Annex I b

Description of the Action: the European Urban Initiative (EUI)

Annex I b) to the Contribution Agreement

The purpose of Annex 1 b is to give an overview of the content of the Action, i.e. the European Urban Initiative (hereinafter 'EUI'), the pursued objectives and underlying intervention logic, as well as an indicative list of indicators proposed to measure progress, outputs and results. It is conceived as a management tool, at the attention of the Entrusted entity and of other stakeholders involved in the EUI governance (see Section 5 of the annex). Annex 1 b may evolve in view of the implementation needs and in the light of the experience gained over time. To this end, the European Commission can decide to amend unilaterally Annex I b and will inform accordingly in writing the Entrusted Entity and members of the EUI Steering group. Annex 1 b should not be read as an exhaustive, definitive, static, and necessarily binding presentation of all objectives, actions and indicators. These will also depend on the agreed priorities and on the outcomes of governance processes, notably the adoption of EUI annual Work Programmes referred to in Article 7.1.1. i) of the Special conditions that remain to be activated in the frame of the EUI's indirect management along the general content presented below.

Glossary

Article 7 cities	Article 7 cities refer to the cities that are implementing sustainable urban development in the meaning of Article 7 of the ERDF Regulation in the 2014-2020 period
Article 11 cities	Article 11 cities refer to the cities that are implementing sustainable urban development in the meaning of Article 11 of the ERDF/CF Regulation in the 2021-2027 period
DGUM	Directors-General on Urban Matters (of the EU Member States)
ERDF	European Regional Development Fund
ERDF/CF	European Regional Development Fund/Cohesion Fund
ESPON	European Territorial Observation Network
ETC	European Territorial Cooperation
EUI	European Urban Initiative
EUI-IA	European Urban Initiative-Innovative Actions
MA	Managing Authorities
SUD	Sustainable Urban Development
UAEU	Urban Agenda for the EU
UCP	Urban Contact Point (of the EUI)
UDG	Urban Development Group
UDN	Urban Development Network
UIA	Urban Innovative Actions (in the 2014-2020 period)

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SECTION 1 – BACKGROUND AND OBJECTIVES

1.1. Background of the EUI

Europe is facing a number of sustainability challenges and transitions – the health crisis and its consequences, societal inequalities and the demographic change, climate and environmental challenges, as well as the digital revolution and rapid technological changes. These transitions are tackled at several policy levels but cities appear the drivers of sustainable development in Europe. To address these complex challenges, an integrated, place-based and participatory approach is required. Cities are places where all the challenges are coming together and where new solutions can be tried and tested in ways that make a difference to people. Urban policymakers and practitioners, as well as citizens in the society as a whole, need support to act and enable the necessary transitions towards sustainable, fair and liveable future for our cities and citizens.

The EU Cohesion policy has a strong sustainable urban development dimension. In the 2014-2020 period, some EUR 115 billion from the Cohesion policy funds were invested in cities. Of these, EUR 17 billion was implemented locally through more than 980 sustainable urban development strategies managed directly by urban authorities. In parallel with these significant urban investments, the Urban Innovative Actions (UIA) initiative provided direct support for cities to experiment with novel innovative ideas. The Urban Development Network (UDN) was set up with the mission to support the dialogue and information exchange between the 'Article 7 cities', Urban Innovative Actions cities and the European Commission (hereinafter 'the Commission'). The URBACT III programme built the capacities of cities to work together and develop integrated solutions to common urban challenges by transnational networking, learning from experiences and identifying good practices to improve sustainable urban development policies and strategies.

For the period 2021-2027, the urban dimension of Cohesion policy has been even strengthened. The five Policy Objectives of Cohesion policy focused on Smarter, Greener, More Connected and More Social Europe as well as a Europe closer to Citizens will mobilise substantial investments in urban areas. A minimum 8% of the ERDF resources in each Member State must be invested in priorities and projects selected by cities themselves and based on their own sustainable urban development strategies. The new Policy Objective 'a Europe closer to Citizens' has been introduced to the main policy framework as an enhanced commitment to integrated territorial development and includes a specific objective to foster sustainable urban development. It provides local actors with opportunities to take the lead in identifying and addressing their diverse challenges, and above all, to tap into their local development potentials. The reinforced sustainable urban development dimension of Cohesion policy shows the conviction of the EU that cities have to be involved in the design and implementation of policy responses to their local challenges.

The Pact of Amsterdam, signed in 2016, launched the Urban Agenda for the EU (UAEU) in the frame of intergovernmental cooperation on urban matters. The New Leipzig Charter was adopted in November 2020 and puts forward a revised vision for sustainable urban development in Europe with the emphasis on the transformative power of cities for the common good. This is to be achieved through actions taken within the three thematic dimensions of the Charter – 'Just, Green and Productive Cities' – as well as through one cross-sectoral dimension of the Charter 'Digitalisation' - that are implemented in a format of multi-level governance. The UAEU is considered as a key vehicle for the implementation of the New Leipzig Charter. The Ljubljana Agreement, adopted in 2021, outlines the renewed framework of the UAEU and is accompanied by a Multiannual Working Programme for 2022-2026.

Complex challenges and transitions cannot be solved without strong capacities and innovative thinking at all levels of policy and action, and in particular, at local level. Cities need support in the strategy and policy design and in the implementation in an integrated and participative way. Cities need to be more innovative and develop new models for the resilient, sustainable and inclusive urban life in the future. New forms of governance need to be promoted between all levels of governance, and also

through cooperation between urban and rural areas based on the functional area approach and through involving citizens in the policymaking by bringing closer citizens and local administrations.

It is in this context that the Cohesion policy legislative package for 2021-2027 includes the establishment of a European Urban Initiative (EUI). This novel initiative is an essential tool to support cities of all sizes, to build capacity and knowledge, to support innovation and develop transferable and scalable innovative solutions to urban challenges of EU relevance. As the EUI shall support the UA EU, and in addition, it may support the intergovernmental cooperation on urban matters[1] as well, the initiative is also regarded as a concrete EU contribution to multilevel governance and the intergovernmental cooperation in Europe.

1.2. Overall objectives of the EUI

The legal basis of the European Urban Initiative is included in Article 12 of Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund[2] (hereinafter 'the ERDF/CF Regulation') that provides for the main content and strategic framework of the initiative. The overall objectives of the EUI are (i) to strengthen integrated and participatory approaches to sustainable urban development, and (ii) to provide a stronger link to EU policies, and in particular to Cohesion policy. The initiative is aimed to offer coherent support to cities to overcome the current fragmented landscape of manifold initiatives, programmes and instruments in support of cities under Cohesion policy.

As part of its strategic approach, the EUI shall cover all urban areas, including large, small and medium-sized cities ('cities of all sizes') as well as functional urban areas. It shall support the Urban Agenda of for the EU, and upon request from one or more Member State(s), the EUI may support the intergovernmental cooperation on urban matters. In this context, the goal is to generate additional effective interconnections and synergies between the activities of the EUI and of the UAEU and the intergovernmental cooperation.

1.3. Specific objectives of the EUI

The European Urban Initiative includes two strands: (a) support of innovative actions, and (b) support of capacity and knowledge building, territorial impact assessments, policy development and communication.

The specific objectives of the strand (a) support of innovative actions are:

(i) To identify and support *the testing of transferable* and *scalable innovative solutions* to address issues relating to sustainable urban development at Union level[3];
(ii) To collect and share *results from experimentations* and support *transfer activities,* in view of *fostering innovation capacities* and *knowledge building* for all EU urban areas and mainstreaming innovative solutions in sustainable urban development, under Article 11 of the ERDF/CF Regulation and beyond.

The specific objectives of the strand (b) support of capacity and knowledge building, territorial impact assessments, policy development and communication are:

Capacity building part (sub-strand b.1)

(i) To improve *the capacities* of cities in the design of sustainable urban development policies, strategies and practices in an integrated and participative way;
(ii) To improve the *design and implementation* of sustainable urban development policies, strategies and action plans in cities.

[1] Upon request from one or more Member States and within the limits of EUI resources
[2] OJ L 231, 30.6.2021, p. 60
[3] Recital (49) of the ERDF/CF Regulation (see Article 12 in annex 1)

Knowledge building, territorial impact assessments, policy development and communication part (sub-strand b.2)

(i) To develop into *the knowledge base* in support of better sustainable urban development policy and strategy design, implementation and mainstreaming;
(ii) To ensure *easier access* to *horizontal* and *thematic knowledge* and *share knowhow* on sustainable urban development;
(iii) To support *the Urban Agenda for the EU*, and upon request of Member State(s), to possibly support *the intergovernmental cooperation* on urban matters.

When designing, initiating and implementing activities of the EUI to reach its specific objectives, **the underlying principle is to create an effective value-chain** to support innovation, cities' capacity, and knowledge building, capitalisation as well as communication and dissemination for evidence-based policy making on sustainable urban development, involving the two strands (a) and (b). This will result in stronger coordination, synergies and complementarities between the urban support tools of Cohesion policy and beyond for the benefit of cities in Europe (see section 2.1.).

1.4. Crosscutting issues of the EUI

Activities of the European Urban Initiative will be guided by the societal challenges in the overall European policy context and global agendas. In this section, an insight is given into such crosscutting issues[4].

The Cohesion policy regulatory framework includes a number of crosscutting issues in the area of sustainable urban development that need to be considered for the implementation of the EUI across its different work streams. As activities implemented by the EUI contribute to sustainable urban development under Cohesion policy, the initiative will incorporate the corresponding principles into its approach, i.e. the principles of integrated, participative and place-based development of cities. According to the Article 11 of the ERDF/CF Regulation on sustainable urban development, integrated territorial development will be supported to tackle the economic, environmental, climate, demographic and social challenges faced by urban areas. These societal challenges will guide the focus of the EUI.

Concerning the societal challenges, as specified in the Article 11 of the ERDF/CF Regulation, special attention will be given to tackling environmental and climate challenges, notably the transition towards a climate-neutral economy by 2050, and to harnessing the potential of digital technologies for innovation purposes. The EUI will contribute to these specific challenge areas. In this context, the support for the development of functional urban areas will be central, while taking into account the promotion of urban-rural linkages. Special attention will be given to small- and medium-sized cities, as the EUI shall cover all urban areas and will therefore provide support to cities of all sizes. These issues constitute the specific aspects on which the EUI will focus when tackling the societal challenges.

Activities implemented by the EUI will contribute to the five Policy Objectives of Cohesion policy[5], and in particular, to the new Policy Objective 5 'a Europe closer to citizens by fostering the sustainable and integrated development of all types of territories'. This Policy Objective will be central for the EUI, as it fosters under its first specific objective the integrated and inclusive social, economic and environmental development, culture, natural heritage, sustainable tourism, and security in urban areas. Support under the Policy Objective 5 shall be provided through territorial and local development strategies. This Policy Objective constitutes an enhanced commitment to respond to the

[4] This section is not intended to be an exhaustive overview of a landscape of EU policies, initiatives and programmes in which the EUI will operate but rather to give pointers of the issues involved. Annual EUI Work Programmes will include introductory sections of crosscutting issues to be considered across the implementation of EUI activities in each given year.
[5] See Article 3 in annex 1

needs of citizens across European territories and cities as it will offer local actors opportunities to address their diverse challenges, and above all, to tap into their local development potentials.

Beyond Cohesion policy, activities implemented by the EUI will contribute, in particular, to the following EU and/or inter-governmental policies, strategic initiatives and programmes:

- The EU strategic objectives[6]. These include the 'European Green Deal', the 'Digital Future', the 'Economy that works for people', the 'Promotion and strengthening of our European way of life', the 'Role of Europe globally', the 'Giving of a new push for European democracy' as well as the recovery from the COVID-19 pandemic. In this context, the EU's twin transition aimed at greening and digitalisation of our societies will be of particular importance for the EUI as local governments have important roles in these two domains and can realise ambitious measures for a more sustainable future. Another central priority for the EUI will be the 'Economy that works for people' as jobs and local economy are of utmost importance for the sustainable future of cities. Concerning the recovery from the COVID-19 pandemic, the Recovery and Resilience Facility - the centrepiece of Next Generation EU - is designed to help the EU emerge stronger and more resilient from the crisis, and to help shape the right policy measures for the post-pandemic world. As cities have taken a heavy toll during the crisis, the recovery and its support measures will feature across the EUI activities. In this context, a special focus will be on a 'just transition' to ensure that while recovering from the crisis and transforming our European societies towards climate neutrality and digital, no region, city or town will be left behind.
- The pertinent EU strategic initiatives and programmes that contribute to the EU strategic objectives. The EUI will seek complementarities and synergies with all the relevant EU initiatives and programmes such as the 'green urban initiatives' contributing to the implementation of the European Green Deal.
- Territorial impact assessments (TIA). In this context, the underlying principle is that the EUI will build on the existing TIA tools rather than will invest efforts in developing new tools[7]. The overarching ambition is that the TIA activities will contribute to promoting urban-rural linkages within functional urban areas[8]. As concerns the EUI support to the UAEU and intergovernmental cooperation on urban matters, TIA could be proposed among the specific support areas for the intergovernmental actors. Moreover, the TIA activities of the EUI will contribute to intergovernmental territorial cooperation[9]. Interconnections need to be established between the TIA activities of the EUI and the pertinent European Commission services and programmes (especially the Secretary-General, the Joint Research Centre ESPON), the Territorial Agenda 2030 and the European Committee of the Regions.
- The New Leipzig Charter[10], and to the extent possible to its Implementing document adopted in November 2020. The Charter puts forward a revised vision for sustainable urban development in Europe and considers the Urban Agenda for the EU as a key vehicle for its implementation. The Charter places the emphasis on the transformative power of cities for the common good. This is to be achieved through actions taken within the three thematic dimensions - 'Just, Green and Productive Cities' - as well as through one cross-sectoral dimension 'Digitalisation' that are implemented in a format of multi-level governance. The Charter enshrines the five EU principles of good urban governance that comprise 'policy for the common good', 'integrated approaches', 'multi-level governance', 'place-based

[6] The priorities of the European Commission in 2019-2024 as well as the priorities of the next Commission in 2025-2030

[7] TIA activities of the EUI will build on the European Commission's Better Regulation Toolbox, and in particular, on its toolbox 33 providing an overview of how to assess territorial impacts and existing tools in this area (https://ec.europa.eu/info/sites/info/files/better-regulation-toolbox.pdf)

[8] In this context, cooperation with the European Network for Rural Development could be sought

[9] One of the Territorial Agenda 2030 pilot actions will focus on 'Understanding how sector policies shape spatial (im)balances: Region-focused Territorial Impact Assessment' and is aimed at exploring how one or several policies affect a selected number of places, e.g. urban, rural, declining or cross border areas

[10] https://ec.europa.eu/regional_policy/en/newsroom/news/2020/12/12-08-2020-new-leipzig-charter-the-transformative-power-of-cities-for-the-common-good

approaches' and 'participation and co-creation'. The Implementing document of the Charter operationalises and links the strategic principles of the Charter with the continuation of the UAEU and calls on the Commission in the area of support. In this context, the document welcomes "*the European Urban Initiative under Cohesion Policy as an instrument to support the Urban Agenda for the EU and the inter-governmental cooperation on urban matters, and to strengthen integrated and participatory approaches and their sustainability as well as to foster coherence between EU policies, programmes and initiatives in the area of sustainable urban development*". The document calls on the Commission "*to continue facilitating the implementation of the Urban Agenda for the EU through the provision of support of the European Urban Initiative, in close cooperation with the Member States and by ensuring the engagement of the relevant Directorates-General in the process*". In this framework, the activities of the EUI will be guided by the Ljubljana Agreement and its Multiannual Working Programme that were adopted in November 2021 and that provide parameters for the next phase of the Urban Agenda for the EU[11].

- The UN Sustainable Development Goals (SDGs) of the 2030 Agenda[12], and in particular, the Goal 11 'Make cities inclusive, safe, resilient and sustainable'. In line with the Article 12 of the ERDF/CF Regulation, special attention will be given to the challenges of 'localising' the SDGs on the ground across EU cities and regions, in particular, regarding capacity building and strategic correlations between Cohesion policy, SDGs and the key principles laid out by the New Urban Agenda[13].

1.5. Design process of the EUI

The design process of the EUI started in 2018 with the publication of the Cohesion policy legislative proposals for 2021-2027. In March 2019, the Commission published an 'Explanatory Memo on the EUI'[14] that described the planned intervention logic and the governance structure of the initiative as proposed by the Commission at the time. Further to its publication, the Memo was disseminated to a wide urban stakeholder community at European, national and local levels.

In 2019-2020, the Commission continued its preparatory activities of the EUI together with the main stakeholders. An external Expert was appointed for the period of 15 months to assist the Commission in the designing of the EUI. The Expert's work focused on the further development of the EUI intervention logic as presented in the Explanatory Memo. The 'EUI Expert Working Group'[15] was established in 2019 to support the Commission in the design of the EUI. The Expert Working Group convened four times in 2019-2020. During that time, in the centre of the group's expertise provision was the further refinement and validation of the EUI intervention logic together with the Commission.

