



EUROTOWNS POSITION PAPER ON MEDIUM-SIZED CITIES IN COHESION POLICY

SUMMARY

Medium-sized cities represent a significant part of the EU urban fabric.

Medium-sized cities are not different only in terms of dimensions and city's population, but diverge from large cities also in terms of local challenges, resources available, and linkages with the surrounding areas and cities.

This specificity should be properly reflected in the next cohesion policy, allowing medium-sized cities to develop the right tools to further invest in new solutions to better face current and future challenges.

INTRODUCTION

The **Eurotowns network** was established in 1991 as the Europe-wide network for towns and cities with populations between 50,000 and 250,000. Today it represents 17 cities across the continent.

Eurotowns is working towards a more sustainable future for the citizens of Europe. Its mission is to foster collaboration among EU medium-sized cities, and to help shaping their policies according to EU values and objectives.

Eurotowns strongly supports European cohesion policy as an investment policy aiming at a more balanced and sustainable development for Europe.

CITIES IN EUROPE; WHAT ABOUT MEDIUM-SIZED CITIES?

The biggest share of the EU-28 population lives in cities (40,4%, *Eurostat regional yearbook, 2017*).

In the EU there are 13.000 cities with less than one million residents. Cities with less than 250.000 inhabitants account for 28% of city residents in Europe (*State of EU Cities 2016*). The urban dimension of Europe, compared to the rest of the world, is generally characterised by a high number of relatively small cities and towns that are distributed in a polycentric fashion, and this is mainly due to the specific history of Europe that allowed a quite fragmented pattern (*Urban Europe, 2016*).

Cities, even before regions, are the key actors of the cohesion and prosperity of the EU: cities are centres of economic growth, providing opportunities for study, innovation and employment. An increasing share of the EU's population lives and works in cities, and it is widely expected that this trend will continue.

Cities foster economic growth: between the years 2000 and 2013, GDP growth in cities was 50% higher than in the rest of the EU and the employment in cities grew by 7%, while it declined slightly in the remaining EU. This is due to the economic advantages of cities, including innovation, specialisation and better access to local and global markets. Cities also host universities and educational institutions, which gather young people to study from a wide area.

Nevertheless, a shared definition of what a medium-sized city is, and consequently, an analysis of the differences and challenges the medium-sized cities have to deal with, compared to larger cities, is still non-existent at the EU level, thus making it more difficult to properly identify specific characteristics of medium-sized cities.

CHALLENGES

Cities are growing. As the network for medium-sized cities, Eurotowns underlines, that the growth of a city is always accompanied by increasing challenges.

Today, medium-sized cities are facing the same challenges as bigger cities, with the decisive difference that they have very different characteristics in terms of urban fabric, dimensions, financial resources and interdependencies with the surrounding peri-urban and rural areas. Consequently, medium-sized cities respond in a more medium-sized tailored way.

The challenges faced by all cities include: economic growth and sustainable job creation, refugee crisis and the integration of migrants, social cohesion, sustainable solution to climate change and the resilience of communities.

Cities in Europe are also becoming more culturally and ethnically diverse, as a result of the free movement of citizens within the EU and the arrival of migrants and asylum seekers from non-EU countries. In recent years most of the EU cities have seen an increase in the share of non-national inhabitants.

Between the years 2001 and 2011, the total population of the EU-28 increased by 3.8%, with net immigration accounting for 3% of this. Natural population change was 0.7% (European Commission, 2014). The increased rate of **migrants and the refugee crisis** are impacting on the social constitution of medium-sized cities' communities. Migration is primarily an urban phenomenon, thus having an impact directly on local authorities struggling to guarantee proper inclusion in the host society.

Eurotowns underlines, that the mayor challenges medium-sized cities are facing, in terms of housing, and public services, differs from one country to another, but highlights the impact of the migration crises on medium-sized cities, as they struggle to “absorb” the newcomers using their social and economic resources.

Medium-sized cities have a **key role to play also in relation to rural areas**, as their size actually allows (and demands) the identification of positive synergies with the rural environment, to favour the re-appropriation of agriculture within the urban perimeter, in a continuum with the peri-urban and rural environments. This calls for the capacity to improve the quality of both urban and rural environment, and consequently, the resilience and sustainability of our communities. Urban-rural linkages set many challenges and opportunities: urban-rural migration, fight against landscape degradation and soil/water overconsumption (*Urban-rural linkages for implementing the new urban agenda*, UNHABITAT, 2017).

