



URBACT IV 2021-2027

INTERREG Programme document

Draft Version 1

18 February 2021

Based on the "Template for Interreg programmes" as proposed in Annex of the Draft European Territorial Cooperation Regulation - V 11.12.2020

TEMPLATE FOR INTERREG PROGRAMMES

CCI	
Title	URBACT IV
Version	Draft Version 1
First year	2021
Last year	2027
Eligible from	
Eligible until	
Commission decision number	
Commission decision date	
Programme amending decision number	
Programme amending decision entry into force date	
NUTS regions covered by the programme	
Strand	C

Table of contents

1. Joint programme strategy: main development challenges and policy responses	5
1.1 Programme area.....	5
1.2. Summary of main joint challenges, taking into account economic, social and territorial disparities as well as inequalities, joint investment needs and complimentary and synergies with other forms of support, lessons-learnt from past experience and macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies.	5
1.3. Justification for the selection of policy objectives and the Interreg specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure	24
2. Priorities	25
2.1. Title of the priority (repeated for each priority)	25
2.1.1. Specific objective	25
2.1.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate.....	25
2.1.3 Indicators	28
2.1.4 The main target groups	31
2.1.5 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools	32
2.1.6 Planned use of financial instruments	33
2.1.7 Indicative breakdown of the EU programme resources by type of intervention.....	33
3. Financing plan	34

3.1	Financial appropriations by year	34
3.2	Total financial appropriations by fund and national co-financing	35
4.	Action taken to involve the relevant programme partners in the preparation of the Interreg programme and the role of those programme partners in the implementation, monitoring and evaluation.....	37
5.	Approach to communication and visibility for the Interreg programme, (objectives, target audiences, communication channels, including social media outreach, where appropriate, planned budget and relevant indicators for monitoring and evaluation).....	41
6.	Indication of support to small-scale projects, including small projects within small project funds.....	43
7.	Implementing provisions.....	43
7.1.	Programme authorities.....	43
7.2.	Procedure for setting up the joint secretariat	44
7.3	Apportionment of liabilities among participating Member States and where applicable, the third countries and OCTs, in the event of financial corrections imposed by the managing authority or the Commission.....	44
8.	Use of unit costs, lump sums, flat rates and financing not linked to costs.....	47
	APPENDICES	48
	Appendix 1. Map of the programme area.....	48
	Not applicable to Interreg C programmes	48
	Appendix 2. Union contribution based on unit costs, lump sums and flat rates	48
	Appendix 3. Union contribution based on financing not linked to costs	48

1. Joint programme strategy: main development challenges and policy responses

1.1 Programme area

Reference: Article 17(4)(a), Article 17(9)(a) (text field 2000 characters)

URBACT facilitates the sharing of knowledge and good practice between cities and other levels of government. The purpose is to promote integrated sustainable development in cities, improve city's policies and improve the effectiveness of cohesion policy in cities.

The URBACT IV programme area covers (for discussion with Member States):

- EU 27 Member States
- Norway – to be confirmed
- Switzerland – confirmed in principle
- IPA?
- Other countries – at own costs

The programme is co-financed by the European Regional Development Fund (ERDF) with a budget of 79,679m€ for the period 2021-2027.

This fourth generation of the URBACT programme builds on the success of URBACT I (2002-2006), URBACT II (2007-2013) and URBACT III (2014-2020). The programme has evolved in terms of the thematic scope and the support activities provided. The key focus of exchange and learning remains but is improved with the inclusion of capacity building measures to foster better quality outputs. The URBACT Method of integrated, participatory action learning is widely used in cities and in this new programming period will evolve to cover methods for successful transfer of good practices and more elaborate tools to support the development and future implementation of sustainable urban development strategies with particular attention to Article 9 cities. The programme will also continue to work on capitalisation on thematic and methodological knowledge and know-how especially from cities involved in its networks.

URBACT IV will complement in a coordinated way the actions being delivered by the European Urban Initiative under **Article 10 of Regulation XXXX**.

1.2. Summary of main joint challenges, taking into account economic, social and territorial disparities as well as inequalities, joint investment needs and complimentary and synergies with other forms of support, lessons-learnt from past experience and macro-regional strategies and sea-basin strategies where the programme area as a whole or partially is covered by one or more strategies.

Text field: [50 000]

An analysis of the urban policy context – economic, social, environmental and territorial

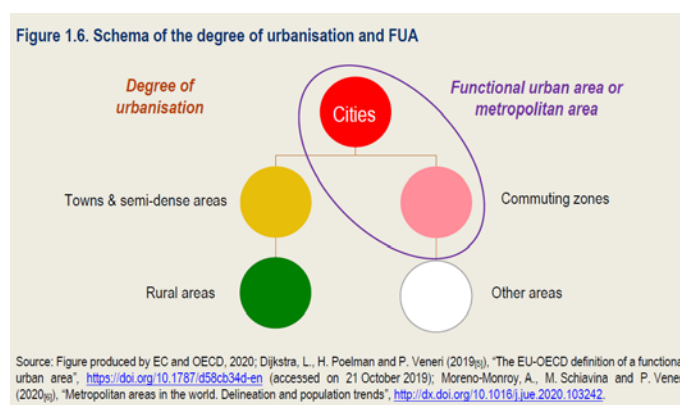
a) Main joint challenges, taking into account economic, social and territorial disparities

The last decade has shown that crises can emerge with little notice and that cities are often at the forefront. That was the case for the financial crisis in 2008, immigration crisis in 2014-2015, terrorism attacks in 2015, 2016, COVID-19 crisis in 2020. In a longer term perspective cities play a crucial role in achieving sustainable development, especially mitigation and adaptation to climate change.

There is extensive literature available on the main joint challenges cities in Europe face¹. The Future of European Cities report from 2019 combines many sources to give an up-to-date picture of trends and challenges in European cities. The Report on the quality of life in European cities (2020) brings in the perspective of citizens through 58,100 interviews in 83 cities². In addition to existing literature, a public survey was held from 19 February 2020 – 19 March 2020 which asked specifically about challenges of cities and means to tackle these challenges in preparation of URBACT IV³.

Trends and challenges in European cities

Knowledge on trends in urbanisation has hugely improved over the last several years. Notably through combined work done by the Joint Research Centre of the European Commission, DG REGIO and the OECD. This has resulted in a harmonised definition of what a city, town and functional urban area (or metropolitan area) is. Metropolitan areas generally encompass cities together with their adjacent communities that have a high degree of economic and social integration with the city. These adjacent communities represent a commuter belt that generates a daily flow of people into the city and back. The concept of metropolitan areas is often referred to as “functional” because it captures the full economic function of a city. A metropolitan area definition is particularly useful to inform policymaking in a number of domains, including transport, economic development and planning⁴.



More than two-thirds of OECD metropolitan areas have established a specific body in charge of organising responsibilities among public authorities for metropolitan wide development. These arrangements can vary from informal/soft co-ordination (52% of OECD metropolitan areas that have

¹ Notably the Future of Cities report (2019) by the JRC and the State of the European Cities report (2016) by the European Commission

² DG REGIO, Report on the quality of life in European cities, Luxembourg: Publications Office of the European Union, 2020

³ A total of 534 replies were received, of which 322 from cities.

⁴ OECD/European Commission (2020), Cities in the World: A New Perspective on Urbanisation p. 24

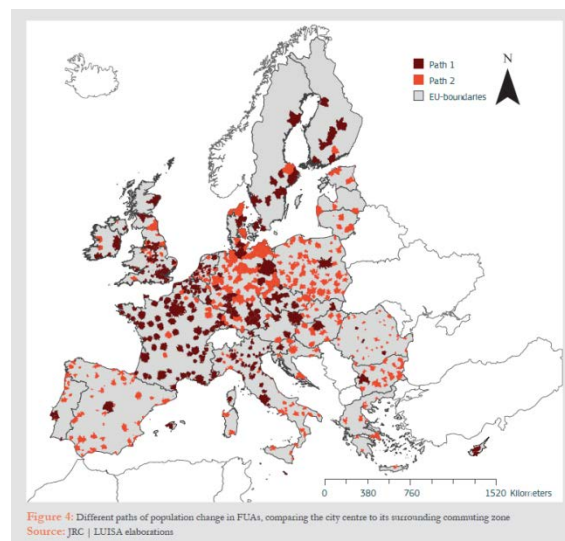
a metropolitan governance body); inter-municipal authorities (24%); supra-municipal authorities (16%); and a special status of “metropolitan cities” (8%)⁵.

Another OECD publication⁶ stresses the benefits that urban-rural partnerships can bring. Urban and rural areas enjoy different and often complementary assets, and better integration between these areas is important for socio-economic performance. Potential linkages include demographic, labour, public services and environment aspects. The New Leipzig Charter recognises the transformative power of European Cities which citizens experience in their day-to-day life at different spatial scales: at neighbourhood level, at municipal level and at functional area level. Urban challenges manifest themselves at these different spatial scales and need solutions, often in a concerted way, at these scale levels.

The urbanisation rate in Europe (EU-28) was 72% in 2015⁷. European city residents are concentrated in cities with populations between 250,000 and 5 million. On average, the European network of cities is denser than in other parts of the world, with predominantly mid-sized rather than large cities.

For functional urban areas (FUAs) in the EU-28, modelled using population projections from 2010-2050, there are two main trends:

- Path 1: Stagnant or slightly increasing total populations, with medium densification of the city centre and densifying suburbs. In some cases, mainly in capital cities, this trend is stronger, with the population increasing considerably; a significant densification of city centre and medium densification of suburbs is projected.
- Path 2: A decreasing overall population, with the city centre de-densifying and suburbs slightly densifying (especially in Eastern Europe and Germany). In some cases (mainly in Spain), the same trend is seen but with strongly densifying suburbs⁸.



Next to the fact that total population is expected to remain stable or decline, the population is also aging. In 2016, the average life expectancy at birth in the EU-28 was 80, and it is expected to increase

⁵ OECD (2015), *Governing the City*, OECD Publishing

⁶ OECD (2013), *Rural-Urban Partnerships: An Integrated Approach to Economic Development*, OECD Publishing

⁷ JRC calculation based on the GHSL datasets.

⁸ JRC (2019), *The Future of Cities* report, p. 22

to 86.1 for men and 90.3 for women by 2070. The old-age dependency ratio is expected to almost double by 2070.

