



FINAL REPORT

EUI CAPACITY BUILDING EVENT

Improving metropolitan cooperation  
for the implementation of Integrated  
Territorial Investments

27-28 November, Prague



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Région  
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## INTRODUCTION OF THE OBJECTIVES AND PARTICIPANTS OF THE EVENT

This capacity building training event was co-organised by the EUI and the Czech Ministry of Regional Development, with input from the Czech ITI cities and supported by national and international experts.

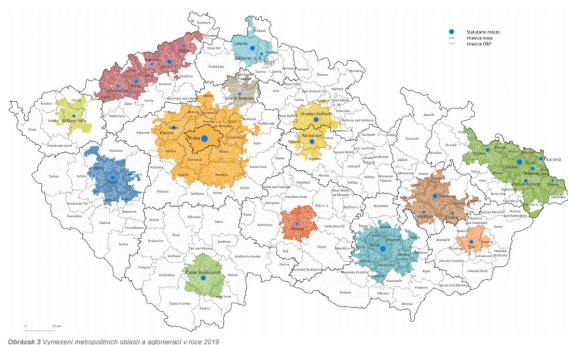
The main objective of the event was to improve metropolitan cooperation for the implementation of Integrated Territorial Investments (ITIs) in Czechia. More specifically, the event aimed to allow for exchange between Czech and European stakeholders on two main questions:

1. How can metropolitan cooperation be advanced in Czechia? Metropolitan areas and agglomerations are expected to play a more significant role beyond the current implementation of ITI financed by EU funds.
2. How can ITI management be improved in Czechia? Both the cities and the Ministry of Regional Development aim to improve the current way in which the ITI tool is implemented. Reflections concern the thematic integration of various projects within a strategy (e.g. mobility, schools), to do this at the scale of the entire ITI territory and to monitor its benefits.

The primary target audience of this seminar were the 13 Czech ITI territories, including the main cities and other municipalities in their territory. In addition, also the Czech Ministry of Regional Development and other Czech Ministries acting as Managing Authorities for Cohesion Policy programmes contributing funding to ITIs were invited.

To reach its objectives the 2-day seminar was mainly conducted in Czech with a mix of presentations from foreign speakers, discussions in breakout groups, a panel discussion, Pecha Kucha project pitches and posters.

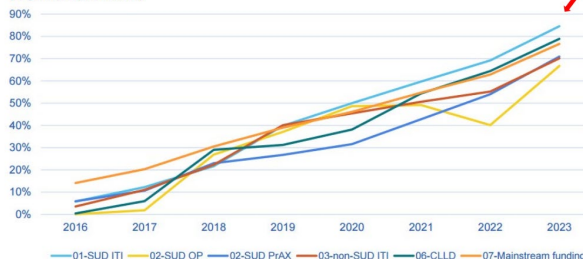
In the 2014-20 programming period there were almost 2,000 Cohesion Policy supported strategies in the EU. 224 of these strategies were SUD ITIs. This information is available on the [JRC STRAT-Board](#) website. At the end of 2023, this is the type of territorial instrument that had the best financial implementation progress, as shown in the graph made by PPMI below, even more so than regular Cohesion Policy funding. In the 2021-27 period, there is an even stronger focus on FUA development with the help of ITI or 'own' national instruments and many strategies use the new integrated Policy Objective 5: A Europe closer to citizens. Czechia is an advanced case in terms of ITI use, applying a system in which several sectoral programmes contribute funding to the ITIs. In the 2014-20 programming period, Czechia had 7 ITIs, consisting of functional urban areas. In the 2021-27 period, the number of ITIs was enlarged to 13. Czechia has the particularity of having many small municipalities with very strong self-governing rights. This poses unique challenges for cooperation at the level of the functional urban area. Even though legislation for administrative reform is in development, for the near future the situation will remain the same. ITIs, participating municipalities and Managing Authorities will need to deal with this context in the best possible way.