In addition, the Commission launched a mid-term assessment study of the Urban Innovative Actions (UIA) 2014-2020 in January 2020 to undertake a first assessment on the performance of the initiative. The purpose of the study was to assess whether the initiative is achieving its goals and to analyse how it can be improved and/or simplified in view of its renewal as a central component of the EUI strand (a) support of innovative actions. The external Consultant completed the study in December 2020[16]. It points out to a number of areas where the reform of the UIA model, as strand (a) of the EUI[17] should concentrate: a closer definition of impacts and of types of innovation targeted; a stronger focus on

[11] https://ec.europa.eu/regional_policy/en/newsroom/news/2021/11/29-11-2021-ljubljana-agreement-and-multiannual-working-programme-renewing-the-urban-agenda-for-the-eu
[12] https://sdgs.un.org/2030agenda
[13] https://unhabitat.org/sites/default/files/2019/05/nua-english.pdf
[14] https://ec.europa.eu/regional_policy/sources/docgener/brochure/explanatory_memo_eui_post_2020_en.pdf
[15] Includes representatives from the management bodies of URBACT and the UIA, European city networks (Council of European Municipalities & Regions and EUROCITIES), the JRC and the European Committee of the Regions
[16] Main recommendations of the mid-term assessment study are included in annex 4. The final report and its annex are available at https://ec.europa.eu/regional_policy/en/information/publications/studies/2021/assessment-study-of-the-urban-innovative-actions-2014-2020-final-report
[17] See sections 3.1.1. and 3.1.2.

sustainability, scalability and transfer as well as operational readiness of projects, with the ultimate goal to optimise the added value of supported experimentations for the ERDF and Cohesion policy as a whole.

As concerns the governance structure for the EUI, an external Expert was appointed in 2020 to provide advice to the Commission concerning the EUI Steering Group and its rules of procedure. In 2020, external expertise was also commissioned to assist the Commission in preparing the conceptual specifications for the build-up of a Knowledge Sharing Platform of the EUI.

The other Commission services were regularly informed of the EUI design process through the Inter-service Group on Territorial Cohesion and Urban Development managed by Directorate-General for Regional and Urban Policy. The contribution of other services was sought, in particular, for the knowledge part of the EUI. In this context, the Commission compiled an internal mapping of the urban-focused policies, programmes and initiatives across the Commission services based on the input of all the pertinent services.

In 2019-2021, the draft content of the EUI was presented at a series of outreach and consultation events, workshops and meetings to inform on the progress made and to collect feedback from a range of external stakeholders, in particular, from Member States, regions and cities as well as from key actors of the intergovernmental cooperation on urban matters. These events comprised, *inter alia*:

European Weeks of Regions and Cities; Territorial Cohesion and Urban Matters Expert Group meetings; Cities Forum; inter-governmental meetings of the Urban Development Group and the Directors-General of Urban Matters; European Dialogue meetings on the New Leipzig Charter; Urban Agenda for the EU Coordinators' and Action Leaders' meetings, EUROCITIES and CEMR working groups, URBACT Stakeholders' consultation, Urban Development Network webinars, and a range of other stakeholder meetings.

Since the launch of the Urban Agenda for the EU in 2016, the Commission has supported the implementation of the partnerships of the UAEU by providing funding for a Secretariat and by contributing to the work of the 14 thematic partnerships[18]. To assess progress, and to propose further action, the Commission launched an external assessment study in 2018[19]. The study concluded that the UAEU has been a qualified success, and there is a strong case for its continuation, albeit not necessarily in the exact same form. During the design process of the EUI, the outcomes of the study have been reviewed.

In the first quarter of 2021, the design of the EUI continued with the support of key stakeholders. Among the important outreach milestones were, inter alia, a series of webinars 'Urban Innovative Actions, Achievements and Perspectives' organised by the Commission and the UIA Secretariat in the frame of the Urban Development Network in February 2021. Intensive interaction and dialogue took also place between the URBACT managing bodies and the Commission to ensure the coordination and complementarities between URBACT IV and the EUI.

[18] DG REGIO is the facilitator of the UAEU, and in this role, it mobilises the participation and support of other DGs

[19] https://ec.europa.eu/regional_policy/en/information/publications/studies/2019/assessment-study-of-the-urban-agenda-for-the-european-union-uaeu

SECTION 2 – UNDERSTANDING THE EUI INTERVENTION LOGIC

2.1. Main elements of the EUI intervention logic

The intervention logic of the EUI responds to the strategic ambition as well as to the overall and specific objectives of the EUI[20]. The strategic ambition is to offer coherent support to cities to overcome the current landscape of manifold initiatives, programmes and instruments in support of cities under Cohesion policy. In this context, specific goals are to maximise synergy and complementarity with URBACT IV and to create a linkage between activities of the EUI and Article 11 cities of the ERDF/CF as well as mainstream Cohesion policy programmes. The aim is also to better interconnect the activities of the EUI and the Urban Agenda for the EU, and to provide a stronger link to other EU policies, programmes and initiatives with an urban dimension.

The EUI intervention logic includes ten work streams (figure 1). They are embedded in the two EUI strands: (a) support of innovative actions and (b) support of capacity and knowledge building, territorial impact assessments, policy development and communication[21]. As a last component, the EUI governance brings together the strategic advisory and management aspects of the initiative.

The underlying principle of the EUI intervention logic is the **creation of an effective value chain between the two strands and the corresponding work streams of the EUI** that surfaces as links and input/output flows. In concrete terms, this means a systematic uptake (as inputs) of those outputs produced by the different work streams of the EUI intervention logic.

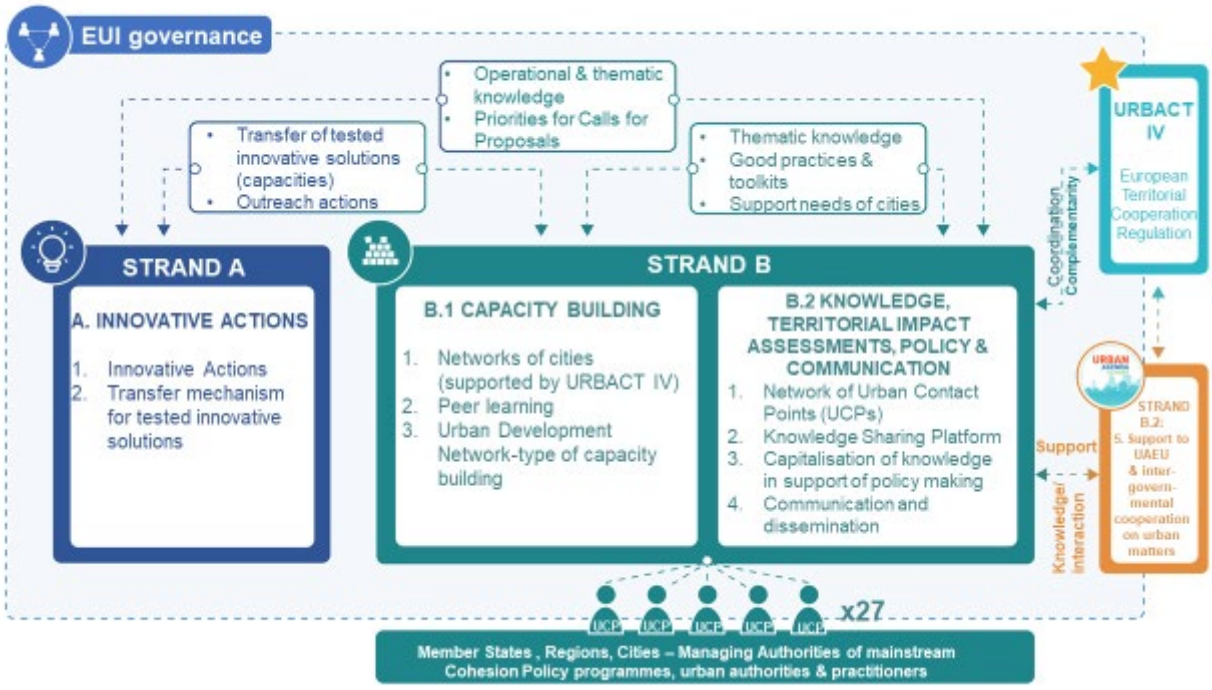


Figure 1. Main elements of the EUI intervention logic.

One further imperative principle of the EUI intervention logic is the strengthening of the value chain between the EUI and Article 11 cities of the ERDF/CF as well as other cities benefiting from the mainstream Cohesion policy funds. This principle is pertinent for all the work streams. It is particularly relevant for the work streams on the capacity building as the EUI aims to improve

[20] See sections 1.2. and 1.3.

[21] Coordination and complementarities between the EUI and URBACT IV are embedded in the work stream of 'Networks of cities supported by URBACT IV' under the sub-strand (b.1) support of capacity building (see sections 2.2. and 3.2.1.)

capacities of cities in the design and implementation of sustainable urban development strategies, and therefore, helps cities to upgrade their local strategies and implementation. Enhancing the interconnection between the EUI and Article 11 cities of the ERDF/CF as well as mainstream Cohesion policy programmes is also highly important for the work streams on the EUI-Innovative Actions and the related UIA/EUI-Innovative Actions Transfer Mechanism. These two work streams are aimed at enhancing the transfer/replication and the scaling up of tested innovations through mainstream Cohesion policy programmes. Moreover, the aim of the two work streams is to inspire and inform the mainstream Cohesion policy programmes of novel ways to support urban innovation. In the same vein, the network of Urban Contact Points works towards this goal by reaching out to Managing Authorities for good practice exchange and for involving Managing Authorities in the activities of the EUI.

Concerning the operationalisation of the EUI work streams, the future EUI Entrusted Entity will prepare annual Work Programmes for the EUI[22]. A Work Programme will define on an annual basis how the EUI delivers operationally its activities and results. It will describe how an effective value-chain between the two strands and their work streams functions. In the following, some examples are given on the value chain between the different activities of the EUI:

The annual EUI Work Programme will include, on the one hand, activities that take into account the progress made in the implementation of Innovative Actions. Such activities will serve to tailor (i) the capacity-building offer to cities (under the EUI strand b.1), and (ii) the knowledge building & sharing as well as capitalisation offer to cities (under the EUI strand b.2). The communication and dissemination activities of the EUI strand b.2 will be used to raise awareness on calls for proposals of EUI-Innovative Actions and possibly to improve the geographical coverage of applicants. These activities may also serve as a 'feedback loop' to consult cities on emerging urban trends that could trigger new calls or the testing of new formula within EUI-innovation actions, as needed[23].

On the other hand, the annual EUI Work Programme will include activities that guide Innovative Actions of the strand (a) to address (through calls for proposals) pressing urban challenges. These activities refer to the outputs produced by the work streams of the EUI strand b.2 knowledge building, territorial impact assessments, policy development and communication. Such outputs will originate from the knowledge collected and consolidated by the Knowledge Sharing Platform, the Capitalisation of Knowledge activities and/or by the interactions with the network of Urban Contact Points[24]. For example, the knowledge consolidated by the Knowledge Sharing Platform from sources such as the implementation of the New Leipzig Charter, and in particular, the Urban Agenda for the EU, and the EU strategic objectives will constitute an important source of information for defining the call topics of the EUI-Innovative Actions. In the same vein, the biennial forward-looking survey[25] on pressing urban challenges and support needs of cities carried out in the context of the Knowledge Sharing Platform will contribute to the content of EUI-Innovative Actions.

The intervention logic of the EUI corresponds to the Cohesion policy legislative package 2021-2027. It integrates the recommendations of the Urban Innovative Actions' mid-term assessment study and the available outcomes of the URBACT IV programming process and, to the extent possible, the future developments of the Urban Agenda for the EU as well as the advice provided by the EUI Expert Working Group.

[22] See section 6.3.
[23] See section 3.1.1.
[24] The network of Urban Contact Points informs the EUI of the needs expressed as well as policies and strategies of local, regional and national levels
[25] The network of Urban Contact Points will be tasked to promote biennial surveys across the Member States

2.2. Coordination between the EUI intervention logic and URBACT IV

The URBACT IV programme will continue its activities under the European Territorial Cooperation Regulation in the post-2020 period. As specified in the regulatory framework of Cohesion policy, URBACT IV should complement the EUI in a coordinated way[26]. Effective coordination and complementarity have to be established between the EUI and URBACT IV, and in particular, between the capacity and knowledge building activities of the two instruments.

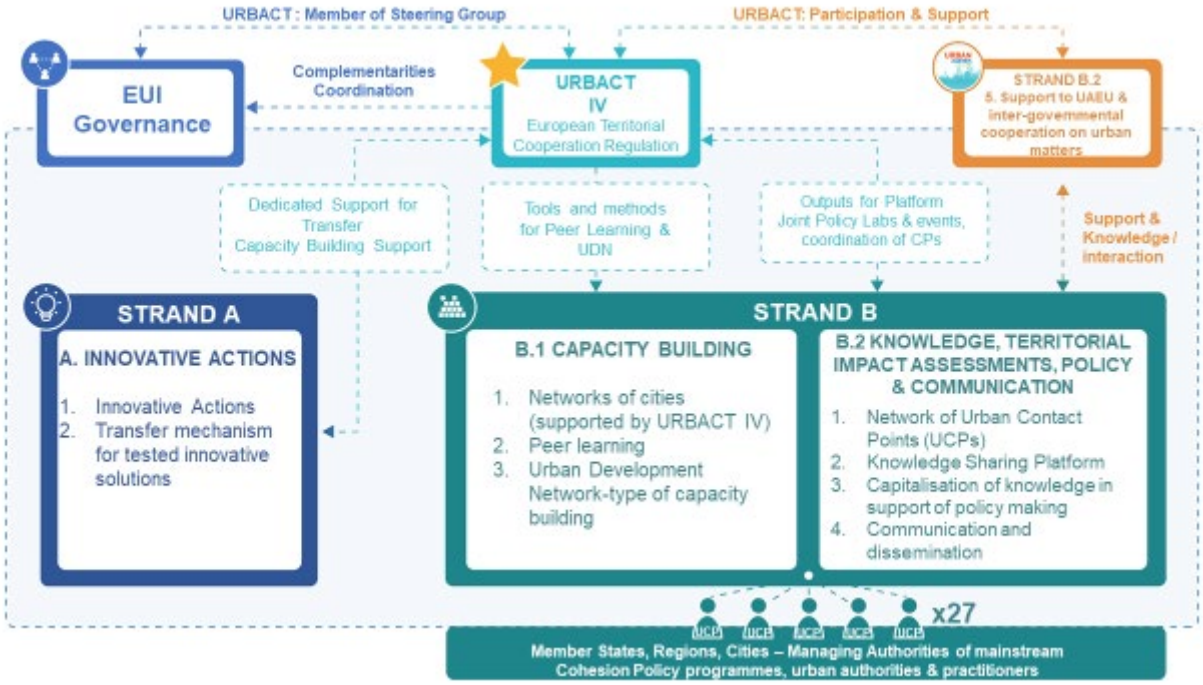


Figure 2. Interconnections between URBACT IV and the EUI intervention logic.

Transnational networking of cities will remain the focus of the URBACT IV programme in the 2021-2027 period, and the core of such activity will be the 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[27]. Therefore, the intervention logic of the EUI includes a work stream 'Networks of cities supported by URBACT IV' under its sub-strand (b.1) Capacity building (figure 2). The specific objective of this work stream is to create a strong interconnection between the EUI and URBACT IV, and in particular, between the EUI and the URBACT IV transnational networks of cities (table 1).

[26] Article 12 of the ERDF/CF Regulation and Article 3 of the ETC Regulation (see annex 1 and 2 for the legal texts)
[27] Article 3(3)b of the ETC Regulation

Table 1. Complementarities of URBACT IV in relation to the two strands (a) and (b) and the related work streams of the EUI[28].

Proposed aims of the URBACT IV and links with the EUI

URBACT IV aim 1: Network exchange and learning

- **Focus:** to support transnational networks to improve the capacity of European cities to (i) co-design and implement integrated Action Plans linked to common sustainable urban development challenges; (ii) adapt and reuse established urban good practices; and (iii) design investment plans for replicating elements of Urban Innovative Actions (2014-2020). **Activities:** support of transnational networks (bottom-up thematic approach). **Target audience:** cities of all sizes.
- **Links with the EUI:** transnational networks of URBACT IV will be open for participation of Article 11 cities of the ERDF/CF. An UIA/EUI-IA Transfer Mechanism proposed under URBACT IV will specifically aim at cities that seek to develop an investment plan to replicate elements of an UIA 2014-2020 project or of an EUI-IA using, ideally Cohesion policy programmes and/or other sources of funding[29]. It will contribute to the EUI strand (a) support of innovative actions' specific objectives. In addition, URBACT IV and the EUI have complementary approaches to innovation that allow cities of all sizes to improve their innovation capacity and profile as part of their policy design through the exchange of good practice.

URBACT IV aim 2: Capacity building at programme level

- **Focus:** to improve the capacity of the URBACT community to design and implement sustainable urban policies and practices in an integrated, participative and place-based way. **Activities:** programme-level capacity-building activities focused on the design and implementation of integrated Action Plans for sustainable urban development strategies (URBACT University & Campus, tools and methods, green, digital & gender capacity building, support to Lead Partners and Lead Experts, ad-hoc support). **Target audience**: beneficiaries of all URBACT networks, local stakeholders (local action groups), elected officials.
- **Links with the EUI:** URBACT IV tools and capacity building methods will complement the EUI, and in particular, its sub-strand (b.1) capacity building. The URBACT beneficiaries and community will participate in and use the support offered by the peer learning and Urban Development Network-type of capacity building activities of the EUI. Where relevant, activities will also be organised jointly by the EUI and URBACT IV that bring together actors from Article 11 cities of the ERDF/CF, Innovative Actions, URBACT IV and the UAEU.

