

Opinion of the European Economic and Social Committee on 'Metropolitan Areas and City Regions in Europe 2020' (own-initiative opinion)

(2011/C 376/02)

Rapporteur: **Mr VAN IERSEL**

On 20 January 2011 the European Economic and Social Committee, acting under Rule 29(2) of its Rules of Procedure, decided to draw up an own-initiative opinion on

Metropolitan Areas and City Regions in Europe 2020.

The Section for Economic and Monetary Union Economic and Social Cohesion, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 1 September 2011.

At its 474th plenary session, held on 21 and 22 September 2011 (meeting of 21 September), the European Economic and Social Committee adopted the following opinion by 142 votes to 3 with 1 abstention.

1. Conclusions and recommendations

1.1 The EESC welcomes the increasing acknowledgment of metropolitan developments in Europe by the European institutions – Council, Commission, European Parliament and Committee of the Regions – in the framework of the Territorial Agenda 2020. This rising priority is in line with the consistent views of the Committee, as expressed over the last decade.

1.2 A Metropolitan Area (MA) is not just a big city. The EESC defines it either as a big city or a polycentric group of cities, both categories including surrounding smaller municipalities and rural areas, each MA making up a critical mass of at least 500 000 inhabitants (or substantially more). MAs are functional regions forming major economic areas and labour markets. As a rule, they do not correspond with (longstanding) administrative entities like provinces and districts. MAs are major nodes in the Trans-European Transport Network, while themselves having complex transport networks.

1.3 The EESC advocates an imaginative approach to a 21st century urban renaissance and resilient and competitive metropolitan areas. Economic, social, environmental and territorial trends, as well as depressed financial prospects, urgently demand a coherent EU Urban Agenda, closely linked with Europe 2020. The EESC's view on the Urban Agenda and on the impact of Europe 2020 is worked out in sections 5 and 6 below.

1.4 At the moment there is much confusion about how to tackle the issue at EU level and often also at national level, partly due to problems concerning governance and ownership, partly also to fragmentation of approaches. More particularly, tensions arise from conflicting views on desirable top-down and bottom-up approaches as well as from problems between big

cities and smaller (peri-urban) municipalities and rural areas. A major issue is also that metropolitan developments often do not coincide with administrative borders.

1.5 The EESC believes that well-balanced and robust MAs, stimulated in the framework of Europe 2020, will develop as spearheads of future developments, each with their own identity and characteristics. They will also have a positive macro-economic impact for Europe. Policies on metropolitan developments should run parallel with a focus on reducing regional disparities.

1.6 The EESC recommends the establishment of a High Level Group (HLG) or Task Force on metropolitan developments alongside the Commission's existing Interservice Group on Urban Development. Such a Task Force should be interdisciplinary and embrace a variety of representatives from Member States, MAs, public and private stakeholders, and civil society. A structural exchange between practitioners and research should be ensured, for instance in the European Metropolitan network Institute, the Joint Programming Initiative Urban Europe, and METREX.

1.7 The objective of the Task Force should be to develop a long-term vision on metropolitan Europe beyond national boundaries. A coherent and efficient European Urban Agenda 2050 should replace fragmented approaches by an overall concept, and should focus on the holistic Europe 2020 programme for smart, sustainable and inclusive growth.

1.8 The Agenda should be sustained by in-depth analyses of actual (and future) trends supported by Eurostat statistics and data and research from ESPON and other well-defined sources.

1.9 The Lisbon Treaty and Europe 2020 also imply a change in governance. Multi-level governance should at this stage be taken seriously, and not remain a dead letter. MAs should be acknowledged as full actors in regional development. Within the Commission, urban and metropolitan affairs should be better coordinated and accordingly presented. Metropolitan policy is essentially a component of European, national (it after all affects the main areas in Europe and the Member State), regional and local policy. The MA authorities should be responsible for coordinating all these aspects.