While the majority of larger cities, which remain highly attractive to all age groups, may not be so affected and can maintain mean population ages that are lower than the national average, a growing number of Europe's cities are experiencing a shrinking total population, which means that old-age dependency ratios are rising⁹.

Not only population size of cities and their growth or decline matters to put in context cities' trends and challenges, also their territorial embeddedness is relevant. Medium-sized cities in a rural area have a different function and associated challenges than medium-sized cities in the proximity of a large city. A particular case are cities situated at national borders and are often part of larger cross-border functional urban area. In addition to the trends and challenges outlined below these urban areas face the fact that different domestic institutions need to come together that are characterised by sometimes contrasting political settings and cultures, different languages, policy paradigms and need to overcome a 'multi-level-mismatch' of competencies¹⁰.

In the following section trends and challenges are grouped under the three dimensions the New Leipzig Charter acknowledges as the transformative power of cities: just, green and productive. With a special mention of digitalisation as a major transformative, cross-sectoral trend.

Just Cities

The urban environment affects health outcomes, resulting in both an 'urban health advantage' and an 'urban health penalty'. On the upside there can be better access to health infrastructure and services in general. An unhealthy urban environment can contribute to a greater prevalence of non-communicable diseases, communicable diseases through crowding and spreading of infections, lack of adequate ventilation and sanitation, and acute respiratory diseases from outdoor and indoor air pollution and mouldy housing interiors. Mental health is also frequently poorer in cities, due to negative social and environmental determinants (Dekker et al., 2008; Peen et al., 2010)¹¹.

In 2017, 112 million EU inhabitants were at risk of poverty or social exclusion, corresponding to 22% of the total population. Of this 112 million, 47 million people were living in cities. Compared to the situation only three years earlier, the number of people living in vulnerable conditions in cities increased by 13 million¹². Even though more recent figures are not available the COVID-19 pandemic is poised to increase these numbers significantly due to the unprecedented economic shock urban economies are enduring.

Particularly in recent years, wealth has increasingly accumulated among the few, and the polarisation of wealth is most concentrated in urban areas. Cities in western Europe, in particular, are among the least inclusive, given their relatively high shares of people living at risk of poverty and in low work intensity households, and/or high unemployment rates (EUROSTAT, 2016). In other European countries poverty is still far higher in rural areas.

⁹ JRC (2019), The Future of Cities report, p. ?

¹⁰ ESPON (2010), METROBORDER targeted analysis, p. 11

¹¹ JRC (2019), The Future of Cities report, p. 62

¹² JRC (2019), The Future of Cities report, p. 68

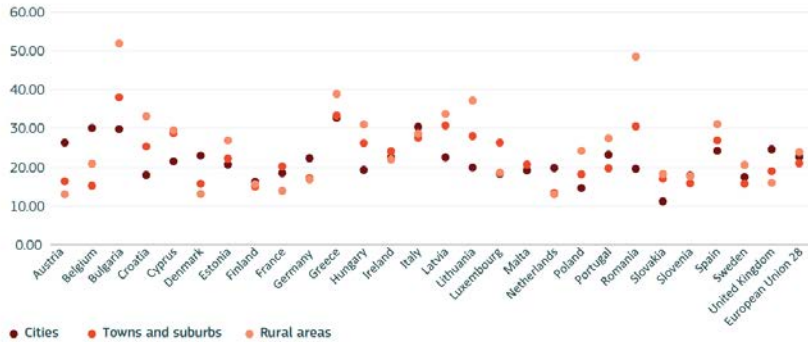


Figure 29: Proportion of the population at risk of poverty or social exclusion, by degree of urbanisation, 2017
Source: JRC elaboration based on Eurostat data, accessed in March 2019

Within a city there are strong differences between neighbourhoods. For example, life expectancy in London can vary by some 20 years depending on where you live. Similar observations hold true for other cities: Turin (IT), Barcelona (ES), Stockholm (SE) and Helsinki (FI) reveal a significantly higher risk of death among residents in more deprived neighbourhoods, although the correlation differs between cities (Marinacci et al., 2017).

Living in an adequate housing context is fundamental because, as the United Nations Economic Commission for Europe (UNECE) points out, housing is ‘an integrative good, it is linked to many other sectors such as: health, economic security, energy security, transportation, education, employment. Housing also influences issues such as social cohesion and neighbourhood security [...]’ (UNECE, 2015).

Cities will need to provide sufficient affordable housing to an increasingly varied population, ensuring inclusiveness and integration among its communities, and reducing environmental impacts. Lockdowns due to the COVID-19 pandemic in 2020 highlight the impact the quality of housing has on both physical and mental health. Finding affordable housing is more difficult for citizens living in cities in western EU, northern EU and EFTA countries and harder to find in capital cities versus noncapital cities¹³.

Growing polarisation can be addressed by inclusive and equitable place-based policies. These should take into account the multiple factors in play in deprived neighbourhoods (e.g. health, housing conditions, and ethnic background), and look at the causes of and solutions to segregation that go beyond the boundaries of the segregated area¹⁴.

Respondents to the URBACT IV survey mention different aspects of the social inclusion challenge; avoid anonymity and isolation (especially for older people), inclusion of migrants, improve labour market access for persons with disabilities, attract young professionals (in order to avoid depopulation in small and medium cities) and encourage intergenerational work. Buildings should be adapted to persons with disabilities or older generation and should be affordable to fight social segregation. High rents in the city centre and tourism are seen as challenges for the housing market. Making social services accessible for all and creating more local actions are seen as other social challenges.

In addition, the URBACT IV survey highlights issues of healthcare quality and accessibility for the elderly. Sometimes other topics are linked to wellbeing and health, such as the creation of green

¹³ DG REGIO, Report on the quality of life in European cities, Luxembourg: Publications Office of the European Union, 2020, p. 47

¹⁴ JRC (2019), The Future of Cities report

spaces, redesign of city centres, accessibility of housing and the participation of citizens in the development of the city. All these actions are considered to create healthier habits and create a better wellbeing.

Green Cities

Climate change is consistently mentioned as the most important long-term challenge cities face. Cities generate about 70% of global greenhouse gas (GHG) emissions, and, at the same time, are particularly vulnerable to the impacts of climate change. The climate hazards will translate into sea-level rise affecting coastal cities, impacts on built infrastructures, health problems arising from higher average temperatures and extreme events, an increase in energy demand and use, and adverse effects on water availability and resources¹⁵.

Respondents to the survey stress that climate change challenges touch cities of all sizes. Cities face challenges in mitigating climate change by reducing Green House Gas (GHG) emissions such as reducing private car use for commuting. The dominance of personal cars should be drastically reduced in favour of more efficient public transport, shared and active mobility, and new working patterns. This needs to happen both within cities, but also between the city centre and the metropolitan area. Sustainable urban planning is needed to reduce of urban sprawl, organise amenities at walking distance and allow for the efficient organisation of public transport. During the current COVID-19 crisis in 2020, many cities are drastically expanding the space reserved for cyclists and pedestrians, simply because the capacity of public transport cannot be used fully in a safe manner.

Another key challenge for GHG reduction is to increase the energy efficiency of the housing stock. For climate adaption cities try to increase the number of green spaces. Several lifestyle and behavioural changes can help city inhabitants significantly reduce their environmental footprint, such as shifting to a healthy diet, reducing waste, using active or public mobility modes or choosing sustainable energy sources¹⁶.

Cities try to sensitize citizens to the different issues of climate change and involve them in the decision-making process. Tools and funding are needed. Some cities have created plans to be a zero-carbon city by 2025 or 2030. More than 10.000 towns and cities are committed to the Covenant of Mayors for Climate and Energy to go beyond national GHG reduction targets.

Also earth biodiversity is under pressure. Wildlife populations worldwide have seen a two-thirds decline on average since 1970. The Cities and Biodiversity Outlook highlights that urbanisation is both a threat to biodiversity through the consumption of land, but that cities can also be biodiversity hotspots. Brussels, for example, contains more than 50% of the floral species found in Belgium. To reduce and ultimately reverse this loss in biodiversity cities need to shift to land-use planning that balances production and conservation objectives on all managed land, notably by reducing land take, soil artificialisation and support urban regeneration and green infrastructure.

Other environmental challenges mentioned by cities are unsustainable tourism, waste and air quality. The COVID-19 crisis in 2020 has provided short-term environmental benefits like improved air quality, less GHG emissions and a reduction of over-tourism.

¹⁵ JRC(2019), The Future of Cities report, p. 84

¹⁶ JRC (2019), The Future of Cities report

Productive cities

Cities are the motors of the European economy. GDP growth since 2000 was 50% faster in cities than in other areas¹⁷. Cities boost productivity because they have on average more tertiary educated residents and more innovation, more high-growth firms, higher employment rates and better accessibility and connectivity. However, employment rates of city residents born outside the EU are considerably lower and housing in cities is expensive, small and crowded¹⁸.

However, cities are places where most of the world population live and work accounting for up to 80% of greenhouse gas emissions, two-thirds of total energy demand, and 50% of waste generation¹⁹. The circular economy can provide a policy response to cope with the above challenges, as a driver for economic growth, jobs and environmental quality. Cities and regions have a key role to play as promoters, facilitators and enablers of circular economy. The circular economy potential in cities can be much enhanced by conducive spatial planning policies, which promote the efficient use of space, urban land and buildings. Municipalities have an important lever at their disposal through the public procurement of goods and services²⁰ and adequate economic and governance conditions should be in place to unlock its potential.

The fact that over half of European cities will see their population decline in the future means that most of the changes in Europe will have to take place in an integrated, affordable and sustainable fashion within pre-existing urban fabric. An ageing EU population will require the further adaptation of infrastructure and services; this is particularly the case in smaller cities with growing needs in health and social care. From the URBACT IV survey follows that 'providing sustainable and efficient public and commercial services, build a strong local economy' is by far considered the biggest challenge by the smallest towns. The effect COVID-19 will have on population and economy in towns and cities (e.g. level of teleworking with a reduction in commuting, reduced attractiveness of larger cities) is yet unknown, but what appears to be clear is that especially commercial city centres face a sharp decline in footfall and vitality that might outlast temporary restrictions and which calls for place based and plan led urban regeneration to deliver revitalised mixed-use urban centres and targeted measures to reduce vacancy and retrofit existing building stock.

