



NEMZETSTRATÉGIAI KUTATÓINTÉZET

CITY-GLOBE 2015

# New directions of EU financed urban development in Europe and in Hungary: urbanism as a platform for integrating climate policies

*Attila Sütő – Márton Péti  
Research Institute for National Strategy  
City-Globe 2015  
24.04.2015. Budapest*



# Content of the presentation

- Renewed EU Urban policy
- Several achievements of the Hungarian EU Presidency 2011
- Cohesion Policy 2014-2020
- Climate policy in EU-related developments
- Urban development policy in Hungary
- Energy and climate policies in urban development - Hungary



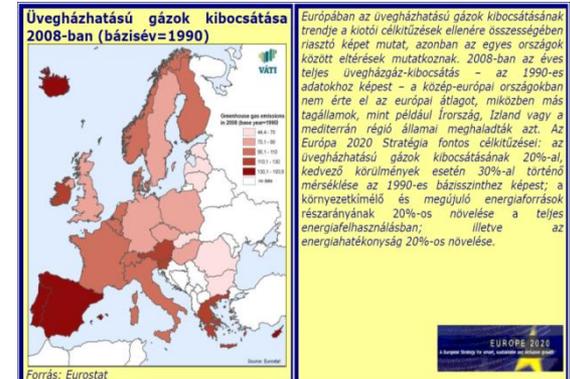
**...and now the details.**

# EU 2020

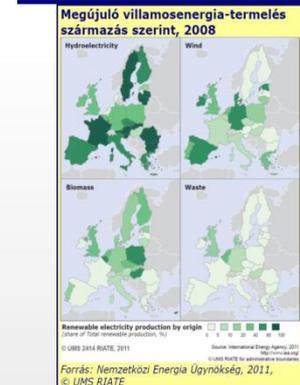


NEMZETSTRATÉGIAI KUTATÓINTÉZET

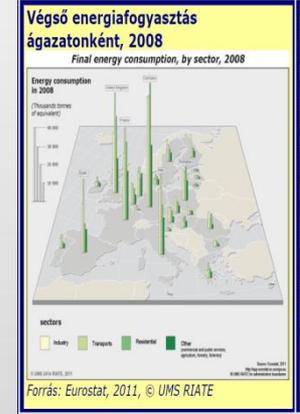
- A European Strategy for Smart, Sustainable and Inclusive Development
- to help Europe emerge stronger from the crisis and prepare the economy for the next decade
- EC identified 3 key drivers for growth to be supported both at EU and at national levels
  - **SMART** growth
  - **SUSTAINABLE** growth
  - **INCLUSIVE** growth
- Urban areas, urban development have strong connections to all of the 3 drivers
  - **Smart:** improvement the quality and outputs of **educational institutions**; strengthening **research performance, promoting innovation**, improvement of private sector R&D conditions
  - **Sustainable:** prevention of unsustainable use of resources, to maintain the EU's **leader role in the green technology market, combating climate change**; promotion of clean and efficient energy, decouple growth from energy use
  - **Inclusive:** **increase the level of employment, fighting against poverty**, modernizing social protective systems; **ensuring access and opportunity for all**



Európában az üvegházhatású gázok kibocsátásának trendje a közti célkitűzések ellenére összességében riasztó képet mutat, azonban az egyes országok között eltérések mutatkoznak. 2008-ban az éves teljes üvegházgáz-kibocsátás – az 1990-es adatokhoz képest – a közép-európai országokban nem érte el az európai átlagot, miközben más tagállamok, mint például Írország, Izland vagy a mediterrán régió államai meghaladták azt. Az Európa 2020 Stratégia fontos célkitűzése: az üvegházhatású gázok kibocsátásának 20%-al kedvező körülmények esetén 30%-al történő mérséklése az 1990-es bázisszinthez képest; a környezetkímélő és megújuló energiaforrások részarányának 20%-os növelése a teljes energiafelhasználásban; illetve az energiahatékonyság 20%-os növelése.



