execution of large physical works for the final years of the execution of large physical works for the final years of the execution. |
| | with other public and private actions (not always in a financial way but also regarding commitment and attitude). | project. Losing the pace of implementation during the project (e.g., due to municipal elections, etc.). |
| Communication aspects | A good system of communication and dissemination of good practice, also within the City, that is appropriate to the target audience (1.0, 2.0, social media, etc.) | Develop a wide communication strategy and a corporate image of the project in the early stages. Provide continuous communication activities. |
| Monitoring and Evaluation | An internal self-evaluation system (observatory) to detect management problems. | Plan monitoring and evaluation measures in order to improve the project management system during implementation and learn for future projects. |
| | Evaluation studies to acknowledge the results and impacts of the projects and learn for the future. | |
| Local Empowerment and public participation | Governance systems that enable the coordination and cooperation between the different actors involved without | Set, at the beginning of the Project, agile and flexible governance systems that enable good communication and coordination with both project managers and municipal and general technical services. |
| | bureaucratizing the process. Flexibility and agility of the systems of | Foresee informal mechanisms of coordination between the management team and all stakeholders involved. |
| | governance, especially in the coordination and decision-making bodies. Informal coordination mechanisms by the management team. Fluid communication and collaboration with social and economic actors. | Foresee an internal communication (team management and local agents) that is fluid throughout the project to build trust and encourage private initiative. |
| | | Train and educate about methodologies and activities for public participation, both to municipal and political technicians and to population and social agents. |
| | Have systems of public participation that offer opportunities for active collaboration and / or co-decision by the local population (social forums, virtual forums, workshops, social committees, etc.). | Disseminate good practice examples about public participation in Spanish projects (e.g. Pamplona, etc.). TO AVOID: |
| | | Governance systems that are too stiff and formal. |
| | | Lack of connectivity and communication between operational teams and the political organs of decision-making. |
| The Role of | Networking activities with other cities and | Lack of involvement of citizens and social and economic actors. Formal and informal networking activities and sharing of experiences |
| Cooperation, networking and | URBAN technicians to help reduce management difficulties. | should be supported in the framework of the Urban Initiatives Network (RIU). |
| learning | Learning processes at a personal and institutional level (within the municipal and | Develop and disseminate examples of good practice, structured thematically, within the Framework and Web Site of the RIU Network. |
| | local levels). Sharing experiences helps improve | Projects should be accompanied by learning processes at personal and institutional level. |
| | strategies, supports the implementation and increases the visibility of the actions. | Look for synergies with other cooperation or innovation projects at urban level (INTERREG, IEE, Covenant of Mayors, etc.). |
| | The generation of synergies with other cooperation or innovation projects at urban level. | TO AVOID: The dispersion of the activities of networking, learning, sharing. |
| | | Not to consider other project opportunities and synergies beside the |

| Analysed Aspect | Success Factor | Recommendations for the future |
|---|---|--|
| | | URBAN (INTERREG, IEE, Covenant of Mayors). |
| Administrative capacity in relation to the ERDF | Guidance on common issues and problems associated with managing the ERDF by the DG Community Funds, MINHAP. Resources to be able to solve problems (peers, other URBAN cities, responsible for the Management Authority, Experts, hotline support). For project management: Previous experience with EU funding and related administrative requirements is required. Use of common sense among managers and auditors regarding the specifics in the administration and financial control of urban integrated projects (cost-effectiveness of control measures). | Structure and formalize guidance on common issues related to the administration of the ERDF by the DG Community Funds, MINHAP. Elaborate and disseminate tools for management support (manuals, usual management and control systems, good practices, usual monitoring systems and indicators, catalogues of examples of eligible expenses, etc.) Strengthening support from the RIU, provide RIU with the necessary resources to carry out exchange activities, support. TO AVOID: Underestimating the requirements of the administration of EU funds and their implications for the operations at municipal level. Problems due to lack of understanding of the needs and limits of ERDF management at local level. |

General conclusions on integrated urban development in Spain

First, we want to highlight the **effort** that has been and is being made regarding sustainable urban development by local, regional and national Spanish entities, especially through URBAN and URBANA projects. It is estimated that Spain has responded well to the opportunity given by URBAN Community Initiatives and European cohesion funds, in particular the ERDF, in support of sustainable urban development, especially if one considers that there is not as much tradition of integrated urban development as in other countries. It is regarded as a sign of **good reception** of the sustainable urban development approach that the national URBANA programme was created for the period 2007-2013. It is noted that there is a **widespread interest** in continuing to support by state institutions urban development that is sustainable and integrated in 2014-2020, as well as strong interest at a local level to adopt the **URBAN type approach** in strategic projects in the future.