Obrázek 3 Výsledky metropolitních oblastí a aglomerací v roce 2019

## FINANCIAL IMPLEMENTATION PROGRESS

Financial progress of TDM implementation (% total declared expenditures to decided (allocated to projects) expenditures)



Source: Cohesion Open Data, 2014-20 categorisation dataset (2023).

## SESSION 2: METROPOLITAN COOPERATION AND THE ROLE OF ITIS

The second session dived deeper into the topic of metropolitan cooperation and the role ITIs can play in this. This was illustrated by three European examples.

First Thomas Kiwitt, Verband Region Stuttgart in Germany, explained that Stuttgart Region has a very strong manufacturing basis, and like in Czechia, also consists of many small municipalities with powerful self-governance rights. **The region is in a sandwich position between these municipalities and the federal state.** Yet, all these municipalities also have a regional dimension (e.g., work transit, leisure, industrial sites) and they need the regional level for coordination. The region has a directly elected regional assembly which gives it the democratic legitimacy to fulfil this role. This elected regional level is missing in Czechia.

On the contrary, and similar to Czechia, metropolitan cooperation in Romania is mainly led by a core city that cooperates with the surrounding municipalities. The metropolitan region of Oradea, represented by Letiția Moțoc, is the oldest FUA in Romania and has already been existing for 19 years. The organisation consists of a General Assembly, an Executive Council and a Technical and operational body, with a total of 6 employees. They support their local members with planning processes, they identify funding programmes and develop structuring projects for the entire FUA. They encounter many obstacles for effective cooperation (political, legal, financial) but through effective cooperation with many stakeholders, within and outside the region, **they manage to make things happen.**

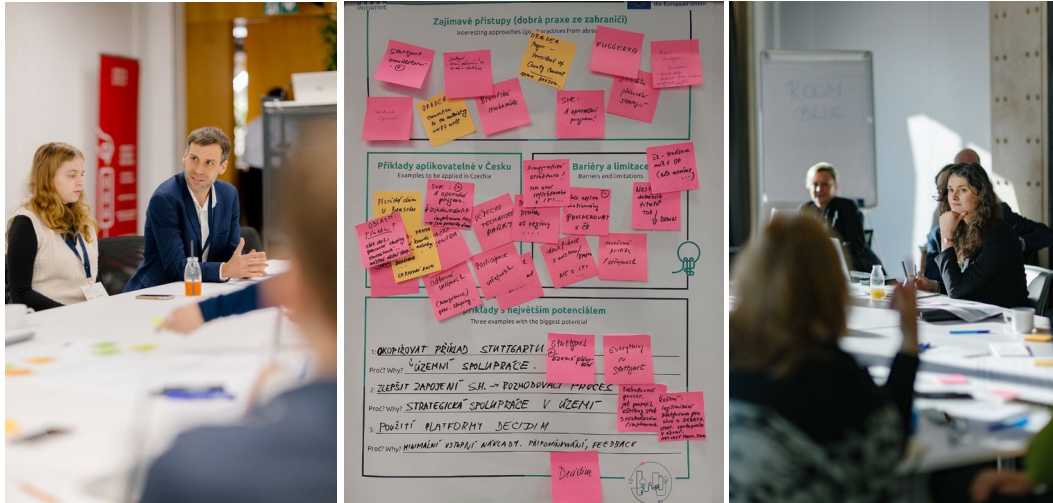


Miloš Vincík and Andrea Hagovska from the city of Banská Bystrica in Slovakia presented the innovative approaches applied in their metropolitan cooperation. **Banská Bystrica is a FUA ITI like the ones in Czechia.** In the design and implementation of their ITI, the city has received support from DG REGIO & JRC, the OECD and the World Bank Group. Challenges that Banská Bystrica encounters are a development trap, and a demographic, digital and green transformation. In 2020, the city joined the

Open Government Partnership Local (OGP Local) which provided them with a set of tools like thematic working group, IDEATHON, [DECIDIM](#), consultation forum that made a big difference in their development approach. This finally led to the development of an Innovation district where they first connected the dots of existing potential before developing a hospital with R&D centre, an audiovisual centre and new public spaces.