1.10 Metropolitan development in Europe is well under way. The EESC is convinced that a future-oriented EU Platform – Task Force and Interservice Group – can function as a catalyst in steering the debate on ongoing processes, in defining top-down and bottom-up approaches, in encouraging regional/local authorities and civil society to develop appropriate models, in promoting interconnections, and in supporting cross-border initiatives.

1.11 The momentum is rising. In this Opinion, the EESC develops analyses, arguments and proposals in support of desirable approaches. It asks the Commission and the Council to take these into account with a view to strengthening the urban dimension in the forthcoming legislative package for the cohesion policy in connection with the Commission's reflections on 'Cities of Tomorrow'.

2. Analytical remarks

2.1 The European Union has a difficult and complicated relationship with cities and metropolitan areas. The mutual complexities between the EU and cities and metropolises are due to a number of reasons ranging from a lack of effective governance to a broad diversity of situations and developments.

2.2 History at Commission and Council level

2.2.1 In 1972 the European Council declared European Regional Policy an essential factor in strengthening the Community. The funding started with support to less favoured regions promoting a balanced and harmonious development in Europe. By 1986, eliminating regional disparities was seen as an important side-objective of the creation of the Single market.

2.2.2 In the eighties and nineties the efficiency of policy and programmes was enhanced. The Treaty of the EU, 1992, and, a few years later, negotiations on the enlargement of the Union resulted in a substantial increase of the Structural Funds.

2.2.3 Cities as such entered EU policymaking at a later stage, although urban pilot schemes were already launched in the early 1990s. Little distinction was made between big and small cities. The main distinction and point of discussion long remained

between rich and poor parts of the EU, between the so-called Banana in Western Europe on the one hand, and everywhere else on the other.

2.2.4 In 1998 the Commission took an interesting initiative with a Communication *Sustainable Urban Development: a framework for action*. However, its effect on deliberations in the Council and on day-to-day operations remained very limited.

2.2.5 Meanwhile, DG Regio, DG Research, DG Mobility and Transport, DG Energy, and DG Employment developed programmes and projects in cities. ESPON took responsibility for targeted studies of regional and metropolitan developments supported by the INTERREG programme.

2.2.6 The Council became more directly involved in urban affairs from 2004 onwards. Biannual meetings of the Informal Meeting of Ministers Responsible for Spatial Planning and Territorial Development in which the urban dimension was a central issue, took place. Through a lack of formal Treaty-based competences, Commission and Council were limited in undertaking concrete actions.

2.2.7 Meanwhile, the Informal Ministerial Meetings have adopted a range of Declarations. A very important one is the Leipzig Charter of 2007 that was meant to set an Urban Agenda. It identified a range of urban issues, including big cities, to be addressed in a common European framework, respecting subsidiarity. This Declaration was the start of a more structured approach. Follow-up actions also worth mentioning are the Ministerial Meeting's conclusions ⁽¹⁾ on the contribution of architecture and culture to sustainable development. Objectives and arguments were further developed, notably in the Informal Ministerial Meetings of Marseille and Toledo ⁽²⁾. The Conclusions and Declaration of Gödöllő in May 2011 prove that the momentum is rising for an integrated and cross-sectoral approach to balanced metropolitan developments ⁽³⁾.

2.2.8 In spite of the presence of cities in Commission Communications and EU programmes, the overall picture and progress of an urban agenda is not impressive. This is not only due to a lack of formal competences, but also to a lack of clear targets and a satisfactory focus. Domestic political reasons and subsidiarity hold Member States back from discussing urban affairs at EU level.

⁽¹⁾ OJ C 319/05, 13.12.2008, p. 13.

⁽²⁾ These declarations were adopted during the French and the Spanish Presidency in Marseille in 2008 and Toledo in 2010.

⁽³⁾ See the Hungarian Presidency's Conclusions, and the Territorial Agenda of the European Union 2020, agreed at the Informal Ministerial Meeting, Gödöllő, 19 May 2011.

