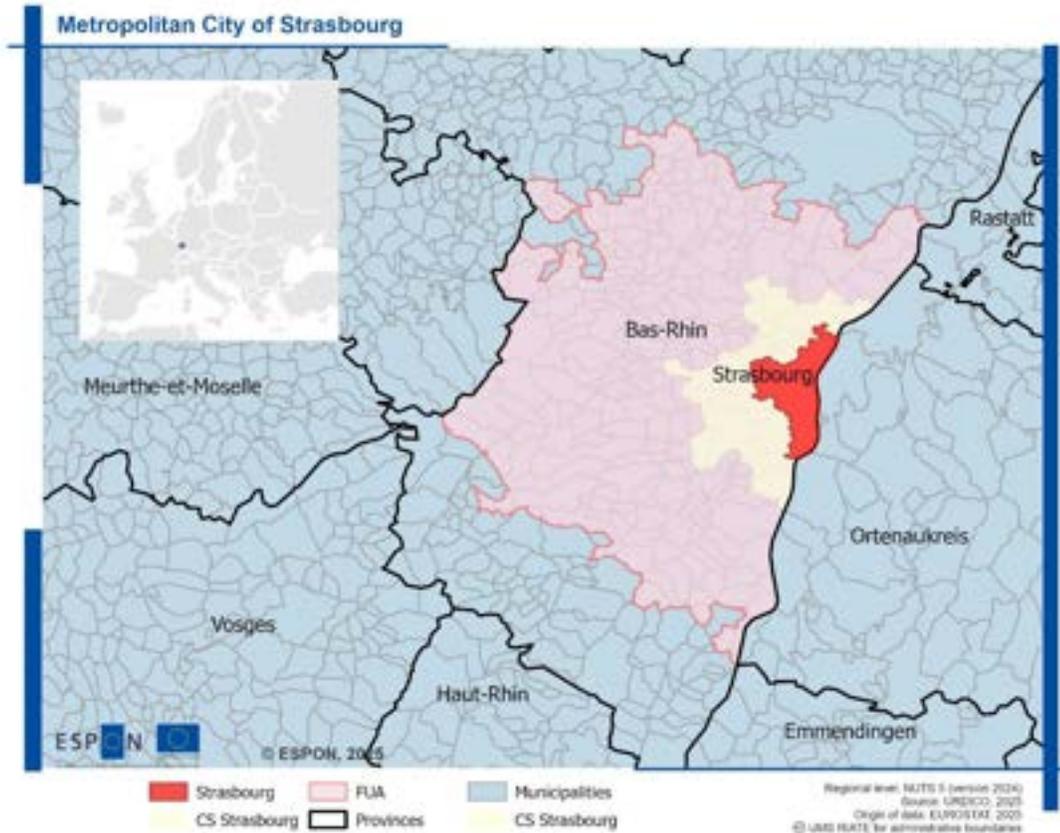


Urban structure and governance of Cohesion Policy



- A grouping of **33 communes**, with a long experience (created in 1967 by the state)
- Since January 1, 2015: a *métropole*. The current **metro council and executive** stem out of the municipal elections held in 2020.
- EMS manages the **most important public functions**: housing, urban planning, economic development, culture, environment, urban transports...
- Since 2002, EMS has received a **full delegation for managing ERDF and ESF**. This is was a **unique case in France until 2021**.
- For the 2021-2027 period, the **ITI** amounts to **15.1 M€**

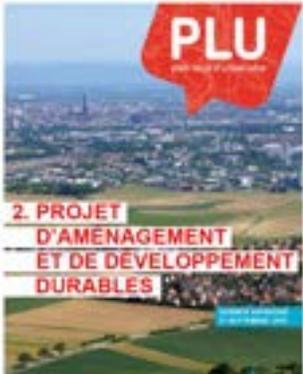


	EMS	FUA	EMS in FUA
Area (sq.km)	338	2 227	15%
Population (2022)	517,386	864,993	60%

ig N1

Cohesion Policy contributions to city long-term agendas

Statutory spatial plans aim at ecological and energy Sustainability



New era...