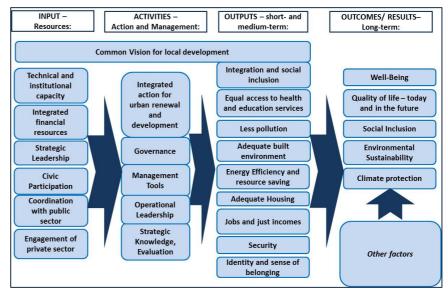
However, in the context of the principles of the Leipzig Charter and the Declaration of Toledo, and with the aim of extending sustainable urban development not only as a pilot approach but as a general paradigm of urban development, we want to highlight some **fields of improvement** that would ensure the dissemination of the approach and allow a more effective use of funds in the future, especially within the new regulatory framework of the European Funds of the Common Strategic Framework 2014-2020. These areas for improvement are:

- \rightarrow Need for an integrated vision
- \rightarrow More emphasis on strategic and innovation processes
- \rightarrow Promote citizen participation
- \rightarrow Towards the paradigm of the Smart City
- \rightarrow Learning from Experience

During analysis, it could be seen that there are numerous positive results from applying the sustainable urban development approach successfully in Spain. However, it was noted that many municipalities and their politicians do not entirely apply the principles of an integrated urban development. This is due mainly to the context of the Spanish urban development tradition that also affects the local level. The current vision of integrated urban development, local environmental protection, etc. A figure to lead the support towards integrated urban development is lacking, both at a central-national level and at the Autonomous Communities and local level. Unfortunately, recent efforts to develop a common strategic framework for urban development in Spain have been undermined by the impacts of the economic and financial crisis and the change in public investment priorities. The study proposes to work in the future on the basis of a **theory of change in the field of integrated urban development**.

The visualised logic may help to see the relationship between resources, individual measures, intermediate goals and the ultimate objective which is to create а pleasant, smart, and sustainable inclusive environment that offers wellbeing and quality of life to the inhabitants, today and in the future.

The Study showed that the projects of sustainable urban development that are promoted in Spain with the help of the ERDF fulfil generally their operative objectives and



generate results that many times beat the previous estimations. However, it is seen that the **strategic and management impact** of the urban development projects may be improved. In this regard, it is estimated that the projects of sustainable urban development should try to have a greater impact at the strategic level, highlighting also the process of urban development not only the results. Therefore, more attention must be put in processes such as, **creating a common vision**, political and managerial innovation within the Municipality, public participation, coordination between policy areas, public-private partnerships etc., in order to increase the visibility and sustainability of the impacts of the projects.

It is seen that it will be difficult to achieve a greater involvement of local governments and of the citizens in **public participation processes** in the future, without examples, models or technical assistance. In this sense, future sustainable urban development projects should have more specific support (exchange, training) in this line.

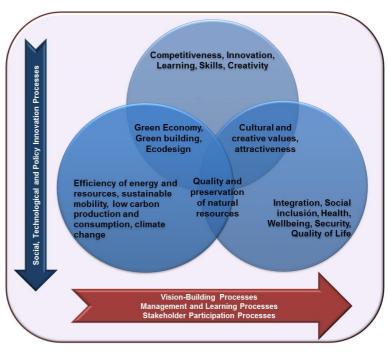
As to urban policy in the framework of the European Cohesion Policy 2014-2020, the current integrated urban development in Spain does not take full advantage of the potential of promoting a smart, sustainable and inclusive development, especially when taking into account the challenges that the Spanish cities face now and in the future. In this sense, it is estimated that future city models and objectives of the integrated urban development strategies should disseminate more clearly the **paradigm of the smart city**. Thus, a possible future model may include at least the following aspects of a Smart City: Social intelligence, economic intelligence, ambient intelligence, administrative intelligence.

Finally, and despite the significant experience in integrated urban development projects, supported by both the ERDF (URBAN, URBANA), and some Autonomous Communities (Basque Country, Catalonia, Balearic Islands), it is seen that the issue of integrated sustainable urban development still has very little coverage in cities and at technical level in Spain. It has been observed in the analysis that there is an untapped potential for **learning from experience** through good practices, networking and informal relationships and the sharing of experiences. In this regard, it is proposed to facilitate and improve the structure of learning activities through knowledge management, experience sharing activities, dissemination of good practices from other countries or European projects and the development of support material (guides, manuals, guidelines, etc.).

