



# INTERREG EUROPE ACTION PLAN

## Action Plan for the region of **SPAIN**



### Part I – General information

**Project:** EURE

**Partner organisation(s) concerned:** EIXO ATLANTICO DO NOROESTE PENINSULAR

**Country:** SPAIN

**NUTS2 region:** GALICIA

**Contact person:** MARTA CABANAS CAL

**Email address:** eu @eixoatlantico.com

**Phone number:** 00 34 986 480 616



## Part II – Policy context

- The Action Plan aims to impact:**
- X Investment for Growth and Jobs programme
  - European Territorial Cooperation programme
  - Other regional development policy instrument

**Name of the policy instrument(s) addressed:** *Plurirregional Operational Program for Sustainable Growth 2014-2020*

### 1. How the action plan should contribute to improve the policy instrument

The Action Plan can contribute to the Policy Instrument by means of improving the governance clarifying the criteria applicable to cities located in sparsely populated areas, normally small cities, namely in what concerns the constitution of functional urban areas, entitling them to be able to apply to funding, which is not always the case today. It can also contribute by means of improving the administrative management and the supervision tools in close cooperation with the beneficiary cities.

In fact, the Policy Instrument foresees:

“The characteristics established in Spain for the DUSI (Desarrollo Urbano Sostenible Integrado) - Integrated sustainable urban development, for the 2014-20 EU programming period, included the following typology of the FUAs – Functional Urban areas:

- Urban areas made up of a single municipality with a population greater than 20,000 inhabitants.
- Grouping of municipalities with a population in each of them greater than 20,000 inhabitants.
- Urban areas formed by a municipality or conurbation with more than 20,000 inhabitants and peripheral municipalities with less than 20,000 inhabitants.
- Conurbation with a population greater than 20,000 inhabitants, made up of groups of less than 20,000 inhabitants; but in this case, they should be a physical urban continuum.”

Nevertheless, the criteria is not yet clearly established on how can small cities form functional urban areas to apply, and there is still a problem with the criteria of ‘physical urban continuum’, which is difficult to apply to these cities in a certain number of Spanish Regions in a situation of demographic crisis, namely Galicia, Castilla León, Castilla La Mancha or Extremadura, having in mind their geographical configuration. What is known as “Empty Spain”.

The Action Plan envisages to contribute to solve these problems.

### General Information and characterization of the Policy Instrument

Further details on the policy context and the way the action plan should contribute to improve the policy instruments:

**This policy instrument (PI) develops the ERDF Article 7 through its thematic axis 12 - Sustainable Urban Development- tackling the challenges faced by urban authorities to reach the real sustainable urban development**, namely by improving the urban environmental conditions.

Within this axis urban areas can address one (or more) of the 5 challenges defined by that article where is included the **environmental challenge** that should be treated as a **transversal factor of local urban policies aligning its sectorial dimension with the territorial one**. It includes the thematic objective 6 (to preserve & protect the environment & promote the resource-efficiency) as



cities are strong consumers of natural resources, big generators of residues & of air & acoustic pollution (specifically the investment priority (IP) 6c that addresses the improvement of the urban environment). Yet, the actions/projects supported by this IP is more focused in the recovery of degraded urban areas & of decontamination & recovery of public soils, sometimes to the detriment of assuring a proper environmental management & the inclusion of the circular economy principles in that management, that – even if not being excluded – go to a second place. **The support of the ERDF Article 7 does not reach equally to the territory around. Cities with small populations are not supported, without considering their influence on their territory & those dispersed areas are precisely those where an improvement of urban environmental management will have greater incidence & where resources-efficiency search is not a priority.**

## 2. Main challenges of the Policy Instrument

In conclusion, the efficiency of this policy instrument can be improved:

- ≡ On one hand, by including new projects supported addressing action for improving environmental urban management and the inclusion of the circular economy principles in that management.
- ≡ On the other hand, by changing in the strategic focus of the policy instrument (structural change) by extending the support of the ERDF Article 7 to sparsely and less populated areas where improved environmental performance management can have major impact in terms of efficiency, cost savings and environmental protection.

## Part III – Details of the actions envisaged

### ACTION 1:

**Name of the action: Establish Urban Functional Areas criteria for small cities in sparsely and low populated territories, to allow them to be included as possible beneficiaries for financing sustainable urban development.**

**1. Relevance to the project** *(please describe how this action derives from the project and in particular from the interregional exchange of experience. Where does the inspiration for this action come from?)*

#### 1.1 Main Conclusions of the EURE project Joint Report

During the implementation of Eure project, Partners:

- ✓ Came to the conclusion – mentioned in their Joint Report and Opinion Report – that:
  - 24.2% of Europe's population lives in small, medium and peripheral cities with a population of between 5.000 and 50.000. Total number of such cities in Europe is 8.350.
  - These cities play an important economic and social role as centers of employment, public and private services, local transport hubs, as well as local and regional centers of knowledge



creation, innovation and infrastructure for a large proportion of Europe's population. European Union does not have a genuine common urban policy.