2.3 Previous views of the EESC

2.3.1 In 2004, the EESC launched a proposal⁽⁴⁾ to intensify attention in the EU to metropolitan areas and big cities with a critical mass for mainly two reasons: on the one hand they are, with their bright and their dark sides, 'laboratories of the world economy'; on the other, because agglomerations tend to grow. During the last decade both trends intensified. Of late these were fully acknowledged by the Informal Ministerial Meetings.

2.3.2 The EESC argued that, parallel to a focus on reduction of regional disparities, equal attention is required for strong MAs which are to be considered as spearheads for future developments.

2.3.3 Large conurbations in Europe are usually, as elsewhere in the world, magnets for high-quality activities, international companies and research centres, services, creative developments of all kinds, and education institutes. Globalisation puts them still more in the spotlight as national frontiers are blurring: by means of modern transport and digital connections they are internationally interlinked, whilst at the same time offering a fertile context for proximity of talents.

2.3.4 Undeniably, as magnets to all kinds of people from within the EU as well as for immigrants, MAs and city-regions also have a fairly high proportion of unemployed and low-qualified people, phenomena that are not easy to handle and at the same time often a source of (major) social, cultural and economic problems. The ecological challenges are manifold and manifest.

2.3.5 In its opinion of 2008, the EESC gave a short description of the state of play in Member States. In spite of a trend towards devolution and a debate across Europe on what approach and measures should be taken vis-à-vis metropolitan development, each country has its own agenda which is narrowly connected to historical and legislative developments. Therefore the EESC advocated the establishment of an EU High Level Group to discuss and set an Urban Agenda for MAs⁽⁵⁾ with a focus on competitive, sustainable and inclusive growth. In this view, MAs should, in cooperation with national governments, be encouraged to define their own Lisbon Agenda. The process – including best practices – should be discussed at EU-level, with an active and monitoring role played by the Commission.

2.3.6 At this very moment such an approach has not yet come into practice. It remains unclear who is responsible for what in which setting and context.

⁽⁴⁾ EESC own-initiative opinion on *European Metropolitan Areas: socio-economic implications for Europe's future*, OJ C 302/20, 7.12.2004, p. 101. In 2007 a range of specific issues was worked out in the EESC follow-up of own-initiative opinion on *European metropolitan areas: socio-economic implications for Europe's future*, OJ C 168/02, 20.7.2007, p. 10.

⁽⁵⁾ EESC exploratory opinion *Towards balanced development of the urban environment: challenges and opportunities*, rapporteur Mr van Iersel, OJ C 77/27, 31.3.2009, p. 123.

3. Current situation

3.1 Nowadays the significance of MAs is undisputed⁽⁶⁾. Worldwide trends are also analysed by the OECD and the World Bank. Research centres across Europe base their views on similar assumptions to the ones we are making here. But there is still much confusion about how to tackle the issue at EU level, and often also at national level. Partly this is due to problems concerning governance and ownership, partly also to fragmentation of approaches. Some examples:

- in large urbanised areas there is often a gap between town planners who are responsible for spatial development, infrastructure, housing and general services, and those actors who promote economic development and dynamism, and job creation, in other words there is not usually a meeting of minds;
- increasingly, academics and research institutes publish useful case studies on conurbations, but effective communication with public authorities is still limited;
- authorities at national, regional and local level are usually reluctant to share views with the private sector, e.g. estate planners and investors;
- cities and regions as well governments look primarily to Brussels to get financial support, as a rule overlooking the opportunity to discuss favourable policies or the need to discuss effects of EU legislation for MAs.

3.2 The increasing commitment of the Commission and the Council results in a substantial range of programmes. Due to differing sectoral approaches these programmes vary in focus and are usually based on divergent definitions of the issues. Consequently, these approaches usually hamper visibility, harming their effectiveness to outsiders and end-users.

3.3 Undoubtedly, the Lisbon Strategy has contributed to integrating urban development into the larger European framework and ambitions. But this often meets with unwillingness in Member States, which rarely feel the need for 'supra-national' involvement in their urban backyards. Therefore European funding for projects in cities involves often also the national administration, instead of a being matter between the Commission and the local level without any top-down interference.