Az Európa 2020 Stratégia fontos célkitűzése a megújuló energiaforrások arányának 20%-ot meghaladó növelése. A Stratégia célja továbbá az energiahatékonyság 20%-os javítása. A kitűzött célok az energiafelhasználás további csökkentését ösztönzik, valamint támogatják a megújuló energiaforrások alkalmazásának elterjedését. A megújuló energiaforrások területi helyzetképe rendkívül változatos: az e források alkalmazása terén vezető országokra jellemző a magas vízerőenergia potenciál (északi országok, Ausztria, Szlovénia), de más energiaforrások is hasonló jelentőséggel bírnak bizonyos területeken (például a napenergia a mediterrán országokban).



Az Európa 2020 Stratégia energiafogyasztással – beleértve a tiszta és hatékony előállítás – kapcsolatos célkitűzéseinek teljesülése esetén 2020-ig 60 milliárd €-val csökkenne a kőolaj és földgáz importja. Az európai energiapiacok integrációjának további sikeres folytatása 0,6%-0,8% közötti GDP növekedést eredményezne. Az EU célkitűzése szerint a megújuló energia részesedésének 20%-os növelése 600 000 új munkahelyet teremtene az Unióban. Az energiahatékonyság 20%-os növelése esetén ez több mint 1 millió új állást teremtene. Területi szempontból a legmagasabb energiafogyasztás (néhány kivételtől eltekintve) a nyugat-európai országokban, a mediterrán térségben (Spanyolország, Olaszország), és néhány közép-európai államban (Németország, Lengyelország) mérhető. Általánosságban a kelet-európai országok energiafogyasztása alacsonyabb mondható, míg az északi államoké közepes.

# TA 2020 & TSP



NEMZETSTRATÉGIAI KUTATÓINTÉZET

- **Revised Territorial Agenda of the European Union,**
- **Updated Territorial State and Perspectives of the European Union**
  
- TA 2020 – agreed by the Ministers responsible for spatial planning and territorial development. Gödöllő, 2011
  
- Based on the review of the TA 2007 & recent development trends described in the updated TSP
  
- Ensure the implementation of EU2020 (according to TC principles)
  
- **Action oriented policy framework to support territorial cohesion** – strategic orientation for territorial development
  
- Addressing territorial development challenges to help unleash territorial potentials (through place based planning and implementation)
  
- TA **calls** states, regions, **CITIES to contribute to common European priorities**



## The Territorial State and Perspectives of the European Union

2011 update

Background document  
for the Territorial Agenda of the European Union 2020



## Territorial Agenda of the European Union 2020

Towards an Inclusive, Smart and Sustainable Europe of Diverse  
Regions

agreed at the Informal Ministerial Meeting of Ministers responsible for Spatial  
Planning and Territorial Development  
on 19th May 2011 Gödöllő, Hungary

*eu* 2011.hu



## Challenges and potentials for territorial development

Almost all off the 6 challenges reflects to the problems of cities directly or indirectly

Especially:

### 2) Challenges of EU integration and growing interdependencies of regions – demand for better connectivity and networking

### 3) Territorially diverse demographic and social challenges, segregation of vulnerable groups

- growing population, immigration;
- role of SMS towns in rural areas

4) Climate change and environmental risks – geographically diverse impacts

- Impacts of climate change draw attention to territorial coordination of sector policies (*climate, energy, water m., housing, tourism, transport, risk management*)

6) Loss of biodiversity, vulnerable natural and cultural heritage

- uncoordinated urbanization threatens eco/cult. assets

## Territorial priorities for the development of the EU

- To utilize territorial potentials
- To implement EU 2020 successfully

6 priorities

### 1) Polycentric and balanced territorial development

- Key element of achieving TC
- Most developed cities and regions key role in development of their wider regions
- Foster territorial development outside the core area
- Cities are encouraged to form networks
- Avoid polarization btw capitals and second tier cities