Digitalisation a major transformative, cross-sectoral trend

The Future of European Cities report recognises that new and emerging technologies could help cities improve public services, better interact with citizens, increase productivity, and address environmental and sustainability challenges. In sum, evolve toward smart cities. An ESPON survey²¹ of around 136 European cities found that 91% of these cities found their city services had improved thanks to digitalisation and 39% saw a substantial uptake in the use of these services after digitalisation. The COVID-19 pandemic has hugely accelerated existing trends towards remote working and the provision of commercial digital services such as online shopping. These trends could have both negative (vitality of urban centres, increase in commercial transport) and positive impacts (reduced transport to and from home, improved quality of life).

¹⁷ Data elaborated by the JRC from the Urban Data Platform, accessible at: <https://urban.jrc.ec.europa.eu>.

¹⁸ DG REGIO (2016), State of the European cities report

¹⁹ OECD, Programme on the Circular Economy in Cities and Regions

²⁰ Urban Agenda for the EU, Circular Economy Action Plan, 2018

²¹ ESPON Working Paper and policy brief (2018) 'Territorial and urban dimensions of digital transition in Europe'

This same research found that large cities tend to be at the forefront of digitalisation due to higher demand for more complex services and interactions, and their capacities to develop and provide those services. The degree to which cities can capitalise on potential benefit of digitalisation will depend on a variety of factors - including the availability of co-working hubs /incubator space, and the provision of improved connectivity and digitisation to drive innovation and enterprise development and promote the regeneration of city and town centres. The main factors constraining the digital transition of cities are lack of funds and lack of skills. A lack of strategic vision is considered an additional constraint in smaller towns.

Respondents to the URBACT IV survey add new technologies as a means to attract population, but they also raise several issues, including data privacy and ownership, appropriate and consistent legislation, data sharing and standards, and cyber security. Cities play a central role in innovation dynamics: geographical proximity of stakeholders and multidisciplinary interaction enable innovation. The variety of approaches to innovation enhances the identity of cities, their traditions and their cultural heritage. Although capital cities and metropolitan areas remain major drivers of creativity and innovation, favourable conditions can also be found in smaller cities²².

Digital transition and ICT are strongly present in the interests of URBACT cities both in the networks as well as in good practices. Digital transition has mostly been tackled through the lenses of economic development and improvement of public services, especially in narrowing the distance between public institutions and citizens such as online and mobile apps management of services, information, easing mobility and in e-democracy and governance.²³.

b) An analysis of city needs

The disparity in Europe's urban configuration polycentricity and demography, as outlined previously, naturally make it difficult to implement a one-size-fits-all approach to cities.

Globally and within Europe, national and international bodies have recognised the important role cities play in pushing forward societal change and tackling the effects of the challenges outlined above. The 2030 Agenda for Sustainable Development (United Nations – detailing 17 sustainable development goals), the 2016 Pact of Amsterdam (European Union –the Urban Agenda for the EU with 14 thematic partnerships), and the New Leipzig Charter (2020) are clear that cities need to have the capacities to lead this transformation. Translating these general principles of sustainable urban development agreed at EU and international level into daily practice of urban management has proved to be challenging for the cities themselves. This was the case throughout the 2014-2020 period and continues to be so.

URBACT III capitalisation work looking in detail at the how the principles of sustainable urban development are understood and implemented by cities shed some light on the progress some cities have made, yet reveal the need for continued support at national and EU level.

According to the New Leipzig Charter, urban governance needs to be strengthened in order to empower cities to transform. Therefore cities need legal framework conditions, investment capacities, adequately skilled employees, access to and the ability to steer infrastructure, public services and public welfare.

²² JRC (2019), The Future of Cities report

²³ URBACT contribution after the pact of Amsterdam: The Urban Agenda for the EU

The Future of Cities report identifies physical interventions, governance, new technologies and resilience as key means for cities to address their challenges. Cities themselves gave governance and physical interventions the highest scores in the URBACT IV survey.

Governance

Weak governance and the presence of corruption are detrimental to economic development and prosperity, both at the national and local level (Acemoglu et al., 2005; RodríguezPose, 2013). Half the city residents (51%) agree that corruption is present in their local public administration. On average, in the cities in the Western Balkans and Turkey, more than two in three agree (68%) while in the eastern EU cities it was almost as high (65%). In northern and western EU cities, agreement is much lower (below 40%)²⁴. Good governance is also a necessary condition for security and social inclusion and increases urban resilience in the face of environmental, socioeconomic, and political uncertainty and risk.

There has been a trend towards strengthening urban governance in the EU. New forms of urban governance are already being stimulated in many cities, and the importance of city networks is expected to further increase²⁵. Urban governance arrangements become more important when administrative municipal borders do not correspond with the functional reality of urban areas.

This ascertainment is in line with, and corroborated by the main principles guiding sustainable urban development in the EU. The Joint Research Centre from the European Commission has published a Handbook of sustainable urban development. The Handbook draws on the milestones in European urban development (intergovernmental cooperation, cohesion policy, Urban Agenda for the EU) to individuate the main building blocks which are characterising the EU approach to sustainable and integrated urban development:

- An approach which promotes a **strategic vision** for the development of urban areas.
- An approach which addresses **cities of all sizes**, promoting the **integration among scales**, from neighbourhoods to wider territories.
- A **multi-level governance and multi-stakeholder approach**, which coordinates different actors according to their respective roles, skills and scales of intervention, ensuring also the active engagement of citizens.
- An approach which is **cross-sectoral integrated**, pushing cities to work across policy-areas.
- An approach based on the **integration of multiple sources of funding**, encompassing also the engagement of the private sector.
- An approach promoting result-oriented logic, setting-up frameworks for **monitoring and evaluation**²⁶.

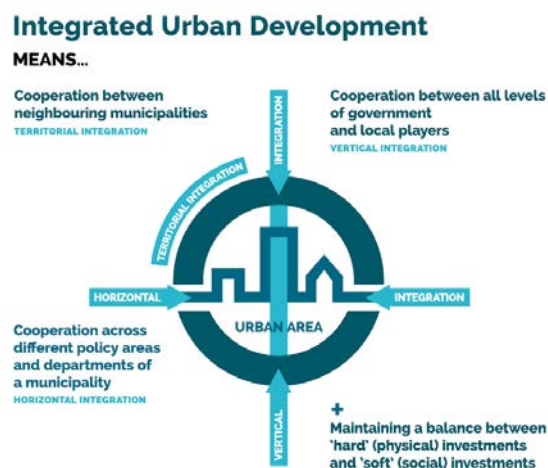
²⁴ DG REGIO, Report on the quality of life in European cities, Luxembourg: Publications Office of the European Union, 2020, p92

²⁵ JRC (2019), The Future of Cities report

²⁶ JRC (2020), Handbook of Sustainable Urban Development

Integrated approach

Building on the well-established URBACT method from the 2014-20 period, cities continue to need support in implementing an integrated approach to sustainable urban development. Central elements in this definition of integrated approach are cooperation between neighbouring municipalities, cooperation between all levels over government and local players, cooperation across different policy areas and departments of a municipality and maintaining a balance between physical investments and social investments. These elements have to come together in Integrated Action Plans, a core focus of the URBACT programme since its creation.



Source: Urbact knowledge hub

Detailed research exploring integrated working in practice²⁷ suggests that for many cities, the **process of developing the Integrated Action Plan is even more valuable**, in terms of transforming cross-departmental cooperation, local stakeholder involvement, understanding of thematic challenges and possible integrated solutions than the actions themselves.

Participation

Cities need practical support to build their capacity to encourage citizen participation. In particular, small and medium sized cities which often have less capacity to act. Participation is an important issue for local democracy. This political element is crucial to weigh different interests on local development and choose the best solutions that suits local needs.

URBACT III networks built in the concept of participation using the 'local group' tool which had responsibility for co-design of the Integrated Action Plan. 97% of URBACT cities having completed this process considered that the participatory approach used during their network would continue after²⁸. In addition, URBACT III capitalisation work²⁹ on how cities understand and implement these

²⁷ Study on Integrated Action Plans (2019), E40 group for URBACT

²⁸ Results of self-assessment of partners from Action Planning Networks first round

²⁹ 2018 City Lab on participation in cities

principles shows that the benefits of engaging with citizens in a participatory process are not always clearly seen. Demonstration effects from cities more advanced in community engagement and support in understanding the mechanisms and the skills involved are necessary. New forms of participation should be encouraged and improved, including co-creation and co-design in cooperation with inhabitants, civil society networks, community organisations and private enterprises³⁰.

Place-based

The New Leipzig Charter builds on some important pieces of research from previous year, notably the Barca Report, anchoring the principles of sustainable development in the context of each specific territory. When it comes to exchange and learning, cities are obliged to adapt any process or action to their own geo-spatial and administrative context. Support on understanding the success factors of any particular approach is necessary, and can be organised EU-wide/transnationally. The specifics of urban policy are such that the national context and involvement of national (or sub-national) urban policy stakeholders is crucial for longer-term policy change. URBACT III Transfer Networks were an excellent example of how cities can acknowledge their specificities whilst taking advantage of other cities tried and tested good practices.

c) Increased importance of sustainable urban development in European Cohesion Policy

The regulatory framework for URBACT IV is provided by the regulations for Cohesion Policy³¹. The regulation that sets the rules for the URBACT IV programme specifically is the regulation on the European territorial cooperation goal (Interreg)³².