These interesting international examples and how they could be inspiring for the Czech situation were discussed in 4 parallel breakout groups.

- Group 1 discussed the capacity challenges for implementing complex projects and that the Technical Support Instrument (TSI) and the World Bank were for some cities instrumental for building this capacity (Piraeus, Banská Bystrica). Other topics discussed were Digital Tools for Participation and Decision-making, Quality of Life Indicators where Stuttgart highlighted that quality of life perceptions can be dynamic, changing based on recent events (e.g., flooding, energy supply issues, COVID-19), Landscape Parks as an ITI Instrument, Public Participation in ITIs and Urban-Rural Connections. The group was most inspired by 1) the digital tools for participation in decision-making (**DECIDIM**) that was successfully applied in Banská Bystrica. 2) Similarly, it was an eye-opener that there are so many **capacity building programmes** and potentially also technical assistance, that could support cities. 3) It was also deemed interesting that Oradea is part of a **Romanian network of metropolitan areas** which exchanges knowledge and best practice and lobbies for their interests at national and international level.
- According to Group 2 the examples with the biggest potential were 1) **Cross-administrative ITI**. This approach integrates urban and regional ITIs, enabling implementation of cross-cutting projects. A key strength of this model is its focus on providing solutions for projects that require both urban and regional competencies. By clarifying responsibilities and fostering collaboration, it resolves the question of who should manage projects affecting both city and regional domains. 2) **Innovation district Fuggerka**. Innovation districts have a high potential of attracting new investments and industries and it can have a positive effect on talent attraction management. This model emphasizes the concentration of resources in a specific area, creating a concentrated effort to drive innovation and development. A key advantage of this approach is its ability to serve as a pilot project in a smaller location, allowing stakeholders to demonstrate the effectiveness of innovative strategies in a manageable setting. 3) **Development of a public space intended for recreation and leisure**. This approach can significantly increase the attractiveness of the metropolitan area, making it more vibrant and enjoyable for residents and visitors. Well-designed public spaces have also a positive effect on health and well-being by encouraging physical exercise, and mental relaxation, which contribute to a healthier population. Furthermore, these spaces play a crucial role in attracting and retaining talent in the metropolitan area, as they enhance the quality of life and encourage vibrant community atmosphere – the key factors for professionals and businesses.



- Group 3 discussed changes in demography and their regional consequences. On the one hand there are territories with strong appeal / immigration such as Prague with consequences in areas of infrastructure, housing, transport and economy. On the other hand, there are territories with shrinking populations, deindustrialized regions which struggle to retain young talents and educated people, with specific consequences on regional development at large. These different regional perspectives also impact on the priorities for metropolitan cooperation, from coordinating space and capacity for growth, to improving attractiveness and sustainably managing a decrease in population. Another group exchange concerned the selection or determination of topics and themes to be covered under metropolitan cooperation. Topics in regional projects are often pre-defined and the funding applicants attempt to “fit in the box”, instead of sourcing locally and regionally relevant topics from the territory. Overall, the most promising applicable case studies for improving metropolitan cooperation in Czechia in group 3 were 1) **Get inspired by Stuttgart in terms of territorial planning and strength / authority of municipalities.** The importance of the network was highlighted; a successful and prosperous network produces successful and prosperous region. 2) **Improve the involvement and engagement of stakeholders** (a multitude of private and public actors) in order to enable strategic collaboration across the territory and leveraging the mechanism of ITI. 3) **Adopt the DECIDIM tool** in all its functionalities (communication, awareness raising, feedback collection, etc.). The reason are low initial input costs and user friendliness.
- In Group 4 the participants discussed interesting insights from the morning presentations. First and foremost, the tools for promoting participation (DECIDIM) and building a partnership ecosystem resonated among the participants. In addition, the discussants found inspiring examples of measuring the integrated impact on all partners, strengthening international competitiveness, collective impact, and the discussion also included cooperation agreements at national level, which were mentioned by Oradea. The third area of interest for the participants was the transformation of the ITI financing, specifically there was a discussion about revolving funds, the need to involve financial instruments in the financing and to consider other options such as municipal bonds. The fourth area of inspiring examples was on shared elements among ITI strategies (presentations from the Ministry of Regional Development and from Finland). The most promising examples according to group 4 were 1) **Regional identity and the real impact of integrated solutions.** It is necessary to work proactively with a regional identity that will lead to truly integrated solutions. At the same time, successful integrated solutions will contribute to strengthening regional identity. 2) **Multi-source funding** with greater involvement of financial instruments, to involve municipalities' own resources (e.g. community bonds) and to involve private resources. 3) **Shared elements among ITIs.** An interesting idea is the involvement of actors from other agglomerations in the steering committee of another agglomeration.