- The European Urban Agenda and the European Structural and Investment Funds through Article 7 of the current ERDF Regulation have mitigated this omission and it has been through it that the Commission has sought to promote logical models for a common approach. The Urban Agenda for the EU recognizes that urban areas of all sizes can boost growth, create jobs for citizens and enhance Europe's competitiveness in a globalized economy.
- The EU does not have a specific policy for small and medium size cities, which are hardly concerned by ERDF's articles 7 and 8 (in particular the smallest ones).
- ✓ And made recommendations to overcome this situation like:
  - **Promote an effective participation of small, medium and peripheral cities in the EU urban policy to strengthen Policentrism, as well as an adequate definition of these cities, depending on the territory in which they are located;**
  - Sustainable and integrated urban development requires taking into account in a progressive way **functional urban areas** and polycentric urban systems;
  - Give greater relevance to strategic planning in the preparation of the programme instruments for the implementation of urban policy and public investment in general;
  - Promote the territorial and thematic grouping of cities and entities for the joint development of sustainable urban development policies through integrated territorial strategies; and
  - Urban functional areas for sustainable urban development can and should overflow administrative demarcations, configuring around different urban functions, polycentric territorial systems and greater territorial interrelationships;
- ✓ And acknowledge that the challenge is how can EU new urban policy support cities in highly dispersed and sparsely populated territories, and guaranty the EU Territorial Cohesion as it is mention in the EU Treaty as one of the cohesion objectives.

The conclusion of the joint study (Joint Report) made by Eure partners is that small, medium and peripheral cities are one of the drivers of development: they stimulate economic and social innovation: facilitate the emergence of new business initiatives, ensure equipment and services, support recreational and cultural activities, facilitate the diffusion of information, economies of agglomeration and critical dimension. Overcoming the demographic problem depends to a large extent on the capacity of the urban centers to boost resources and opportunities, generate initiatives and activities, attract and fix population.

Even if for statistical purposes Eurostat considers a City as a Local Administrative Unit (LAU) where the majority of the population lives in an urban centre (population density of 1,500 SqKm) of at least 50,000 inh., **there is not yet a clear concept of what is a small or a medium size City.**

But the legal and practical reality shows that in several countries, like for instance **Spain** and France, we should consider:

- a **City**, a LAU with **20,000 inh. or more;**
- a **Medium City**, a LAU between **10,000 and 20,000 inh.;**



- a **Small City** a LAU not exceeding 10,000 inh.

**Some European territories have populations of less than 20.000 inhabitants and they have not been able to access European funding for urban strategies**, but they are in reality the central nodes for larger areas made by urban areas of more than 20.000 inhabitants formed by a system of dispersed and non-continuous or contiguous nuclei.

EURE Partners also analysed the **different experiences taking place in the different EU Member states** and in particular those implemented in the EU programming period 2014-20 and those foreseen for the next period 2021-27.

## 1.2 Lessons learned

Eixo Atlantico retained as reference the cases of Lubelskie Province (PL) and Pilsen (CZ).

These experiences are going in the recommended direction and can be taken as inspiring examples of good practices transferable for the Spanish territory, but needs to be adapted and improved, by means of:

- Clarification on the definition of small – medium – peripheral cities,
- Introduction of clear criteria for the creation of FUA – Functional Urban Areas, and
- Introduction of clear criteria for the accessibility of these FUAs to EU funding

The challenge is how can EU new urban policy support cities in highly dispersed and sparsely populated territories, and guaranty the EU Territorial Cohesion as it is mention in the EU Treaty as one of the cohesion objectives.

### A. The Lubelskie Province (PL) experience, EURE Joint Report

Lubelskie Province is a EURE Partner, and Lublin its capital with around 340.000 inhabitants.