Article 3 (3)b of this regulation defines the objectives of URBACT IV as follows:

Interregional cooperation to reinforce the effectiveness of cohesion policy (Interreg C) by promoting exchange of experiences, innovative approaches and capacity building in relation to the identification, transfer and capitalisation of urban good practices on integrated and sustainable urban development, taking into account the linkages between urban and rural areas, supporting actions developed in the framework of Article 9 [of Regulation (new ERDF/CF)] and while also complementing in a coordinated way with the initiative outlined in Article 10 of Regulation (EU) [ERDF/CF Regulation] ('the URBACT programme');

So two tasks for URBACT IV are clearly defined:

- exchange of experiences, innovative approaches and capacity building in relation to the identification, transfer and capitalisation of urban good practices on integrated and sustainable urban development, taking into account the linkages between urban and rural areas, and;
- supporting actions developed in the framework of ERDF Article 9 for sustainable urban development. The activities undertaken by the URBACT IV programme shall be developed to complement in a coordinated way the European Urban Initiative. The urban dimension of Cohesion policy for this new programming period has been improved, strengthened and

³⁰ New Leipzig Charter

³¹ Reference to CPR and ERDF regulation

³² Reference to Interreg regulation

developed in a more coordinated way. The CPR regulation (add reference) in the period 2021-2027 includes tools and concepts on integrated territorial development that apply to all the ESI funds:

- Article 22 establishes that a member state should use Integrated Territorial Investments, Community-led local development or another territorial tool designed by the member state where it supports integrated territorial development through territorial or local development strategies.
- Article 23 lists several elements that should be included in territorial strategies that are funded by Cohesion Policy; a defined geographical area, an analysis of its development needs and potential, a description of the integrated approach and involvement of partners in its preparation and implementation. Furthermore territorial strategies shall be under the responsibility of the relevant territorial authorities or bodies, whom should cooperate with relevant managing authorities. The ERDF regulation (add reference) explains how this concept applies to cities and offers new opportunities to cities:
- Article 9 of the ERDF regulation requires that a minimum of 8% of ERDF resources per Member State be allocated to integrated territorial development focused on urban areas (sustainable urban development)³³ respecting the elements outlined in article 23 and using the tools listed in article 22 of the CPR regulation. Special attention shall be given to tackling environmental and climate challenges, notably the transition towards a climate neutral economy by 2050, to harnessing the potential of digital technologies for innovation purposes, and to support the development of functional urban areas.
- Article 10 of the ERDF regulation foresees the creation of the European Urban Initiative. The initiative shall cover all urban areas, including functional urban areas, and has two main strands of activity: support of innovative actions and support of capacity and knowledge building, territorial impact assessments, policy development and communication. The EUI shall ensure appropriate coordination and complementarities with URBACT.

Overall, the European Structural and Investment Funds will support five policy objectives (PO)³⁴.

- (a) a more competitive and smarter Europe by promoting innovative and smart economic transformation (PO1);
- (b) a greener, low-carbon transitioning towards a net zero carbon economy and resilient Europe by promoting clean and fair energy transition, green and blue investment, the circular economy, climate change mitigation and adaptation and risk prevention and management (PO2);
- (c) a more connected Europe by enhancing mobility and regional ICT connectivity (PO3);
- (d) a more social and inclusive Europe implementing the European Pillar of Social Rights (PO4);
- (e) a Europe closer to citizens by fostering the sustainable and integrated development of all types of territories and local initiatives (PO5).

In addition to these policy objectives, according to article 15.5 of the Interreg regulation URBACT can pursue the specific INTERREG objective 'a better cooperation governance'³⁵. According to article 2 of

³³ URBACT IV will use the term sustainable urban development in the meaning of integrated territorial development focused on urban areas

³⁴ add reference to CPR article 4)

the ERDF regulation, if a programme chooses PO5, support under this objective has to be provided through territorial and local development strategies, through the forms set out in article 22 of the CPR regulation³⁶.

At the level of the European Union, the European innovation partnership on smart cities and communities and the Covenant of Mayors for Climate and Energy are notable policy initiatives aimed at cities. The EU Recovery Plan and the Just Transition Mechanism of the European Green deal with its Just Transition Plans could also benefit local authorities under certain parameters depending on the various comprised initiatives.

³⁶ Reference to article in ERDF

³⁶ Reference to article in ERDF

Complementarity with the European Urban Initiative

URBACT and the European Urban Initiative will complement each other in a coordinated way. URBACT will contribute to the value chain of the European Urban Initiative which identifies urban challenges, deploys instruments for evidence building, analyses results and capitalization, fosters dissemination and deployment and assesses the outcome. The EUI will consist of strands and workstreams. The diagram below provides a visual overview of how URBACT relates to the different strands of the EUI and to the Urban Agenda for the EU.

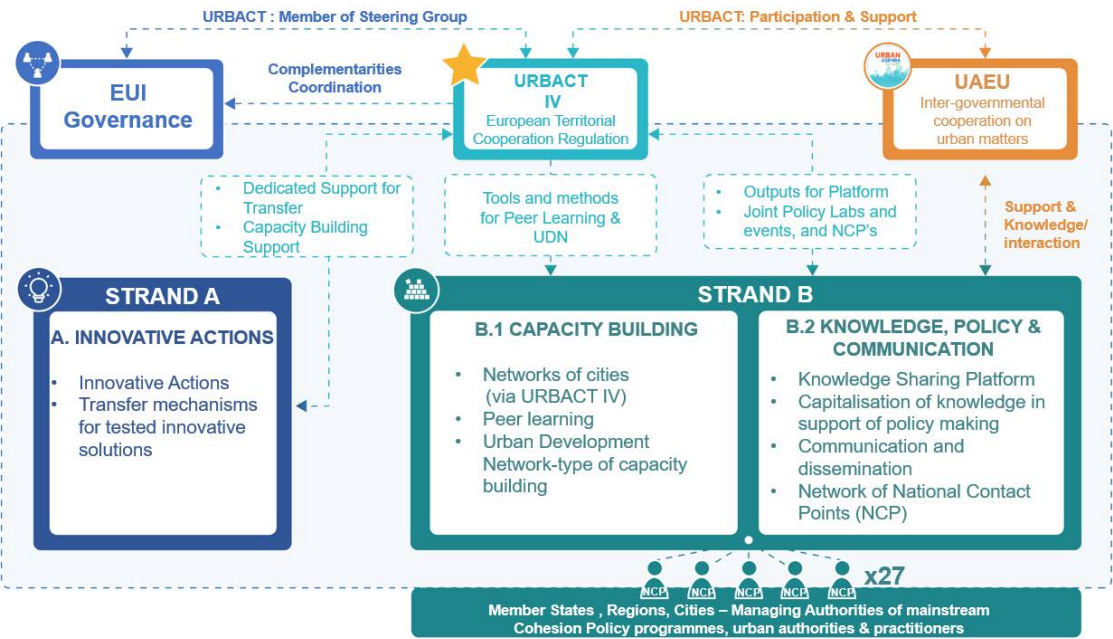


Figure 1: EC (2020), Coordination between the European Urban Initiative & URBACT– URBACT Programming Committee, 9-10 November 2020

- URBACT supports Strand A on innovative actions

The aim of the EUI for Strand A is to test new solutions to urban challenges of EU relevance and to spread innovation (scaling-up, knowledge dissemination and transfer) into Cohesion Policy 2021-2027. Notwithstanding the URBACT programme’s more widespread promotion of innovative processes and governance particularly through the ‘understand-adapt-reuse’ good practice transfer, URBACT will develop a specific mechanism to support the transfer of urban innovative actions experiences to more cities.

- **URBACT will play a major role in Strand B1 capacity building**

Through transnational URBACT networks, programme and national level capacity-building activities, URBACT aims to increase the capacity in integrated and participatory approaches of urban practitioners and local stakeholders that are part of the URBACT networks. Cities that benefit from sustainable urban development support under Cohesion Policy (article 9 of the ERDF regulation) can also participate in these networks. In addition, tools and practices developed by URBACT will be shared with cities participating in EUI activities.

- **URBACT will contribute to Strand B2 on knowledge, policy and communication**

URBACT will provide input to the Knowledge Sharing Platform with knowledge and methods on sustainable urban development that are gained through URBACT networks and URBACT knowledge activities, including to the benefit of the Urban Agenda for the EU. At national level, National Points (irrespective of their institutional embeddedness) will work closely together in fields of information and outreach activities, capacity-building at national level and facilitating national dialogue on sustainable integrated urban development.

d) Lessons learnt from past experience

Since 2002, URBACT has financed 161 networks which have tackled major challenges faced by cities such as social inclusion, physical planning and urban renewal, competitiveness of SME's, employment and labour mobility, etc. In addition to burning issues of today, like housing, migration, new economy and digitalisation, environmental protection and climate change, recent URBACT networks and knowledge activities cover newly emerging topics.

It has taken such time for URBACT to develop strong links with cities, develop effective cooperation mechanisms and build up national points that can inspire the European Urban Initiative. This experience and URBACT's extensive evaluations have permitted the programme to become a trusted brand for cities and make some bigger and many incremental improvements over the course of the programming periods. The URBACT III implementation evaluation, along with other sources of evaluating programme activities provides a strong basis on which URBACT IV can be built; what should be continued and what can be improved.

Networking is an efficient tool for capacity building & knowledge sharing

The URBACT way of transnational exchange, learning and knowledge capitalisation financed by the programme through the support of international experts and capacity-building activities is highly appreciated among the participating cities.

Transnational learning takes time, need sustained interaction and is useful at different stages of the design and implementation of action plans. The duration of the networks is considered appropriate.

There is a demand to expand this transnational exchange methodology to transfer good practices and innovative actions among cities. For some more ad-hoc knowledge exchanges the network approach is not suited and shorter exchanges could be envisaged.

Even though cities find participation in URBACT networks very rewarding, it also requires a certain time investment, capacity to follow administrative procedures and political support that is in general

harder to secure by smaller cities. Additional actions might need to be taken to ensure that the transnational exchange networks benefit an increasing number of cities.

The capacity of cities to act does increase, especially for smaller cities

The work of the URBACT programme to develop, with cities, a method which brings together stakeholders to design integrated action plans to respond to city challenges, and share the learning widely, is unique in Europe. Participating cities showed a significant increase of capacities from 47% with significant knowledge on integrated and participatory urban development in 2016 (baseline) to 67% in 2018³⁷.

These increased capacities include new skills and methods used in cities for more integrated planning and implementation of actions. This equally applies to cities that do not use European Structural and Investments Funds and are particularly appreciated among smaller cities.

The programme was also credited with functioning as a stepping stone to EU funding and project management for small and medium-sized cities with 48% of the Integrated Action Plans (98 IAP) produced having secured funding³⁸. Still, many cities would like to see increased possibilities in the programme to test solutions that result from the transnational exchange.

Integrated Action Plans support the smarter use of EU funds

Integrated action plans (IAP) are designed to access finance by regional/national/EU programmes: among the 98 IAP having secured funds, 34% are using ERDF and ESF to implement their actions. URBACT cities can also gain further funding through Urban Innovative Actions, Horizon 2020, Just Transition Plans, etc. In addition, the URBACT III Programme exceeded its target of involving Article 7 ERDF cities in URBACT activities. Still, the link with managing authorities could be further strengthened and URBACT can support cities in improving their bidding skills and in integrating different planning requirements.