URBACT IV aim 3: Knowledge sharing

- **Focus:** to ensure that URBACT knowledge and practice are made accessible to urban practitioners and policymakers, and to feed into regional, national and European urban policies, with a particular focus on the EUI, also supporting the UAEU. **Activities:** clustering and exploiting of knowledge from transnational city networks, establishment of Communities of Practice for on-going networks, coordination with the National URBACT Points[30], and cooperation with other programmes. **Target audience:** urban practitioners and policy-makers, in particular those who are not yet involved in URBACT activities (especially smaller cities), regional and national authorities to the extent required to tackle an urban policy topic in question.
- **Links with the EUI:** URBACT IV aims to influence urban policies by contributing to the EUI for increased impact. URBACT IV will support the EUI strand (b.2) and its knowledge and policy development activities, and in particular, the capitalisation of knowledge for evidence-based policymaking (Policy Labs) and the Knowledge Sharing Platform. URBACT IV will also support national activities of the EUI Urban Contact Points and coordination will be ensured between the EUI Urban Contact Points and the National URBACT Points. The web-portals of URBACT IV and the EUI Knowledge Sharing Platform will be interconnected. The feasibility of compiling merged databases containing experts and/or good practices of both URBACT IV and the EUI will be explored. In addition, URBACT IV will support the UAEU through its knowledge activities.

Additional links between URBACT IV and the EUI:

- **Communication and dissemination:** Combined outreach and coordinated/joint communication plan will be established between URBACT IV and the EUI. URBACT IV will be invited to contribute to the communication and dissemination activities of the EUI (e.g. biennial Cities Forum, the European Week of Regions and Cities), and equally, the EUI will feed into the activities of URBACT IV.

[28] See a comparison table of the EUI and URBACT IV activities in annex 3

[29] See section 3.1.2.

[30] The URBACT IV Programming Committee decided to maintain the National URBACT Points in the 2021-2027 period. The optimal set up of these different networks of Contact Points, preferably combining the EUI Urban Contact Points, the National URBACT Points and the National Contact Points as referred to in the Implementing Document of the New Leipzig Charter will need to be developed in the most efficient way for cities, including a fitness check of Contact Points.

SECTION 3 – CONTENT OF THE EUI INTERVENTION LOGIC

3.1. Support of Innovative Actions

The central ambition of the EUI strand (a) support of innovative actions is fostering the transformative role of cities and the deployment of proof-tested urban innovations across the EU through a better use of Cohesion policy investments 2021-2027.

Building on the findings and recommendations of the mid-term assessment study of the Urban Innovative Actions 2014-2020 (hereinafter 'midterm assessment study')[31], the goal is to bring the current UIA model, launched as a pilot ERDF initiative in 2014-2020, to a new level by pursuing the following two specific objectives:

(i) To identify and support the testing of transferable and scalable innovative solutions to address issues relating to sustainable urban development at Union level.

(ii) To collect and share results from experimentations and support transfer activities, in view of fostering innovation capacities and knowledge building for all EU urban areas and of mainstreaming innovative solutions in sustainable urban development, under the Article 11 of the ERDF/CF Regulation and beyond.

Two work streams described in the following sub-sections will contribute directly to achieving these specific objectives. The other work streams of the EUI under its strand (b), focused on capacity building, knowledge, capitalisation as well as communication and dissemination on sustainable urban development will also serve as a value chain to consistently address the second specific objective[32].

3.1.1. Identification and support for the testing of transferable and scalable innovative solutions

Rationale. Cities as public domain are drivers of thoughtful innovation, within which institutional, socio-economic players and the wider civil society interact. Urban authorities across the EU have a fundamental transformative role to play within this ecosystem and need support to identify and test new solutions to address the always complex and fast evolving urban challenges of our times. Urban practitioners and policymakers should have possibilities to take risks, to experiment creative ideas, new products, services and/or ways to operate them. To counterbalance solutions driven by the technology push only, they should be supported to check how these work in 'real life' conditions and at urban scale, how targeted users or the wider population react before deploying them further. Otherwise, potential novel solutions might not be put into practice due to the lack of experimentation.

Specific aims and target audience. The specific aim of this work stream is to identify and provide support within a maximum of EUR 5 million ERDF contribution per project, for the testing of transferable and scalable innovative solutions to address issues relating to sustainable urban development at Union level. Any EU urban authority of a local administrative unit defined according to the degree of urbanisation as a city, town or suburb – or a grouping of such authorities, e.g. as a functional urban area – and comprising at least 50 000 inhabitants, will be eligible to apply for support.

The EUI-Innovative Actions (EUI-IA) should be designed and operated as an evolution of its predecessor the Urban Innovative Actions (UIA). The parameters on which the UIA is operating[33] should thus be kept as a starting point for the design of EUI-IA to guarantee a certain level of predictability for future applicants. These must, however, be upgraded to the extent needed to implement the recommendations put forward in the mid-term assessment study for each EUI-IA delivery step as a grant scheme (table 2). Moreover, a number of options for a deeper reform, flagged

[31] Op. cit. see Section 1.5. and annex 4 (summary of findings and recommendations)
[32] See section 3.2.
[33] See the Commission's delegated regulation No 522/2014 of 11.03.2014 (OJEU L 148 OF 20.05.2014) as modified by Commission's delegated regulation No 201/2056 of 22.08.2017 (OJEU L 294 OF 11.11.2017) and the UIA Guidance available at https://www.uia-initiative.eu/en/call-proposals/guidance

as a '*one step further scenario*' (see figure 3), also worth considering but that may be more complex or resources-intensive to put in place, remain under reflection by the Commission. The EUI's Entrusted Entity will be charged to undertake as part of its conceptualisation work, a comprehensive opportunity and feasibility analysis, in view of these options being endorsed, in full or in part, by the Commission, if and when deemed appropriate.

Table 2. Recommendations of the UIA midterm assessment to be considered per EUI-IA delivery step.

Pointers from the UIA mid-term assessment study	EUI-IA calls	EUI-IA selection procedure/criteria	EUI-IA funding and implementing rules
Better targeted urban innovations	X	X	
Better defined impacts	X	X	X
Greater emphasis on sustainability/scaling-up of project proposals		X	
Enhanced transferability		X	X
Improving operational readiness		X	X
Optimising added value for Cohesion policy	X	X	X

❖ **Calls for proposals of the EUI-Innovative Actions**

In continuity with the current UIA model, EUI-IA calls will be carried out at the EU level based on topics identified by the Commission building on the New Leipzig Charter and the Commission's priorities presenting a cross-sectorial dimension, such as the green and digital transitions. The early announcement of these topics aligned with Charter's thematic pointers (green, just, productive cities) or principles of good urban governance of direct relevance for Cohesion policy objective 'a Europe closer to citizens' (place-based, integrated, participatory approaches) will enhance predictability for applicants. In order to raise the readability of EUI-IA projects with regard to Cohesion policy and facilitate their subsequent scaling-up and/or replication with ERDF funding, calls will also specify the policy objective(s) or specific objective(s), as appropriate, targeted. A list of binding indicators (i.e. to be used and monitored together with other indicators that project promoters would set for themselves) will also be defined in the calls to facilitate the understanding of desired effects at project level, and aggregation of results at policy area and/or Initiative's level.

As a *'one-step further' scenario,* the EUI's Entrusted entity should explore the opportunity and feasibility of:

(i) Calls geographically targeted to tackle urban challenges specific to some areas[34];

(ii) Modalities allowing some of the topics of future calls to be identified in partnership with cities (through consultations organised within the EUI, e.g. via forward-looking surveys[35]) and/or for a permanent call open for spontaneous project proposals on non-predefined matters, in a stricter 'bottom-up' logic.

[34] See table 3 on urban innovations targeted by EUI-IA

[35] See sections 3.2.4. and 3.2.5.

Table 3. Types of urban innovations to be targeted by the EUI-Innovative Actions.

What types of urban innovations will be targeted by the EUI-IA?

Demarcation and complementarity between the EUI-IA and other EU budget opportunities in support of innovation deriving from the 2021-2027 Multiannual Financial Framework are to be thought as a key element of the EUI-IA intervention logic. The urban innovations targeted by the EUI cannot be defined according to characteristics of outputs (e.g. technological readiness levels) as some other Research & Innovation programmes might do, but more in view of core objectives that single it out from others. In this perspective, focus should be placed on:

- **Urban innovations for/led by cities:** the mid-term assessment study demonstrated that the importance of the role of cities varies, and may not be preeminent in some UIA projects. EUI-IA will fix this by giving priority to cities' ownership on solutions tested and associated skills (e.g. strategic thinking, leadership and staffing, resources and funding);
- **Cross-cutting innovations applying methods embodying Cohesion policy objective 'a Europe closer to citizens':** place-based, integrated, participatory, multi-stakeholders approaches in projects' delivery;
- **Innovations more relevant to the ERDF,** assessed in view of the added value of the project proposals with targeted policy objectives and/or specific objectives, and of their scale-up/replication potential in view of priorities from regional, national or transnational and interregional Cohesion policy programmes
- **Innovation capabilities linked to urban megatrends** highlighted in the Article 11 of the future ERDF/CF Regulation, i.e. green and digital transitions (open data, carbon neutral public services, etc.);
- **Innovations in view of specific local contexts** (optional): as suggested by the mid-term assessment study, innovation sometimes has more to do with the characteristics of a given geographical area within which a solution is tested, rather than with the solution tested itself. There could be thus some scope to target urban areas suffering specific natural, demographic or other types of handicaps, with underdeveloped innovation ecosystems, or where fewer powers are devolved to the local level.

❖ Selection procedure and criteria of the EUI-Innovation Actions

The mid-term assessment study offers a number of reasons to be satisfied with current UIA's selection procedure. It has generated very few complaints, and settles on processes and criteria positively assessed by applicant cities. Some re-engineering is, nevertheless, necessary to step it up.

Eligibility checks: it is not envisaged to modify the rules applicable under the current UIA as concerns the eligibility of applicant urban authorities (i.e. cities, towns and suburbs and/or their grouping comprising at least 50 000 inhabitants)[36] to future EUI-IA calls. Promoting further the suitability of these rules for applications from groups of municipalities within a functional urban area approach is however desirable.

Selection procedure and criteria[37]: divided in two sequences under the UIA: a strategic assessment (80% weighting) leading to a shortlist of proposals qualifying for an operational assessment (remaining 20% weighting) at the end of which the best-scored proposals were selected. While keeping these two consecutive procedural phases, a minimum upgrade should result in the following:

(i) Strategic assessment: reorganised in five (instead of the current four) selection criteria[38]:
   a. **Urban innovativeness:** it will remain central to the assessment[39]. The valid elements against which proposals were assessed in the past (e.g. solution first time tested at 'real scale' in the EU, adding value to the policy area, building on previous experimentations) will be complemented by new sub-criteria on prioritised forms of innovation[40];
   b. **Partnership and co-creation:** while a stronger focus will be placed on innovation processes led by cities, it is as crucial to keep mobilising around tested solutions

[36] For details on these eligibility rules, see section 1.4. of the UIA guidance (op. cit)
[37] For details on these rules and procedure, see section 3.2. of the UIA guidance (op. cit)
[38] Precise weighting of these criteria is not proposed at this stage and will be decided by the Commission based on the proposal from the EUI's Entrusted Entity during the conception phase of the EUI-IA
[39] Weighting of 40% in the current UIA model
[40] See table 3 on urban innovations targeted by EUI-IA

relevant public and private actors of the local ecosystem, i.e. to put in practice, at project level, internal connections that have long been the trademark of innovation policy (quadruple helix). The partnership criterion will thus be maintained, with a more explicit emphasis on co-creation/participation with target groups and/or citizens;

c. **Measurability of results:** applications will continue to be assessed according to the robustness of their methodology to measure expected impacts. Applicants will remain free to define their own indicators and targets. The novelty will be that proposed baselines and targets will also be assessed against binding indicators, predefined in the calls[41];
d. **Sustainability and scaling-up:** establishing stronger guarantees from project promoters that tested solutions are sustained and scaled-up if successful, requires the definition of a new, dedicated, specific selection criterion. Application forms should be adjusted accordingly to allow for further elaboration on identified sources of funding, in particular from Cohesion policy, and/or from private capital possibly taking over further investment at lower technical/financial risk as a result of the experimentation;
e. **Transferability:** assessed as a standalone criterion and not together with the scaling-up criterion as in the current UIA procedure. Consistent with the rationale on sustainability and scaling-up, transferability should be measured more explicitly in view of projects' potential for replicability with Cohesion policy (in particular ERDF programmes). Such an assessment will be more tangible, i.e. organised around the scrutiny of transnational transfer partnerships proposed as a new integral part of EUI-IA projects[42].

(ii) Operational assessment: it should be streamlined towards a better screening of projects' readiness. According to the mid-term assessment study, this implies as a minimum:
   a. Removing or refining criteria that overlap with the strategic assessment (e.g. value for money, monitoring of results);
   b. Considering other slight adjustments: increasing the weighting of this phase (20% vs. 80% for the strategic assessment currently), establish a minimum operational score, or stop combining scores from both phases.

As a *'one-step further',* the EUI's Entrusted Entity should explore the opportunity and feasibility of:

(i) Switching to a two-stage application and selection procedure (taking inspiration from other EU programmes, e.g. the Widening Actions (Teaming) under Horizon 2020; LIFE+ pilot projects[43]). This option could enable to support the most promising/innovative ideas for their concept development (first stage/grant) while reserving the biggest financial allocations (second stage/grant) to projects that are better prepared and with the greatest scale-up/transfer potential.
(ii) On request from the Commission, introducing in the selection procedure minimum standards contributing to the creation of a 'EUI Seal of Excellence' as a quality label to favour the financing of good EUI-IA applications[44] by alternative funding sources.

❖ **Funding and implementing rules of the EUI-innovative actions**

A key novelty in comparison to the existing UIA model should be to organise the embedment of transnational transfer networks as an integral part of future EUI-IA projects (taking inspiration from

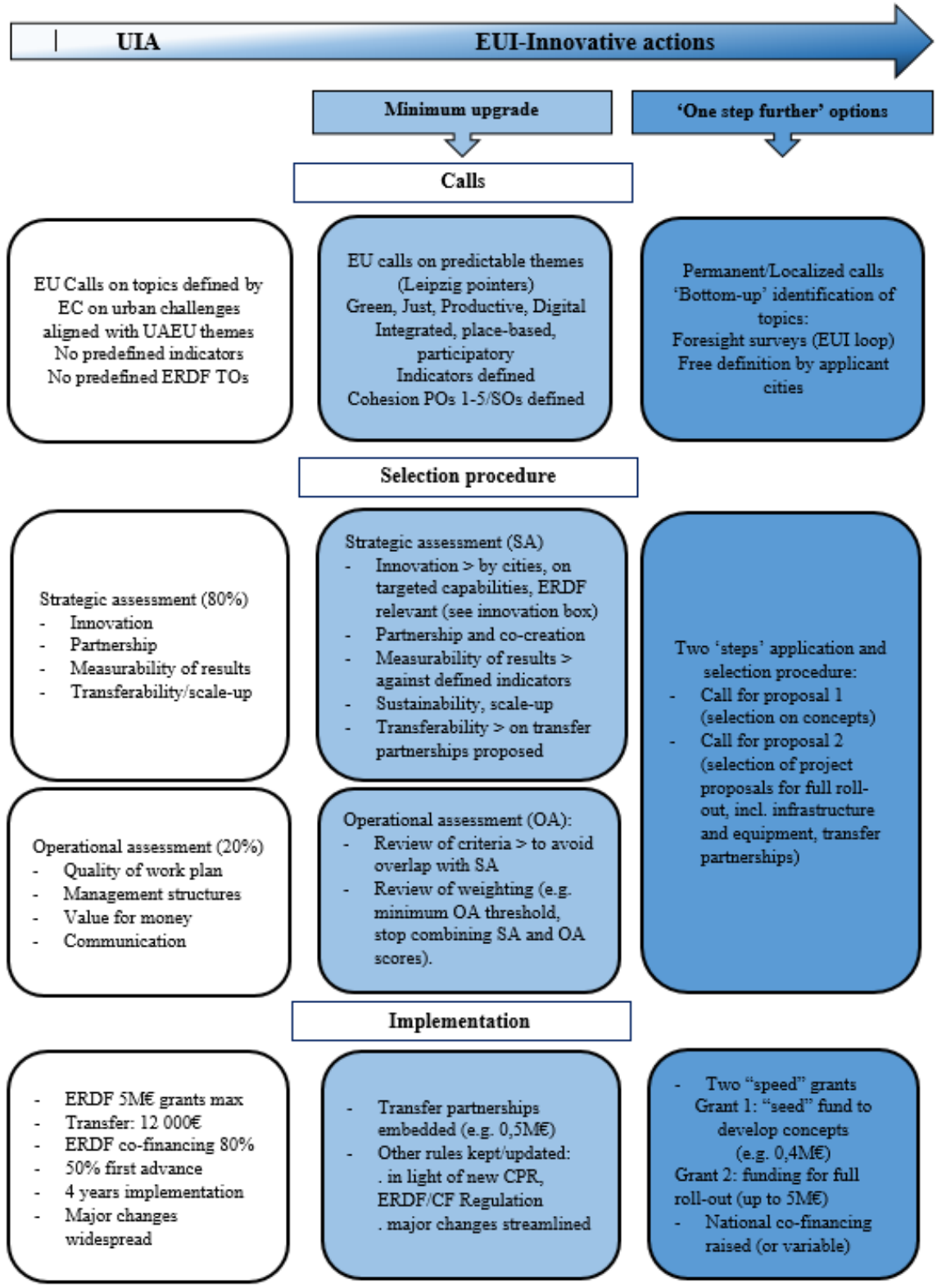
[41] See the previous point on EUI-IA calls for proposals
[42] See next point on EUI-IA implementation rules
[43] See the mid-term assessment study for more details on such examples, in particular, its sections 4.2.5. (including table 26) and 6.1. (including table 31). Other EU programmes applying such a two-stage approach could also serve as inspiration for investigations to be carried out by EUI's Entrusted Entity.[44] This refers to EUI-IA applications that did not receive direct funding due to the limited resources available under the EUI[45] As an indication, one transfer network of 3-4 partners under URBACT III programme amounts to around EUR 500 000
[44] This refers to EUI-IA applications that did not receive direct funding due to the limited resources available under the EUI[45] As an indication, one transfer network of 3-4 partners under URBACT III programme amounts to around EUR 500 000