### 2) Encouraging integrated development of cities rural areas and special regions

- Leipzig Ch., Marseille, Toledo Declarations to be taken into account in their policy making (smart-sustainable-inclusive development of cities)
- Cooperation networking of cities
- Focusing on functional regions rather than admin borders
- Diverse links btw U-R territories
- Integrated governance, broad partnership based planning
- Improve access of SMSs (jobs, services)

### 3) Territorial integration in CB and TN functional regions

- City networks agglomerations divided by borders can be better utilized through territorial cooperation
- ETC to be better embedded in local development strategies

4) Ensuring global competitiveness of the regions based on strong local economies – local economic development

5) Improving territorial connectivity – sustainable transport development in city regions, accessibility of urban centers in peripheries (fair access to services of general interest)

6) Managing ecological/cultural values



## Budapest Communiqué

- Focuses on global challenges European urban areas facing with (demographic/climate challenge);
- Builds on the results of the Bristol Accord, Leipzig Charter, Marseille and Toledo declarations;
- Cover the results of HUN PRES (analyses of demographic and migration challenges; exploring management tools to handle climate change and adaptation techniques at urban level; identification of the ways strengthening the urban dimension in TC) to integrate these results into EU development and legislative documents
- **Role of urban settlements in the implementation of environmental and social sustainability**
- **To help the achievement of EU2020's objectives – through active involvement of cities and towns**
- **Urban areas as platform of integration and basis for integrated EU and national strategies**
- **Recommendation for EU national and regional level urban policies**
  - *To promote integrated sustainable urban development, support cities in tackling demographic and climate challenges, using supporting legal and incentive instruments*
  - *Dissemination and sharing of knowledge and best practices (urban networks, programmes, research networks)*
- **Recommendations for cities towns and urban agglomerations**
  - *Integrating sector development actions at given territorial levels*
  - *Multilevel governance, partnership based and place based planning*
  - *Local economic policies enhancing the use of internal resources*



**Budapest Communiqué**  
**on European urban areas facing demographic and climate challenges**  
by the Directors General responsible for urban development  
Budapest, 2 May 2011 (draft of 27 April)

- (1) The Directors General responsible for urban development in the Member States of the European Union, express their appreciation for the efforts and progress achieved by the Hungarian Presidency in analysing some of the most pressing challenges for the sustainable development of European urban areas. While urban areas also face many other important challenges, the recommendations put forward in the present Communiqué and its Annex only relate to the two topics mentioned in the title.
  - (2) The sustainability of European urban areas which is an essential condition of long term development has to be emphasised. The Budapest Communiqué aims to contribute to the growing collaboration on urban development issues by the Member States and build on the results and decisions of the Bristol, Leipzig, Marseille and Toledo ministerial declarations. The challenges of sustainable urban development discussed in the Communiqué are long term in nature. In order to tackle them, local, regional, national and EU-wide policies should be developed in a coordinated policy-development process.
  - (3) The statements summarised in this document cover the results of the Hungarian Presidency's work on analysing demographic and migration challenges; exploring different management tools to tackle climate change mitigation and adaptation at the urban level; and strengthening the urban dimension of territorial cohesion in the framework of the review process of the Territorial Agenda of the European Union. The current statements, however, do not pre-empt the position of Member States and future agreements on the future financial framework and legislative package for EU funds and policies, nor are they legally binding.
- The urban dimension is essential in the context of current challenges and long term goals related to Europe's sustainable development
- (4) The first decade of the 21st century brought crucial changes in the conditions of European development. Besides the speeding up of globalisation and climate change, demographic changes are increasingly visible and will pose different challenges for different Member States and their various regions. At the same time, by the end of the decade the deep financial and economic crises have seriously limited the public sector's room for manoeuvre to respond, thus deepening social and economic disparities between EU territories.
  - (5) Reaching the current objectives of the European Union defined in the Europe 2020 Strategy – to achieve smart, sustainable and inclusive growth – will be significantly helped by the active involvement of cities and towns. Urban areas are key drivers of economic performance, the main centres of innovation and important places where social, economic and territorial cohesion can be achieved; thus, their role in the implementation of the Strategy is essential. Sustainability of urban areas is a key condition for long term development as the risk of socio-demographic crises and environmental disasters affecting certain cities and towns can threaten economic growth and social cohesion in the EU as a whole.