⁽⁶⁾ Famous are the works of Richard Florida *Cities and the creative class*, Charles Landry, *The Creative City*, and Edward Glaeser *Triumph of the City*.

3.4 In spite of illustrative good examples there is, in general, in the Member States as well as at European level, confusion about the kind of bottom-up and top-down approaches that are needed. This leads rather to individual city-marketing by metropolises instead of a more structured approach.

3.5 Finally, the debate is often negatively affected by counter-productive tensions between rural and urban areas (including peri-urban municipalities).

3.6 Successful multi-layer governance is hampered in most cases by historic and cultural barriers which hinder a positive response to the real challenges.

3.7 In summary, Member States and conurbations often continue to focus on their daily operations instead of being open to integrated strategies or long-term objectives. The added value of the EU is not well defined, partly because Member States do not agree on the mandate of the Commission nor on the precise role of the (Informal) Council, and partly because the Commission is at the moment not entitled to respond to varying views of the Member States on its role.

4. A pro-active approach to a 21st century urban renaissance

4.1 In spite of an increasing focus in Commission Communications and EU programmes on cities, the overall picture remains fragmented. Economic, social, territorial and environmental requirements as well as depressed financial prospects make a coherent and operational Urban Agenda necessary. Such an Agenda would support existing and hidden economic, social, cultural and technological potentialities across the continent.

4.2 In earlier opinions, the EESC provided strong arguments for such an EU Agenda in relation with the international political and academic debate on the promotion of a 21st century urban renaissance. Revealing elements in the debate on the metropolitan dimension are:

- a paradigm shift to MAs and city-regions as a consequence of the globalisation that is characterised by international networking and value chains, and a blurring of national boundaries;
- the transition and restructuring of industrial based regions to newly specialised manufacturing industry and services and its effects on economic basins and MAs;
- a specialisation of cities as a basis of clusters which attract investments;
- the proximity of universities, research centres, qualified people, regionally developed value chains in industry and highly developed services;

- international connectivity parallel to smart internal mobility and transport systems;
- the green city: climate change, low-energy and environmental requirements which ask for enhanced and focused local and regional management and public-private partnerships;
- a broadly felt need for urban density instead of urban sprawl;
- better interaction between urban and rural areas;
- social sustainability, demographic change, quality of labour at all levels of society sustained by appropriate education and schooling in the region;
- the urgent need of bridging cultural gaps focused on creating positive opportunities for minorities which are beneficial for society at large, and
- the need to improve quality of living and housing, especially in connection with migration;
- emphasis on the art of urban planning, ensuring conditions for optimal development of MAs as a whole, which entails involvement of urban designers and architects;
- guarantees for internal and external safety and security;
- leisure.

4.3 Last but not least, effective governance of metropolitan areas and cities must be based on a combination of top-down and bottom-up approaches. At the level of MAs, involvement of all stakeholders must be ensured; best results will be obtained if and when all levels of society involved take ownership. The better the interaction between the levels of decision-making and implementation – multi-level governance – the more effective the output.

4.4 Elected regional and local actors are key in taking ownership. In addition, new forms of participatory democracy of civil society can be developed. Trends, identified at EU-level, can be supportive.

4.5 The Treaty of Lisbon explicitly recognises 'territorial cohesion' as a general objective, in addition to economic and social cohesion⁽⁷⁾. All three aspects are cited as political areas of shared competence between the EU and Member States. Consequently, policies regarding regions are no longer to be considered as an exclusive preserve of the Member States in the name of 'subsidiarity'. This view is also reflected in provisions on Trans-European networks⁽⁸⁾.

⁽⁷⁾ See Article 3.3 TEU.

⁽⁸⁾ See Article 170 – 172 TFEU.

4.6 In addition, the principle of subsidiarity is extended to regional and local level, as the Treaty explicitly underlines local and regional autonomy⁽⁹⁾ which is quite in line with reality as the accomplishment of policies regarding the internal market, industry, R&D, energy, environment, health largely depend on implementation in regions, especially in MAs.