The URBACT III Programme evaluation findings have shown consistently that URBACT III contributed directly and clearly to the eleven Thematic Objectives of the Cohesion Policy. The thematic concentration the programme aimed at the start of the 2014 period has been achieved through the bottom-up selection process of the transnational networks. However, cities might need additional capacity-building support to better include cross-cutting considerations such digital, environment and gender equality in their working methods.

As part of the European Urban Initiative, further consideration can be given on how the URBACT method can directly reach 'Article 9' ERDF cities or how the percentage of integrated action plans getting financed through ERDF and ESF sources can increase further. Interestingly, among the main reasons why cities join an Action Planning Network, gaining access to additional funding is not the

³⁷ Results of self-assessment of partners from Action Planning Networks first round

³⁸ Among 205 cities from 20 URBACT III Action Planning Networks completed in May 2018 (based on the closure reports of the 20 Action Planning Networks).

major one. Gaining access to expertise and working as a community of interest were deemed more important³⁹..

URBACT evolves as a knowledge exchange platform

More than 600 cities taking part in URBACT III have contributed to a vast trove of knowledge about sustainable urban development across a range of themes. Main tools to ensure knowledge outreach showed significant reach considering the means available. The URBACT website has registered a constant increase in users (15,000 monthly average in 2017, to more than 25,000 monthly users in 2020) and a total of 1,450 participants across three editions of the URBACT City Festival⁴⁰. Dedicated thematic capitalisation activities have ensured contributions to all EU Urban Agenda partnerships⁴¹, and helped to develop the multi-level approach between urban players at all levels. URBACT IV could evolve toward an EU innovation, experimentation and expertise hub revolving around urban capacity building approaches, methods and formats for urban practitioners.

Key stakeholders and several participants to the URBACT IV survey expressed the wish for a stronger coordination of URBACT's capitalisation and knowledge with other urban initiatives in order to increase impact on national and European policy development. Knowledge exchange between all URBACT actors (experts, NUPs, representatives of URBACT cities) could also be strengthened further.

Respondents to the Closure Survey appreciate URBACT's strong connection with the Urban Agenda of the EU and added value to the partnerships but the URBACT III Implementation Evaluation report recommends clarifying the focus in the framework of urban initiatives: streamline capitalisation activities; focus on tangible results and good practice..

National URBACT points play an important role in linking local, national and EU urban policy

The 25 National URBACT Points covering 28 countries communicate on programme activities, disseminate URBACT results at national level in local language, and operate as a national platform for dialogue, exchange and learning on sustainable urban development. Several countries have gone further to develop a national network based on URBACT method and principles, reaching out to include cities from other urban-funded initiatives, and those not receiving funding.

The URBACT III implementation evaluation echoes the findings from the Action Planning Networks closure survey: reinforced support at national level for city actions. The Implementation Evaluation finds that the Programme has less control over the quality and the extent of direct contact that the partner cities receive. When it comes to ensuring the capacity-building of all local partners, facilitating a more direct exchange between cities and sources of funding, or embedding policy change at local level, further support from the national level could be provided. Both respondents from the URBACT IV survey and key stakeholders express the wish for capacity building for cities that will benefit from cohesion policy funding (article 9 ERDF regulation), both for learning the 'URBACT

³⁹ APN closure survey report, 2018

⁴⁰ 90% of the participants to the festival in Lisbon (2018) said they would use the acquired knowledge back home.

⁴¹ URBACT participated to nearly all partnerships with experts and staff and tried to make the link with around 400 cities of all sizes involved in URBACT networks; it contributed in addition with its capitalization activities. A total of nearly 1 Million Euros was invested in these activities directly linked with URBACT: around 400 K€ experts for 4 years and 540K€ for capitalisation activities.

method' of bottom-up, participatory and integrated strategy design and to increase their implementation capacity. Given the different national settings, national specific capacity-building events might be the most appropriate.

URBACT response

- URBACT can help more cities build their capacities to design and deliver sustainable urban development plans.

URBACT's clear added-value in building the capacity of cities has been demonstrated in the course of previous URBACT programmes and should continue for URBACT IV. It should be available to cities and towns of all sizes, irrespective whether they receive other European Structural and Investment funding. Smaller cities might need additional support to be able to make the first step. The programme will strive for further administrative simplification and transnational learning will have an increased focus on testing solutions and broaden the scope to the transfer of good practices and shorter peer-to-peer exchanges.

- URBACT can help cities understand and put into practice the key principles of EU sustainable urban development.

The URBACT method provides a concrete, hands-on approach for cities to translate high-level principles into everyday working. The programme should continue to promote integrated approaches, while further developing bottom-up, participatory processes to link high-level EU policy frameworks to local needs. Innovations in the form this support takes can cover specific actions for dedicated, defined target groups (such as Article 9 cities, innovative actions) based on the needs and demands.

- URBACT can contribute to European cohesion and solidarity through peer learning and exchange, among cities of all sizes from all regions of Europe.

By targeting cities and towns from all EU member and partner states, and ensuring balance between urban areas from less-developed and more-developed regions, URBACT directly contributes to the main objective of Cohesion Policy. Transnational exchange networks have been shown to be an effective mechanism for peer learning, but these can be adapted based on the evaluation of URBACT III.

- URBACT can build on a body of evidence-based knowledge to ensure coherent links with other EU urban policy initiatives.

Capitalising on the rich source of city learning based on practical experience remains crucial to ensuring a wider uptake of URBACT results. URBACT can work closely with other Interreg C programmes and their knowledge platforms (e.g. Interreg Europe Policy Learning Platforms, ESPON Database and Thematic Action Plans, etc.), both organising joint activities on shared priorities and target groups. Fostering the wider goal of translating actions into policy change necessitates the involvement of urban policymakers at local, national and EU level. URBACT will work closely with the European Urban Initiative to ensure the knowledge is made available to the wider European urban community, including the Urban Agenda for the EU.

- URBACT can contribute to better include cross-cutting considerations such digital, environment and gender in the working methods of all URBACT actors.

URBACT can trust cities to select cooperation themes that are closest to their needs and in line with European priorities and to communicate the results of their work effectively to their target groups. Building on the experience of taking cooperation digital during the 2020 Covid-19 pandemic, the URBACT programme can foster that on beneficiary and programme level capacity is built to increase digital, environmental and gender considerations in all actions.

1.3. Justification for the selection of policy objectives and the Interreg specific objectives, corresponding priorities, specific objectives and the forms of support, addressing, where appropriate, missing links in cross-border infrastructure

Table 1

Selected policy objective or selected Interreg-specific objective	Selected specific objective	Priority	Justification for selection <i>Text field: [2 000 per objective]</i>
Interreg-specific objective (ISO) 'a better cooperation governance'	by enhancing institutional capacity of public authorities and stakeholders to implement [macro-regional strategies and sea-basin strategies, as well as other] territorial strategies	Promoting Integrated Sustainable Urban Development through cooperation	<p>URBACT IV wants to address the capacity needs of urban authorities in designing and implementing sustainable urban development strategies according to an integrated, participatory and place-based approach, replicating good practices and designing investment plans for innovative urban actions.</p> <p>This is primarily a capacity-building challenge of a cross-thematic nature that URBACT wants to tackle through transnational networking, general capacity-building activities and knowledge building and exchange.</p> <p>Given that the needs and solutions are cross-thematic URBACT IV will have one cross-thematic objective. URBACT will not directly support implementation actions but aims to build the governance capacity of cities so they, in turn, can effectively implement sustainable urban development strategies under the different policy objectives of cohesion policy. Therefore URBACT activities will be programmed under the specific Interreg objective: a better cooperation governance.</p>

2. Priorities

Reference: Article 17(4)(d) and (e)

2.1. Title of the priority (repeated for each priority)

Reference: Article 17(4)(d) text field [300]

Priority 1: Promoting Integrated Sustainable Urban Development through cooperation

This is a priority pursuant to a transfer under Article 17(3)

2.1.1. Specific objective (repeated for each selected specific objective, for priorities other than technical assistance) - *Reference: Article 17(4)(e) text field [300]*

URBACT IV will pursue Interreg Specific Objective 1 (ISO 1): a better cooperation governance by enhancing institutional capacity of public authorities and stakeholders to implement urban territorial strategies. As URBACT IV will build the institutional capacity of cities (ISO1) needed to implement territorial strategies, it directly contributes to PO5 in particular.

2.1.2 Related types of action, and their expected contribution to those specific objectives and to macro-regional strategies and sea-basin strategies, where appropriate - *Reference: Article 17(4)(e)(i), Article 17(9)(c)(ii) text field [7000]*

To reach this objective URBACT IV has three aims:

1) Use transnational networks to improve the capacity of European cities to:

- **co-design and implement Integrated Action Plans linked to common sustainable urban development challenges**
- **transfer established urban good practices**
- **design investment plans for replicating elements of Urban Innovative Actions**

Expected results: improved local policies through local actions designed in an Integrated Action Plan and the reuse of good practices, increased capacity of cities benefiting from territorial tools⁴² to use them, improved deployment of actions due to testing, promote replication of innovative actions through investment plans using European Structural and Investment funds.

Aim 1 - Actions:

In **Action Planning Networks** (APN) city practitioners will co-design integrated action plans with an URBACT Local Group comprising all relevant stakeholders (different city departments, different tiers of government, different policy relevant sectors and target groups). There will be an increased focus on implementation as networks will be able to test small exemplary actions from the integrated action plans. This tool is relevant for many cities working on sustainable urban development, including those receiving funding under Article 9 ERDF.

⁴² In the meaning of article 22 of the CPR regulation.

Transfer Networks will foster the transfer of proven urban good practices through a refined methodology with additional focus on supporting the upscaling of the good practice, possibly through links to other European funding programmes.

An Innovation Transfer Mechanism is specifically aimed at cities that seek to develop an investment plan to replicate elements of a UIA 2014-2020 project using European and national funding. This transfer mechanism will build on the pilot activities developed under URBACT III. It will be coordinated with the EUI as a dedicated tool to support cities in the transfer of innovative practices.

URBACT networks will be supported by international experts in integrated sustainable urban development. Expertise shall include both the urban topic of the networks as well as tools and methods for exchange and learning.