In summary, the group discussions uncovered several interesting paths to explore for Czech ITIs to improve metropolitan cooperation. First, it is important to reflect on the topics of the ITI strategy and the territorial scope of the cooperation. The context of the area (growing or shrinking) should influence cooperation topics. Working towards a regional identity for both the core city and more rural municipalities can foster more integrated and broadly supported projects. It is possible to design very concrete projects that support innovation and increase quality of life in the metropolitan area. Second, soft factors are important for a successful ITI strategy; the importance of a strong stakeholder network (public and private actors), and networking with and learning from other successful metropolitan cooperations, both in Czechia and internationally. Finally, there are practical tools that can improve cooperation and project development, but sometimes they are just not known. Examples are capacity building programmes (national or international), the DECIDIM tool, or financial instruments.

### SESSION 3: METROPOLITAN COOPERATION IN A MULTI-LEVEL CONTEXT

This session zoomed in on the role other government levels, notably national or regional Managing Authorities can play in fostering metropolitan cooperation. Because metropolitan cooperation per definition crosses the administrative boundaries between municipalities, higher government levels have an important supportive role to play. While, on the contrary, non-adapted rules can create barriers for successful cooperation.

Giovanni Pineschi from the Italian METRO Programme Managing Authority described how the 2021-27 METRO+ programme continued an approach started in the former period: one programme for 14 metropolitan cities. The main benefits of such a single programme are that the MA and cities can co-design the programme, the MA can be very responsive to cities' questions and provide technical assistance, and export lessons learned to the benefit of other cities. This is very different from the Czech model where the ITIs are supported by many different programmes. The current programme now also includes 39 Intermediate Urban centres which play an important role for sustainable territorial development. These are eligible for two priorities and are supported by a capacity building programme from the Managing Authority. Each of the 14 metropolitan cities is now an intermediate body and develops an ITI (Operational plan). **Key of the governance model is that here is horizontal and vertical cooperation in the design and implementation phase.**



Olli Voutilainen from the Finnish Ministry of Economic Affairs and Employment explains the Finnish Innocities approach; a city-driven innovation ecosystem. This followed from the successful six-city strategy in the 2014-20 period which brought a new way of making urban development policy through **an “Open code of collaboration” and simultaneous utilisation of digitalisation**. Now the number of cities is enlarged to 16 (comprising both university and university centre driven cities), funding increased from 5% to 8% of ERDF, yet it was divided by more cities and there was a political will for a more balanced

geographical setting. This is similar to the situation in Czechia where the number of ITIs was also enlarged without a proportionate increase in available budget. The new Cities' Ecosystem Agreements are designed and written in a co-creative process between each city and the Government. There is clear priority setting with spearhead competencies and link innovation policy to urban development policy where cities are platforms for innovation. Such an approach to innovation is inspiring for the Czech ITIs.

The last agenda item of the day aimed to sum up the main lessons so far. To stimulate the discussions, Marcel Ionescu-Heroiu (World Bank) presented the **main features of a recent World Bank and DG REGIO project on [functional areas in the EU](#) and made recommendations for the Czech context**. He emphasised that Czechia has already gotten many things right and has excellent growth and development inertia. The main question, therefore, is how to keep the momentum, and continue to innovate. For this, he highlighted three recommendations for Czech ITIs: 1. Decentralise, devolve, and give the mandate and power to local administrations to innovate; 2. Develop and use tools that help you ask the right questions and develop theories that matter; and 3. Lobby for an integrated and unified financial market in the EU, for an EU Mission focused on competitive metropolitan areas and promote financial education.