5. The Urban Agenda and metropolitan development

5.1 European society must prepare for the future. Territorial cohesion is one of the tools at its disposal. In the EESC's view, holistic approaches to MAs – centres of gravity – and metropolitan development processes are compatible with the unique urban structure in Europe and they promote socio-economic resilience.

5.2 Metropolitan development should entail a new virtual way of looking at the map of Europe. It should no longer exclusively present a picture of cooperating Member States nor a picture in terms of big versus small and rural versus urban. The map should show rather metropolitan development – within countries as well as cross-border – as a spatial adjustment to the societal, economic and technological developments of today and the foreseeable future. In that context an Agenda for metropolitan development should help European society to adjust in an optimal way.

5.3 In the EESC's view, metropolitan developments should effectively help remove polarisation between rural areas and cities. It is a hotly debated issue. There are plenty of arguments in favour of promoting positive interaction between the two. New tools must be developed in order to promote mutual benefits. An interesting forthcoming initiative is URMA – urban-rural cooperation in metropolitan areas – by METREX, in which methods and concrete projects for improvement will be presented. Other pragmatic improvements can be achieved through an appropriate application of poly-centrism as well as in setting up projects, based on new forms of governance. Good practices should be disseminated.

5.4 In addition to developments the EESC mentioned in 2008, one notices that efforts to get metropolitan developments off the ground have been stepped up. Most of these are economics- driven. But spatial, social and cultural motives can also play an important role. Among many diverse examples and models the following are noteworthy:

- the cooperation between the German *Metropolregionen* is intensifying within the *Initiativkreis Europäische Metropolregionen*;
- the *pôles métropolitaines* in France alongside the *pôles d'excellence*;
- *Grand Paris* (including its future connection to the Atlantic Ocean and to the north);

- an expected extension of the Öresund-region and reinforcement of Greater Stockholm;
- intensified projects in the Dutch Randstad (around Amsterdam and the future 'twin-city' Rotterdam-The Hague);
- the building-up of the metropolitan areas of Barcelona, Valencia and Bilbao;
- the emerging LEP (Local Enterprise Partnership) experience in some of England's larger cities;
- metropolitan development of the city regions of Warsaw, Gdansk and Katowice in Silesia; the latter two examples are looking for major cross-border impacts (Baltic Sea and Czech Republic);
- metropolitan developments around Prague and Budapest;
- the emerging 'twin-city' Vienna – Bratislava;
- the metropolitan ambition around Leipzig with a cultural denominator, 'the decade of Luther' – the 500th anniversary of the Lutheran Reformation of 1517.

5.5 There is potential for metropolitan development to be given a particular boost by the upcoming macro-regions like the Baltic region, the Danube region and North West Europe (although not formalised, literature identifies Nord-Pas-de-Calais, Belgium, Luxemburg, The Netherlands and North-Rhine Westphalia as such a macro-region).

5.6 From a European viewpoint, cross-border initiatives – sometimes with, but often without support of the national governments – need particular attention. Worth mentioning is the German *Initiativkreis Metropolitane Grenzregionen*. In addition to existing models, such as Öresund and Lille-Courtrai, a range of new initiatives are being taken. Some examples are Oberrhein (Basel, Strasbourg, Karlsruhe), Niederrhein (Rhineland-Pfalz, Luxemburg, Nancy), Katowice, Savoie-Aosta etc. Hamburg plans to strengthen its links with the Öresund region through better connectivity. The development of relations between Kaliningrad in Russia and the MA of Gdansk provides interesting examples of cooperation.

5.7 Smaller Member States, like Slovenia, can reap particular benefits from well-defined cross-border initiatives. Since 2007, these new cross-border initiatives are stimulated by the legal instrument European Grouping of Territorial cooperation (EGTC).

⁽⁹⁾ See Article 5.3 TEU.