2) Improve the capacity of urban stakeholders to design and implement sustainable urban development⁴³ policies and practices in an integrated, participative and place-based way⁴⁴

Expected result: Urban practitioners in cities have increased their knowledge and capacity in relation to integrated sustainable urban development strategies. There is improved awareness of the entire URBACT community about carbon reduction and gender mainstreaming. Local stakeholders, lead partners and lead experts have improved their ability to use digital tools in their networks and their capacity to innovate.

Aim 2 - Actions:

At programme level URBACT will deploy capacity-building activities such as URBACT Universities, National Training Schemes and on-going and dedicated support to all beneficiaries. Participants will work together to improve skills needed for the design and implementation of Integrated Action Plans for sustainable urban development.

URBACT IV will increase the capacity building offer linked to digital, green and gender as cross-cutting elements for all networks and activities of the programme. Capacity-building on these topics may take the form of trainings targeted at the entire URBACT community or organised once in the lifetime of a network. Complementarity with EUI capacity building activities is ensured; and where synergies are identified, joint trainings will be organised.

Programme-level capacity building will be supported by international experts in integrated sustainable urban development and green, digital and gender equality.

3) Ensure that URBACT knowledge and practice is made accessible to urban practitioners and policymakers to feed into local, regional, national and European urban policies, with a particular focus on the European Urban Initiative and the Urban Agenda for the EU

Expected results: urban practitioners and policymakers increasingly access URBACT knowledge and URBACT city experiences influence local, regional, national and European urban policy.

⁴³ In the meaning of article 23 of the CPR regulation and article 9 of the ERDF regulation

⁴⁴ In line with principles of the New Leipzig Charter

Aim 3 - Actions:

At programme level URBACT will play a role as a knowledge broker – bringing urban actors together to facilitate knowledge sharing, and as a knowledge producer – developing new products building on existing URBACT experience and those from complementary European projects/programmes.

Thematic communities: these will allow cities to meet and exchange on topics cutting across URBACT networks. The exchanges will ensure a more integrated approach to the partner topic and produce up-to-date analysis of city policy and practice to share beyond URBACT, in particular EUI and Urban Agenda. The knowledge can be transformed for dynamic use (Conferences, thematic events, webinars, policy labs) or static reference (thematic publications, policy briefs, case studies, good practices).

EU urban policy focused knowledge sharing: URBACT IV will aim to influence urban policy by contributing specifically to the European Urban Initiative and the Urban Agenda for the EU for increased impact. Dedicated mechanisms for contributing to both will be developed.

Expertise support is provided to build and manage knowledge on sustainable urban development. The **URBACT website** will operate as a knowledge hub providing open access to knowledge, good practices and know-how around thematic priorities. Selected outputs will be available on the EUI knowledge sharing platform. In addition to the strategic cooperation with EUI, URBACT IV will cooperate with other organisations (programmes, networks, etc.) operating in the area of sustainable urban development.

National URBACT Points⁴⁵ are in charge of communicating on URBACT activities and disseminating URBACT results at national level in local language. They play an important role in linking URBACT knowledge to national and regional stakeholders and in stimulating a wide participation in networks and capacity-building activities. They can support programme capacity building efforts at national level, adapt and translate programme methods and tools into national language. Activities by the National URBACT Points will be coordinated with EUI Contact Points for maximum outreach.

⁴⁵ Each Member/ Partner State shall appoint, in agreement with the Managing Authority, a public or equivalent or not for profit body in their country that shall operate as National URBACT Point. The conditions of this appointment shall be laid down in a convention between the selected body and the Managing Authority. Should a Member/ Partner State not be able to appoint such a body or should no such suitable public body exist, an open call for tender may be launched by the Managing Authority. MS are encouraged to articulate National URBACT Points with the National Contact Point foreseen under European Urban Initiative.

2.1.3 Indicators

Reference: Article 17(4)(e)(ii), Article 17(9)(c)(iii)

Table 2: Output indicators **TO BE COMPLETED**

Priority	Specific objective	ID [5]	Indicator	Measurement unit [255]	Milestone (2024) [200]	Final target (2029) [200]
1 Promoting Integrated Sustainable Urban Development through cooperation	<i>Interreg-specific objective 'a better cooperation governance' (ISO -1)</i>					
1 Promoting Integrated Sustainable Urban Development through cooperation	<i>Interreg-specific objective 'a better cooperation governance' (ISO -1)</i>					
1 Promoting Integrated Sustainable Urban Development through cooperation	<i>Interreg-specific objective 'a better cooperation governance' (ISO -1)</i>					
<i>1 Promoting Integrated Sustainable Urban Development through cooperation</i>	<i>Interreg-specific objective 'a better cooperation governance' (ISO -1)</i>					
1 Promoting Integrated Sustainable Urban Development through cooperation	<i>Interreg-specific objective 'a better cooperation governance' (ISO -1)</i>					

<i>1 Promoting Integrated Sustainable Urban Development through cooperation</i>	<i>Interreg-specific objective 'a better cooperation governance' (ISO -1)</i>					
---	---	--	--	--	--	--

Table 3: Result indicators **TO BE COMPLETED**

Priority	Specific objective	ID	Indicator	Measurement unit	Baseline	Reference year	Final target (2029)	Source of data	Comments
1 Promoting Integrated Sustainable Urban Development through cooperation	<i>Interreg-specific objective 'a better cooperation governance' (ISO -1)</i>								
1 Promoting Integrated Sustainable Urban Development through cooperation	<i>Interreg-specific objective 'a better cooperation governance' (ISO -1)</i>								
1 Promoting Integrated Sustainable Urban Development through cooperation	<i>Interreg-specific objective 'a better cooperation governance' (ISO -1)</i>								

2.1.4 The main target groups

Reference: Article 17(4)(e)(iii), Article 17(9)(c)(iv) text field [7000]

The three different aims of the URBACT IV programme have partly different target groups.

1) Use transnational networks to improve the capacity of European cities to:

- co-design and implement Integrated Action Plans linked to common sustainable urban development challenges**
- adapt and transfer established urban good practices**
- design investment plans for replicating elements of Urban Innovative Actions**

The main beneficiaries of actions implemented under this first aim shall be cities from EU 27 Member States, Norway and Switzerland (potentially IPA countries) willing to develop integrated strategies and action plans for sustainable urban development. The beneficiary “city” refers to the public local authority representing:

- cities, municipalities, towns;
- Local agencies defined as public or semi-public organisations set up by a city, partially or fully owned by the city authority, responsible for the design and implementation of specific policies (economic development, energy supply, health services, transport, etc.) ;
- Infra-municipal tiers of government such as city districts and boroughs in cases where they are represented by a politico-administrative institution having competences for policy-making and implementation in the policy area covered by the URBACT network concerned in which they are willing to get involved;
- Metropolitan authorities and organized agglomerations in cases where they are represented by a politico-administrative institution having delegated competences for policy-making and implementation in the policy area covered by the URBACT network concerned.

In addition, a number of non-city partners are eligible for actions implemented under Aim 1. The list of other eligible beneficiaries is defined as follows:

- Provincial, regional and national authorities, as far as urban issues are concerned;
- Universities and research centres, as far as urban issues are concerned

Generally all URBACT networks will potentially link to the EUI considering the open nature of the calls for proposals. Specifically, the work of the APN in developing the capacity of cities to co-design integrated urban action plans is relevant for many cities working on sustainable urban development, including Article 9 cities. Efforts will be made to attract cities that have not yet participated in URBACT networks and smaller cities for which international networking demands an additional effort. A balance between cities from cohesion and non-cohesion countries will be sought.

2) Improve the capacity of urban stakeholders to design and implement sustainable urban development⁴⁶ policies and practices in an integrated, participative and place-based way

This is a cross-cutting aim for the entire URBACT IV programme, the target audience is therefore quite broad. On the one hand, this concerns the beneficiaries of all URBACT networks and local stakeholders – URBACT Local Group members and elected city officials. On the other hand the target audience also comprises other urban actors such as non-URBACT cities implementing article 9, innovative actions or part of the Urban Agenda for the EU.

3) Ensure that URBACT knowledge and practice is made accessible to urban practitioners and policymakers to feed into regional, national and European urban policies, with a particular focus on the European Urban Initiative and the Urban Agenda for the EU

Based on the proposed distinction between URBACT knowledge sharing actions and those of the EUI, there are two clear and distinct target audiences for sharing knowledge and know-how. To ensure that urban practitioners and policymakers have access to URBACT thematic knowledge:

- a) Cities, urban authorities/policymakers, local practitioners and regional authorities as the target of actions sharing and transferring good practice and project results, in particular those not involved in URBACT networks.

For ensuring that URBACT thematic knowledge feeds urban policies, in particular the European Urban Initiative and the Urban Agenda for the EU:

- b) European Urban Initiative, Urban Agenda governance and partnerships. Through these initiatives URBACT contributes to actions tackling regional, national and European level policymakers involved in sustainable urban development, ‘translating’ for them the content of URBACT networks into relevant policy contributions

2.1.5 Indication of the specific territories targeted, including the planned use of ITI, CLLD or other territorial tools

Reference: Article 17(4)(e)(iv) text field [7000]

The URBACT programme covers the entire territory of the participating countries and is open to cities of all sizes. URBACT specifically supports urban authorities from neighbourhood to functional urban area level depending on the topic covered and the impact that can be made. This includes urban-rural linkages and cross-border functional urban areas.

Supporting sustainable urban development through an integrated, participatory and place-based approach is the core of URBACT IV. However, URBACT IV will support capacity-building, networking, learning and testing, but will not fund implementation of sustainable urban development strategies or action plans directly. Therefore the programme will not use ITI, CLLD or other territorial tools itself.

However, the programme seeks to build the capacity of cities and towns that might use these tools to implement their sustainable urban development strategy (ERDF article 9 and 10 cities). This is done in Action Planning Networks and as part of programme-level capacity building activities. Since the implementation of these tools is often dependent on national or regional

⁴⁶ In the meaning of article 23 of the CPR regulation and article 9 of the ERDF regulation

frameworks, national level events (URBACT National Training Scheme) and National URBACT Points will play an important role.

2.1.6 Planned use of financial instruments

Reference: Article 17(4)(e)(v) text field [7000]

The use of financial instruments is not foreseen.