« together, we need to enter an era in which the **urgency of climate change** becomes the **central matrix** of EMS' public policies »

Ms Pia IMBS, President of EMS
15 July 2020



Committee meeting N1

New type of plan...

pacte pour une économie locale durable

How: developed with economic actors

Aims:

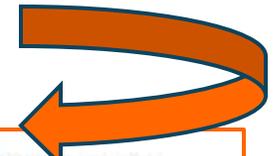
- to scale up ecological transition efforts already underway
- to achieve a development that integrates ecological, economic, and social issues

What for:

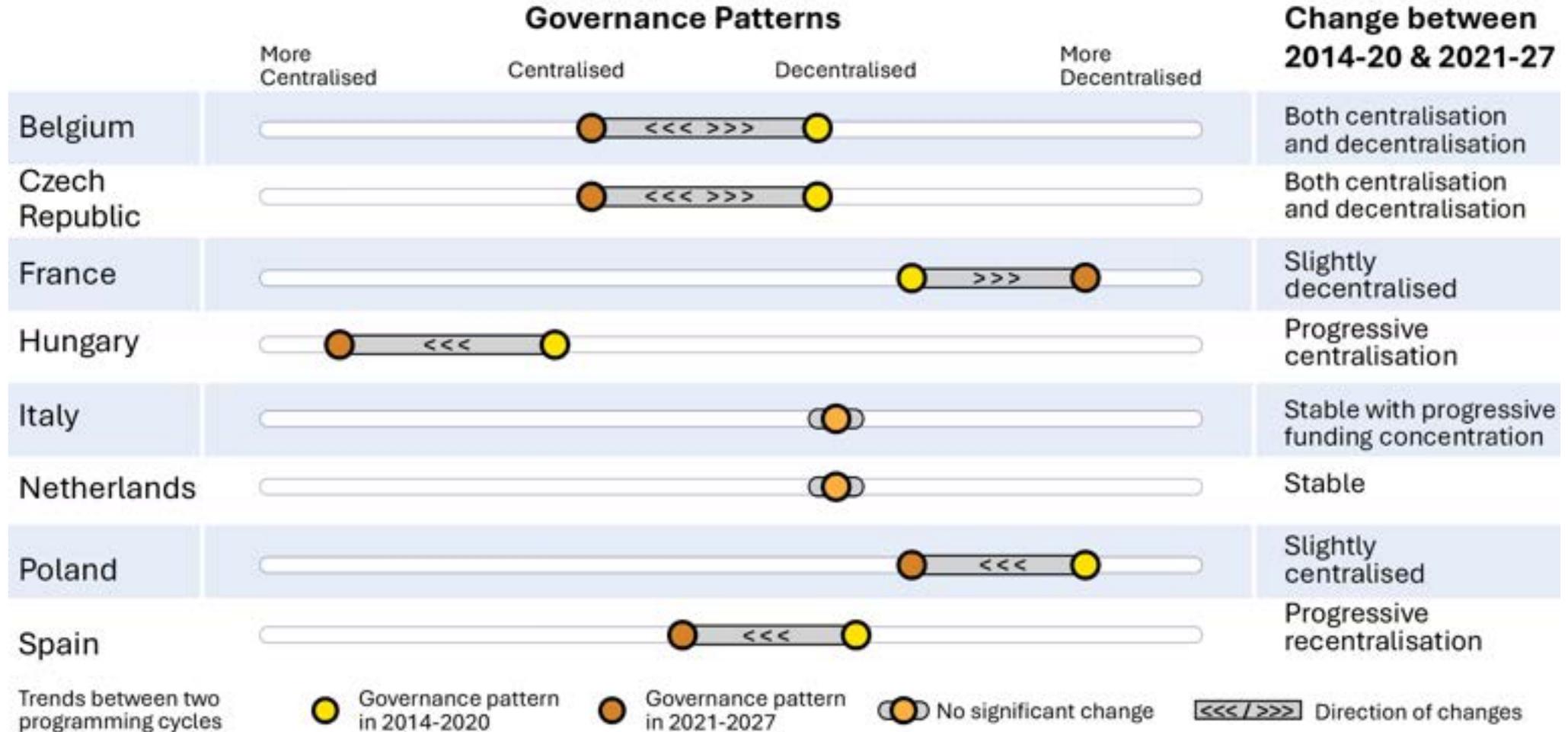
- a shared roadmap for economic actors
- the backbone of the ITI 2021-2027

