



GovernEUR
Erasmus

Provision of the draft rules of procedure of the EUI Steering group



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GLOSSARY

CEMR	Council of European Municipalities Regions
CF	Cohesion Fund
COR	Committee of the Regions
CP	Cohesion Policy
DGUM	Directors General on Urban Matters (of the EU Member States)
EE	Entrusted Entity
EESC	European Economic and Social Committee
EGTCUM	Expert Group on territorial cohesion and urban matters
EIB	European Investment Bank
EP	European Parliament
ERDF	European Regional Development Fund
ESPON	European Territorial Observation Network
ETC	European territorial Cooperation
EUI	European Urban Initiative
EUKN	European Urban Knowledge Network
GDPR	General Data Protection Regulation
MA	Managing Authorities
MS	Member States
SB	Supervisory Board (of the EUI)
SG	Steering Group (of the EUI)
SUD	Sustainable Urban Development (this includes the linkages between cities and the rural areas that surround them)
UDG	Urban Development Group, of the Urban Agenda for the EU
UDN	Urban Development Network

INTRODUCTION

CONTEXT

The European Commission's proposal for the post-2020 ERDF/CF Regulation foresees the setting-up of a new instrument providing coherent support for cities: the European Urban Initiative (EUI) ([Article 10 of the ERDF/CF Regulation proposal](#)).

The overall objective of the EUI is to strengthen integrated and participatory approaches to sustainable urban development and provide a stronger link to EU policies, and in particular to cohesion policy. The EUI will be managed indirectly by the Commission. At the same time the ambition is to govern the EUI in cooperation with the relevant partners.

The Commission has proposed to implement Art 10 of the ERDF/CF Regulation proposal in such a way that the management and the governance ambitions both can be reached. The proposed management and governance structure of the EUI consists of two bodies: the EUI Steering group

(aiming to add to the value chain of urban sustainable development) and the EUI Supervisory Board (in place to safeguard a transparent and efficient management of the EUI)¹.

1. The role of **the EUI Steering Group** (SG) is to provide strategic direction to the initiative, i.e. advise the Commission and Entrusted Entity on main priorities and key issues to be addressed by the EUI. This will be based on the combination of bottom-up and top-down approaches. Indeed, inputs and contributions of cities but also from national governments and EU Institutions would be required to link EUI activities and results with other urban-related policies at different levels. This would increase the impact of the EUI's work, for example better implementation of Cohesion policy. The SG would be composed of city representatives, Members States and European Commission, its Entrusted Entity, and Committee of the Regions with equal opportunity to intervene.
2. The role of the **EUI Supervisory Board** would be to ensure that strategic orientations are properly translated into operational decisions. It would be composed of the Commission and the Entrusted Entity.

Work streams mentioned in Article 10 of the ERDF/CF Regulation proposal. The ERDF/CF-mentioned work streams are listed hereafter (see also the Figure on page 12). All EUI work streams, except URBACT, will be implemented by the Entrusted Entity under indirect management by the Commission (DG REGIO). The first work stream is classified as strand A, the others are together classified as strand B²:

1. *Support to innovative actions* (strand A), previous [UIA initiative](#) (under indirect management implemented by Région Haut de France in Lille)
2. *Capacity building: Peer learning* ([TAIEX-REGIO type](#)), aiming at all urban public bodies involved in implementing ERDF funds (currently under direct/indirect management by the Commission)
3. *Capacity building: Urban Development Network (UDN)*-type, aiming at urban areas / cities throughout Europe who receive funding from the ERDF
4. *Network of EUI Contact Points* at MS level
5. *Knowledge sharing platform (KESP)*, covering all streams and more (e.g. close link to [one-stop-shop for cities](#))
6. *Capitalisation of knowledge* in support of evidence and experience-based policymaking
7. *Communication and dissemination*, which disseminates the content of the knowledge sharing platform more actively, and the overall communication & dissemination of EUI activities
8. *Support to Urban Agenda for the EU and inter-governmental cooperation*. EUI Secretariat to be partly dedicated to support UAEU and intergovernmental cooperation on urban matters, as an additional element part of the intervention logic.

¹ It should be noted that there are no widely accepted scientific definitions of “governance” and “management” as two mutually exclusive phenomena. Roughly speaking “governance” usually relates to dealing with complex issues that need some kind of collaboration between mutually independent actors, and “management” relates more to the enacting of hierarchical relationships between principals and their agents.

² Based on the presentation “The European Urban Initiative State of Play, UDG meeting – 17 September 2020”; supplemented with information from internet.

Under shared management, and therefore not implemented by the EUI and its future Entrusted Entity:

9. [URBACT](#), including the [transfer](#) of innovations between urban areas developed in the UIA 2014-2020 as well as in strand A (support to innovative actions)³. It is an instrument of the Cohesion Policy, co-financed by the European Regional Development Fund, the 27 Member States, Norway & Switzerland.

As a final component, the EUI governance brings together the organisational and management aspects of the initiative.