EU programmes such as the Widening Actions (Teaming) and the Smart Cities and Communities Lighthouse of Horizon 2020 as well as the URBACT method '*understand, adapt, reuse*'). The aim of the EUI-IA will remain the testing of new solutions in a given locality but the resulting experimentation should also be followed by partner cities from other countries. These will learn by being in contact of innovation leaders to build viable investment plans to replicate tested solutions, and ultimately, raise their technical expertise and own innovation potential. The transformative role of 'lead' cities in their own place and elsewhere in the EU, will be further recognised, as well as their knowledge transfer obligations, in return for the grant received. The budgetary implications of such a change will have to be calibrated by EUI's Entrusted Entity[45], within the limit of a maximum EUR 5 million from the ERDF envelope per project. In this perspective, it should be specified that embedded transfer partnerships will not cater for 'hard' investment costs in partner cities, except possibly allowing them to carry out small scale replication/testing. The principle is that the main outcome of the embedded transfer partnerships will be the co-design and approval by partner cities of investment plans (identifying corresponding funding sources, including possibly from Cohesion policy programmes), that would translate into a different local context the solutions tested by lead cities in the main experimentation site. The collaborative process of co-creation of investments plans is as important as the actual replication in terms of innovation capacity building. Still, the long-term commitment from partner cities, i.e. to rollout defined investment plans, if not during the lifetime of the embedded transfer partnerships, within a few years from its end, should be among the parameters of the 'transferability' criterion of EUI-Innovative Actions selection procedure[46], contributing to the specific objective of mainstreaming innovation within Cohesion policy.

Beyond this, it is proposed to keep stability on the funding and implementing rules as these currently apply under the UIA (e.g. EUR 5 million maximum grant from the ERDF per project, 50% first advance payment, maximum duration of 4 years). Since these rules were defined by analogy with the Common Provision Regulation and the ERDF Regulation for the 2014-2020 period in terms of eligibility of expenditure, ownership and durability, etc.[47], the EUI's Entrusted Entity will assess the extent to which these must be updated in light of the corresponding regulations for the 2021-2027 period. In the same way, any change in the applicable EU regulations (e.g. on public procurement or state aid) will have to be properly referred to in the EUI-IA guidance to be developed by the Entrusted Entity. Moreover, the initiation and contracting phases[48] should be screened and possibly re-tailored to optimise the readiness of projects before the signature of subsidy contracts. The procedure allowing for 'major changes'[49], systematically used in the past will be streamlined, i.e. reserved to the most justified circumstances and subject to the supervision from the Commission on general conditions, rather than through consultations on individual requests.

[45] As an indication, one transfer network of 3-4 partners under URBACT III programme amounts to around EUR 500 000
[46] See point e of the strategic assessment above
[47] See section 4 of the UIA Guidance (op.cit)
[48] See section 6.1. of the UIA Guidance (op.cit)
[49] See section 6.4.2. of the UIA Guidance (op.cit) and the findings of the UIA mid-term assessment study (in section 4.3.2.)

Figure 3. Illustration of the EUI-Innovative Actions evolution[50].



[50] Budgets for EUI-Innovation actions presented in this illustration are indicative.

As a *'one-step further scenario',* the EUI's Entrusted Entity should explore the opportunity and feasibility of:

(i) The two-stage application and selection procedure in view of its repercussions on the implementation modalities, mostly by creating:
   a. Two types/intensities of grants: Grant 1 (e.g. EUR 0,4 million[51]); Grant 2 (max EUR 5 million);
   b. Two distinct implementation periods: Phase 1 (e.g. 1 year); Phase 2 (up to 4 years).

(ii) Increasing the partners (national) co-financing rates (beyond 20% of total eligible costs as it is the case under the current UIA) or modulating it depending on the region of origin of project proposals[52] could reinforce ownership of projects and/or optimise the impact of the limited EUI-IA budget.

Inputs. The EUI-Innovative Actions will build on the legacy of the Urban Innovative Actions pilot initiative (2014-2020), and in particular, on the findings of the mid-term assessment study. The UIA knowledge capitalisation activities of the transition phase[53] – a period of transitioning from the UIA towards the EUI-Innovative Actions in 2021 – will also provide inputs for this work stream. In the same vein, the UIA Knowledge Management Strategy[54] provides strategic pointers and acts as a testbed for some orientations linked to future EUI-IA. Evidently, the work stream will use as inputs the tools and methods '*understand, adapt, reuse*' produced by URBACT. Once set up and functional, the Knowledge Sharing Platform of the EUI will provide inputs for this activity area, and in particular, for the definition of future call topics. The principles and the Policy Objectives of Cohesion policy, the New Leipzig Charter, the priorities of the Commission and the UAEU will drive the content of EUI-IA[55].

Activities. As a first step, the future Entrusted Entity will prepare a concept for organising the EUI-Innovative Actions calls, selection procedure and delivery cycle based on the minimum upgrade scenario of the UIA model as described above. The Entrusted Entity will also prepare an opportunity and feasibility analysis to go one-step further in the reform of that model ('*one-step further scenario'*) as described above. Once operational, the Entrusted Entity will deliver the activities of the work stream. In broad lines, the tasks of the Entrusted Entity will comprise the organisation of calls for proposals, selection and award procedures for proposals received under the calls, the administrative, financial and content management of the funded projects as well as information, guidance and training activities[56].

Outputs. The work stream will finance a portfolio of EUI-Innovative Actions with the transnational transfer of novel solutions embedded in each project. The number of projects supported will depend on the final budget allocation to this work stream[57] as well as on possible different grant intensities that

[51] Indicative: benchmark from Phase 1 of Teaming projects (the Widening Actions of Horizon 2020)

[52] For instance, by applying the co-financing rates foreseen per category of region in Art. 112 of Common Provisions Regulation for 2021-2027.[53] The UIA capitalisation of knowledge activities in 2021 include, inter alia, a series of UDN webinars 'From UIA to EUI' that took place in February 2021 (see https://udn-urbaninnovativeactions.tw.events/en/presentations), a study on the Policy Objective 5-related contributions from the UIA projects and seminars and publications on just and green transition policy responses by the UIA projects. Activities are sought at Article 7 cities of the ERDF, with possible implications from URBACT and UAEU communities

[53] The UIA capitalisation of knowledge activities in 2021 include, inter alia, a series of UDN webinars 'From UIA to EUI' that took place in February 2021 (see https://udn-urbaninnovativeactions.tw.events/en/presentations), a study on the Policy Objective 5-related contributions from the UIA projects and seminars and publications on just and green transition policy responses by the UIA projects. Activities are sought at Article 7 cities of the ERDF, with possible implications from URBACT and UAEU communities

[54] The UIA Knowledge Management Strategy provides a framework for the capitalisation of knowledge, dissemination and transfer activities of UIA projects and will feed into the other pertinent work streams of the EUI; https://www.uia-initiative.eu/sites/default/files/2020-07/UIA_knowledge_management_strategy_0.pdf

[55] See section 1.4.

[56] The list of tasks is referred to in Annex 1 a of the Contribution agreement; the other EUI work streams will also deliver part of these tasks

[57] The objective is to allocate a minimum of 75% of the total EUI budget share from the ERDF to the strand (a) of the EUI, see section 7 of this document

could be decided (see the options of the 'one step further scenario' above). The outputs of the work stream will also comprise both the thematic and the horizontal knowledge of experimenting and replicating tested novel solutions that feed into the Knowledge Sharing Platform and the capitalisation activities as well as into the activities of the EUI capacity building[58]. These work streams will help in a wider outreach and dissemination of the outputs.

Expected impact. Tailoring the EUI-Innovative Actions calls for proposals, selection procedure and delivery cycle as described above, will result in achieving the full potential of each individual project supported under strand (a) for the benefit of EUI as a whole (figure 1). The expected impact of the EUI-IA is the increased innovation capacities and profiles of cities in Europe and the deployment of proof-tested urban innovations across the EU, ideally through a better use of Cohesion policy investments 2021-2027. The most promising concepts for new urban solutions are rigorously selected for their contribution to build innovation capacities of cities, the EU urban policy guidelines and Cohesion policy objectives 2021-2027. Tested innovative solutions are put into practice that respond to the complex urban challenges of EU relevance. The transnational transfer element is successfully embedded in projects contributing to close the innovation divide between lead and less advanced cities. The innovative solutions are increasingly sustained, scaled-up and replicated across cities in Europe, ideally with the support of mainstream Cohesion policy programmes and/or other public and/or private funding sources.

3.1.2. Establishment and functioning of an Urban Innovative Actions/EUI-Innovative Actions Transfer Mechanism

Rationale. In the 2014-2020 period, the Urban Innovative Actions pilot initiative has supported innovations that have the potential to be transferred and replicated by other European cities with mainstream Cohesion policy funds and/or with other funding sources. UIA projects are, however, not sufficiently equipped, nor financially incentivised[59], to undertake this process alone. There is a need for a support mechanism enabling for a more structured and systematic knowledge transfer from successful urban innovative actions to other urban realities across Europe. In addition, although transfer will become part of EUI-Innovative Actions, these projects when successfully implemented should be offered further deployment opportunities, with a wider set of partner cities benefiting, through a dedicated transfer mechanism. As a pioneer in experimenting transfer networks of cities within Cohesion policy, URBACT has developed a unique expertise that can be applied to the operationalisation of such a transfer mechanism. Its support to transfer solutions at the exit of UIA and EUI-IA projects will be consistent with the focus of URBACT IV in the 2021-2027 period and a meaningful way to be complementary to the EUI, as a single value chain[60]. The funding of this work stream is thus planned to be provided by URBACT IV according to financing intensities and modalities subject to the approval of the programme's managing authorities. However, close cooperation between URBACT IV and the EUI will be sought to operationalise the transfer mechanism towards the greatest mutual benefits.

Specific aims and target audience. The specific aims of the work stream are to (i) enable the transnational transfer and replication of successful Urban Innovative Actions (2014-2020) and EUI-Innovative Actions, ideally with support of Cohesion policy funds (and/or other funding sources), and to (ii) contribute to the capacity building of Cohesion policy beneficiaries, especially cities, by enhancing innovation capacities and profiles. The target audience of this activity are cities, which have interest in replication of successful innovative ideas, and in particular, URBACT IV, Article 11 cities of the ERDF/CF Regulation as well as other beneficiary cities of the mainstream Cohesion policy and the UAEU community.

[58] Peer learning and Urban Development Network-type of capacity building

[59] Support to knowledge transfer under the UIA is included within an ERDF lump sum of EUR 12 000 covering both knowledge transfer and closure in a same work package (see section 2.2.6 of the UIA guidance, op. cit.). For more detailed findings on the limitations of the current UIA model in terms of knowledge transfer, see sections 3.5. and 3.6. of the UIA mid-term assessment study (op.cit.).

[60] See section 2.2.

Inputs. The completed Urban Innovative Actions projects and the EUI-Innovative Actions that have successfully tested their solutions to urban challenges of Union's relevance, and the associated supporting material (e.g. publications, websites, final reports, and evaluations) will constitute a core and incremental input for this work stream. In the same vein, the lessons learnt from the pilot transfer mechanism developed and implemented by URBACT III and UIA in 2020-2021[61] and from previous URBACT III transfer networks[62] will contribute to its timely design.

Activities. The UIA/EUI-IA transfer mechanism will build on the success of the URBACT Transfer Networks model and will thus take inspiration from the URBACT method 'understand, adapt, reuse'. Calls for Proposals will be published under URBACT IV in regular intervals targeting a set of UIA projects, and subsequently, EUI-IA as these are completed[63]. The promoters of the completed UIA/EUI-IA projects will be invited through the calls to form transfer networks with partner cities interested in transfer/replication. The selected networks will be supported in using of the URBACT's method to transfer/replicate the tested innovation of an UIA city. With the support of an 'exporting UIA/EUI-IA city' and the technical expertise mobilised by URBACT IV, 'importing partner cities' will develop investment plans to replicate the innovative solution in their own city, ideally by using the mainstream Cohesion policy funding and/or other funding sources. In the same way as embedded transfer partnerships within EUI-IA, the transfer mechanism supported by URBACT IV is not intended to accommodate for 'hard' investments costs (beyond small scale testing) in 'importing' cities, and such investment costs will have to be ensured from other funding sources identified in co-designed transfer investment plans. The EUI-IA that have successfully tested their innovative solutions might also be included in the transfer mechanism towards the second half of the 2021-2027 programming period.

Under this work stream, the Entrusted Entity will work in close cooperation with the managing authorities responsible for URBACT IV, and with the UIA Permanent Secretariat (2014-2020) to the extent needed for the establishment and implementation of a transfer mechanism at the exit of UIA projects (2014-2020) and EUI-IA (2021-2027). As a first step, the Entrusted Entity will contribute to the upgrade of an 'UIA/EUI-IA transfer mechanism' by building on lessons learnt from the ongoing pilot and from earlier transfer networks supported by URBACT III. The Entrusted Entity will also contribute to the planning of timely calls for proposals of the transfer mechanism (within the overall EUI-URBACT IV programming and implementation cycle as well as the scheduled completion dates for UIA/EUI-IA projects). While URBACT IV remains fully empowered for and leading the activities of the transfer mechanism, the Entrusted Entity will contribute on demand to the preparation of calls for proposals, to the selection of supported networks as well as to the communication, guidance and training activities.

Outputs. The outputs of the transfer mechanism will comprise (i) the implementation of a number of transnational transfer networks targeting the UIA projects (2014-2020) and EUI-Innovative Actions (2021-2027), and (ii) the co-design and approval by importing cities associated to these networks of as many transfer investment plans[64] aimed at the replication UIA/EUI-IA tested innovations, ideally with the support from mainstream Cohesion policy programmes. The exact number of transnational transfer networks and corresponding transfer investment plans will depend on the final budget allocated to this work stream under URBACT IV.

Expected impact. The expected impact of the UIA/EUI-Innovative Actions Transfer Mechanism is a more systematic transnational transfer of successful solutions tested under the Urban Innovative

[61] The pilot UIA Transfer Mechanism will support 15 European cities to learn from completed (call 1) UIA projects and to co-create investment plans to fund the replication of corresponding innovations (five networks are ongoing from March 2021 to September 2022, see https://urbact.eu/uia-transfer-mechanism-five-pilot-projects-ready-take)

[62] See *inter alia* the URBACT transfer study from December 2020 at https://urbact.eu/lessons-urbact-study-transfer-networks

[63] Ideally, 2-3 calls for proposals could be organised, subject to the final decision by the URBACT IV Programming Committee

[64] One transfer investment plan per each importing city of a transfer network (in total, 3-4 cities in the light of the current URBACT experience)

Actions (2014-2020) and the EUI-Innovative Actions (2021-2027) to other cities across the EU. Complementing the effects of embedding transfer networks within future EUI-IA projects, it will contribute to foster the transformative role of cities in their own place and beyond and to close the innovation divide between lead and less advanced cities across Europe. As a result of these concerted efforts under strand (a), the innovative solutions are increasingly replicated, ideally with the support of mainstream Cohesion policy programmes and/or other public and/or private funding sources.

3.2. Support of capacity and knowledge building, territorial impact assessments, policy development and communication

Sub-strand 1 - Capacity building

The specific objectives of the EUI strand (b) and its sub-strand (b.1) focusing on capacity building are (i) to improve capacities of cities in design of sustainable urban development strategies, policies and practices in an integrated and participative way, and (ii) to improve design and implementation of sustainable urban development strategies, policies and action plans. Three work streams of the EUI intervention logic contribute towards the achievement of these specific objectives and they are explained in broad terms in the following sections.

3.2.1. Networks of cities supported by URBACT IV

Rationale. The rationale for including the work stream on the networks of cities supported by URBACT IV in the EUI intervention logic is to ensure an effective coordination, complementarities and interconnection between the two instruments even though this work stream will not be per se implemented under the EUI. The ambition of the work stream is to establish an effective interface between the EUI and URBACT IV, and in particular, the transnational networking activities of URBACT.

