

COTER-014

Brussels, 4 March 2003

OPINION

of the

Committee of the Regions

of 13 February 2003

on the

Communication from the Commission to the Council, the European Parliament,

the Economic and Social Committee and the Committee of the Regions -

The programming of the Structural Funds 2000-2006: An initial assessment of the Urban initiative

COM(2002) 308 final

The Committee of the Regions

HAVING REGARD TO the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions - The programming of the Structural Funds 2000-2006: An initial assessment of the Urban initiative COM (2002) 308 final,

HAVING REGARD TO the decision taken by the Commission on 14 June 2002, under the first paragraph of Article 265, of the Treaty establishing the European Community, to consult the Committee of the Regions on the matter,

HAVING REGARD TO the decision of the President of the Committee of the Regions of 23 September 2002 to issue an opinion on this subject and to direct the Commission for Territorial Cohesion Policy to draw up the relevant opinion,

HAVING REGARD TO the Communication from the Commission to the Member States laying down guidelines for a Community Initiative concerning economic and social regeneration of cities and of neighbourhoods in crisis in order to promote sustainable urban regeneration (URBAN) (COM(1999) 477 final) and the following opinion of the Committee of the Regions (CdR 357/99

fin)¹,

HAVING REGARD TO its Opinion on 15 June 2000 on the Proposal for a Decision of the European Parliament and of the Council on a Community framework for cooperation to promote sustainable urban development (COM(1999) 557 final- 1999/0233 (COD)) (CdR 134/2000 fin)²,

HAVING REGARD TO its Opinion on 4 April 2001 on the European Commission Final Report on the Urban Audit (CdR 190/2000 fin)³,

HAVING REGARD TO its Opinion on 15 February 2001 on The structure and goals of European regional policy in the context of enlargement and globalisation: opening of the debate (CdR 157/2000 fin)⁴,

HAVING REGARD TO the Second Report on Economic and Social Cohesion, 31 January 2001 (COM(2001) 24 final and the following opinion of the Committee of the Regions (CdR 74/2001 fin)⁵,

HAVING REGARD TO the First progress report on economic and social cohesion – Conclusions and next steps (COM(2002) 46 final and the following opinion of the Committee of the Regions (CdR 101/2002 fin),

HAVING REGARD TO the draft opinion adopted by the Commission for Territorial Cohesion Policy on 4 December 2002 (CdR 322/2002 rev. 1), rapporteur: **Ms Sally Powell** (Deputy for regeneration, London Borough of Hammersmith and Fulham, UK, PES),

WHEREAS the urban dimension is crucial to economic, social and territorial cohesion in the EU,

WHEREAS there is a clear recognition that, while cities have significant potential as motors of growth, they are faced with problems of acute deprivation and environmental pressures,

WHEREAS cities play a decisive role in the implementation of the EU's main objectives of economic and social cohesion, employment, competitiveness and environmental sustainability,

WHEREAS the European Union calls for commitment to achieving objectives of Community interest such as sustainable development, the Lisbon Agenda and equal opportunities,

adopted the following opinion at its 48th plenary session of 12/13 February 2003 (meeting of 13 February).

The Committee of the Regions

1. welcomes the initial assessment of URBAN II, which provides a valuable overview of the programme in its early stages; and sees this and the interim evaluation planned for 2003 as significant in the development of future Community cohesion policy;
2. welcomes the recognition that the urban question is an increasing political priority in the European Union, and supports the view that URBAN makes a valuable contribution to tackling the issues faced by urban neighbourhoods in crisis;
3. agrees that an integrated approach to social, economic and environmental issues is the most effective way to respond to local problems;

4. recognises the high intrinsic added value of the URBAN initiative in promoting the development and implementation of sustainable economic and social regeneration strategies which are particularly innovative, entailing a high visibility for citizens of European interventions;
5. applauds the strong partnership approach at the heart of URBAN as the most effective way to ensure that appropriate local solutions are developed for local problems, and agrees that URBAN has successfully engaged community groups in the development of locally based regeneration activities;
6. however, stresses that many of the urban areas which face the most intense multiple challenges lack the local community infrastructure necessary for effective community engagement. Considerable support can be required to equip community organisations to manage projects, and the CoR believes that a key part of the capacity building process is allowing areas time to develop the infrastructure to administer and deliver what are necessarily complex programmes;
7. welcomes the strong degree of decentralisation under URBAN and notes the crucial, often leading, role played by local and regional authorities in managing programmes;
8. would urge the Commission to explore ways to build upon this by requiring local and regional authority involvement and partnership in the preparation and implementation of future programmes aimed at economic and social cohesion, for example through tripartite agreements, in line with the principles of good governance; this should apply not just to the local areas considered thus far, but also to strategic planning for large areas with urban features that are not amongst the intervention areas covered by URBAN II;
9. recognises the need to intensify the support given to intensely deprived areas, but also believes that there is a fundamental need to build relationships between areas of need and opportunity within urban areas. The current approach, which does not allow spend outside the eligible area, is not helpful;
10. considers it important to develop URBAN programmes that combine on the one hand measures to enhance the competitiveness of the urban economy with, on the other hand, measures to improve services and the environment and to promote social inclusion in deprived areas;
11. urges the Commission to place greater emphasis on sustainability at the end of the programming period. The concentration of resources in a small area is a valuable factor in encouraging communities to work in partnership and build capacity, but as funding falls away partnerships may fall apart;
12. applauds the focus on Community issues such as social inclusion, which particularly affects immigrants, refugees and minority ethnic groups, and would strongly recommend that this thematic approach provides valuable lessons for the future development of cohesion policy and the Structural Funds;
13. recognises the value of flexibility in the selection of areas and the use of a range of indicators which allows both Community and Member State priorities and the specific characteristics of individual areas to be reflected. Moreover, in line with the subsidiarity principle, the Committee reaffirms the need for the involvement of Member States and regional and local authorities in the selection of areas eligible for Structural Fund support, without this leading to a re-nationalisation of regional development policies and activities;

14. however, stresses the need to achieve coherence and for the Commission to lay down clear guidelines on the principles and objective criteria for selection;
15. is strongly of the view that the simplification of administrative procedures is fundamental to achieving best value and effective delivery of programmes. The successful use of a single fund approach in URBAN has valuable lessons to offer and the CoR would urge the Commission to explore the application of this approach in future programmes;
16. would stress the value of building networking and the exchange of experience and best practice into programmes, and welcomes the inclusion, for the first time, of the exchange of experience between cities as a Community programme; and would urge the Commission to ensure that local and regional authorities are closely involved in these activities;
17. recognises that high intensity of aid in URBAN II is clearly central to addressing the problems of neighbourhoods in crisis. However, the CoR strongly believes that the small scale approach promoted by URBAN is not sufficient to tackle the structural problems facing urban areas or to support their potential for promoting growth and achieving the Lisbon agenda. The CoR strongly recommends that urban issues figure more prominently in regional policy post 2006.

Brussels, 13 February 2003.

The President

The Secretary-General

of the

of the

Committee of the Regions

Committee of the Regions

Albert Bore

Vincenzo Falcone

¹ OJ C 156 of 6.6.2000, p. 29

² OJ C 317 of 6.11.2000, p. 33

³ OJ C 253 of 12.9.2001, p. 12

⁴ OJ C 148 of 18.5.2001, p. 25

⁵ OJ C 107 of 3.5.2002, p. 27

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CdR 322/2002 fin FR/ET/ss

CdR 322/2002 fin FR/ET/ss