# Urban dimension has come to the fore in EU Cohesion Policy

- Urban dimension: continuously growing importance in EU financed development policies
  - especially in Cohesion Policy.
- new geographical platform for integrating sector policies.
- These processes are also reflected in
  - current urban development initiations on EU level
  - new directions of the Hungarian development policies.
- Cohesion policy 2014-2020
  - New tools
    - Integrated Territorial Investments – basically an urban tool
    - Community Led Local Developments





## Integrated Territorial Investments

- A construction for financing the different elements of an ITS of a given territorial unit from more than one OP or from more priority axes
- Multidimensional, **place-based approach adopted to the local circumstances** and the wished results
- Based on an ITS. Territorial unit might be: a **city, a city region, a metropolis, a city district, similar city districts**, sub regional territory, microregion, **network of SMS cities, town+ its hinterland**, etc.
- Requires a package of projects to be implemented
- Appropriate for implementing ETC initiatives (cross-border agglomerations)
- Advantages:
  - synergy – better results than in case of separated projects
  - Local stakeholders are involved (preparation, implementation)
  - **Territorial integration of different sector interventions**

## Community Led Local Developments

- Characteristics:
  - Ideal tool for sub regional level
  - Completing other development activities at local level
  - Led by Local Action Groups (comprising of local civil and private sphere; coordinates the elaboration and implementation of the strategy)
  - Implementation **is based on place-based development strategy and action plan** (bottom→up, local decision upon resources)
- CLLD promotes
  - **Networking**
  - Innovative solutions
  - **Exploitation of local communities' capacities**
  - **Multilevel governance**
- New elements in 2014-2020
  - ESB Fund subsidies are more harmonized
  - Single CLLD methodology for all ESB funds
  - Available form ESF, ERDF, EFF besides EAFRD

# Climate policy in EU-related developments



NEMZETSTRATÉGIAI KUTATÓINTÉZET



## One of the 11 thematic objectives covering Europe 2020 priorities for Smart, Sustainable and Inclusive Growth

### Explicite:

- (5) promoting climate change adaptation, risk prevention and management;
- (4) Supporting the shift towards a low-carbon economy in all sectors

- 1 Strengthening research, technological development and innovation
- 2 Enhancing access to, and use and quality of ICT
- 3 Enhancing the competitiveness of SMEs
- 4 Supporting the shift towards a low-carbon economy in all sectors

mitigation

- 5 Promoting climate change adaptation, risk prevention and management
- 6 Preserving and protecting the environment and promoting resource efficiency
- 7 Promoting sustainable transport and removing bottlenecks in key network infrastructures
- 8 Promoting sustainable and quality employment and supporting labour mobility
- 9 Promoting social inclusion, combating poverty and any discrimination
- 10 Investing in education, training and vocational training for skills and lifelong learning
- 11 Enhancing institutional capacity of public authorities and stakeholders and efficient public administration

adaptation

L 347/20 2012.12.17

Official Journal of the European Union

2012.2017

#### REGULATION (EU) No 1303/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 17 December 2013

laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 177 thereof,

Having regard to the proposal from the European Commission,

After examination of the draft legislative act by the national parliaments,

Having regard to the opinions of the European Economic and Social Committee (1),

Having regard to the opinions of the Committee of the Regions (2),

Having regard to the opinions of the Court of Auditors (3),

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) Article 174 of the Treaty on the Functioning of the European Union (TFEU) provides that, in order to strengthen its economic, social and territorial cohesion, the Union is to aim at reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions or islands, and that particular attention is to be paid to rural areas, areas affected by industrial transition, and regions which suffer from severe and permanent natural or demographic handicaps. Article 175 TFEU requires that the Union is to support the achievement of these objectives by the action it takes through the European Agricultural Guidance and Guarantee Fund, Guidance Section, the European Social Fund, the European Regional Development Fund, the European Investment Bank and other instruments.