Specific aim and target audience. The specific aim of this work stream is to ensure an effective coordination, complementarities and interconnection between the EUI and URBACT IV, and in particular, between the EUI and the URBACT IV transnational networks of cities[65]. Cities of all sizes and in particular the Article 11 cities of the ERDF/CF Regulation will be the target audience of URBACT IV as well as other local stakeholders (members of URBACT Local Groups). The two instruments, the EUI and URBACT IV, will thus target the same audience, work on similar themes, and this implies the need for strong coordination and complementarities between the activities pursued.

Inputs. URBACT IV will build on the experiences of the previous programming periods including the evaluations and surveys collecting the feedback from city beneficiaries. The activities of the EUI – support of Innovative Actions as well as the capacity and knowledge building, territorial impact assessments, policy development and communication – will provide inputs for URBACT IV.

Activities. Transnational networking remains the core focus of URBACT IV[66], and at the centre of such activity is the 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. The programme will finance Action Planning Networks and Transfer Networks with dedicated expert support. It will also support the Transfer Mechanism for Innovative Actions that is a new tool building on the experience of URBACT Transfer and Implementation Networks[67]. URBACT IV will also undertake capacity-building activities at the programme-level on the design and implementation of integrated Action Plans for sustainable urban development strategies. Furthermore, knowledge sharing and brokering activities will be supported. As a first step, the Entrusted Entity will prepare the cooperation with the URBACT IV Managing Authority that enables the technical

[65] See section 2.2. Coordination between the EUI intervention logic and URBACT IV
[66] Article 3 (3)b of the ETC Regulation
[67] See section 3.1.2.; subject to a final decision by the URBACT IV Programming Committee

coordination and complementarities between the two instruments in the operational delivery of activities. Such preparatory activities are expected to result in a 'technical coordination mechanism' between the EUI and URBACT IV. As the next step, the Entrusted Entity and the URBACT IV Managing Authority will implement the activities of this technical coordination mechanism that directs both bodies to deliver operationally the EUI and URBACT IV in a coordinated and complementary manner.

Outputs. The output of this work stream is, firstly, the jointly developed EUI – URBACT IV technical coordination mechanism, and secondly, the implementation of the mechanism that ensures operationally the coordinated and complementary delivery of the two instruments. As for its programme specific outputs, URBACT IV will finance a number of Action Planning Networks and Transfer Networks as well as the Transfer Mechanism for UIA projects and possibly for EUI Innovative Actions (as these get completed) as per the second work stream of strand (a). The outputs of URBACT IV will also include a series of capacity building activities as well as activities in the area of knowledge sharing. The outputs of the EUI under its two strands and related work steams will contribute to the activities of URBACT IV.

Expected impact. The expected impact at the operational implementation level is that URBACT IV complements in a coordinated way the EUI. The outputs and results from the transnational networks of cities as well as from the other capacity building and knowledge sharing activities of URBACT IV feed into the EUI strands on support of innovative actions, capacity and knowledge building as well as policy development and communication, and conversely, the activities of the EUI contribute to the implementation of URBACT IV. As for the expected programme-specific impacts of URBACT IV, they include the improved capacity of urban authorities and practitioners to design and implement integrated Action Plans linked to sustainable urban development challenges. The capacities of urban authorities and practitioners to reuse good practices originating from URBACT, UIA (2014-2020) and EUI-IA (2021-2027) are enhanced. The UIA/EUI-IA Transfer Mechanism supports the objectives of the EUI.

3.2.2. Peer learning

Rationale. In the framework of the Urban Development Network activities in 2014-2020, a series of peer reviews were implemented. Under the EUI, the work stream on peer learning will build on the experiences gained, develop further and enhance this activity area. The peer learning activities will need to be developed and implemented in a coordinated and complementarity manner with the other capacity building activities of the EUI, and in particular, with URBACT IV.

Specific aims and target audience. The specific aims of the peer learning work stream are (i) to provide targeted and short-term support for challenges linked to the implementation of sustainable urban development under Cohesion policy, and (ii) to facilitate exchange of knowledge, good practices and solutions on sustainable urban development among urban practitioners, i.e. 'peers' working in cities of different Member States. The target audience will include, primarily, local, regional and national authorities (including Managing Authorities) involved in the Article 11 of the ERDF/CF Regulation and in the mainstream Cohesion policy as well as in UIA/EUI-Innovative Actions, and secondarily, stakeholders from URBACT IV and the UAEU. In a second phase, the target audience could include cities which are not yet active or participating in the afore-mentioned programmes and initiatives.

Inputs. As for the inputs, the work stream on peer learning will mainly build on the outputs of the TAIEX-REGIO Peer 2 Peer instrument of 2014-2020 (study visits and expert visits) and on the peer reviews implemented as part of the Urban Development Network in 2014-2020. The peer review methodology on sustainable urban development strategies developed and updated by the Commission (DG REGIO jointly with the JRC) will be the main tool for the organisation of peer review activities. In addition, the work stream will use as inputs the outputs/products resulting from the broader capitalisation activities of thematic/horizontal knowledge under the EUI. The network of Urban

Contact Points, the EUI expert pool, and other benchmarking schemes will also provide contributions to this activity area.

Activities. The activities of the peer learning work stream will be demand-driven: cities interested in the activity can express their interest in organising a peer learning activity[68]. The content of a peer learning activity will correspond to the implementation cycle of Cohesion policy investments as the needs for and interest in peer learning vary depending on the milestones of the policy cycle. As a first step, the detailed content and procedures of peer learning activities will be defined by the EUI Entrusted Entity, and in this context, the existing peer learning tools/modules will be reviewed. Based on this review, the Entrusted Entity will design tools/modules for peer learning activities and will prepare the required methodology and procedural set-up. As the next step, the Entrusted Entity will implement the activities.

The peer learning activities will be built around two activity areas: (i) city2city exchanges, and (ii) peer reviews. As for the city2city exchanges (i.e. 'twinning of cities'), they will consist of two arrangements. The visits to a 'host city' include an activity where civil servants (or equivalent[69]) from one urban authority - which requested the city2city exchange - visit a 'host city' in another Member State to learn new working methods and innovative approaches in the area of sustainable urban development. The visits to a 'requesting city' involve the visits of civil servants (or equivalent) from a 'host city', i.e. from an urban authority with the experience and located in another Member State, to provide peer advice and support on working methods and innovative approaches related to sustainable urban development. With regard to the peer reviews, they will take the form of workshops in which cities will be peer reviewed by other cities and relevant stakeholders. Two types of peer reviews are envisaged: (i) country-specific peer-reviews tailored to respond to the specific needs and challenges of cities in one Member State, and (ii) a cluster of Member State peer reviews tailored to respond to the specific needs and challenges of cities in a cluster of Member States.

Outputs. As for the outputs of the peer learning work stream, they will comprise the design of peer learning tools/modules as well as the methodology and procedural set-up, a number of implemented city2city exchanges and peer reviews based on the expressions of interest by cities. In addition, the outputs will include benchmarking schemes[70] for peer learning activities to allow cities to evaluate their processes against the identified best practices.

Expected impact. The expected impact of the peer learning work stream is increased capacity and know-how of urban practitioners on sustainable urban development. The activity area improves the quality of design, implementation and impact of sustainable urban development policies and strategies as integrated and participatory approaches are strengthened. The benchmarking of sustainable urban development is enhanced at the EU level.

3.2.3. Urban Development Network-type of capacity building

Rationale. In the period 2014-2020, the Urban Development Network (UDN) supported information exchange between cities implementing integrated strategies under the sustainable urban development part of Cohesion policy as well as between cities leading the Urban Innovative Actions. The network promoted direct dialogue between the Commission and the cities involved. In the context of the EUI, the work stream on the UDN-type of capacity building will continue these efforts in an upgraded format based on the experience gained. The UDN activities will need to be developed and implemented in a coordinated and complementarity manner with the other capacity building activities of the EUI, and in particular, with URBACT IV.

[68] Peer learning activities will be initiated by cities, e.g. Article 11 cities of the ERDF/CF Regulation, UIA, URBACT, UAEU and beyond

[69] Civil servants are the main target group, but private bodies' practitioners who are implementing Cohesion policy funds may participate as well in peer learning activities

[70] Benchmarking means assisting local urban authorities in the evaluation of various aspects of their processes/metrics in relation to best-practice processes/metrics, usually within a peer group defined for the purposes of comparison

Specific aims and target audience. The specific aims of the UDN work stream are (i) to develop a 'capacity building community' (in long-term) and 'space for exchange' on sustainable urban development with all the relevant stakeholders, (ii) to provide support and access to knowledge and know-how on this topic, and (iii) to showcase synergies between Cohesion policy, UIA/EUI-Innovative Actions, URBACT IV and the UAEU. The target audience will include, primarily, local, regional and national authorities (including Managing Authorities) involved in the Article 11 of the ERDF/CF Regulation and in the mainstream Cohesion policy as well as in UIA/EUI-Innovative Actions, and secondarily, stakeholders from URBACT IV and the UAEU. Cities which are not yet active in the afore-mentioned programmes and initiatives may also participate in the events, when relevant.

Inputs. As for the inputs, the UDN work stream will build on the outputs of the UDN activities implemented in the period 2014-2020. It will also integrate in the activities those outputs/products resulting from the broader capitalisation of thematic/horizontal knowledge under the EUI including the needs analysis of urban policy makers and practitioners[71]. The network of Urban Contact Points and the EUI expert pool will also provide contributions to this work stream.

Activities. As a first step, the EUI Entrusted Entity will prepare the UDN activities. The content and delivery of the UDN activities will correspond to the implementation cycle of Cohesion policy investments as the needs for and interest in the UDN exchange vary depending on the milestones of the policy cycle. As the next step, the Entrusted Entity will implement the activities. The UDN activities will include the setting up of a 'space for exchange'[72] on sustainable urban development with all the relevant stakeholders and the organisation of events that are either country specific, cluster of Member States specific, or EU-wide[73]. The preparation and publication of handbooks, toolkits, videos, etc. aimed at building capacities of cities as well as benchmarking good practices will also be part of the activities.

Outputs. As for the outputs, the UDN work stream will result in a collaborative 'space for exchange' on sustainable urban development with all the relevant stakeholders. The outputs will include a number of events organised (country specific, cluster of Member States specific, or EU-wide) as well as a compilation of toolkits on good practices and innovative actions in view of benchmarking. Additional and/or complementary outputs, such as handbooks, massive open online courses (MOOC), webinars and other online tutorials as well as social media products are also envisaged as part of the UDN capacity building.

Expected impact. The expected impact of the UDN work stream is the improved capacity of cities to design and implement sustainable urban development strategies and innovative actions. Cities improve their practices of investing the 8% urban earmarking of the ERDF/CF Regulation in an innovative, integrated and participative way. The dialogue between cities, Managing Authorities, Member States and the Commission is enhanced.

Sub-strand 2 - Knowledge building, territorial impact assessments, policy development and communication

The specific objectives of the EUI strand (b) and its sub-strand (b.2) on knowledge building, territorial impact assessments, policy development and communication are (i) to develop into knowledge base in support of better sustainable urban development policy and strategy design, implementation and urban mainstreaming, and (ii) to ensure easier access to horizontal and thematic knowledge and share

[71] Based on the biennial forward-looking survey carried out by the Knowledge Sharing Platform, the interactive space for exchange of the community under KESP, geographical units of DG REGIO etc.

[72] The space for exchange will be hosted by the Knowledge Sharing Platform and it will also integrate the pertinent activities of peer learning

[73] The topic of territorial impact assessments will be included in this work stream and will take a format of dedicated awareness raising/training sessions (as part of the events with a wider scope) at which the exchange of good practices is pursued on TIA tools (either developed by the Commission or in use by Member States)

knowhow on sustainable urban development. Four work streams of the EUI intervention logic contribute towards the achievement of these specific objectives and are explained in the broad terms in the following sections. In addition, the sub-strand (b.2) includes as a fifth work stream that comprises the support to the Urban Agenda for the EU, as well as the possible support to the intergovernmental cooperation on urban matters[74].

3.2.4. Establishment and functioning of a network of Urban Contact Points

Rationale. There is a need to have a single network of contact points in Member States operating in a national language(s) and providing coherent information support to urban policymakers and practitioners at local, regional and national levels, as highlighted in the Implementing Document of the New Leipzig Charter[75]. As part of the aim to have National Contact Points as referred to in the Implementing Document of the New Leipzig Charter, the EUI Urban Contact Points will be set up and they will share information on all urban knowledge and support tools available within the EUI, and Cohesion policy, in particular. This include UIA/EUI-Innovative Actions, URBACT IV, Article 11 and other provisions of the ERDF/CF Regulation and the UAEU[76]. As for the ambition of the Urban Contact Point (UCP) network to be established in the framework of the EUI, it is to function as an 'information and knowledge sharing nexus' between the actors from national, regional and local levels and the EUI.

Specific aims and target audience. The specific aims of the EUI network of Urban Contact Points work stream are: (i) to increase the number of urban policymakers and practitioners at local, regional and national levels in the EUI activities of sustainable urban development, (ii) to improve the capacities of urban policymakers and practitioners at local, regional and national levels in sustainable urban development, and (iii) to incentivise stakeholders, in particular, Managing Authorities, to benefit from the support and opportunities offered by the EUI. The target audience of the activity includes Member States, more specifically, urban policymakers and practitioners at local, regional and national levels. In particular, among the target groups will be local authorities interested or active in UIA/EUI-Innovative Actions, URBACT IV, Article 11 cities of the ERDF/CF Regulation and related Managing Authorities as well as cities benefitting from the mainstream Cohesion policy funds and the UAEU community.

Inputs. The UCPs will use the outputs of the other EUI work streams, in particular, the products developed as part of the EUI knowledge building activities (outputs of the capitalisation of knowledge and the Knowledge Sharing Platform). In this context, the UCP work stream will build on the outputs of the UIA/EUI-Innovative Actions and capacity building that feed into the EUI knowledge building part. Moreover, work developed under the UAEU will feed into the information and knowledge sharing activities of the UCP network through the EUI knowledge building part.

Activities. As a first step, the EUI Entrusted Entity will prepare Terms of Reference for the establishment of the UCP network that describes the detailed tasks of the UCPs and the coordination with the National URBACT Points. As part of the process, a common concept note that provides an overview of the relevant Contact Points in the EU and describes the logic of such Contact Points will be drafted in order to provide a clear narrative for the overall network, to divide attributions accordingly, and to address possible questions from stakeholders and beneficiaries. The Entrusted Entity will then organise the contracting process of UCPs. Each Member State will, after a 'fitness

[74] See section 4

[75] "We therefore regard National Contact Points as pivotal to support the relevant capitalisation, communication and dissemination activities. Hereby, the principles of subsidiarity and proportionality need to be safeguarded and the duplication of structures should be avoided" (page 4 of the Implementing Document of the New Leipzig Charter)

[76] The URBACT IV will maintain the National URBACT Points in the 2021-2027 period. The optimal network set up of these different Contact Points, preferably combining the EUI Urban Contact Points, the National URBACT Points and the National Contact Points as referred to in the Implementing Document of the New Leipzig Charter will need to be developed in the most efficient way for cities.

check'[77], appoint an UCP entity based on the required competences and the specific national institutional context that best enables the selected entity to fulfil its tasks as part of the network. In parallel with the nomination and contracting process of the UCPs, the Entrusted Entity will prepare the activities of the UCP network. As the next step, the Entrusted Entity will manage and support the activities of the network. The network will inform, match needs and disseminate the EUI activities and outputs to national, regional and local levels. It will also feed the EUI on national, regional and local contexts. The activities of the UCPs will comprise, inter alia, the outreach and communication on the EUI, including the awareness raising of the EUI-Innovative Actions Calls for Proposals as well as of rules to apply/benefit in view of achieving the widest diversity of urban areas and of geographical origins for project proposals[78]. The UCPs are foreseen to organise and/or assist in the organisation of capacity building and capitalisation activities for local, regional and national actors in respective Member States that also target Managing Authorities. The UCPs will also be tasked to set up and maintain country-specific websites as sub-pages of the EUI Knowledge Sharing Platform. Biennial forward-looking surveys conducted in the frame of the Knowledge Sharing Platform will be promoted by the UCPs across the Member States.

Outputs. As for the outputs of the UCP work stream, they will be defined in the Terms of Reference of the network. The expectation is that they will comprise, inter alia, country-specific events, seminars, meetings and webinars and/or publications that aim to increasing the share of urban policymakers and practitioners (including Managing Authorities) who know of, understand and make use of the support provided by the EUI. The outputs will also cover the contributions of the UCPs to other general and specific events organised under the EUI. Moreover, communication and dissemination material tailored for the national contexts is envisaged to be produced by the UCPs. The set-up and updates of the country-specific sub-webpages of the Knowledge Sharing Platform as well as promotion of biennial forward-looking surveys on pressing urban challenges and support needs of cities will be among the anticipated outputs.

Expected impact. The expected impact of the network of UCPs is the more coherent and integrated approach to knowledge sharing, capacity building and dissemination on sustainable urban development between the EU and national, regional, and local levels. The share of urban policymakers and practitioners that make use of the EUI support is increased and the link with the Managing Authorities of Cohesion policy programmes is ensured. The information and knowledge sharing among all the actors and levels, including the UAEU, is improved. The sustainable urban development in the EU is enhanced generally, as the network of UCPs helps increasing the capacities of urban policymakers and practitioners particularly at local, regional and national levels.