2.1.7 Indicative breakdown of the EU programme resources by type of intervention

Reference: Article 17(4)(e) (vi), Article 17(9)(c)(v) **to be completed based on approved regulations**

Table 4: Dimension 1 – intervention field

Priority No	Fund	Specific objective	Code	Amount (EUR)
tbc				

Table 5: Dimension 2 – form of financing

Priority No	Fund	Specific objective	Code	Amount (EUR)
Tbc				

Table 6: Dimension 3 – territorial delivery mechanism and territorial focus

Priority No	Fund	Specific objective	Code	Amount (EUR)
tbc				

3. Financing plan

Reference: Article 17(4)(g)

3.1 Financial appropriations by year

Reference: Article 17(4)(g)(i), Article 17(5)(a)(i)-(iv)

Table 7

Fund	2021	2022	2023	2024	2025	2026	2027	Total
<i>ERDF (territorial cooperation goal)</i>	10,729,991	10,944,591	11,163,483	11,386,753	11,614,489	11,846,778	12,083,714	79,769,799
<i>ERDF programmed under Article 17(3) (Investments for Jobs and Growth goal)</i>								
<i>IPA III CBC⁴⁷</i>								
<i>Neighbourhood CBC⁴⁸</i>								
<i>IPA III⁴⁹</i>								
<i>NDICI⁵⁰</i>								
<i>OCTP</i>								
<i>OCTP⁵¹</i>								
<i>Interreg Funds⁵²</i>	10,729,991	10,944,591	11,163,483	11,386,753	11,614,489	11,846,778	12,083,714	79,769,799
Total	10,729,991	10,944,591	11,163,483	11,386,753	11,614,489	11,846,778	12,083,714	79,769,799

⁴⁷ Strand A, external cross-border cooperation.

⁴⁸ Strand A, external cross-border cooperation.

⁴⁹ Strand B and C.

⁵⁰ Strand B and C.

⁵¹ Strand C and D.

⁵² ERDF, IPA III, NDICI or OCTP, where as single amount under Strands B and C.

3.2 Total financial appropriations by fund and national co-financing

Reference: Article 17(4)(g)(ii), Article 17(5)(a) **to be completed following budget approval by MC**

Table 8^B

PO No or TA	Priority	Fund (as applicable)	Basis for calculation EU support (total or public)	EU contribution (a)	National contribution (b)=(c)+(d)	Indicative breakdown of the national counterpart		Total (e)=(a)+(b)	Cofinancing rate (f)=(a)/(e)	Contributions from the third countries (for information)
						National public (c)	National private (d)			
	Priority 1	ERDF ²⁴		79,769,799						
		IPA III CBC ²⁵								
		Neighbourhood CBC ²⁶								
		IPA III ²⁷								
		NDICI ²⁸								
		OCTP Greenland ²⁹								
		OCTP ³⁰								
		Interreg Funds ³¹								
	Total	All funds		79,769,799						

²⁴ When ERDF resources correspond to amounts programmed in accordance with Article 17(3), it shall be specified.

²⁵ Interreg A, external cross-border cooperation.

²⁶ Interreg A, external cross-border cooperation.

²⁷ Interreg B and C.

²⁸ Interreg B and C.

²⁹ Interreg B and C.

³⁰ Interreg C and D.

³¹ ERDF, IPA III, NDICI or OCTP, where as single amount under Interreg B and C.

4. Action taken to involve the relevant programme partners in the preparation of the Interreg programme and the role of those programme partners in the implementation, monitoring and evaluation

Reference: Article 17(4)(h) text field [10 000]

Role of the relevant partners in the preparation and implementation of the cooperation programme

Working in partnership always has been a key feature of the URBACT programme. Principles that need to be taken into account are set out in the European code of conduct on partnership [Commission Delegated Regulation (EU) No 240/2014 of 7 January 2014] that continues to apply, in article 6 of the CPR that sets out minimum requirements and article 28 of the ETC regulation on the role of the Monitoring Committee.

Identifying the relevant partners

The URBACT programme has a wide geographical base covering all Member States and Partner states. This wide coverage requires a coordinated approach to the partnership principle which should operate on several levels:

Programme Level – competent National Authorities / Cohesion policy actors such as the European Urban Initiative (EUI), the European Commission, the European Committee of the Regions, other INTERREG programmes/ other relevant EU level bodies including networks, associations / EU bodies responsible for the application of horizontal principles

National Level – relevant national authorities with competence in sustainable urban development / national representatives of universities, research centres / nationally recognised social partner' organisations / associations of cities and local authorities / nationally recognised business associations / national bodies responsible for the application of horizontal principles

Sub-National Level – regional authorities / managing authorities of European Structural and Investment Programmes/ local authorities / cities / city networks and associations / bodies working in the field of sustainable urban development

Design of the Cooperation Programme

Programming Committee, Task Force and National Points

URBACT IV is being co-designed by the Programming Committee (PC). All Member and Partner States of URBACT III are present in the PC.

PC Members are national or regional authorities for the most part, but also comprises European organisation representing cities such as Eurocities and CEMR, and European institutions such as the European Commission and the Committee of the Regions. The group met several times physically and digitally and documents were placed on the shared work space Basecamp. This shared work space also served as a continuous feedback channel where texts were shared and discussed between meetings.

The meetings of the PC were prepared by the Task Force (TF). Task Force members are the European Commission, URBACT Managing Authority and Joint Secretariat, and the Member States that held the presidency of the Council during the programming period.

National URBACT Points were used to promote the URBACT IV survey among national stakeholders and their comments and suggestions concerning the definition of objectives and actions for URBACT IV were collected.

Specific Tasks for preparing a Cooperation Programme in Partnership

i) Analysis and identification of Needs

Over the period 19 February – 19 March 2020 a survey was launched with questions about cities' challenges and their means to tackle these challenges, ideas for future focus areas and activities for URBACT IV. In the space of one month, the survey gathered an impressive 532 responses from nearly all URBACT member countries. The largest group of responses (322) came from towns and cities. Furthermore, the responses were well spread across cities of all sizes - from towns with less than 20000 inhabitants, to cities of over two million. Other replies came from associations of cities, managing authorities, Member and Partner states, National URBACT Points, regional governments, NGO's, research institutes and universities, private companies and citizens.

ii) Definition of objectives, priorities, actions and indicators

The PC members are responsible for agreeing these aspects.

iii) The allocation of funding

Upon approval of the programme budget the PC decides upon the programme budgetary structure and will outline the amounts of funding to be dedicated to each kind of action.

v) European level consultation

In close coordination with the EUI, EU wide organisations and European Interregional Programmes concerned by the URBACT IV Programme were identified, specifically with the aim to set up and design an URBACT programme that is complementary to other EU-level urban initiatives. An URBACT event was organised 14 January 2021 to consult these partners and to ensure that the programme is addressing their needs as much as possible.

Where necessary Member and Partner States will carry out specific national level consultation exercises in 2021 based on the draft cooperation programme.

Implementation and monitoring of the Cooperation Programme

The Monitoring Committee

The Monitoring Committee (MC) will be set up to ensure clear and transparent arrangements for managing the programme. The MA will aim to promote equality between men and women in this committee. The members of the MC will be made public and each member will be asked to sign a statement relating to confidentiality and conflict of interest. In view of ensuring complementarity with the EUI, the EUI secretariat will be invited to the MC meetings and the URBACT secretariat will be invited to the EUI Steering Committee. Other EU bodies and programmes may be invited to attend as appropriate.

In line with the URBACT III MC Survey realised in September-October 2019, the MA of URBACT IV will strive for better collaboration, interactivity and joint decision making in the MC through co-creation, transparency, adaptability, flexibility and ambition. MC meetings will be designed with space for exchanges on strategic direction and on content related to urban issues with network presentations, in-depth discussions on thematic capitalisation topics, site visits. A good combined use of physical or online meetings, written procedures and exchange on the platform Basecamp is necessary. Shared management means that the MC members have the opportunity to give their own view, not only about URBACT implementation, but also about needs of cities, thematic priorities, programme links with EUI and cohesion policy in their respective countries and at European level.

The MC will agree the rules of procedure which will outline in a clear and transparent manner the internal arrangements for the MC.

Urban dimension of Regional Policy and Coordination with EUI

In the 2021-2027 programming period Cohesion policy will spend a significant percentage of its funding in urban areas with a dedicated percentage (at least 8% of ERDF resources) for integrated sustainable urban development with a decision-making role for urban authorities. These will be article 9 cities⁵³.

The European Urban Initiative established under article 10 ERDF targets cities interested/involved in Cohesion Policy, Art. 9, and in innovative actions, managing authorities, but also URBACT and UAEU cities, and other stakeholders.

Extensive discussions have taken place during the programming phase, bilaterally, and through the Task Forces and Programming Committee to ensure that the activities of URBACT and EUI are complementary. A dedicated coordination mechanism is to be set up between EUI and URBACT to ensure continued coordination and complementarity during the implementation of the programme. The EUI will continue to specifically fund innovative actions. In addition, there will be a broad range of funding opportunities for sustainable urban development strategies. There are the funds and programmes under shared management (ERDF, ESF, EAFRD, EMFF, Interreg, JTF) or direct management such as Horizon Europe or LIFE that can fund different types of investments.

Synergies with other programmes

In addition to the coordination with EUI, URBACT IV will coordinate with the other interregional cooperation programmes Interreg Europe, Interact and ESPON on to share their know-how create synergies for the following actions:

- Bilateral cooperation events (European Week of Regions and Cities, thematic events, etc.);
- Joint capitalisation and dissemination activities;
- Joint exhibitions, workshops, information / awareness-raising actions concerning territorial development.

⁵³ They are so called because they receive European Structural and Investment funding to implement sustainable urban development according to article 9 of the ERDF regulation.

Evaluation of the Cooperation Programme

For the evaluation of the programme an Evaluation Steering Group will be set up. This Steering Group will meet at all the key steps of the monitoring of the evaluation plan. In addition to face-to-face meetings the members of the group will provide feedback on reports, terms of reference etc. The Steering Group will ensure that the interests of all major stakeholders/partners are taken into consideration and that the institutions which might have to act on the recommendations are involved. During continuous evaluations of different elements of the programme URBACT IV will work directly with its urban partners.

5. Approach to communication and visibility for the Interreg programme, (objectives, target audiences, communication channels, including social media outreach, where appropriate, planned budget and relevant indicators for monitoring and evaluation)

Reference: Article 17(4)(i) text field [4500]

This communications strategy outline is designed to help the URBACT programme achieve its overall objective and aims as outlined in 2.1.2.