(2) In order to improve coordination and harmonise implementation of the Funds providing support under

cohesion policy, namely the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund, with the Fund for rural development, namely the European Agricultural Fund for Rural Development (EAFRD), and for the maritime and fisheries sector, namely measures financed under shared management in the European Maritime and Fisheries Fund (EMFF), common provisions should be established for all these Funds (the 'European Structural and Investment Funds' – 'ESI Funds'). In addition this Regulation contains general provisions which apply to the ERDF, the ESF and the Cohesion Fund, but do not apply to the EAFRD and the EMFF as well as general provisions applicable to the ERDF, the ESF, the Cohesion Fund and the EMFF, but do not apply to the EAFRD. Due to the particularities that exist for each ESI Fund, specific rules applicable to each ESI Fund and to the European territorial cooperation goal under the ERDF should be specified in separate Regulations.

(1) In line with the conclusions of the European Council of 17 June 2010, whereby the Union strategy for smart, sustainable and inclusive growth was adopted, the Union and Member States should implement the delivery of smart, sustainable and inclusive growth, while promoting harmonious development of the Union and reducing regional disparities. The ESI Funds should play a significant role in the achievement of the objectives of the Union strategy for smart, sustainable and inclusive growth.

(4) As regards the Common Agricultural Policy (CAP), significant synergies have already been obtained by harmonising and aligning management and control rules for the first pillar (European Agricultural Guidance Fund – EAGF) and the second pillar (EAFRD) of the CAP. The strong link between the EAGF and the EAFRD should therefore be maintained and the measures already in place in the Member States preserved.

(5) The outermost regions should benefit from specific measures and from additional funding to offset their structural social and economic situation together with the handicaps resulting from the factors referred to in Article 349 TFEU.

(6) The northern sparsely populated regions should benefit from specific measures and additional funding to offset the severe and natural or demographic handicaps referred to in Article 3 of Protocol No 6 to the 1994 Act of Accession.

(1) OJ C 197, 28.8.2013, p. 30, OJ C 44, 15.2.2013, p. 76 and OJ C 371, 19.9.2013, p. 101.  
(2) OJ C 235, 27.7.2013, p. 58 and OJ C 17, 16.1.2013, p. 56.  
(3) OJ C 47, 17.2.2013, p. 1, OJ C 13, 16.1.2013, p. 1 and OJ C 267, 17.8.2013, p. 1.

# Climate change and urban development



Climate policy: urban development is an important field  
Climate policy emerging in the aforementioned documents

- **EU 2020:**
  - Combating climate change is a separated point under key driver „sustainable development”
  - related objectives: **emission reduction**, full exploitation of new technologies’ possibilities, **increase resource efficiency** (to save money, to boost economic growth), strengthen the economy’s **resilience to climate risks, and the capacity for disaster prevention**,
- **TSP/TA:**
  - Challenge 4) **Climate change and environmental risks: geographically diverse impacts**; and
  - Territorial development priority 6) **Managing and connecting ecological, landscape and cultural values of regions**
- **Budapest communique:**
  - the threat **climate change** poses to urban areas **should be managed** and any opportunities it presents should be exploited
  - Due to high population infrastructure and economical activity **urban areas are especially vulnerable** to climate change impacts
  - Cities also have crucial role in mitigation