3.2.5. Establishment and functioning of a Knowledge Sharing Platform

Rationale. The rationale for developing a knowledge base is to tackle the wealth and diversity of existing urban knowledge as well as the fragmentation of such knowledge sources to offer more coherent knowledge-based support for urban policymakers and practitioners at all levels. In the context of this work stream, an interactive Knowledge Sharing Platform that congregates the outputs/products of the other work streams (and beyond) will be established.

Specific aims and target audience. The specific aims of the work stream are (i) to develop into the knowledge base in support of better urban policy and strategy design, implementation and mainstreaming, and (ii) to ensure access to horizontal and thematic urban knowledge as well as know-how. The target audience of the activity is urban policymakers and practitioners at all levels, especially local authorities active or interested in UIA/EUI-Innovative Actions and URBACT IV, Article 11 cities of the ERDF/CF Regulation and related Managing Authorities and other cities benefitting from the mainstream Cohesion policy programmes as well as the UAEU community.

[77] Candidates for an Urban Contact Point entity must have the professional competencies as well as appropriate positions in the national context necessary to deliver the activities foreseen

[78] For example, national info days, guidance, training events, project results, etc.

Inputs. In the short to medium term, the priority focus of the Knowledge Sharing Platform will be the consolidation of knowledge produced by Cohesion policy on sustainable urban development, i.e. UIA/EUI-Innovative Actions, capacity building (peer learning, UDN-type of capacity building, URBACT) as well as the outputs of strategies of Article 11 cities of the ERDF/CF Regulation (particularly through the outputs of URBADEV[79]). The Platform will also build on the knowledge produced by ESPON and on other pertinent knowledge originating from Cohesion policy (e.g. INTERREG, International Urban and Regional Cooperation Programme) as well as on the data hosted by the other platforms of Cohesion policy. The Knowledge Management Strategy of the Urban Innovative Actions (2014-2020) will provide important inputs for this work stream[80]. In the short to medium term, knowledge products and activities of the UAEU will be incorporated into the frame of the Platform. In the medium to long term, it is envisaged that the Knowledge Sharing Platform will interconnect gradually with the other most significant urban knowledge initiatives and programmes in the EU and internationally.

Activities. As a first step, the EUI Entrusted Entity will undertake the technical design of the Platform based on the conceptual specifications prepared by the Commission[81]. The conceptual specifications provide the basic parameters for the set-up of the Platform. They will address a number of key issues that include, for example, the strategic framework of the Platform, the degree of centralisation of knowledge to this Platform vs. inter-connecting the Platform with other existing web-portals, the main functionalities (methods for knowledge aggregation, types of interactive functions, feasibility of compiling merged databases of experts and good practices, curation of the Platform's content, etc.). As for the timeline, the aim is that a first 'mock web-portal version' of the Knowledge Sharing Platform is operational within the first twelve months after the appointment of the Entrusted Entity. In parallel with the setting up of the Platform, the Entrusted Entity will prepare a Knowledge Management Strategy for the EUI[82] that provides a strategic framework for all the knowledge-related activities of the EUI.

As the next step, the Entrusted Entity will implement the activities of the Knowledge Sharing Platform. The activities of the Platform will focus on further developing and maintaining an 'urban knowledge facility' that hosts the outputs of the other EUI work streams and provides inputs for them, carries outs knowledge collection, consolidation and data mining as well as information and knowledge sharing. The Platform will provide a virtual interactive community for the network of the Urban Contact Points (UCPs) and hosts the country-specific sub-webpages prepared and maintained by the UCPs in national languages. It will foster interconnections between UIA/EUI-Innovative Actions, capacity building, capitalisation of knowledge, territorial impact assessment tools and policy development regarding the mainstream Cohesion policy, national urban policies and practices, other EU policies, initiatives and programmes at the EU level and beyond (internationally). Through the Platform, the Urban Agenda Thematic Partnerships will be able to access and capitalise on the existing urban support tools concerning knowledge and data as well as feed in the knowledge produced in the UAEU context. A forward-looking survey will also be conducted every two years that is aimed at urban policymakers and practitioners to identify pressing urban challenges and knowledge gaps as well as support needs[83].

[79] URBADEV is a joint initiative of DG REGIO and the JRC that has developed several tools aimed at supporting urban authorities and Managing Authorities by promoting policy learning and evidence-based policymaking. Such tools include the Urban and Territorial Dashboard 'STRAT-Board Plus', the Handbook of Sustainable Urban Development and related peer-learning tools.

[80] https://www.uia-initiative.eu/sites/default/files/2020-07/UIA_knowledge_management_strategy_0.pdf

[81] Conceptual specifications have been prepared by the Commission with the support of external expertise

[82] The EUI Knowledge Management Strategy will build on the existing UIA 2014-2020 Knowledge Management Strategy that is to be further developed and updated for the EUI

[83] The conceptual specifications of the Knowledge Sharing Platform include the basic parameters for this survey that is foreseen in 2024 and 2026; the network of Urban Contact Points will be tasked to promote the survey across Member States

Outputs. The main output of the work stream is the establishment and functioning of the Knowledge Sharing Platform. The Platform will also interconnect with an 'Urban & territorial dashboard'[84] as well as with a 'Handbook on Sustainable Urban Development Strategies'[85], both developed by the JRC in collaboration with DG REGIO. Among the outputs of the Platform will be databases of urban experts and good practices as well as toolkits and guidance on territorial impact assessments. In the medium to long term, the anticipation is that the Platform will host a 'European Urban Knowledge Panorama' that gradually interconnects the Platform with the other (most important) knowledge-related urban initiatives and programmes in the EU and internationally. Among the specific outputs of the Platform will also be the forward-looking survey conducted every two years.

Expected impact. The expected impact of the Knowledge Sharing Platform is the enhanced access of urban policymakers and practitioners to knowledge on sustainable urban development in the EU. A structured, interactive and user-friendly urban knowledge base is in place that tackles the wealth, diversity and fragmentation of knowledge available, and serves the knowledge needs and sharing of urban actors at local, regional, national and European levels.

3.2.6. Capitalisation of knowledge in support of evidence and experience-based policymaking

Rationale. The ambition of the work stream on the capitalisation of knowledge in support of evidence and experience-based policymaking is to capture, consolidate and enable the uptake of outputs and results produced by the different activity areas of the EUI. This refers to the outputs and results of UIA/EUI-Innovative Actions, capacity building (including URBACT IV networking and capitalisation activities) as well as Article 11 cities of the ERDF/CF Regulation, the mainstream Cohesion policy programme investments in urban areas and the UAEU.

Specific aims and target audience. The specific aim of the capitalisation of knowledge work stream is to provide urban policymakers and practitioners with consolidated knowledge in a format assisting them in evidence-based policymaking and in quality of programming as well as in designing and implementing public investments, in particular, under Cohesion policy. The target audience of the activity will be Cohesion policy stakeholders, urban policymakers and practitioners. Particular efforts will be invested in reaching out to small and medium-sized cities that have not yet sufficient access to the existing experience and knowledge.

Inputs. As for the inputs, the capitalisation of knowledge activity area will build on the knowledge outputs of the other EUI work streams as well as on Article 11 cities of the ERDF/CF Regulation, and more generally, the sustainable urban development part of Cohesion policy. The existing Knowledge Management Strategy of the UIA (2014-2020) as well as its further development and update for the EUI, the JRC's community of practice and other related activities, the URBACT IV capitalisation activities, as well as the UAEU actions will provide important inputs for this work stream. In addition, the knowledge generated beyond Cohesion policy – in the context of national or regional urban policies and initiatives/programmes as well as territorial impact assessments and other pertinent EU and international urban initiatives/programmes – will provide inputs for this work stream.

Activities. As a first step, the EUI Entrusted Entity will prepare and design the detailed content of the capitalisation of knowledge activities in alignment with the EUI Knowledge Management Strategy[86]. The activities will take a format of different capitalisation exercises, carried out typically through dedicated policy labs (Knowledge for Policy Labs, Focused Policy Labs, and Thematic Reviews for

[84] The dashboard refers to the STRAT-Board Plus tool that contains the information and data on Article 7 cities and related strategies of the ERDF (2014-2020) in a searchable format (https://urban.jrc.ec.europa.eu/strat-board/); further to providing information on future Article 11 cities of the ERDF/CF Regulation (2021-2027), its functionalities could be extended to include the information and data on UIA/EUI-Innovative Actions, URBACT and the UAEU

[85] The Handbook on Sustainable Urban Development Strategies is available at https://urban.jrc.ec.europa.eu/urbanstrategies/

[86] The EUI Knowledge Management Strategy will build on the existing UIA 2014-2020 Knowledge Management Strategy that is to be further developed and updated for the EUI (see section 3.2.5.)

Policy)[87]. The activities will follow the sequence of the different knowledge outputs produced by the other EUI work streams, including activities to support the delivery of the UAEU objectives and actions. During the first phase of the EUI capitalisation activity, the outputs of the EUI-related activities undertaken in the period 2014-2020 will be used as the inputs.

Outputs. The outputs of the capitalisation of knowledge work stream will include a series of 'Knowledge for Policy Labs' (exercises extending over a period of a few months) and 'Focused Policy Labs' (one-off exercises). The outputs will also comprise a compilation of policy briefs in a format of 'Thematic Reviews for Policy', consolidating the outcomes of the policy lab exercises and integrating other pertinent knowledge inputs.

Expected impact. The expected impact of the capitalisation of knowledge work stream is the improved design, quality and results of sustainable urban development strategies, in particular in Article 11 cities of the ERDF/CF Regulation and in other urban areas supported by Cohesion policy, by providing easier access and tools to targeted information and consolidated knowledge. The quality of Cohesion policy investments in urban areas is increased due to the enhanced application of the integrated and participatory approaches. The coherence of priorities and policies at EU and national or regional levels that have an urban dimension is also improved.

3.2.7. Communication and dissemination

Rationale. The ambition of the work stream on the communication and dissemination is to ensure that the EUI is known and visible, first for the direct and potential beneficiaries of the initiative – urban policymakers and practitioners at all levels – and second, for a broader audience in the EU and internationally.

Specific aims and target audience. The specific aims of the communication and dissemination work stream are (i) to increase awareness of urban policymakers and practitioners at all levels of the EUI, of its support tools and knowledge available in the area of sustainable urban development, and (ii) to communicate and disseminate effectively the outputs and results the EUI is producing. The overall goal of the work steam is thus to raise awareness of the initiative's support tools and impact on sustainable urban development under Cohesion policy and beyond. The target audience of the activity will be Cohesion policy stakeholders and urban policymakers and practitioners at local, regional, national, and EU levels (also internationally), the UAEU community as well as the public at large.

Inputs. The outputs/products of all the other EUI work streams will be used as inputs for the communication and dissemination. Among the inputs will be the outputs of UIA/EUI-Innovative Actions that consist of both thematic and horizontal knowledge produced as well as other products related to future projects, events, workshops, etc. In this context, the Knowledge Management Strategy of the Urban Innovative Actions (2014-2020) will provide an input for this work stream, and in particular, in relation to the outputs of UIA projects. The communication and dissemination activities will also build on the outputs of the EUI capacity building part and URBACT IV (peer learning, UDN-type of capacity building, EUI-URBACT IV joints events). The capitalisation of knowledge activities will produce consolidated knowledge for policymaking, and will feed into the communication and dissemination work stream. As for the national context, the network of Urban Contact Points will offer not only a significant source of material for this activity area but will also help to customise the content of communication and dissemination for audiences at local, regional and Member State levels, and in particular, in national languages. Moreover, the communication and dissemination activities will promote the outputs of the Knowledge Sharing Platform.

[87] Territorial impact assessments will be included in this work stream, and the organisation of a series of Thematic Policy Labs / Focused Policy Labs will include TIA as a topic and will also feed into the production of Thematic Reviews for Policy (policy briefs) on this topic

Activities As a first step, the EUI Entrusted Entity will prepare a communication and dissemination strategy[88] accompanied with an annual work plan. These documents will outline both the strategic aims and operational activities that capture the communication and dissemination needs in relation to the overall initiative and its different work streams. As the next step, the Entrusted Entity will implement the activities. The preparation of a visual identity for the EUI, the setting up and maintenance of the EUI web-portal as an interface of the initiative, the publication of a regular newsletter, the organisation of biennial CITIES Forum as well as sessions at the annual European Week of Regions and Cities will be among the core activities of the work stream. The communication and dissemination activities will also include the effective promotion of the EUI through events organised by other EU initiatives and programmes at the EU level as well as through events organised by UCPs at national level. Besides the events, an important activity area will be the production of generic and specific communication and dissemination material, including social media[89], audio-visual content, articles, publications etc.

Outputs. The outputs of the communication and dissemination work stream will be a well-functioning and appealing web-portal, a series of events organised (e.g. CITIES Forum provisionally foreseen in 2025 and 2027, and annual sessions at the European Week of Regions and Cities). The outputs will also include the generic and specific communication and dissemination material (newsletters, factsheets, articles, briefs, etc.) that cover social media and audio-visual content.

Expected impact. The expected impact of the communication and dissemination work stream is the maximised profile and visibility of the EUI by promoting its activities in a coherent manner to the widest possible audience, which consists of urban policymakers and practitioners at all levels in the EU (also internationally) as well as the public at large. The expected impact also is to have more cities of all sizes, especially small and medium-sized cities, to know about the EUI and its support available.

[88] The EUI Knowledge Management Strategy that will build on the existing UIA 2014-2020 Knowledge Management Strategy is to be further developed and updated for the EUI under the Knowledge Sharing Platform work stream, and the revised strategy will interconnect with the communication and dissemination strategy.

[89] Also including the setting up of the social media accounts.

SECTION 4 – SUPPORT TO THE URBAN AGENDA FOR THE EU AND INTERGOVERNMENTAL COOPERATION ON URBAN MATTERS

Rationale. The Urban Agenda for the EU (UAEU)[90] was officially launched in May 2016 by the Pact of Amsterdam[91], in the scope of intergovernmental cooperation on urban matters. It is an innovative multi-level working method promoting cooperation between Member States, cities, the European Commission as well as the other EU institutions and stakeholders, to stimulate growth, liveability and innovation in the cities of Europe and to identify and successfully tackle urban challenges. The agenda is aimed at increasing the involvement of cities as well as the urban dimension in the design and implementation of policies at the EU and national levels leading to better regulation, better funding and better knowledge for cities in Europe.

EU Presidencies support the intergovernmental cooperation on urban matters. The UAEU is working with a multilevel governance structure[92]. In the frame of this cooperation, the New Leipzig Charter was adopted by the Member States in November 2020[93]. The Charter puts forward a revised vision for sustainable urban development in Europe with the emphasis on the transformative power of cities for the common good. This is to be achieved with actions taken within the three dimensions of 'Just, Green and Productive Cities' as well as within one cross-sectoral dimension of 'Digitalisation', and implemented in a format of multi-level governance. The UAEU is considered as a key vehicle for the implementation of the Charter. The Implementing Document of the Charter identifies the EUI as one of the instruments to provide support to the UAEU partnerships and to the intergovernmental cooperation on urban matters.

The Ljubljana Agreement and its Multiannual Working Programme adopted by EU Ministers on 26 November 2021 establish the renewed parameters for the next phase of the Urban Agenda for the EU. The Working Programme of the UAEU describes in detail its operational framework, working method, concrete actions and priority themes. It provides a framework for the planning, implementation and monitoring of the UAEU for the period 2022-2026 and states that the current prioritythemes will be reviewed and revised in 2023. It also identifies new priority themes, namely: Greening cities, Sustainable tourism, Food and Cities of equality.

As stipulated in the Cohesion policy regulatory framework for 2021-2027, the EUI shall support the UAEU, and upon request from one or more Member States, it may also support intergovernmental cooperation on urban matters. Such support will depend on the strategic orientations put forward by the afore-mentioned multilevel-governance structure, on the parameters, operational decisions, and resources available under the EUI. The strategic orientations will reflect the principles identified in the New Leipzig Charter and in its Implementing Document. The main principles of the support to the UAEU and to the intergovernmental cooperation on urban matters are presented in broad terms in the following section.

Specific aims and target audience. The specific aims and the future scope of the EUI support to the UAEU will reflect the principles identified in the Pact of Amsterdam, in the New Leipzig Charter as well as in the regulatory framework and parameters of the EUI under Cohesion policy. Three specific objectives appear as crucial: (i) to operationalise the principles of the New Leipzig Charter for the EU level; (ii) to continue developing the UAEU by involving urban authorities of all sizes in achieving Better Regulation, Better Funding and Better Knowledge to improve the consideration of the urban dimension in EU policies; and (iii) to better interlink the work done under the UAEU with the other urban-related activities under Cohesion policy, notably, through the EUI, and beyond. While working towards these objectives, the aim is also to valorise and build on the work of the 14 Partnerships that have been launched since 2016. Special attention will be given to supporting the participation of local

[90] https://ec.europa.eu/futurium/en/urban-agenda
[91] https://ec.europa.eu/regional_policy/sources/policy/themes/urban-development/agenda/pact-of-amsterdam.pdf
[92] Directors-General on Urban Matters (DGUM) and Urban Development Group (UDG)
[93] https://ec.europa.eu/regional_policy/sources/docgener/brochure/new_leipzig_charter/new_leipzig_charter_en.pdf

authorities in the Thematic Partnerships and other forms of cooperation in the next phase of the UAEU.