5.8 The EESC recommends that the use of EGTC is not limited to neighbouring cross-border regions. European metropolitan regions that envisage building a more competitive Europe vis-à-vis third countries (China) should be encouraged to create intensified cooperation along value chains, accompanied by a 'superstructure' of traditional cooperation in the fields of culture, education, administrative cooperation etc. to make economic cooperation less crisis-prone. An illustrative example would be an EGTC for Hamburg – Toulouse, both of them specialised in aircraft industry.

5.8.1 The EESC recommends that the issues encountered by representatives of existing and potential EGTCs and notifying authorities, as mentioned in the EGTC Monitoring Report 2010, be addressed in the revision of the EGTC Directive 2011.

5.9 The EU needs an in-depth analysis of metropolitan developments under the ongoing socio-economic circumstances. Such analysis asks for an up-to-date geographical economic, social and technological European map. ESPON can be very supportive in this field. Eurostat's role in delivering reliable data remains indispensable. In addition, Urban Audit and Urbact should be used in a better way to ensure the dissemination of results from research and practical experience.

5.10 The EESC believes that a High Level Group (HLG) or Task Force on metropolitan development should be established on the basis of Europe 2020 alongside the existing Interservice Group on Urban Development. This HLG should be interdisciplinary and embrace a variety of representatives from Member States, MAs, public and private stakeholders, and civil society.

5.11 The objective of the Task Force should be to develop a long-term vision on metropolitan Europe, including cross-border metropolitan areas as is also foreseen in the Joint Programming Initiative Urban Europe, with a long-term perspective to Europe 2050.

5.12 Building on elements of metropolitan development such as those mentioned in point 4.2, a European platform can function as a catalyst because of the following considerations:

- to discuss significant leadership and management challenges and development;
 - to draw benefit from the pooling of knowledge between research and public authorities;
 - to define rational responses in an enduring period of financial cuts which require more efficient use of available resources anyway;
 - to work out the triangle education-research-innovation which is the driving force behind metropolitisation across Europe;
 - to discuss and start, within the concept of the sustainable city of the future, smart pilot projects concerning the Liveable city, the Connected city, the Entrepreneurial city and the Pioneering city;
 - to measure the impact of the European agenda on climate change for cities (energy, transport, building) and to formulate desirable approaches;
 - to help eliminate the polarisation between rural areas and cities;
 - to provide an added value to the intensifying national discussions on metropolitan developments and create opportunities for more resilient regions;
 - to identify the significance of MAs as functional regions in a broader (worldwide) context.
- 5.13 Hitherto, structural exchanges of experiences and 'lessons learned' remain limited. An EU task force could play a very stimulating role and disseminate best practices and practical experiences. These can also be of help in formulating European policies and focus the participation of European Funds in grass roots projects.
- 5.14 There are numerous studies and analyses on urban developments in Europe. A European framework should add to combat fragmentation and enhance cooperation. Specialised knowledge research centres and universities can be better pooled across Europe.
- 5.15 An example for a European pilot project would be to set up fictitious 'living labs' (communities of practice) on specific themes, such as economic clusters, the knowledge triangle, sustainable development, inclusive PPP, social housing, leadership in (sub-national) territorial development and so on. Each 'lab' is coordinated by one MA and consists of a variety of public and private stakeholders.
- to define common denominators between metropolitan developments in spite of a broad diversity between MAs and to promote best practices;
 - to apply Europe 2020, its holistic approach and its emphasis on getting as many stakeholders on board to achieve EU objectives around smart sustainable and inclusive growth in MAs;

5.16 There would be also room for demand-driven initiatives in which MAs present certain challenges and problems at EU level. Ways and means should then be found across Europe to help face these appropriately. At a later stage, policy recommendations, experiences, and overviews of best and bad practices can be gathered.

5.17 Other possible initiatives are: a European teaching system for cities and MAs which ensures reliable data on future projects which are already realised elsewhere; an annual Conference on the state of play concerning metropolitan developments; and, most importantly, lessons to be learned from urban experiences to accomplish the single market.