<http://www.climate-change-guide.com/effects-of-climate-change.html>



<http://archivum.magyarhirlap.hu/arviz-budapest>

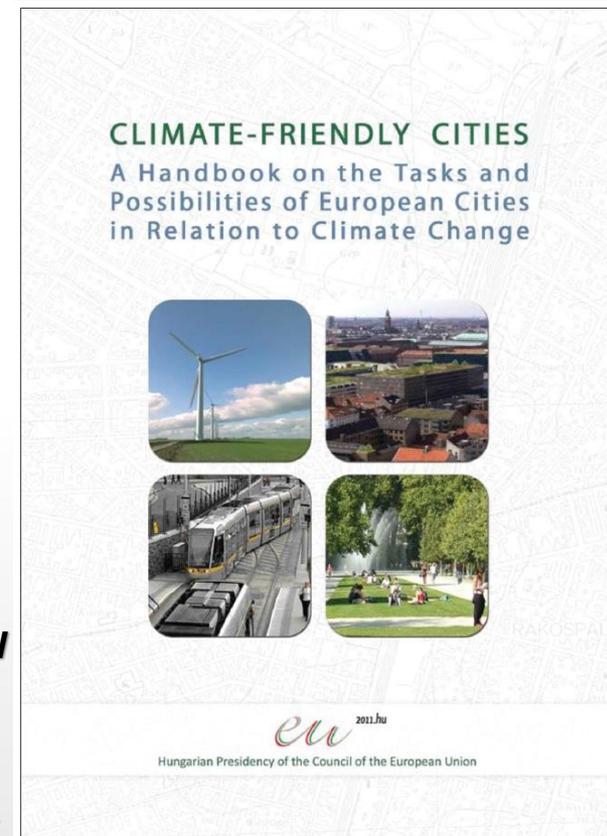
# HU EU PRES: A Handbook on the tasks and possibilities of European Cities in Relation to Climate Change



NEMZETSTRATÉGIAI KUTATÓINTÉZET

The Handbook...

- 's main objective: **to draw attention to the mitigation and adaptation opportunities** of the cities related to climate change
- serves as a guideline by **dissemination of best practices**
- **covers all fields of urban development and management** (strategic planning, physical planning, infrastructure development, risk management, health care) concentrating on integrated approach and strategy based interventions
- collects **those groups of tools that can be used / influenced by local governments** in the field of climate change mitigation and adaptation
- provides a **detailed, innovative methodological guide** for the elaboration of **climate-conscious integrated development strategies**
- 's **target groups**: urban settlements, decision makers, leaders of local governments, civil servants managing related processes, spatial planners, local communities...
- is **illustrated by European urban examples**