It should be noted that sustainable urban development (SUD) as part of Cohesion Policy is closely related to sustainable local and regional development in general. The EUI streams above can only capture a part of that, as it is firmly positioned as interface between Cohesion Policy, the UAEU and other EU-level interventions into urban development. Whilst formally the EUI should contribute to Cohesion Policy objectives, it may also look for support to UAEU objectives; partly because the goals overlap, and partly because there can be synergetic effects.

OBJECTIVE

The purpose of this report is to provide recommendations concerning the design and operationalisation of the EUI Steering group through drafting its rules of procedure. It also aims to assist in the preparation of the Pre-figuration meetings of the future EUI Steering group. More specifically, it delivers:

- Proposed rules of procedure – constituting the framework of the EUI SG.
- Explanations on the concept, on the parameters, the ambition, as well as the limitations and red lines coming from the regulatory and management provisions – as a narrative behind the rules.

METHOD

The report has been prepared by document analysis, interviews with prospective members of the Steering Group, and several iterations with the European Commission to ensure that it answers their questions.

To read the chapters it will also be helpful to first understand the following definitions:

- **Indirect Management** implies that any entity or person entrusted with budget implementation tasks should guarantee a level of protection of the financial efforts of the Union, which is equivalent to that required under the Financial Regulation. The responsibility for budget implementation lies with the Commission and in that sense the Commission supervises the decisions made by the entity and ultimately decides on the activities to be carried out by the EUI in relation to its work programme. The Entrusted Entity (EE) has the task of implementing the approved work programme with still a significant number of operational choices to make. Under indirect management, the EE may benefit from suggestions on how to make these choices.
- **Collaborative Governance** is a term used for the collaboration between governments (and possibly with private, civil and academic sector) to address issues that are *too complex for them to know what is best and address on their own*; **multilevel governance**, **shared governance** etc. are specific forms of collaborative governance. [Shared](#)

³ Subject to a decision by the URBACT IV Programming Committee

management is a form specific for the EU context, where fund management is shared between the EU and the Member States.

- **Co-creation** is a range of practical facilitation methods useful to align actor’s objectives and creating synergies among them.
- Both governance and management are crucial for creating and improving **value chains of knowledge exchange and actions** between partners relevant for speeding-up and improving sustainable urban development in Europe:
 - While the management of a programme needs to secure the spending of the EU budget in a legal, transparent and efficient way, the governance of a programme aims for the best content possible.
 - Governance is about identifying urban challenges, bringing in evidence for effective actions, scaling-up the results of experiments and innovations in single cities to a wide variety of cities and increasing the knowledge in the EU on sustainable urban development.
 - Where management is more about clear and efficient lines, collaborative governance is more about building vital “ecosystems” of partners involved in sustainable urban development (SUD). Where “value chains” suggest top-down design, “ecosystems” describe the same phenomenon, putting emphasis on the organic bottom-up, self-organising, aspect. This ecosystem of partners has emerged over the last decades, with several organisations of cities and regions, with nation states, with the European Commission, the European Parliament, and programmes or initiatives such as the Urban Agenda for the EU (UAEU), URBACT, innovative actions and so on.
 - Given the interdependency and lack of a top manager for SUD at large, the EUI work streams therefore should at the same time be efficiently *managed* by the Commission (as far as it can be in control of an EE), and also be effectively *governed* in such a way that the EUI as whole performs well as part of the larger SUD-ecosystem. Governance may also improve the operational synergy between the EUI’s own streams, as the Supervisory Board manages the more strategic work programme. Governance is then, better than management, capable of making improvements attractive to the EE; i.e. by showing the benefits and mutuality.

PROPOSED RULES OF PROCEDURE

MISSION OF THE STEERING GROUP

The Steering Group, according to its key tasks:

1. Adopts its rules of procedure, which apply as of the first meeting, and can amend these rules by consensus.
2. Follows the overall objectives of the EUI within the meaning of Article 10 of the European Regional Development Fund/Cohesion Fund (ERDF/CF) Regulation.
3. The Steering Group’s opinions and observations are recorded in the minutes and transmitted to the Supervisory Board for consideration.
4. Is consulted on, and advises on, the strategic and qualitative implementation of the EUI, in particular:
 - a. The coherence of the EUI activities based on Art. 10 of the ERDF/CF regulation, taking the (sustainable urban and regional development) objectives of Cohesion Policy and, where applicable and possible, the objectives of the UAEU.