It will provide a framework for developing more specific communication plans throughout the programme implementation.

Communication objectives

The objectives are designed to cover the full programme cycle, so the importance of one or other objective may be prioritised at a given moment.

1. Raise awareness of programme features to a wide range of (potential) beneficiaries defined in 2.1.4
2. Support beneficiaries and internal stakeholders in implementing and communicating on the actions and results of EU-funded projects
3. To ensure programme calls, results and other relevant information is made available to the widest number
4. To facilitate uptake of URBACT knowledge
5. To ensure a coordinated approach to programme activities and promotion, in particular with the European Urban Initiative

Target audiences

1. Potential beneficiaries (as per 2.1.4 above)
2. Multipliers: partner states, European Commission (communication services), European Urban Initiative, Urban Agenda for EU, European Parliament, Committee of Regions, European networks and organisations, other Interreg programmes, national or regional contact points, associations of cities
3. Governance bodies: Partner states, DG Regio, EUI entrusted entity/secretariat, UDG/DGUM
4. Thematic knowledge organisations at European level (incl OECD and UN Habitat)
5. Wider urban community, incl elected representatives
6. Cohesion Policy stakeholders: managing authorities, cities implementing cohesion funds

The beneficiaries will be supported to communicate directly with their general public. Relevant programme actions will also be open to the general public.

Communication channels

The programme will support a multi-level communication strategy, at European, national and local level. The particularity of URBACT's communication is that some aspects will be developed and delivered with EUI, others with national contact points – who are both targets and channels. The following is a non-exhaustive list of the main communication channels that may evolve throughout the programme lifetime:

- a) Programme website (as required by **Art 44 CPR**), meeting standard criteria for accessibility (e.g. W3C), link with EUI Knowledge sharing platform
- b) Social media channels: based on information available at time of writing the main channels are Twitter, Facebook, LinkedIn and Instagram. The social media mix in particular may evolve significantly according to new developments in tools or user profiles.
- c) Institutional and Public relations, partnerships: establishing mechanisms to coordinate relevant activities and share information with key stakeholders and partners, particularly the EUI secretariat; also other Interreg programmes such as Espon, Interreg Europe and Interact. Cooperation with other organisations operating in Europe and beyond in the area of sustainable urban development.
- d) Events: a mix of physical and online events, in line with the specific event objectives, reach and content. These include major programme events for outreach and knowledge sharing (City Festivals), capacity building events (Summer/e-Universities), trainings, seminars, policy labs, dedicated meetings with lead partners and experts; and events co-organised in the frame of EUI. Participation in external events will also be included in the mix, in particular EU Cities Forum (DG REGIO)).
- e) Publications: print, online, and video productions following the publicity requirements to support the programme's outreach, information, knowledge sharing and capacity building actions. Audio (podcasts) may also be used.
- f) National URBACT points: to reach certain target groups at local level, in national language, and adapt URBACT's communication to different contexts.

As per **article 43 CPR**, the programme will appoint a communication person who will be in charge of the implementation of communication and visibility actions and work closely with the national communication coordinator in France.

Monitoring and evaluation

The programme will establish a dashboard of key performance indicators to monitor the implementation of the communication strategy along the different channels used. Data for evaluation will come from website and social media analytics, surveys and feedback forms, internal statistics.

6. Indication of support to small-scale projects, including small projects within small project funds

Reference: Article 17(4)(new j), Article 24 text field [7000]

Not applicable to URBACT – no small scale projects will be developed.

7. Implementing provisions

7.1. Programme authorities

Reference: Article 17(7)(a)

Table 10

Programme authorities	Name of the institution [255]	Contact name [200]	E-mail [200]
Managing authority	Agence Nationale pour la Cohésion des Territoires	François-Antoine MARIANI	secretariat-dvcu@anct.gouv.fr
National authority (for programmes with participating third countries, if appropriate)	to be communicated by NO + CH with the Agreement		
Audit authority	Commission Interministérielle de Coordination des Contrôles des Opérations cofinancées par les Fonds Européens (CICC)		
Group of auditors representatives	This information is available in the MS agreements attached to the Interreg Programme		
Body to which the payments are to be made by the Commission	<i>decision pending</i>		

7.2. Procedure for setting up the joint secretariat

Reference: Article 17(7)(b) text field [3500]

For the implementation of the programme, the managing authority and the monitoring committee are assisted by a Joint Secretariat (hereinafter referred to as JS) to carry out their respective functions. It cooperates closely with the body in charge of the accounting function.

The JS is set up after consultation with the MS/PS under the responsibility of the managing authority and located in Region Ile de France/France. Given the fact that the JS for URBACT IV will overlap with the JS for UIII there will be continuity in the staff already in post. This provides several benefits to ensure the programme gets off to a quick start, minimising the delays as well as the experience built up by the staff over the current period. Any additional recruitment will respect the EU Regulations in terms of openness, transparency, non-discrimination and equal opportunities and shall be balanced in terms of nationality and gender.

The JS is funded from the technical assistance budget. The JS guarantees the impartiality of the project application and evaluation process. It shall also provide information to potential beneficiaries about funding opportunities under the programme and shall assist beneficiaries in the implementation of operations.

Based on article 45(4) of **Regulation (EU) No XX [ETC]**, the programme Member and Partner States decided that the management verifications (“First level control”) will not be done by the MA/JS, but through the identification by each Member/Partner State of a body or person responsible for this verification on its territory.

Should the MC decide to reimburse part of the project costs through simplified cost options in line with Article 48 of **Regulation (EU) No XX [CPR]**, the MC could, in a separate decision, decide on alternative FLC arrangements, which will be laid down in the description of management and control system.

7.3 Apportionment of liabilities among participating Member States and where applicable, the third countries and OCTs, in the event of financial corrections imposed by the managing authority or the Commission

Reference: Article 17(7)(c) text field [10 500]

Reduction and recovery of payments from beneficiaries

The managing authority shall ensure that any amount paid as a result of an irregularity is recovered from the project via the lead partner. Project partners shall repay the lead partner any amounts unduly paid. The managing authority shall also recover funds from the lead partner (and the lead partner from the project partner) following a termination of the subsidy contract in full or in part based on the conditions defined in the subsidy contract.

If the lead partner does not succeed in securing repayment from another project partner or if the managing authority does not succeed in securing repayment from the lead or sole beneficiary, the EU Member State or third country on whose territory the beneficiary concerned is located is registered, shall reimburse the managing authority based on Article 50 of **Regulation (EU) No XX [ETC]**. In accordance with this article, “once the Member State or third country

reimbursed the managing authority any amounts unduly paid to a partner, it may continue or start a recovery procedure against that partner under its national law". Details on the recovery procedure will be included in the description of the management and control system to be established in accordance with **Article 63 of Regulation (EU) No XX [CPR]**.

The managing authority shall be responsible for reimbursing the amounts concerned to the general budget of the Union in accordance with the apportionment of liabilities among the participating Member States as laid down in the cooperation programme and in **Article 50 of Regulation (EU) No XX [ETC]**.

With regard to financial corrections imposed by the Managing Authority or the Commission on the basis of **Articles 97 or 98 of Regulation (EU) No XX [CPR]**, financial consequences for the EU Member States are laid down in the section "liabilities and irregularities" below. Any related exchange of correspondence between the Commission and an EU Member State will be copied to the managing authority/joint secretariat. The managing authority/joint secretariat will inform the accounting body and the audit authority/group of auditors where relevant.

Liabilities and irregularities

The Member/Partner State will bear liability in connection with the use of the programme ERDF, Norwegian and Swiss funding as follows:

- For project-related expenditure granted to project partners located on its territory, liability will be born individually by each Member/Partner State.
- In case of a systemic irregularity or financial correction (decided by the programme authorities or the Commission), the EU Member State will bear the financial consequences in proportion to the relevant irregularity detected on the respective Member State territory. Where the systemic irregularity or financial correction cannot be linked to a specific EU Member State territory, the Member State shall be responsible in proportion to the ERDF contribution paid to the respective national project partners involved in the programme.
- For the technical assistance expenditure (calculated as a flat rate in accordance with Article 26 of **Regulation (EU) No XX [ETC]**), the above liability principles applicable for project-related expenditure and systemic irregularities / financial corrections may also be applied to TA corrections as they are the direct consequence of project expenditure related corrections.
- If the managing authority/joint secretariat, the accounting body, any EU Member State or Partner State becomes aware of irregularities, it shall without any delay inform the liable EU Member State or Partner State and the managing authority/joint secretariat. The latter will ensure the transmission of information to the liable EU-Member State or Partner State (if it has not been informed yet directly), the accounting body and audit authority or group of auditors, where relevant.
- In compliance with **Annex XX** referred to in **Article 63 of Regulation (EU) No XX [CPR]**, each EU Member State is responsible for reporting irregularities committed by beneficiaries located on its territory to the Commission and at the same time to the managing authority. Each EU Member State shall keep the Commission as well as the managing authority informed of any progress of related administrative and legal proceedings. The managing authority will ensure the transmission of information to the accounting body and audit authority.

- If a Member/Partner State does not comply with its duties arising from these provisions, the managing authority may suspend services to the project applicants/partners located on the territory of this Partner State. The Managing Authority will send a letter to the Member/Partner State concerned requesting them to comply with their obligations within 3 months. If the concerned Partner State's reply is not in line with the obligations, then the MA will propose to put this issue on the MC agenda for discussion and for decision.

8. Use of unit costs, lump sums, flat rates and financing not linked to costs

Reference: Articles 88 and 89 CPR draft regulation

Table 11: Use of unit costs, lump sums, flat rates and financing not linked to costs

Intended use of Articles 88 and 89	YES	NO
From the adoption programme will make use of reimbursement of eligible expenditure based on unit costs, lump sums and flat rates under priority according to Article 88 CPR (if yes, fill in Appendix 1)	<input type="checkbox"/>	<input type="checkbox"/>
From the adoption programme will make Use of financing not linked to costs according to Article 89 CPR (if yes, fill in Appendix 2)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

APPENDICES

Appendix 1. Map of the programme area

Not applicable to Interreg C programmes

Appendix 2. Union contribution based on unit costs, lump sums and flat rates

Appendix 3. Union contribution based on financing not linked to costs