This led into a **multilevel panel discussion** moderated by Stefan Kah (EUI expert). In addition to Marcel Ionescu-Heroiu from the World Bank, it involved participants of the city level, with František Kubeš from Brno and Letiția Moțoc from Oradea, as well as the programme management level, which was represented by Zbyněk Šimánek from Czechia and Giovanni Pineschi from Italy.



The first part of the panel discussion focused on **ways to foster metropolitan cooperation**. The panelists agreed that peer-to-peer exchange and comparison between different metropolitan areas, as was done in the context of the World Bank / DG REGIO project on functional areas, is a useful way to learn from each other and improve cooperation. While cooperation takes different forms, the goals are the same. In most countries, metropolitan regions face the challenge of being in a “sandwich” position between national, regional (where these exist) and local levels.

The second part of the panel discussion turned to **the role that EU programme management bodies can have in the delivery of ITIs and support to FUAs more widely**. There were different views about whether having a single Cohesion Policy programme for ITIs is better or if using several thematic programmes brings more benefits. On the one hand, a single programme is simpler and can provide targeted support, on the other hand, the involvement of multiple programmes can potentially provide thematically broader support and more funding. There was agreement on the challenges brought by the separation of ERDF and ESF+ funding, which creates practical implementation barriers. Participants recommended to make use of the [Romania Catching-Up Regions](#) work by the World Bank from 2020, which presents practical examples for cooperation and organisational models, including in the context of Cohesion Policy-funded urban development.

Although Czech ITIs are in many ways advanced compared to other ITIs in Europe, day 1 of the seminar highlighted Czechia's unique challenges, including its many self-governing small municipalities and expanding ITI framework. Yet, international cases illustrated innovative governance and collaborative tools, such as DECIDIM for participatory decision-making and the development of innovation districts.

Breakout groups learned the need for enhanced stakeholder networks, capacity-building tools, and locally sourced project themes to address demographic shifts and regional identity. The role of higher government levels, such as national and regional Managing Authorities, in facilitating multi-level cooperation was also explored, with examples from Italy and Finland providing inspiring models for governance and funding. The day concluded with key recommendations for Czechia, including decentralisation, innovative governance, and fostering peer-to-peer learning among metropolitan areas to sustain momentum and drive development.

## SESSION 4: CHALLENGES AND INSPIRING EXAMPLES FOR ITI IMPLEMENTATION

Day 2 built on the discussions around metropolitan cooperation of day 1, moving the discussion to the practical implementation of ITIs. Before exploring potential solutions to some of the challenges encountered, the first session aimed to present practical examples that can inspire Czech ITIs. The showcased good practices came from Czechia and other EU countries and were delivered in a so-called Pecha Kucha format. Pecha Kucha requires presenters to deliver a dynamic presentation consisting of a maximum of 20 slides that automatically move forward every 20 seconds. The five inputs were focused on

- The **Benešov Shared Museum Depository** in Prague (Alexandra Nosková, City of Prague)
- The revitalization of the **Automatic Mills** in Pardubice (Eva Holingerová, City of Pardubice)
- The **community-led green deal** in Banská Bystrica (Andrea Hagovska, City of Banská Bystrica)
- The **MECOG-CE project** - Strengthening METropolitan Cooperation and Governance in CENTral Europe (Soňa Raszková, City of Brno)
- The **territorial approach** of the METRO PLUS 2021-27 programme (Giovanni Pineschi, PN Metro Plus, Italy)

The short pitches did not only show the diversity of integrated investments on the ground, presenting examples from Prague, Pardubice and Banská Bystrica, but also wider approaches to strengthening metropolitan cooperation (Brno) and the territorial model (Italy).