INVESTISSEMENT TERRITORIAL INTEGRE

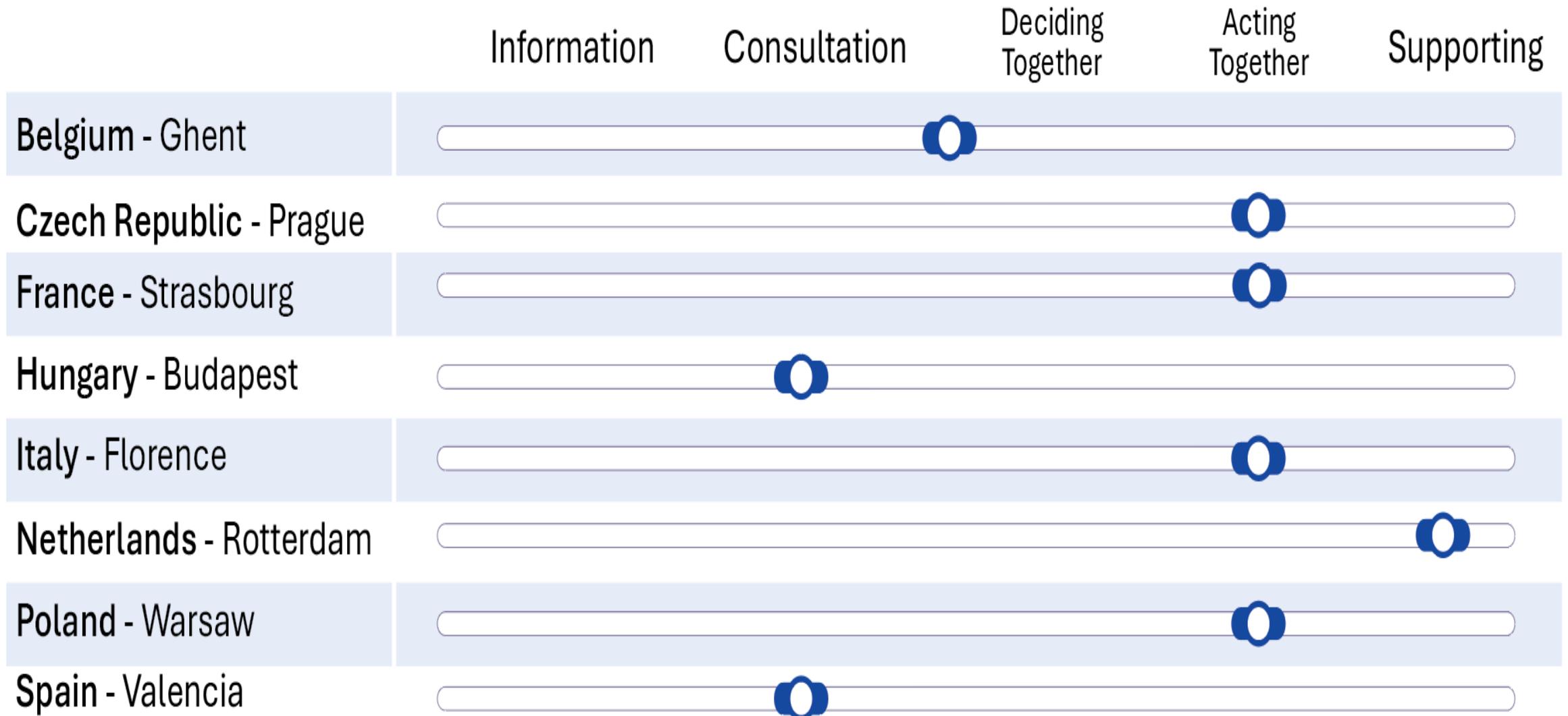
AU SERVICE DE LA STRATEGIE POUR UNE ECONOMIE LOCALE ET DURABLE DE L'EUROMETROPOLE DE STRASBOURG