The scope of the support to the Urban Agenda for the EU through the EUI is described in a dedicated section of the UAEU Multiannual working Programme adopted in November 2021[94]. Support will be provided to the partnerships and may also be provided to other forms of cooperation on an ad-hoc basis, as well as for the selection of partnerships and partners. The focus of future Partnerships is sought to be aligned with the priorities and themes set for sustainable urban development as part of the EU political priorities, and in correlation to existing EU policies, while emerging from bottom up consultations and cities' needs. The activities of the UAEU should feed into the value chain of the EUI (i.e. into the different work streams), together with the other sustainable urban development activities of Cohesion policy, to generate stronger linkages and benefits for all actors involved.

In addition, and based on the identified needs, the EUI may support intergovernmental cooperation on urban matters, if such support is requested by Member State(s) and if agreed upon between Member State(s) and the Commission. Such support should have an EU added value and it should aim at (i) strengthening multi-level cooperation on sustainable urban development, and (ii) reinforcing the link between the EU and the urban policies at the appropriate level in the different Member States. It would exclude administrative and logistical support and be in line with the proposed scope detailed in the Multiannual Working programme of the UAEU. It refers to the following activities:

- Providing, upon request, expert support to the policy dialogue led by the UDG and DGUM based on an analysis and synthesis of urban policy developments;
- Supporting Member States in exchanging experiences related to their national urban policies and providing linkages with the broader European and global objectives, in particular the Sustainable Development Goals;
- Providing, upon request, expert support to the coordination between urban and territorial policy.

Special attention will be given to cooperation aimed at capacity building at local level to achieve the UN Sustainable Development Goals of the 2030 Agenda for Sustainable Development as indicated in Article 12 of the ERDF/CF regulation.

The target audience of the EUI support to the UAEU and to intergovernmental cooperation on urban matters will include members active in the two groupings. This consists of a variety of stakeholders working on urban policies at different levels, i.e. cities of all sizes, regions, Member States, Managing Authorities from Cohesion policy programmes, EU institutions, city associations and networks, civil society, businesses, knowledge institutions, Partner States and other urban practitioners.

Inputs. The support to the UAEU and to intergovernmental cooperation on urban matters will build on the outputs from the previous years of work and implementation, and will seek to integrating as much as possible elements of the relevant urban-related initiatives and programmes as well as the work streams of the EUI.

Activities. The support to the UAEU and to intergovernmental cooperation on urban matters will be delivered by the EUI Secretariat. As a first step, the Entrusted Entity will prepare and frame the support to be granted together with the Commission and the UAEU actors. This will be based on Commission's commitments as part of the new parameters of the UAEU as described in the Ljubljana Agreement and its Multiannual Working Programme. The activities in support of the UAEU will include, among others: (i) the setting up of new Partnerships (including the ex-ante assessments of Partnership proposals), and possibly other forms of cooperation on an ad-hoc basis; (ii) the implementation of the UAEU and delivery of actions, with expertise support; and (iii) the setting up of capitalisation, communication and dissemination activities on the outcomes/results of the UAEU. Specific tasks and activities will be further refined and discussed with the UAEU governing bodies.

[94] https://ec.europa.eu/regional_policy/en/information/publications/brochures/2021/ljubljana-agreement

The UAEU community will also benefit from activities taking place in the scope of the other EUI work streams. As for the support to intergovernmental cooperation, specific activities will be discussed between the Commission and intergovernmental actors including the DGUM on the basis of the scoping elements introduced in the Multiannual Working Programme. The support should have EU added value and could include (i) support to intergovernmental cooperation in tasks which are relevant for the UAEU and/or the EUI (technical and thematic expertise), and (ii) support to intergovernmental cooperation in relation to the EU work programme in areas which are relevant for the UAEU and/or the EUI.

Outputs. As for the UAEU, the EUI support will result in the facilitation of different forms of multi-level governance cooperation (Partnerships or other forms). It will also contribute to the implementation of actions/recommendations towards better regulation, better funding, and better knowledge related to EU policies. The outputs will comprise products originating from capitalisation activities related to thematic and topical knowledge for the use of the UAEU, UIA/EUI-Innovative Actions, URBACT IV and Article 11 cities of the ERDF/CF Regulation. As for intergovernmental cooperation on urban matters, the EUI support could result in a variety of studies, recommendations, pilots, assessments feeding into the UAEU and/or the EUI.

Expected impact. The expected impact of the EUI support to the UAEU – as an aggregate result of the UAEU implementation – is the increased capacity of all the actors involved to work in a multilevel cooperation environment. The positioning of cities within EU policymaking (including consultation processes and contribution to relevant EU level fora) is improved. Cities take increasingly part in the multilevel cooperation to capitalise their knowhow within mainstream Cohesion policy and other EU programmes and initiatives. The knowledge base and exchange about the EU and national legislation, policies and developments with an urban dimension are enhanced between different governmental levels, civil society, businesses and knowledge institutions. Support to the implementation of the UN Sustainable Development Goals and the New Urban Agenda is strengthened. The expected impact of the EUI support to intergovernmental cooperation on urban matters is the strengthened multilevel governance on sustainable urban development and the secured continuity as regards the UAEU and the EUI.

SECTION 5 – GOVERNANCE STRUCTURE OF THE EUI

An effective governance structure will be established for the EUI. It will ensure the proper strategic steer and advice as well as operational implementation of all the different work streams of the EUI. It will allow for delivering on synergies in the EUI intervention logic. The governance structure will aim at ensuring (i) a participatory process for the strategic direction of the initiative by involving the relevant stakeholders, and (ii) an operational and efficient management for the execution of tasks. Two bodies will be established: (i) a Steering Group, and (ii) a Supervisory Board. In the functioning of these bodies, the Commission will ensure the appropriate conversion of activities from the strategic level to the operational one.

The composition of the Steering Group will be as follows: one representative per Member State from the EU Trio Presidency, one representative of the Commission, one representative of the EUI Entrusted Entity, one representative of the European Committee of the Regions and two representatives of the EU level city associations (CEMR and EUROCITIES). In addition, the Managing Authority and the Technical Secretariat of URBACT IV will be invited to the Steering Group to ensure effective coordination and complementarities between the EUI and URBACT IV. Other observers may also be invited to join the meetings on an ad-hoc basis. The Steering Group is envisaged to convene at least once a year.

The Steering Group will provide strategic advice to the initiative, and in this role, it will function as a consultative body and sounding board. Such role will require inputs from cities on their most pressing needs and future challenges (bottom-up), from national governments, as well as from EU institutions to link the EUI with other policies affecting cities at national, regional and EU levels (top down). This will also increase the impact of Cohesion policy implementation on the ground.

As for the main tasks of the Steering Group, it will provide advice for the implementation of the two strands of the EUI. In parallel, the Urban Agenda for the EU and the intergovernmental cooperation on urban matters will continue to be governed under the multilevel governance structure put forward by the Pact of Amsterdam[95] and the EUI will support these activities based on an agreed list of services. Given the provisions of the ERDF/CF Regulation 2021-2027, the essential role of the Steering Group will be to provide for a multi-level dialogue platform for cities, regions, Member States and the Commission, also aimed at ensuring coordination and complementarity with URBACT IV as well as synergies with the activities of the UAEU.

The role of the EUI Supervisory Board is to oversee efficient and qualitative implementation of the EUI, e.g. the overall objectives and specific objectives as well as related activities of the initiative. It will also ensure that the strategic advice of the EUI Steering Group is integrated, where relevant, in operational activities. The EUI Supervisory Board will consist of representatives of the Commission, the Entrusted Entity and the Secretariat.

The final specifications of the EUI governance structure will be completed when the Entrusted Entity and the EUI Secretariat are in place, and will include, inter alia, the rules of procedure for the Steering Group and Supervisory Board.

For implementing day-to-day operational activities of the EUI work streams, and as a first step, the Entrusted Entity will establish a dedicated EUI Secretariat. As an operational structure, it will provide the main interface for the EUI. The Secretariat must have adequate infrastructural resources as well as professional competencies and appropriate qualifications necessary to implement the activities of the EUI. As the next step, the Entrusted Entity will ensure the operational delivery of the EUI activities by the Secretariat. In this context, the Secretariat will prepare annual EUI Work Programmes and

[95] The activities of the UAEU are coordinated by the Urban Development Group (UDG) and the Directors-General on Urban Matters (DGUM) and tasks of these governance bodies are described in the Pact of Amsterdam (2016); https://ec.europa.eu/regional_policy/sources/policy/themes/urban-development/agenda/pact-of-amsterdam.pdf

Implementation Reports subject to the approval by the Commission as well as will provide the material (quantitative and qualitative) needed for the biennial report to the European Council and the Parliament[96]. The Secretariat will also support the preparation and organisation of meetings of the EUI governance structure. In addition, the Secretariat will be partly dedicated to support the UAEU, and intergovernmental cooperation on urban matters[97].

The official language of correspondence between the Commission and the Entrusted Entity as well as the EUI Secretariat shall be English. The Secretariat should also have the ability to translate communication material into other official EU languages to assist applicants, final beneficiaries and stakeholders across the EU in understanding the material.

[96] To be submitted by the European Commission every two years
[97] See section 4

SECTION 6 – MONITORING AND REPORTING OF THE EUI

6.1. Setting up of the monitoring system for the EUI

A monitoring system will be set up for the EUI that effectively measures the performance of the EUI at the level of the initiative and at the levels of its two strands (a) and (b). As a first step, the Entrusted Entity will develop a proposal for such a monitoring system for the approval to the Commission. The Entrusted Entity will maintain and operate the system that captures, through its key performance indicators, the outputs, results and impacts of the EUI in relation to its overall and specific objectives. The monitoring system will systematically collect the necessary data for the review of the EUI Steering Group and Supervisory Board as well as for the biennial reporting by the Commission to the Council and the European Parliament. For the monitoring system, the Entrusted Entity will design a set of the composite indicators aggregating results from the different EUI work streams and monitoring the progress in achieving the overall and specific objectives of the initiative. Examples of indicative formulations of the possible indicators are provided in annex 5[98].

6.2. Reporting to the European Parliament and the Council

In line with the requirements of the Article 12 of the ERDF/CF Regulation 2021-2027, the Commission will submit a report every two years to the European Parliament and to the Council on developments of the European Urban Initiative. The Entrusted Entity will provide all the necessary material for the report, and in particular, the key data and information on the activities implemented as well as the main achievements and challenges. Before the submission of the report, the EUI Steering Group will be consulted on the content of the report.

6.3. Key EUI documents and reporting to the EUI governance bodies

To operationalise the work streams of the EUI, the Entrusted Entity will prepare annual EUI Work Programmes. A Work Programme will define on an annual basis how the EUI delivers its activities under each work stream. It will include a section on the crosscutting issues of the EUI and will describe how an effective value-chain functions between the two strands and the work streams therein. The Work Programme will also contain an annex providing an indicative roadmap of the activities planned for the consecutive year. The annual EUI Work Programmes will be subject to the consultation of the EUI Steering Group and to the subsequent approval by the Commission.

Further to the annual EUI Work Programmes, the Entrusted Entity will prepare annual management declarations and Implementation Reports that provide information on the activities implemented, and in particular, on the achievement of the overall and specific EUI objectives and related key performance indicators. The annual Implementation Reports will be subject to the consultation of the EUI Steering Group and to the subsequent approval by the Commission.

[98] If the final indicators of the monitoring system require secondary data, such data collection could be included in the biennial forward-looking surveys of pressing urban challenges, if appropriate. The survey will be carried out in the frame of the Knowledge Sharing Platform (provisionally in 2024 and 2026)

Annex 1. Articles 3, 11 and 12 of the Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund.

Article 3

Specific objectives for the ERDF and the Cohesion Fund

1. In accordance with the policy objectives set out in Article 5(1) of Regulation (EU) 2021/1060, the ERDF shall support the following specific objectives:

(a) a more competitive and smarter Europe by promoting innovative and smart economic transformation and regional ICT connectivity (PO 1) by:

(i) developing and enhancing research and innovation capacities and the uptake of advanced technologies;

(ii) reaping the benefits of digitisation for citizens, companies, research organisations and public authorities;

(iii) enhancing sustainable growth and competitiveness of SMEs and job creation in SMEs, including by productive investments;

(iv) developing skills for smart specialisation, industrial transition and entrepreneurship;

(v) enhancing digital connectivity;

(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, risk prevention and management, and sustainable urban mobility (PO 2) by:

(i) promoting energy efficiency and reducing greenhouse gas emissions;

(ii) promoting renewable energy in accordance with Directive (EU) 2018/2001, including the sustainability criteria set out therein;

(iii) developing smart energy systems, grids and storage outside the Trans-European Energy Network (TEN-E);

(iv) promoting climate change adaptation and disaster risk prevention and resilience, taking into account eco-system based approaches;

(v) promoting access to water and sustainable water management;

(vi) promoting the transition to a circular and resource efficient economy;

(vii) enhancing protection and preservation of nature, biodiversity and green infrastructure, including in urban areas, and reducing all forms of pollution;

(viii) promoting sustainable multimodal urban mobility, as part of transition to a net zero carbon economy;

(c) a more connected Europe by enhancing mobility (PO 3) by:

(i) developing a climate resilient, intelligent, secure, sustainable and intermodal TEN-T;

(ii) developing and enhancing sustainable, climate resilient, intelligent and intermodal national, regional and local mobility, including improved access to TEN-T and cross-border mobility;

(d) a more social and inclusive Europe implementing the European Pillar of Social Rights (PO 4) by:

(i) enhancing the effectiveness and inclusiveness of labour markets and access to quality employment through developing social infrastructure and promoting social economy;

(ii) improving equal access to inclusive and quality services in education, training and lifelong learning through developing accessible infrastructure, including by fostering resilience for distance and on-line education and training;

(iii) promoting the socioeconomic inclusion of marginalised communities, low income households and disadvantaged groups, including people with special needs, through integrated actions, including housing and social services;

(iv) promoting the socio-economic integration of third country nationals, including migrants through integrated actions, including housing and social services;

(v) ensuring equal access to health care and fostering resilience of health systems, including primary care, and promoting the transition from institutional to family-based and community-based care;

(vi) enhancing the role of culture and sustainable tourism in economic development, social inclusion and social innovation;

(e) a Europe closer to citizens by fostering the sustainable and integrated development of all types of territories and local initiatives (PO 5) by:

(i) fostering the integrated and inclusive social, economic and environmental development, culture, natural heritage, sustainable tourism and security in urban areas;

(ii) fostering the integrated and inclusive social, economic and environmental local development, culture, natural heritage, sustainable tourism and security in areas other than urban areas.

Support under PO5 shall be provided through territorial and local development strategies, through the forms set out in points (a), (b) and (c) of Article 28 of Regulation (EU) 2021/1060.

2. Under the two specific objectives of point (e) of paragraph 1, Member States may also support operations which can be funded under the specific objectives set out under points (a) to (d) of that paragraph.

3. The Cohesion Fund shall support PO 2 and 3.

4. Within the specific objectives set out in paragraph 1, the ERDF or the Cohesion Fund, as appropriate, may also support activities under the Investment for jobs and growth goal, where they:

(a) improve the capacity of programme authorities;

(b) improve the capacity of sectoral or territorial actors responsible for carrying out activities relevant to the implementation of the ERDF and the Cohesion Fund, provided that it contributes to the objectives of the programme; or

(c) enhance cooperation with partners both within and outside a given Member State.

Cooperation referred to in point (c) shall include cooperation with partners from cross-border regions, from non-contiguous regions or from regions located in the territory covered by a European Grouping of Territorial Cooperation, a macro-regional or sea-basin strategy or a combination thereof.

Article 11

Sustainable urban development

1. To address economic, environmental, climate, demographic and social challenges, the ERDF shall support integrated territorial development based on territorial or community-led local development strategies in accordance with Article 29 or 32 of Regulation (EU) 2021/1060, respectively, that are focused on urban areas, including functional urban areas ('sustainable urban development') within programmes under both goals referred to in Article 5(2) of that Regulation.

Special attention shall be given to tackling environmental and climate challenges, in particular 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. In this context, sustainable urban development resources programmed under priorities corresponding to PO 1 and 2 shall count towards the thematic concentration requirements under Article 4.

2. At least 8 % of the ERDF resources at national level under the Investment for jobs and growth goal, other than for technical assistance, shall be allocated to sustainable urban development in one or more of the forms referred to in Article 28 of Regulation (EU) 2021/1060.

The relevant territorial authorities or bodies shall select or shall be involved in the selection of operations in accordance with Article 29(3) and point (d) of Article 32(3) of Regulation (EU) 2021/1060.

The programmes concerned shall set out the planned amounts for that purpose under point (d)(viii) of Article 22(3) of Regulation (EU) 2021/1060.

3. The percentage allocated to sustainable urban development under paragraph 2 of this Article shall be complied with throughout the entire programming period when ERDF allocations are transferred between priorities of a programme or between programmes, including at the mid-term review in accordance with Article 18 of Regulation (EU) 2021/1060.

4. Where the ERDF allocation is reduced following a decommitment under Article 105 of Regulation (EU) 2021/1060, or due to financial corrections by the Commission in accordance with Article 104 of that Regulation, compliance with paragraph 2 of this Article shall not be re-assessed.