5.18 According to the EESC, in developing interactive methods and a real working multi-level governance, and bringing cities and MAs on board in European integration, totally new avenues of hidden potentialities will be opened and open-minded attitudes will probably rise.

6. Europe 2020 a solid base for an EU Urban Agenda

6.1 According to the EESC, Europe 2020 provides useful tools to develop potentialities and open-minded attitudes. An appropriate focus in metropolitan developments will create better social and economic conditions as well as increased national and international exposure.

6.2 The EESC shares the view of Commissioner Hahn who acknowledges cities and MAs as crucial players in the Europe 2020 strategy by stating at the Informal ministerial meeting on Urban development in Toledo (June 2010) that 'in coping with the challenges of fast moving globalisation and rapid structural changes, cities are at the fore-front in delivering innovation and driving economic progress'.

6.3 In its opinion of 2008, the EESC advocated an agenda for metropolitan areas on the basis of the Lisbon Strategy ⁽¹⁰⁾. In particular the holistic programming of Europe 2020, adding new facets to the Lisbon Strategy, provides special opportunities for MAs as well as for improving multi-layer governance that has been a very weak point for years.

6.4 In MAs lines of communication are shorter than at national level. Decision-making processes and planning are as a rule easier to accomplish. Authorities and other stakeholders - social partners and civil society, notably schooling at all levels, urban designers, estate planners and private investors - usually

act more purposefully. Successful examples show that purposefulness, common awareness, and even pride are special drivers for progress in MAs.

6.5 There are an increasing number of purposeful roadmaps, inspired by successful examples. In most cases these had the benefit of the leadership of visionary mayors and a broadly shared vision. A few examples are Greater Bilbao, Copenhagen-Malmö, Vienna, and Birmingham.

6.6 An Urban Agenda would be of mutual benefit: Europe 2020 can provide a helpful structure to such an agenda, whereas successful MAs will be beneficial for the realisation of Europe 2020 ⁽¹¹⁾. Building elements are the following.

6.6.1 Europe 2020 entails the need of a more effective coordination within the Commission in close cooperation with the Council. Policy-making and EU programmes should be streamlined. The EESC advocates clustering of projects within the Commission. An important side-effect will be a greater visibility of the Commission's actions and (European) coordination.

6.6.2 A well-defined overall approach must help to compensate inescapable financial savings that in the present economic downturn hit cities in all Member States.

6.6.3 Up till now the principle of subsidiarity has hampered the realisation of an Urban Agenda. In the EESC's view Europe 2020 requires closer coordination between EU and the Member States with a more flexible approach to subsidiarity with a less sharp distinction between EU competences and national ones.

6.6.4 It is crucial that such flexibility should pave the way to bring in regional, metropolitan and local authorities as responsible actors in the EU framework. For years multi-layer government has been broadly discussed without much tangible effect. The moment has come to switch from lip-service to multi-level governance and to enhance operational interactive commitments between public and private actors as well as civil society.

6.6.5 A Europe 2020 Urban Agenda would also require increased monitoring of the Commission concerning issues that are directly related to cities and MAs. This means that cities and MAs, including stakeholders and civil society, must be accepted as co-actors in implementing policies and EU programmes.

⁽¹¹⁾ Some interesting comments in this respect are to be found in the *Report on European Urban Agenda and its future in Cohesion Policy*, European Parliament A7-0218/2011, rapporteur Oldřich Vlasák, adopted in June 2011.

⁽¹⁰⁾ See footnote 5.

6.6.6 Similarly, Europe 2020 recommends closer connection between individual Member States. In this field two important areas can be identified:

- Member States are supposed to look more closely to each other's practices and achievements;
- closer connection between Member States would be beneficial for border-regions and their potentialities as MAs. Bilateral and trilateral engagements of national governments would be most helpful to deepen cross-border cooperation.

Brussels, 21 September 2011.

The President
of the European Economic and Social Committee
Staffan NILSSON