Changes in National Cohesion Policy approaches



The different involvement of cities



Cities' role in the governance of Cohesion policy

Case Study	2014–2020 Role	2021–2027 Role
Budapest	Beneficiary as part of a region	Formally a NUTS 2 region, beneficiary of (very limited) funding
Florence	Intermediate Body for NOP Metro; active in EU projects	Continued IB role under Metro Plus; expanded scope
Ghent	Flexible beneficiary of Flemish ERDF; strategic autonomy	Co-steering role in ITI ; key role in urban innovation
Prague	Managing Authority of local OP; ITI leader	Lost MA status in OP; retains ITI coordination
Rotterdam	MA for ERDF; involved in national/EU coordination	MA for ERDF; IB for JTF; strategic leadership
Strasbourg	Delegated MA for ITI (ERDF + ESF); strong local coordination	Maintains delegated role; increased integration
Valencia	Late/limited beneficiary; low absorption	New coordination unit; ERDF and RRF uptake
Warsaw	Intermediate Body for ITI; key strategic actor	Lost IB status, Strategic leader in metropolitan governance

Cities' administrative capacity

Multilevel Governance

National & Regional authorities act as **gatekeepers** because most EU funds are channelled through them.

- In **centralised systems (*Budapest and Prague*)** the **national government** controls almost all decisions; while in the case of ***Warsaw***, even though the system is decentralized, the Ministry of Funds has a dominating role
- In **multilevel systems**, **different** bodies mediate access:
 - In ***Ghent, Florence, and Valencia*** **regional governments** are actively taking roles for the management of funds. In Ghent the national level has no role.
- Being Managing Authorities creates **exemptions**:
 - In the case of ***Rotterdam***, management of funds depend on the programme

Strasbourg is a unique example of multilevel governance, marked by effective co-funding, delegated responsibilities, and strong coordination

These dynamics also impacts **cities' roles** in the implementation of Cohesion Policy:

- **Strong roles:** Rotterdam and Strasbourg are manager in some funds
- **Moderate roles with being implementers:** Florence, Ghent, Warsaw, Prague
- **Limited Roles:** Budapest, Valencia

Name of the city	Governance Type	Gatekeeper	City Role
Budapest	Highly centralized, politicised	Central government	Weak implementer
Florence	Constructive but top-down	A connubium between Tuscany Region/Central state	Implementer with growing coordination (Intermediate Body)
Ghent	Regionally devolved, partial co-steering	Flemish Region (VLAIO)	Implementer (co-steering role of ITI)
Prague	Centralized at national level with metropolitan for SUD delivery through the ITI instrument	Central government	MA in city OP in 2014-2020, ITI holder in both periods
Rotterdam	Mixed, programme-dependent	National government (ESF, JTF)	IB/MA in some funds, dependent in others
Strasbourg	State-centred with some exceptions	Regional + National MAs	Delegated fund manager (ITI)
Valencia	Regionalised but fragmented	GVA + Spanish Government	Weak strategic influence
Warsaw	Formally multilevel, functionally centralised	Ministry of Funds	Implementer - ITI

3. Beyond ESIF: EU funds directly accessible for cities

- Cities are also benefitting from sources which are **outside the mainstream Cohesion policy funding**, for example the Horizon Europe, Life, UIA/EUI programmes as **direct**, while Interreg as **shared management** programmes.
- Most of these research and innovation projects are **directly allocated** by the European Commission and might have **clear impact** on improving the innovation and competitiveness capacity of the cities, testing solutions that might later be mainstreamed.
- The **EUI is a good example** of a more direct way of providing financial support to cities, promoting innovative actions.



Ghent ICCARus project: concept of rolling fund tested in UIA and mainstreamed to ERDF

Source: https://ec.europa.eu/regional_policy/projects/projects-database/innovative-belgian-funding-scheme-helps-vulnerable-homeowners-renovate-their-houses_en



Budapest is very active and successful in obtaining direct EU funds, which are **essential but can not replace the missing mainstream cohesion funding**. These projects allow the city to experiment with innovative solutions and **employ highly skilled planners who would otherwise leave the city hall in the lack of EU projects**.

The **Affordable Housing for All (AHA) project** receives a 5 million euro grant from the European Urban Initiative (EUI). About half of this will be allocated to the Demo Hub building in Újpest, which is an educational institution. The **old school**, staying vacant since 2007, **will be transformed into a new, modern, low-energy and attractive residential building, where 26 families will move in by 2026**. This demo site in Újpest will serve as an example for the **reuse of another 15 unused public buildings** owned by the capital city.