In Poland, The Ministry of Regional Development delivered a document “Rules of implementing Integrated Territorial Investments in Poland” that became guidelines for preparation and implementation of FUAs – Functional Urban Areas in Poland. The aforementioned document specified a list of conditions obligatory for ITI implementation:

- ≡ Institutionalized form of partnership
- ≡ Preparation of FUAs Strategy;
- ≡ Adequate institutional capacity;
- ≡ Signing agreement concerning FUAs implementation in the voivodship (regional level) between ITI and the ROP Managing Authority (ROP MA);
- ≡ Including specific provisions in the Regional Operational Programme (ROP) fulfilling criteria of the EC and compliant with the Partnership Agreement provisions;
- ≡ Reserving funds for a regional FUAs from a basic ROP allocation. FUAs implementation area was specified on a national level based on a document “Criteria of urban functional areas delimitation in voivodship centres”. It was assumed that FUAs would be suitable for areas including a voivodship city, other cities and towns from a functional area together with reaming communes located within a functional area.

Based on the Regional Development Strategy 2014-2020 (with a perspective to 2030) they were defined the following operational objectives for Lubelskie Province:

- ✓ Developing Lublin’s metropolitan functions
- ✓ Supporting supralocal functions of cities
- ✓ Improving Lublin’s connections with metropolitan areas in Poland and abroad.

On the other hand, Strategic Intervention Areas (SIA) were defined in the strategy where interventions should be concentrated to maximize development results and where growth poles should emerge what would positively influence neighbouring areas and give them development impulses.



These SIAs should focus on existing potentials and transform them into competitive advantages. Sustainable use of resources is the main way of securing long-term growth therefore building a wide co-operation scheme is crucial. Two of SIAs were solely focused on urban areas – Lublin Metropolitan Area and Subregional Cities. In both cases, areas were defined with specific criteria for boundary delimitation and the main objectives for support were presented.

Positive aspects: The most important aspects to retain are: a) the definition of FUAs – Functional Urban Areas, b) the commitment of Cities involved on a Sustainable Urban Development Strategy, and c) act jointly for its implementation.

## B. The Pilsen (CZ) experience, EURE Joint Report

ITI in CZ	Population	No. of Core / Statutory Cities in Metropolitan Area	No. of Municipalities in Metropolitan Area
Prague	2 000 000	2	515
Ostrava	990 000	5	233
Brno	610 000	1	167
Usti-Chomutov	520 000	5	75
Olomouc	440 000	3	230
Hradec Kralove-Pardubice	330 000	2	145
Pilsen	310 000	1	117

Pilsen City is an EURE Partner, with a population of around 172.000 inhabitants and is the Metropolitan Area leader.

In the Czech Republic was decided to implement 7 FUAs for the above-mentioned metropolitan areas / agglomerations. Each one submitted an 'integrated territorial strategy based on a partnership approach of the Cities and municipalities concerned for approval and implementation.

The main themes linking the core cities of agglomerations with their functional hinterland include transportation, labour market, interconnection of research capabilities and utilization of their outputs in practice, innovation and entrepreneurship, and the environment, including technical infrastructure. As well as the field of public services - mainly social, health and education ones.

Integrated territorial investments are mainly focused on the implementation of larger, strategic projects that have a significant impact to the respective territory. Smaller projects will be supported by as well, if they properly complement the larger projects to achieve the desired synergy effects.

These metropolitan areas contribute more than 55% of the country's GDP, they contain more than 45% of the population, and the agglomerations are of key importance for the Czech Republic in terms of economic growth and international competitiveness. They concentrate functions like administration, financial sector, science, research and development, higher education, infrastructure, culture and management structures. An important trend in the development of their spatial structure consists of intensive suburbanization, but with a number of negative consequences, which affect their overall development.

To respond to these challenges are elaborated Integrated Plans for Territorial Development (IPTD) which are specific plans for a sustainable development of towns in the Czech Republic.

Positive aspects: Strengthening the role of cities; Cities take into account the needs of their territory; Cities address the problems beyond their administrative boundaries (use of FUA concept); Cooperation of



agglomeration/metropolitan areas; Exchange of experience; Partnership principle; Realization of strategic projects.

## **2. Nature of the action** (please describe precisely the content of action 1. What are the specific activities to be implemented?)

To implement the proposed action: “**Establish Urban/Rural Functional Areas criteria for small cities in sparsely and low populated territories, to allow them to be included as possible beneficiaries for financing sustainable urban development.**” we propose the following activities/steps:

- **Activity 1:** Creation of a working group that will work in close cooperation with the Managing Authority for the definition and justification of the above-mentioned criteria.
- **Activity 2:** Based on the accumulated experience by the above-mentioned examples of the EURE Project, the working group will define the methodological approach to be used and will adapt the content of those experiences to the Spanish reality, aiming to improve the relevance of the Spanish Policy Instrument to small, sparsely and low-density populated areas, and contribute to fix population in the territory. It will be focused on establish:
  - How to delimit functional urban areas in highly dispersed territories
    - Delimitation criteria
    - Ex-ante conditions to become a Functional Urban Area and apply for funding
  - How to overcome the lower management capacity of small cities to operate a context of a Functional Urban/ Rural Area, when compared to big cities.
- **Activity 3:** Consultation of Municipalities interested will contribute for the definition of these criteria.
- **Activity 4:** Production of the 1<sup>st</sup> draft of the criteria by the working group
- **Activity 5:** Validation of the draft criteria by the Managing Authority
- **Activity 6:** Organization of a public event/consultation on the defined criteria to relevant stakeholders and potential beneficiaries of the programme future calls. The objective would be to explain the rationale of the organization of Functional Urban / Rural Areas for the purposes of sustainable urban development and gather the opinions and comments of stakeholders to improve the final proposal before sending it to the Managing Authority.
- **Activity 7:** Production of the final version of the Urban / Rural Functional Areas criteria for small cities in sparsely and low populated territories which could be used as criteria of the programme future calls.

## **3. Stakeholders involved** (please indicate the organisations in the region who are involved in the implementation of the action1 and explain their role)

### **3.1 List of Stakeholders involved**

- The list of stakeholders mentioned below includes, other than Eixo Atlantico, the Managing Authority of the Policy Instruments, Ministries 'services associated to the implementation of the Policy Instrument, all municipalities of Galicia, and any other Institution interested to join the Action:
  - Eixo Atlantico
  - FEGAMP - Galician Federation of Municipalities and County Councils
  - MITMA - Ministerio de Transportes, Movilidad y Agenda Urbana
  - Any other subdirections of the Ministry of Finances with responsibilities in this process like, for instance, Subdirection of Cooperation or Subdirection in charge of ERDF assessment, or Subdirection of Urban Development.

### **3.2 Role of Stakeholders**



The stakeholders will be associated by means of a consultation (in particular addressed to the Municipalities interested) and opinion on the draft document in the framework of Activity 3 of the programme future calls. It is as well foreseen their participation in the event foreseen in the Activity 6, where it will be a discussion and agreement of the criteria proposed.

#### 4. Timeframe *(please specify the timing envisaged for action 1)*

##### 4.1 Timeframe

The timeframe for the implementation of the described Action covers the second phase of the EURE project that is 2022 and 2023 with the aim of contribute to the capitalization process of the current period 2014-20.

The duration of the Action will take one year, from July 2022 to June 2023.

Establish Urban Functional Areas criteria for small cities in sparsely and low populated territories		
Step 1	Creation of the working group	
Step 2	Definition of the methodology	
Step 3	Consultation to Municipalities interested	July – October 2022
Step 4	1 <sup>st</sup> Draft of criteria	January 2023
Step 5	Validarion of the 1 <sup>st</sup> draft by the Managing Authority	February 2023
Step 6	Preparation and event	March 2023
Step 7	Final version of the Criteria	April 2023

##### 4.2 Risk assessment

Step N°	Risk	Probability of occurrence	Impact on the Action Plan	Mitigation measures
1	Failure of expert contract and consultation	Low	High	Eixo has a portfolio of Experts qualified, and Small Municipalities are very much interested
2	Failure of elaboration of Draft version of Criteria	Low	High	Once expert contracted and working group constituted the risk is low.
3	Failure in the involvement of the stakeholders	Low	High	
4	Failure validation of Managing Authority	Low	High	The risk is Low since MA since MA already agreed with the idea and is interested
5	Failure to organise the event	Low	High	The risk is Low since Small and medium sized Municipalities are very much interested on the subject that involves financing of their activities.





### 4.3 Monitoring the implementation of the Action

Monitoring is an important part of the implementation process as it can alert on eventual deviations, risks and need of corrective measures.

To develop this task, there are some indicators to follow-up:

Task	Title	Set of Indicators	
1	Team of experts involved	External expert	1
		Other Staff	2
2	Consultation	Number of stakeholders interested	40-50
3	Public Event	Number of Events	1
		Number of participants	100

### 5 Costs *(please estimate the costs related to the implementation of action 1)*

- **7,500** euros on experts' fees for the working group responsible for the development of the criteria
- **3,000** euros to organize a presentation/consultation event

### 6 Funding sources *(please describe how action 1 will be financed. Is it through the policy instrument(s) indicated in part II):*

All these activities would be covered by Eixo Atlântico own budget.

**Date:** \_\_\_\_\_

**Name of the organisation(s) :** EIXO ATLANTICO DO NOROESTE PENINSULAR

**Signatures of the relevant organisation(s):** \_\_\_\_\_