At the same time, **digital posters and videos of innovative projects were presented on screens in the café area**. These were set up before the start of the second day, giving participants the opportunity to browse and interact with the screen hosts during the coffee and lunch break. These included videos on projects in Piraeus, Pardubice and Banská Bystrica, as well as a summary of a World Bank and DG REGIO initiative on functional areas.

The second focus of the morning was on **challenges for ITI implementation**. Stefan Kah (EUI expert) gave an introduction to the topic, presenting selected implementation challenges that were raised by Czech ITI cities as part of a survey that was run in preparation of the event. The presentation served as an introduction to the themes of the breakout session before lunch and focused on three topics raised by Czech cities in a survey carried out before the event.

- **Demonstrating effectiveness through monitoring of ITI progress:** Monitoring is mainly driven by programme-level frameworks (e.g. compulsory indicators) and monitoring requirements for



ITIs vary. Strategy-level examples are limited and gathering performance data to inform strategic planning remains challenging. ITI cities are providing the necessary data, yet procedures are felt to be burdensome and complex. A key added value of ITIs comes from the integration of strategies and projects, but a clear methodology for measuring this is lacking.

- **Improving efficiency of ITI implementation by dealing with administrative complexity:** The complexity of ITI implementation results in high and increasing administrative burden for ITI cities. This also includes other actors, such as monitoring committees, which risks weakening their strategic role and impacts the willingness of stakeholder to be members. Often, the burden relates to working procedures with MAs of contributing programmes, e.g. in the context to different programme requirements, project calls and lengthy procedures. ITIs are operating in a multi-level system with a need for vertical coordination.
- **Ensuring the integrated character of ITIs through the Implementation of integrated interventions:** Integration is the defining feature of ITIs, i.e. territorially across administrative boundaries or thematically across sectors (and EU Funds). Yet, Cohesion Policy has built-in barriers to integration, such as the use of thematic (sectoral) programmes and diverse rules for contributing EU Funds (mainly ERDF, ESF+). As projects need to fit into predefined "boxes" instead of allowing real bottom-up design, in practice, "operations" remain separate in terms of applications etc. Instead, integration can be possible via sequential/parallel projects, territorially networked projects or flagship projects that cluster operations around a strategic location.



For the first of these challenges, Eleni Anezryi (City of Piraeus) presented **monitoring approach of ITI Piraeus, which uses additional, ITI-specific indicators**. There, the city developed two types of indicators in addition to the compulsory output and result indicators provided by the unified indicator monitoring system. The first type of additional specific indicators was needed for actions that were not originally foreseen during the design phase of the strategy. These mainly measured the population or the beneficiaries of actions implemented within the ITI. The second type of indicators was created to provide more specific information than common programme indicators and mostly related to social and entrepreneurship projects. Adopting similar approaches can be beneficial for Czech ITIs: adjusting the indicator system during implementation gives an opportunity to respond to changing circumstances (e.g. the addition of new ITI activities) and the use of indicators beyond the common programme-level ones allows gathering ITI-specific information tailored to the activities of the ITI.

The input on monitoring, together with the other two topics presented earlier, formed the basis of the **World Café discussions on implementation challenges of ITIs**. In these, the participants moved between thematic tables, each focusing on one of the three challenges and hosted by an EUI expert. Each round involved a new group of participants that could build on the debates of the previous rounds, with the moderator presenting a summary so far and the participants developing additional ideas. The rounds were structured into a discussion of the challenges faced and then of possible solutions. The main messages are summarised below. More information is available in detailed breakout session reports in the annex.