Recovery and Resilience Plan

Case Study	RRF Planning Involvement	Implementation Role	Direct Funding Received	Observations
Budapest	✗ Limited (excluded from plan design)	✗ Minimal involvement	✗ €25M (0.5% of NRRP) Commission intervention	Governance is highly centralised, EU funds blocked
Florence	✓ excluded from the design but consulted	✓ Active role in implementation	✓ Significant funding for local projects	implementer
Ghent	✗ No involvement	✗ Indirect via federal railway plan	✗ None	RRF had negligible impact at local level
Prague	✗ Limited consultation	✗ Indirect (no local creation)	✗ None specific to co-city	Duality with CP delivery, more emphasis on innovative projects
Rotterdam	✗ Limited consultation	✗ Indirect (no local creation)	✓ Re-labeled national co-funding	High absorption, low innovation, limited added value
Strasbourg	✗ Informative consultation only	✓ Beneficiary role	✓ Indirect via regional calls	RRF merged with national funds, low visibility
Valencia	✗ Centralised management	✓ Via PERTEs and regional instruments	✓ Partial access (via PERTEs)	Complex procedures, potential for local innovation
Warsaw	✗ Centralized management	✓ Beneficiary role	✓ moderate budget	Centralized system, evolving priorities

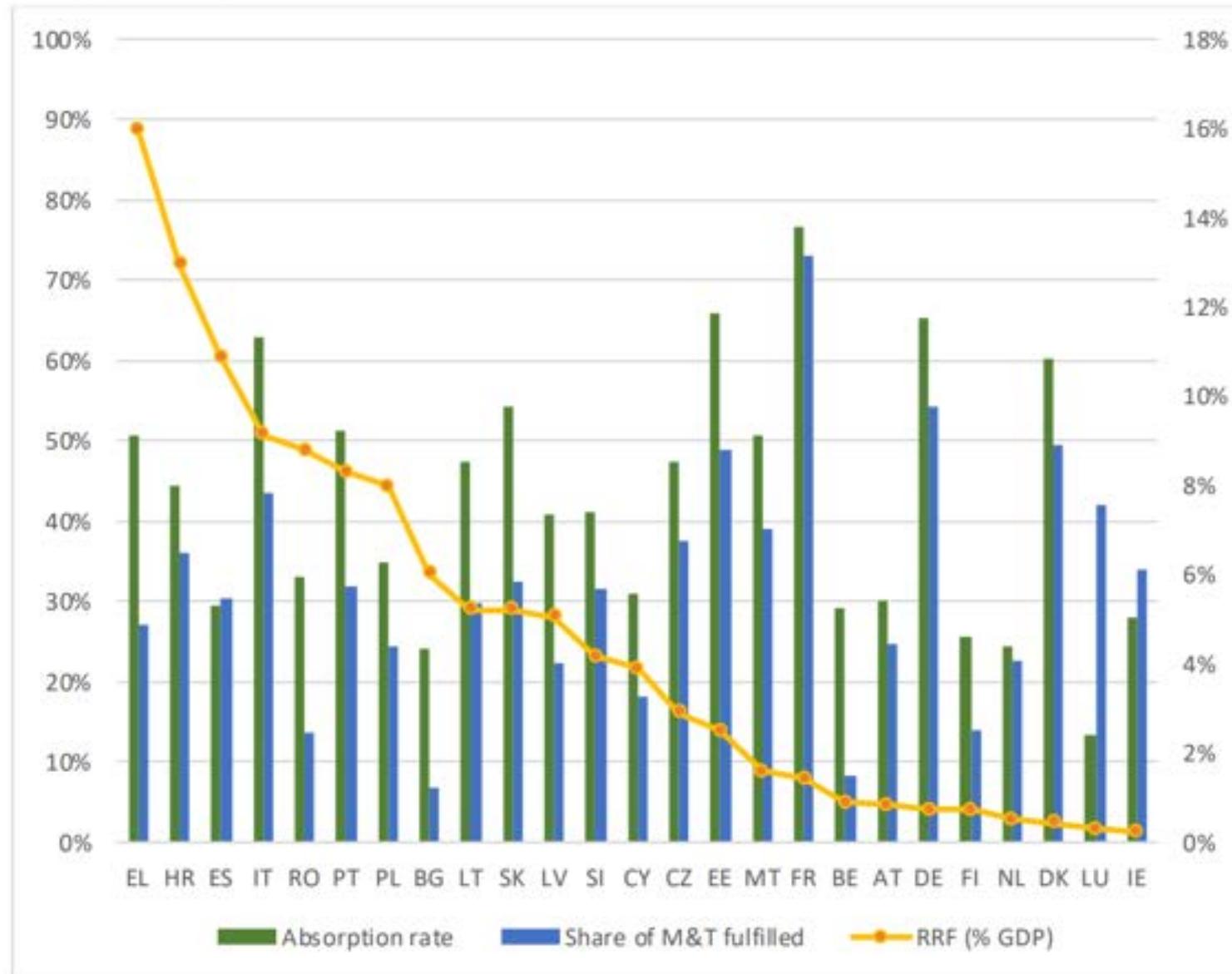
The RRF has demonstrated the **potential to act as a powerful catalyst for urban transformation**, especially when governance mechanisms enabled local authorities to play an active and strategic role.