Recommendations on Investment Priorities

As seen during the analysis, the current approach hampers the implementation of an integrated perspective on the projects of urban development, especially in a country as Spain, where there is little tradition in seeing urban territorial development as a discipline in its own right. Here, the integrated approach should be promoted with more emphasis through clear initial guidelines offered both to the national/regional entities dedicated to urban development policies and to the municipalities that want to implement this kind of projects.

Investment priorities regarding integrated urban development during the years 2014-2020 should focus on the objectives of Europe 2020 and the investment priorities of the Funds of the Common Strategic Framework, foreseen in the proposal of regulations of the future cohesion policy. Secondly, new fields of opportunity should also be integrated. looking out for opportunities to improve local competitiveness of cities and neighbourhoods. In this case, topics such as energy efficiency, culture and creativity, social innovation, cultural tourism, social enterprises and local sustainability initiatives, etc. are possible fields. Thus, it is recommended to move forward to a model of integrated urban



innovation. It is estimated that this model facilitates the connection between sustainable urban development projects and other EU local development schemes that are to be promoted in the 2014-2020 period, such as territorial cooperation projects (Interreg), Smart energy, Green digital agenda, Horizon 2020, European Innovation Partnerships for smart cities and communities, Green Transport, Covenant of Mayors, etc.

Strategic Recommendations

R1: To facilitate the integration of objectives, the alignment with the objectives of the Europe 2020 Strategy and the exploitation of new opportunity fields it is recommended for 2014-2020 for the Management Authority to set a common general objective (slogan) for potential URBANA projects. These may be "Urban strategies for smart cities", "Urban regeneration strategies for low-carbon cities" or "Strategies for a better adaptation to climate change". An orientation towards a goal of "urban innovation" or "reducing carbon emissions", helps framing the strategies within the priorities of the Common Strategic Framework 2014-2020. As an example, a possible outline of investment priorities for integrated sustainable urban development would be:

Line 5: Management and monitoring, public management innovation.

Proposal: urban regeneration strategies for low carbon cities:

Line 1: Actions for a green local economy: innovation, energy efficiency, renewable energy, green business ideas, supporting the creation of green companies, etc. Line 2: Carbon reduction measures in public space and infrastructure: efficient public infrastructure, sustainable mobility, urban environment

that reduces CO2, mitigation measures, etc. Line 3: High quality social environment for carbon reduction: education, integration, inclusion, security, culture.

Line 4: Processes of creating a common local vision for the future, participation, inclusion, security

R2: To ensure the integrated approach and the process of creating a common vision it is recommended to require a mandatory vision of the future for the neighbourhood and a related vision-building process at the beginning of the project (Application Form). It is understood that an innovative general objective (carbon reduction, innovation, etc.) motivates the development of policies and new measures and public-private partnership, thus avoiding the sectoral and top-down approach during the planning of local strategies.

R3: As an **ex ante condition** that should be met to ensure the sustainable and integrated urban development and an effective use of funds in Spain 2014-2020, it is recommended to have an **institutionalized strategic** framework at the level of the Central Government that provides guidance to other administrative levels. In this regard it is recommended as an ex ante conditionality to ask for a **formal approval and dissemination** of a national strategy on local sustainable development (e.g. the EESUL).

R4: Also, as an ex ante condition, a central entity that leads the promotion of sustainable and integrated urban development and that coordinates the existing support tools should be established at a medium and long term. Thus, it is recommended to create a "**permanent Task Force for sustainable urban development**" between representatives of the Ministry of Development, the Ministry of Agriculture, Food and Environment, and the Ministry of Finance and Public Administration, developing annual work plans to promote sustainable and integrated urban development.

R5: As for the **organization and programming** of integrated urban development projects in the period 2014-2020 in Spain, we recommend the creation of (a) a **unique Operational Programme** for sustainable and integrated urban development with multi-fund support, or (b) an **axis dedicated to sustainable and integrated urban development in Regional Operational Programmes**, i.e., the current model. The selection of the programming option should be taken considering the advantages and disadvantages of each model.