- **Monitoring:** Challenges can be grouped into central challenges (e.g. around methodology and time dimension), territorial challenges (measuring integration) and joint challenges (e.g. quantitative vs. qualitative indicators, measuring well-being). Suggested ways forward included better linking indicators with national statistics, providing staff and financial support and publishing hard data as an argumentative prevention against populist solutions. Measuring success should focus on performance, not process. In some cases, it is appropriate not to focus on measurement but on qualitative assessment, e.g. through case studies of integration. Where data is collected, it is important to also make use of it. Participants suggested the development of a methodology for measuring integrated solutions by programme management bodies.
- **Integration:** Key challenges included the definition of integrated projects as such, the quantification of value associated with integrated projects, the capacity gaps of small municipalities, bureaucracy and administrative difficulty associated with integration, and the conditions of territorial development limiting integration. The three most salient categories of problems could be grouped into three clusters: 1. **Time challenges** (e.g. higher complexity of integrated projects requiring more time), which could be addressed by more flexibility for integrated projects, e.g. by managing authority rules or by allowing integrated projects to stretch over several programme periods, or creating systemic conditions to support design, submission and implementation of integrated projects at national level. 2. **Promotion challenges** (e.g. lack of awareness of existing integrated examples and unclear added value), which could be addressed, for instance, by establishing a database of integrated solutions and better communication of the added value of integration (e.g. by celebrating flagships). 3. **Funding challenges** (e.g. regulatory restrictions to combination of funding), which could be addressed by developing novel funding instruments that make it possible to combine hard investments and soft activities.
- **Administrative complexity:** Key areas in which territorial stakeholders experience excessive administrative burden and complexity related to project calls, overregulation and digitalisation. In terms of the formulation of public tenders there is a lack of qualified experts that can navigate the complexity of the process, e.g. of public procurement rules. Potential solutions could relate to improving the financial rewards system for staff involved in implementing EU funds, thereby being able to better compete with the private sector. In terms of overregulation, complexity is also created by cases of parallel rules and regulatory frameworks changing during a programme period. Potential solutions relate to standardisation of procedures across different programmes and parallel systems and the establishment of stable rules early in the process and avoidance of subsequent adjustments. In terms of digitalisation, there is insufficient alignment of systems across different programme management bodies and lacking financial resources and mindset for implementing digital tools. Potential solutions relate to the achievement of a wider consensus on digitalisation as a long-term political priority, increased funding for digital tools and capacity building for officials to transform their attitudes toward digitalisation.



Day 2 of the event focused on the practical implementation of ITIs, showcasing diverse examples from Czechia and across Europe in a dynamic Pecha Kucha format. The presentations showed the significant achievements that are possible with ITIs in both Czechia and other European countries. These included concrete practical projects with significant impact in their territories (e.g. in Prague, Pardubice and Banská Bystrica), but also highlighted the usefulness of engaging in international exchange, as shown by Brno and their engagement in the MECOG-CE project, and the role that dedicated EU funding programmes can play in fostering a territorial approach, exemplified by the case of Italy. The discussions also tackled challenges in ITI implementation, including monitoring progress, addressing administrative complexities, and ensuring project integration. The solutions suggested in interactive group discussion included refining indicator systems, promoting awareness of integrated solutions, simplifying administrative procedures, and embracing digitalisation through enhanced funding and capacity building. Implementing these requires a coordinated effort by all relevant stakeholders involved, including the ITI cities and programme management bodies.

## CONCLUSIONS, LESSONS LEARNED AND RECOMMENDATIONS FOR THE CZECH ITIS

Amongst the **lessons drawn** by the participants were the following points:

- Countries should have the courage to **devolve tasks and empower** sub-national levels such as cities and functional urban areas.
- There is scope for cities to be **more ambitious** and therefore it is useful to look at more established models, such as in Finland or Germany.
- Development should have a **strong bottom-up dimensions**, but requires **specialist knowledge**. Where this is not available, this needs to be brought in from external sources.
- Metropolitan areas should be **strategic** (taking account of transformation trends), **representative** (of their territory and range of stakeholders) and **networkable** (connecting with others and sharing information).
- Consideration needs to be given to **different EU funding programme architecture models**, which should be tailored to the specific contexts of Member States. Single urban/territorial programmes might be suitable in some cases, while a mix of different thematic programmes might work in others.
- Cities and FUAs need to think **longer-term** than the 7-year programme period of EU funding.
- The strategic aspect is underestimated. Cities need to **create a vision for future** and think in decades, not years.
- A crucial factor in successful ITI implementation in metropolitan areas is creating the right mindsets of policymakers at the different levels of implementation.