However, **its implementation has been uneven, with clear disparities in both financial intensity and governance inclusiveness**. The comparative evidence points to the emergence of distinct patterns

- **proactive systems with strategic use of funds**
Florence, Valencia
- **targeted but centralised implementation**
Rotterdam
- **constrained or symbolic involvement**
Strasbourg
- **outright exclusion or lack of transparency**
Budapest, Ghent, Prague, Warsaw

These differences highlight the importance of **empowering urban authorities in future recovery frameworks and ensuring systematic transparency in the allocation of funds and the monitoring of their impact**.

Figure 1. RRF absorption rates and completion of milestones and targets (M&T, left axis), RRF as a share of GDP (right axis)



Source:
[https://www.europa.eu/regional/eu/RegData/etudes/IDAN/2025/764350/ECTI_IDA\(2025\)764350_EN.pdf](https://www.europa.eu/regional/eu/RegData/etudes/IDAN/2025/764350/ECTI_IDA(2025)764350_EN.pdf)

Source: EGOV elaboration based on European Commission's RRF Scoreboard and Eurostat. GDP figures are provided for 2023. Cut-off date: 25 March 2025.

4. URDICO results and their relevance for the debate about the 2028-34 MFF

- The URDICO research proves that **decentralisation** works better than centralisation; the **partnership principle and subsidiarity allow cities to become active participants** in the CP, which leads to **better results**.
- In many cases national authorities reject decentralization with the argument that there is no sufficient management capacity at the local level. URDICO proves that this is not the case, **cities are able to become reliable partners in CP programming and implementation**.
- The conditions for that are **supportive MLG framework, dedicated EU funding and also access to TA resources** (Rotterdam, Strasbourg, Firenze or Prague within URDICO). In such cases cities have **good capacities to take more direct responsibilities** (MA, IB, etc) in CP planning and implementation.

The 2028-34 MFF: a different era for Cohesion Policy?

- The new MFF proposal has **some positive elements**: a simplification of programmes, a more flexible approach to choose priorities, and it keeps the right words such as partnership and multi-level governance.
- However the **positive multi-level governance context does not seem to be grounded by a strong legal framework from the side of the EU**. There is a big danger that the purely nationally driven investments might be suboptimal and **reverse the results achieved in the last 14 years** in strengthening the political role and technical capacities of cities and urban areas.
- Therefore the new MFF proposal **should be changed substantially**.

Suggestions to revise the 2028-34 MFF proposal in order to optimally utilize the role of cities

- The **role of cities and regions should be strengthened in the NRPP**, with clear statements how cities and regions should be included in the **conceptualisation, drafting and implementing** phases, in order to achieve a more coherent approach in urban matters.
- **Urban earmarking principles should be maintained.** Too much flexibility without a 'stick' will reduce the role of cities in CP. Besides that, the **more direct ways** of providing financial support to cities should be **enlarged**.
- The **direct and formalised role of cities (urban areas)** should not merely be suggested but explicitly defined and required both in the MFF and in the regulatory framework governing the ERDF. More **strict rules should oblige Member States to include territorial (and urban) actors in concrete ways.**

The lack of **strong and legally enforceable guarantees to support partnership with urban actors** would go against the traditional strategic approach of Cohesion policy, destroying the positive results Cohesion policy achieved since 2014, **disabling the innovative contribution of cities and urban areas to European development.**

ESPON URDICO

Thank you !

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