R6: It is recommended to continue with the current approach of a national competition on Urban Development Projects and the integration within a Priority Axis or a Programme on Sustainable Urban Development, as there is an established pattern with the URBANA program (07-13) that adequately reflects the objectives of integrated territorial investment. This recommendation implies using the **ITI model only in exceptional cases**, for example for projects of sustainable urban development and innovative large metropolis or functional areas (more than 300,000 inhabitants) and only if there is an interest on the part of local authorities to manage an ITI. **Regarding the DLCL approach** it is recommended to be used in Spain 2014-2020 specifically in the context of local development in the field of rural areas and fishery areas, since there is already a tradition in these areas to work with local action groups.

R7: For the 2014-2020 period, **three JESSICA funds** will be available and operating in Spain, two in Andalusia and one for the convergence and transition regions. It is recommended to promote its use in the programming of projects of sustainable urban development, through communication and information about their existence and requirements to municipalities (with help from the RIU and the FEMP). To generate synergies with urban development projects the objective of *"improving energy efficiency and renewable energy use in urban areas"* that corresponds to the goal of national Urban Development Fund (convergence and transition regions) should be covered by a potential new URBANA scheme. Also, in order to facilitate the use of the financial instrument JESSICA, revenue generating operations as well as complementary funding (ERDF/ESF and UDF/JESSICA funds) should be anticipated within the regulations of programming of sustainable urban projects.

R8: In order to promote urban development projects that are truly integrated and in line with Europe 2020, it is recommended that DG REGIO and the Managing Authority organize **dissemination and information activities**

(seminars, conferences, workshops), perhaps in collaboration with the RIU or FEMP during 2013 that report on investment priorities and possible targets of the integrated urban development projects supported by ERDF in 2014-2020.

R9: To facilitate the monitoring of sustainable urban development it is recommended to establish **specific output and result indicators** for this type of projects at the level of the corresponding Axis or Operational Programmes. The number of performance indicators should be appropriate to reflect the achieved results and the contribution to larger economic and social impacts. Indicators should be specific enough to describe the activity, but also sufficiently flexible to meet the diversity of the different projects.

R10: As for the implementation of sustainable urban development projects in the period 2014-2020, it is recommended to adapt the **intensity of assistance** that will be provided to municipalities and managers by the Management Authority in correspondence with the number of URBANA 2014-2020 projects. This correspondence can be achieved with the allocation of resources (human, financial) or the recruitment of technical assistance.

R11: In relation to **animating and stimulating learning** based on the numerous Spanish experiences on sustainable urban development, it is recommended to establish a database with a **repository of good practices**. It is also recommended to develop a handbook on public participation in urban development projects or, when appropriate, to re-edit the Participation Manual from the URBACT Network "Partecepando".

R12: Regarding the enhancement of **Network of Urban Initiatives (RIU)**, the aim is to give RIU a **moderator** (FEMP or external expert) and **to re-launch** the Network with activities like: \rightarrow informative website and virtual community with news, chat rooms, library, calendar, learning sessions, etc.; \rightarrow database of good practice examples; \rightarrow dissemination of manuals and handbooks about different topics relevant for urban development; \rightarrow creation of informal and thematic working groups; \rightarrow networking with related events.

Operational Recommendations

The operational recommendations address the municipalities that plan to implement integrated urban development projects in the future, as well as the managers of these projects. The study defines some operational guidelines:

- Link the development of the project to a process of creating a common vision for the city and the neighbourhood.
- Framing the project within the strategic planning of the city and its neighbourhoods.
- Take into account the innovation aspect of municipal management.
- Include innovative activities in urban development strategies linked to creative economies, culture, social innovation, energy efficiency, new mobility systems and climate change adaptation.
- To achieve the necessary leadership, it is imperative to have a single point of coordination and operational decisions in the day.
- Consider in the budget potential problems or delays in the procurement and execution of project activities and physical works. It is recommended to carry out the physical works at the beginning of the project cycle in order to have a time buffer and to comply with the initial expenditure planning.
- Use URBAN-type projects and their innovative processes (vision, participation) to generate synergies with other public and private resources and local development activities.
- In order to create local ownership among neighbours and social and economic agents in the neighbourhoods, we recommend a full and on-going participation in the projects. Participation should, if possible, cover more than just information activities and lead to active cooperation and co-decision-making.
- To facilitate the participation processes it is recommended to foresee specific measures to build capacity for participatory processes, both within the City Council/management team and among the local citizens.
- Seek synergies with other European projects in their city (INTERREG, IEE, etc.) or find matching funds for related projects for a sustainable, smart and inclusive urban development.
- The management team should have a strong leadership and previous experience with EU-funded projects, if possible, in URBAN-type projects.