Recital 48:

Within the framework of sustainable urban development, it is considered necessary to support integrated territorial development in order to more effectively tackle the economic, environmental, climate, demographic and social challenges affecting urban areas, including functional urban areas, while taking into account the need to promote urban-rural linkages. Support targeting urban areas might take a form of a separate programme or a separate priority and should be able to benefit from a multi-fund approach. The principles for selecting the urban areas where integrated actions for sustainable urban development are to be implemented, and the indicative amounts for those actions,

should be set out in the programmes under the Investment for jobs and growth goal with a minimum target of 8 % of the ERDF resources allocated at national level for that purpose. It should also be established that this percentage should be respected throughout the programming period in the case of transfer between priorities within a programme or between programmes, including at the mid-term review.

Article 12

European Urban Initiative

1. The ERDF shall support the European Urban Initiative, implemented by the Commission in direct and indirect management.

This initiative shall cover all urban areas, including functional urban areas, and shall support the Urban Agenda for the EU, including support for the participation of local authorities in the thematic partnerships developed under the Urban Agenda for the EU.

2. The European Urban Initiative shall, with regard to sustainable urban development, consist of the following two strands:
(a) support of innovative actions;
(b) support of capacity and knowledge building, territorial impact assessments, policy development and communication.

Upon the request of one or more Member States, the European Urban Initiative may also support inter-governmental cooperation on urban matters. Particular attention should be given to cooperation aimed at capacity building at local level to achieve UN Sustainable Development Goals.

The Commission shall submit a report every two years to the European Parliament and to the Council on developments in connection with the European Urban Initiative.

3. The governance model of the European Urban Initiative shall include the involvement of Member States, regional and local authorities and cities and shall ensure appropriate coordination and complementarities with the dedicated programme under point (b) of Article 3(3) of Regulation (EU) 2021/1059 dealing with sustainable urban development.

Recital 49:

In order to identify or provide solutions which address issues relating to sustainable urban development at Union level, the Urban Innovative Actions in the area of sustainable urban development should be replaced by a European Urban Initiative, to be implemented under direct or indirect management. That initiative should cover all urban areas, including functional urban areas and support the Urban Agenda for the European Union. To stimulate participation of local authorities in the thematic partnerships under the Urban Agenda, the ERDF should provide support for inter-governmental cooperation on urban matters, in particular cooperation aimed at capacity building at local level to achieve UN Sustainable Development Goals. Member States, regional and local authorities should be actively involved in managing and implementing the European Urban Initiative. Actions agreed within such a management model could include exchange for regional and local representatives. Actions undertaken within the European Urban Initiative should promote urban-rural linkages within functional urban areas. Cooperation with European Network for Rural Development is of particular importance in this respect.

Annex 2. Article 3 of the Regulation (EU) 2021/1059 of the European Parliament and of the Council of 24 June 2021 on specific provisions for the European territorial cooperation goal (Interreg) supported by the European Regional Development Fund and external financing instruments.

Article 3
Interreg strands

Under Interreg, the ERDF and, where applicable, external financing instruments of the Union, shall support the following strands:

(1) cross-border cooperation between adjacent regions to promote integrated and harmonious regional development between neighbouring land and maritime border regions ('Interreg A'):

(a) internal cross-border cooperation between adjacent border regions of two or more Member States or between adjacent border regions of at least one Member State and one or more third countries referred to in Article 4(2); or

(b) external cross-border cooperation, between adjacent border regions of at least one Member State and of one or more of the following:

(i) IPA III beneficiaries;

(ii) partner countries supported by NDICI; or

(iii) the Russian Federation, for the purpose of enabling its participation in cross-border cooperation also supported by NDICI;

(2) transnational cooperation over larger transnational territories or around sea basins, involving national, regional and local programme partners in Member States, third countries and partner countries and OCTs, with a view to achieving a higher degree of territorial integration ('Interreg B');

(3) interregional cooperation to reinforce the effectiveness of cohesion policy ('Interreg C') by promoting:

(a) exchange of experiences, innovative approaches and capacity building focusing on policy objectives set out in Article 5(1) of Regulation (EU) 2021/1060 and the Interreg-specific objective 'a better cooperation governance', in relation to the identification, dissemination and transfer of good practices into regional development policies including Investment for jobs and growth goal programmes (the 'Interreg Europe programme');

(b) exchange of experiences, innovative approaches and capacity building in relation to the identification, transfer and capitalisation of 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 11 of Regulation (EU) 2021/1058 and while also complementing in a coordinated way with the initiative outlined in Article 12 of that Regulation (the 'URBACT programme');

(c) exchange of experiences, innovative approaches and capacity building with a view to (the 'INTERACT programme'):

(i) harmonising and simplifying the implementation of Interreg programmes as well as contributing to the capitalisation of their results;

(ii) harmonising and simplifying the possible cooperation actions referred to in point (d) (vi) of Article 22(3) of Regulation (EU) 2021/1060;

(iii) supporting the setting-up, functioning and use of European groupings of territorial cooperation (EGTCs);

(d) analysis of development trends in relation to the aims of territorial cohesion (the 'ESPON programme');

(4) outermost regions' cooperation among themselves and with their neighbouring third or partner countries or OCTs, or regional integration and cooperation organisations, or several thereof, to facilitate their regional integration and harmonious development in their neighbourhood ('Interreg D').

Annex 3. Coordination areas and complementarities between the EUI and URBACT IV.

Activity area	EUI	URBACT IV	Coordination/complementarity
Strand (a) of EUI – Support of Innovative Actions			
EUI-Innovative Actions UIA/EUI-IA Transfer Mechanism	Uses URBACT method 'understand, adapt, use' embedded in EUI-Innovative Actions	Implements UIA/EUI-IA Transfer Mechanism	URBACT implements and shares lessons from UIA/EUI-IA Transfer Mechanism
Strand (b) of EUI – Support of Capacity and Knowledge Building, Territorial Impact Assessments, Policy Development and Communication			
UDN-type of capacity building	Provides capacity building by organising country-specific events, cluster/Member State events and European events, Produces toolkits	Provides capacity building for local stakeholders, organises URBACT Universities at national level, supports Lead Partners of transnational networks, capacity building on green, digital and gender Other activities ad hoc	Art. 11 & 12 of ERDF/CF: cities & local partners as targets URBACT supports sustainable urban development principles of cohesion policy, and contributes to relevant EUI events in a case by case basis and vice versa Coordination of EUI Urban Contact Points and National URBACT Points (NUPs)[99]
Peer learning	Provides capacity building by organising city2city exchanges peer reviews (on demand by cities)	Peer learning is part of transnational networking: Action Planning and Transfer Networks	No separate URBACT mechanism for peer learning or reviews Exchange of methods Build capacity – active promotion among Art. 11 & 12 cities of ERDF/CF
Contact Points	Manages and implements the EUI Urban Contact Points activities	Outreach programme, knowledge sharing and capacity building of local stakeholders	Specific activities of URBACT Overall coordination of the EUI Urban Contact Points and National URBACT Points work programmes at the level of the EUI and URBACT – joint narrative to be displayed. Joint collaboration – notably for identifying capacity building needs at national level Mutualised delivery mechanism for joint targets
Knowledge Sharing Platform	Hosts outputs of EUI and shares knowledge, dedicated support to UAEU, connects to other EU initiatives and programmes	URBACT knowledge hosted by a web-portal 'urbact.eu'	Interconnection will be established between the EUI KESP and Urbact.eu (coordination on conceptual specifications) URBACT projects and outputs directly connected to KESP URBACT involved in & supports KESP activities
Capitalisation of knowledge	Organises policy labs and produces Thematic Reviews for Policy (policy briefs) Involves UAEU in delivery	Organises city labs, contributing to UAEU knowledge projects, clustering of activities Thematic communities Ad hoc knowledge projects	URBACT supports & contributes to EUI activities Joint activities(also correlated to UAEU) URBACT knowledge feeds into EUI Knowledge Sharing Platform and capitalisation of knowledge activities
Communication and dissemination	Implementation of activities (based on communication strategy of EUI)	Implementation of activities (based on communication strategy of URBACT)	Combined outreach and coordinated communication plan Coordination between secretariats

[99] The URBACT IV will maintain the National URBACT Points in the 2021-2027 period. The optimal network set up of different Contact Points, preferably combining the EUI Urban Contact Points, the National URBACT Points and the National Contact Points as referred to in the Implementing Document of the New Leipzig Charter will need to be developed in the most efficient way for cities, including a fitness check of the Contact Points.

Annex 4. Mid-term Assessment Study of the Urban Innovative Actions 2014-2020 – main recommendations[100].

1. **Keep fundamental elements of UIA unchanged:** calls on urban challenges of EU relevance based on themes and selection criteria predefined by the Commission have been well accepted and understood by applicants, same as the rules to implement projects (e.g. 50% advances, budget flexibility). A certain degree of stability is thus desirable to ensure predictability for future applicants and beneficiaries.

2. Enhance UIA intervention logic by **better defining impacts and types of innovations and/or of cities innovation capabilities pursued:** a more explicit typology of urban innovations targeted, KPIs and outputs would help to enhance the UIA, its complementarity with other EU programmes targeting innovation and added value for urban development under Cohesion policy (and the ERDF in particular). A key objective of the UIA lies on its ability to raise cities innovation capabilities. This could be better taken into account in the evaluation of proposals and favoured by calls, not only thematic, but inspired from crosscutting urban principles (integrated, participatory approaches, etc.) or by further empowering cities (through participation in the definition of topics on which to test their solutions).

3. **Strengthen the focus on sustainability, scaling-up and transfer:** although fundamental to realise UIA's full ambition these dimensions have counted for only 10% in the weighting of projects proposals and translated into very limited resources during implementation. The selection process should thus pay a greater attention to guarantees offered by applicants in terms of sustainability and scaling-up of their experimentations where successful and delivery mode organised in a way to make the transfer more systematic. This could be ensured by embedding transfer (transnational) partnerships as an integral part of EUI-innovative actions projects (taking inspiration from H2020 programmes such as Teaming or Lighthouse).

4. **Better check the operational readiness of projects** at the start to increase chances to deliver on time and as planned: testing innovative solutions can be challenging but some of the difficulties faced by UIA projects are typically those observed for standard investments (public procurement, construction permits, etc.) and could thus be better anticipated. It implies rethinking the operational assessment and inception phase of UIA projects, including by assessing the feasibility and opportunity of a deeper re-engineering, i.e. applying a 'two-steps' application and selection procedure (taking inspiration from other EU programmes such as Teaming or Life+).

5. **Optimise UIA's added value for Cohesion policy:** some steps suggested are in the hands of DG REGIO and concern the very design of the EUI: e.g. calls organised by Cohesion policy objectives 2021/27, selection criteria tuned to better weight the ERDF relevance of proposals, awareness raising through contact points to improve the geographical diversity of applications, development of cities capacity building offer. Other depend from the 'good will' from Member states but would require the Commission to be proactive, by encouraging future programmes to contain clauses enabling support for the scaling-up/replication of innovative actions, incentives (e.g. bonus points) for the same purpose in programmes selection procedures or other formula such as the creation of a "Seal of excellence' as a quality label such as the one developed for Horizon 2020 to favour the funding through programmes of good applications that could not receive direct funding due to the limited resources available under the EUI.

[100] The report is available at https://ec.europa.eu/regional_policy/en/information/publications/studies/2021/assessment-study-of-the-urban-innovative-actions-2014-2020-final-report

Annex 5. Examples of the indicative formulations of the result and output indicators in relation to the overall and specific objectives of the EUI[101].

Overall objective of the EUI: Strengthen integrated and participatory approaches to sustainable urban development and provide a stronger link to EU policies and to Cohesion policy, in particular.

Result indicator:
- Composite indicator aggregating components from the EUI strand-specific indicators[102].

Output indicators/components:
- Number of Article 11 cities participating in the EUI activities;
- Implementation rate of sustainable urban development strategies (linked with Cohesion policy) in cities participating in the activities of the EUI[103];
- Number of cities participating in the activities of the EUI (small & medium-sized, large, metropolitan);
- Number of cities participating in the activities organised jointly by the EUI and URBACT IV;
- Number of cities expressing satisfaction with the support of the EUI.

Specific objective - Strand (a) Support of Innovative Actions: Identify and support the testing of transferable and scalable innovative solutions to urban challenges of EU relevance.

Result indicator:
- Percentage of new applicant cities per EUI-Innovative actions calls for proposals;
- Time to select/to grant EUI-Innovative actions;
- Funding from mainstream Cohesion policy programmes (including Article 11 cities of the ERDF) and/or from other sources earmarked for financing (i) the sustainability, scaling up, and (ii) replication of innovative solutions as part of UIA/EUI-Innovative Actions and as part of the UIA/EUI-IA Transfer Mechanism of URBACT IV.

Output indicators/components:
- Number of Innovative Actions proposals received (by Member States, topics, new applicant cities, etc.);
- Number of Innovative Actions funded/completed (by Member States, topics, new applicant cities, etc.);
- Number of cities benefiting (as 'lead experimenter'/'partner cities)
- Number of transfer investment plans for the replication of innovative solutions as part of the EUI-Innovative Actions and as part of the UIA/EUI-IA Transfer Mechanism of URBACT IV planned/approved/completed

Links with URBACT IV:
Interconnection has to be established with the result and output indicators of URBACT IV. The main linkage is the UIA/EUI-IA Transfer Mechanism that will be financed by URBACT IV.

Specific objective – Strand (b.1) Capacity Building: Improve capacities of cities in the design of sustainable urban policies and practices in an integrated and participative way and to improve the design and implementation of sustainable urban strategies and action plans in cities.

Result indicator:
- Percentage of participants in the capacity building activities of the EUI that have increased their capacity in the design and implementation of sustainable urban development strategies in an integrated and participatory way, and more specifically, that two years after the ending of the activity are using the good practice(s) learnt in their city and/or Managing Authority.

Output indicators/components:
- Number of completed peer learning activities (city2city exchanges, peer reviews);
- Number of participants in peer learning activities (cities supported by Cohesion policy including Article 11 cities of the ERDF, UIA/EUI-Innovative Actions, URBACT, UAEU);

[101] The result indicators in this table are illustrative at this stage and will be further developed/adopted in due time between the Commission and the Entrusted Entity. As for support to the Urban Agenda for the EU and intergovernmental cooperation, the result and output indicators will be compiled once the content of support is agreed with the actors of intergovernmental cooperation community.
[102] Methodology for constructing a composite result indicator is to be established
[103] Measured against the implementation rate of sustainable urban development strategies linked with Cohesion policy in cities not participating in the activities of the EUI

- Number of completed UDN events (country-specific, cluster-specific, EU-wide);
- Number of participants in UDN events (cities supported by Cohesion policy (including Article 11 cities of the ERDF), Managing Authorities, UIA/EUI-Innovative Actions, URBACT, UAEU);
- Number of benchmarking schemes implemented (cities supported by Cohesion policy including Article 11 cities of the ERDF, UIA/EUI-Innovative Actions, URBACT, UAEU);
- Number of activities organised jointly/in complementarity with URBACT.

Links with URBACT IV:
Interconnection has to be established with the result and output indicators of URBACT IV. The main linkage is that URBACT tools and methods will complement the EUI strand (b.1) capacity building. The URBACT beneficiaries will participate in and will use the support offered by the EUI peer learning and UDN activities.

Specific objective – Strand (b.2) Knowledge building, territorial impact assessments, policy development, communication and dissemination: Develop a knowledge base in support of better urban policy and strategy design, implementation and mainstreaming and ensure easier access to thematic knowledge and share know-how on sustainable urban development.

Result indicator[104]:
- Percentage of participants in the knowledge building and policy development activities of the EUI that have increased their knowledge and policy development in relation to integrated and participatory approaches of sustainable urban development by: (i) using the support of Urban Contact Points; (ii) using the established knowledge base (Knowledge Sharing Platform); (iii) using products of the capitalisation activities (Policy Labs, Thematic Reviews for Policy).

Output indicators/components:
- Network of Urban Contact Points established;
- Number of policymakers and practitioners making use of the contact point support in each Member State;
- Knowledge Management Strategy compiled and updated;
- Knowledge Sharing Platform established ('mock-version' by 2023);
- Number of policymakers and practitioners making use of the Knowledge Sharing Platform;
- Two biennial forward-looking surveys of pressing urban challenges carried out (provisionally in 2024 and 2027);
- Number of capitalisation activities (Policy Labs) organised and related policy briefs compiled (Thematic Reviews for Policy)
- Number of participants in the capitalisation activities (cities supported by Cohesion policy including Article 11 cities of the ERDF, UIA/EUI-Innovative Actions, URBACT, UAEU);
- Communication & dissemination strategy compiled and updated;
- Two CITIES Forums organised (provisionally in 2025 and 2027);
- Number of EWRC workshops organised annually and number of other events organised;
- Generic & specific communication and dissemination material produced (newsletters, number of subscribers etc.).

Links with URBACT IV:
Interconnection has to be established with the result and output indicators of URBACT IV in the area of knowledge sharing. The main linkage is that URBACT IV aims to ensure that its knowledge and practice are made accessible to urban practitioners and policymakers to feed into regional, national and European urban policies, with a particular focus on the EUI and the Urban Agenda for the EU.

[104] Methodology for constructing a composite result indicator is to be established as this formulation is only indicative