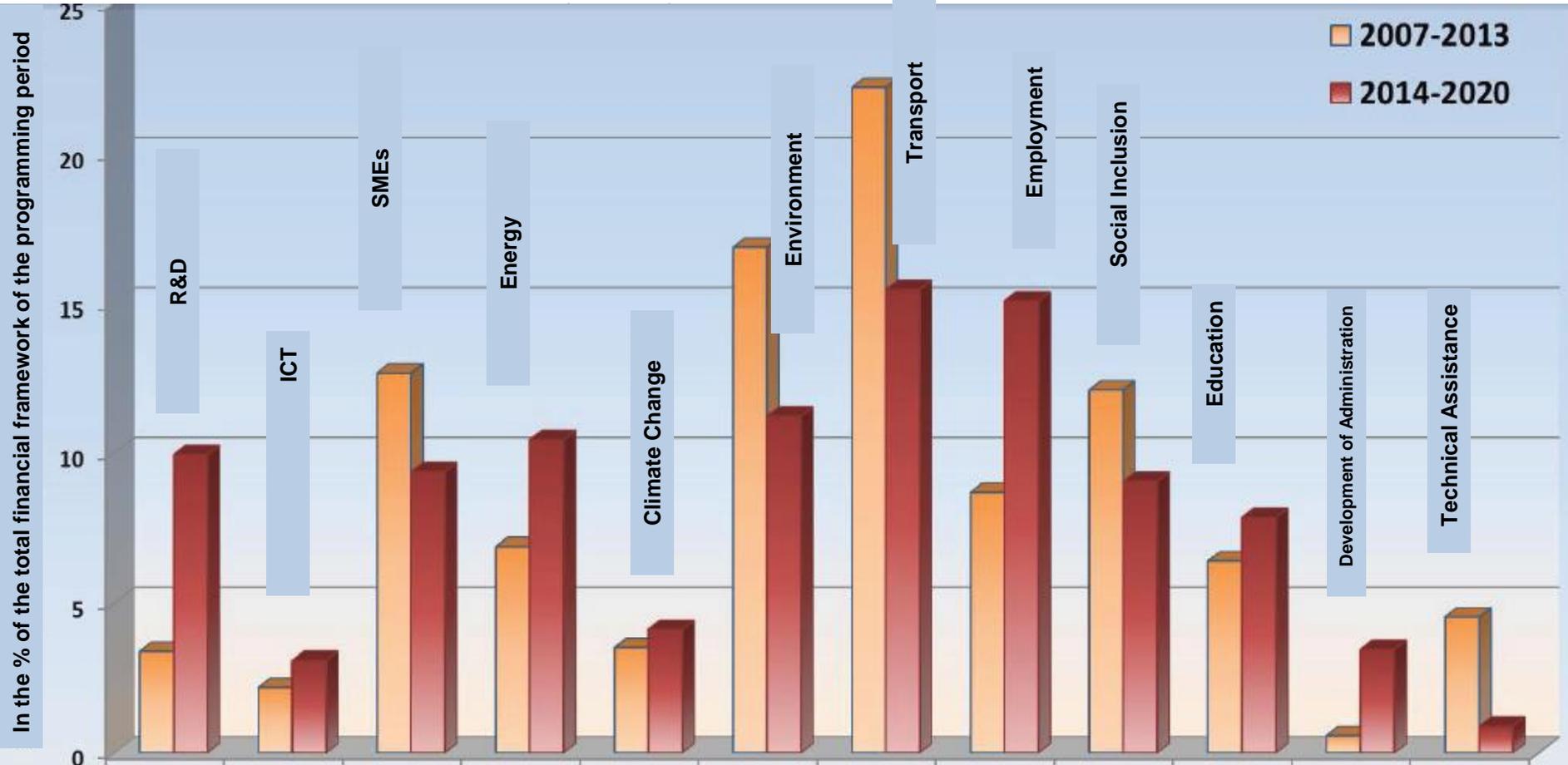


# Urban development policy in Hungary



NEMZETSTRATÉGIAI KUTATÓINTÉZET

- the main fields of urban development altering
- 2007-13 programming period ► ◀ 2014-20 programming period



- selection procedure - key role of cities
- CLLD also in cities (not so frequent among MSs)

# Energy and climate policies in the Hungarian urban development



NEMZETSTRATÉGIAI KUTATÓINTÉZET



- A very characteristic feature of the new urban policies is that energy and climate policies are becoming one of the most important component of their integrated development initiations.
- Comparing with the former programming period great allocations to climate-related investments
  - In general
  - Especially in cities
- The most popular urban development initiatives in view of the plans
  - Energy efficiency modernisation of buildings combining the use of renewable energy sources
  - establishment of new buildings, with a nearly zero carbon dioxide emission
  - Complex energy efficiency renovation of district-heating systems and converting these to a renewable base
  - Introduction of energy managements system in public services
  - Public transport development, Modernisation of public lighting
  - Awareness raising programmes
- **New element: SEAPs are supported**
- Future tasks in urban development
  - Elaboration of CLLD methodologies – climate-related issues can be included
  - **Elaboration of SEAP methodologies**





NEMZETSTRATÉGIAI KUTATÓINTÉZET

# Thank you for your kind attention!

**Attila Sütő**

senior planner analyst

**Márton Péti**

deputy director

Research Institute for National Strategy  
Research, Strategy and Coordination Directorate

[attila.suto@nski.gov.hu](mailto:attila.suto@nski.gov.hu)

+ 36 1 8960947

FELELŐSSÉGGEL ÉS HŰSÉGGEL