Eurotowns wishes to stress that an active involvement of medium-sized cities will have a positive effect on the capacity of the urban authorities to intercept bottom-up innovation, given the **proximity with** citizens.

MEDIUM-SIZED CITIES AND COHESION POLICY

Cohesion policy is the EU's main investment policy. It targets all EU regions to support job creation, business competitiveness, economic growth, sustainable development, and to directly increase citizens' quality of life. This is crucial and exactly what cities do, every day.

Eurotowns welcomes the important developments that have been made in the 2014-2020 programming period, to include the urban dimension in the cohesion policy (traditionally centred on regions) and in programmes providing direct funding. These significant improvements must be acknowledged: the provision of Art. 7 in Reg. 1301/2013, introducing sustainable urban development in ESIF planning, the Urban Agenda for the EU, and the acknowledgement of cities as research actors (and subjects) in the frame of the H2020 programme.

Cohesion policy has proved to be an essential instrument for Europe's growth. Eurotowns calls on the European Commission and the Member States to maintain and further strengthen cohesion policy as an important tool to reduce regional disparities, create jobs, open new business opportunities and address major global issues such as climate change and migration.

Eurotowns wishes to outline, that cohesion policy has not included medium-sized cities in its scope so far: tools to favour medium-sized cities involvement in setting programme priorities and implementation instruments are lacking. This has led to a mismatch between the needs and the resources and has prevented the use of a bottom-up integrated approach.

Medium-sized cities represent a huge economic, social and environmental potential that should be better and stronger reflected in the development of the post 2020 cohesion policy. **Cohesion policy programmes should adapt their priorities to arising challenges and support medium-sized cities in creating sustainable, cohesive growth.** Cities are where people live, the society develops and industries and research flourish.

Eurotowns urge the decision makers to ensure, that all regions and all sizes of cities are covered in a fairly equal manner, that the urban dimension is further strengthened and that **urban authorities are meaningfully involved in shaping the programmes of the future cohesion policy.**

Finally, Eurotowns wishes to mention the great importance of the EU territorial cooperation in making possible that solutions are shared through cross-border, transnational and interregional partnerships, thus creating Europe-wide knowledge transfer on policy innovations.

MEDIUM-SIZED CITIES, COHESION POLICY AND SUSTAINABLE DEVELOPMENT GOALS

In the debate about the next cohesion policy, the global context and the priorities set at international level should not be overruled. Sustainable Development Goals set by the United Nations establish all necessary conditions and objectives to guarantee the prosperity of the world's population.

SDG 11 – *“Make cities and human settlements inclusive, safe, resilient and sustainable”* clearly includes cities in the set of actors essential for a fair world, even if all SDGs intersect with what is actually taking place in cities. This further demonstrates how essential it is to acknowledge the role of the cities in building sustainable and cohesive development for citizens, and to provide adequate tools, within the main investment policy of the Union, to translate this into practice.

COHESION POLICY 2020+, WHAT SHOULD BE IN

Cohesion policy is indeed an ambitious policy, as it supports the cohesive growth of all EU territories, in an equal and fair way according to the specific features of each region. This should be maintained.

Eurotowns calls on all stakeholders, to respect of the following:

1. Cohesion policy should further acknowledge the role of urban areas, and recognise the role of medium-sized cities in shaping local policies in line with the EU priorities and policies.
2. Medium-sized cities should be directly involved by regional authorities in selecting the thematic priorities and the instruments to implement interventions on sustainable urban development.
3. Priorities set by the governments of medium-sized cities should be clearly reflected in the cohesion policy budget, as they are key partners in achieving the objectives of the cohesion policy.
4. Cohesion policy should continue to cover all the EU territory without exceptions, continue building prosperity and enable a shared ownership of common European objectives.
5. The share of cohesion policy from the EU budget should not be reduced, but be at least maintained to allow for its investments to actually have impact on growth.
6. The cohesion policy budget should be guided by the principles of subsidiarity and proportionality and tailored to enable easy access by all actors, including medium-sized cities.
7. The European territorial cooperation pillar of cohesion policy should be strengthened to enhance the Europe-wide transfer of innovation and good practices.