- b. The annual work programme of the initiative proposed by the EUI Secretariat.
 - c. The implementation of the work programme presented by the EUI Secretariat of the initiative at least once a year, including the results of some activities, before its formal approval by the European Commission.
 - d. Priorities of the EUI as to promote its overall effectiveness and coherence with respect to the goals of cohesion policy, also in view of synergies with other related EU-level programmes and initiatives.
 - e. The monitoring system of the EUI including the evaluation plan of the initiative and reviews the results of the monitoring system.
 - f. The methodology for the selection of some activities in the framework of the European Urban Initiative.
 - g. At the initiative of any member, issues that affect the EUI's progress towards achieving its objectives. To that end, the Steering Group is, amongst others, informed about EUI annual implementation reports and debates on the performance of the instrument.
 - h. The complementarities of Urbact's work with EUI activities and the coordination mechanisms with Urbact, and may identify also complementarities with other initiatives. To this end, the SG keeps as a permanent agenda point a list of EUI activities, and potentially other EU-level activities touching upon sustainable urban development (SUD), with which coherence should be improved and synergies may be discovered.
 - i. Opportunities for more coherence and synergy between EUI activities, and other activities, as far as the Steering Group members can bring up such opportunities from their own knowledge.
5. The Steering Group will be composed of representatives of:
- a. At city and regional level (including peri-urban): one representative of the Council of European Municipalities and Regions (CEMR), Eurocities and the European Committee of the Regions (COR) respectively.
 - b. At Member State-level: Three representatives of the Trio presidency.
 - c. At EU-level: one representative of the European Commission, also chair.
 - d. The EUI secretariat (as meeting facilitator / SG secretariat).
 - e. The Entrusted Entity.
 - f. Urbact's Managing authority and Secretariat.
 - g. The chair may invite observers / resource persons ad hoc to contribute to dialogue on specific important issues and participate to the discussions.
6. The members of the Steering Group have no limited terms of office for the duration of the programming period during which the EUI is implemented.

MEETINGS

The EUI Steering Group:

7. Is cochaired by the European Commission and the EUI Entrusted Entity; its duties include proposing and deciding the agenda, validating minutes, making (draft) documents available, instructing the EUI secretariat.
8. Meets at least once a year, possibly back-to-back with other meetings.
9. Invites the EUI secretariat to organise preparatory physical or virtual meetings with stakeholders regarding specific issues to be reflected on and prepared for later discussion in the SG.
10. The EUI secretariat, for the chairs of the EUI Steering Group:
 - a. Prepares and distributes electronically to all participants the agenda and supporting documents needed to conduct discussions. These will be provided to SG members at the latest 1 week in advance of a meeting. The agenda of the meeting shall be adopted by all members at the beginning of each meeting.
 - b. Is responsible for the proper functioning of the SG; support chairs' duties during the meeting.
 - c. Drafts and sends minutes to the SG for comments within 2 weeks following the meeting. If no objections are raised within 2 weeks of receipt of the minutes, the minutes will be deemed as approved. If objections are raised, the EUI Secretariat shall revise the minutes accordingly; shall submit for approval a final version to the Chairs and shall send it to the SG.
11. Steering Group meetings are not open to the public, unless the SG decides so (e.g. live streaming).
12. All members have an equal opportunity to propose issues for discussion; the chairs proposes a priority ranking if needed, based on relevance for the EUI.
13. In case of conflicting views, it is the responsibility of the chairs to conclude the debate and reflect the views of the Steering Group in accordance with the debate.
14. Has no quorum for its physical or digital meetings, but Steering Group members may propose a replacement in case of force majeure.

Communication and sharing of documents

15. Publishes open data shared with the Steering Group on the web site of the initiative in compliance with General Data Protection Regulation (GDPR).
16. Makes meeting documents available to the members on a dedicated space.
17. Any public communication from the SG about the dialogues at its meetings can be done on behalf of those members who sign this communication.

Facilitation of meetings and online work

18. The chairs or any other member of the Steering Group can propose working methods for the meetings that facilitate equal participation in the dialogue and brainstorming.

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19. As regards the free exchange of ideas, the chairs may invite a professional facilitator of co-creation. This may include online editing where all SG Members may contribute to a joint analysis and communication.

SUPPORT BY THE EUI SECRETARIAT

The EUI's secretariat:

20. Will provide dedicated means to the support of the Steering Group, notably in the area of facilitation of co-creation.
21. Prepares and organises the Steering Group meetings, including documentation and reporting about outcomes.
22. Organises at the request of the Steering Group or on its own initiative but with the chairs approval, dedicated preparatory meetings with stakeholders of specific coherence issues to prepare for later discussion in the Steering Group.
23. Prepares publications about the EUI's activities with the chairs' approval.
24. Facilitates the dialogue and brainstorming, physical as well as online, in Steering Group and its dedicated preparatory meetings.
25. Shares the summary of the minutes of the meetings as part of the reporting of the EUI, as to enable wider dialogue about the EUI, reflecting its internal dialogue whilst doing justice to the views of its members, and with a view to support the implementation of Cohesion Policy. Any observations the Steering Group wants to share widely are approved by its members before publication.
26. Submits as needed progress reports to the DGUM about the EUI support to the UAEU.

CONFIDENTIALITY

27. Any external communication on behalf of the Steering Group must be signed by all its members. The chairs however may propose to communicate only on behalf of part of the members, who then must sign before publication. Anything other which is externally communicated is not on behalf of the SG or part of it.

CONFLICT OF INTEREST

28. In contributing to the work of the SC, members must abide by the principle of impartiality and objectivity. The exercise of their functions must not be compromised for reasons involving family, emotional life, political or national affinity, economic interest or any other shared interest with a recipient. Members will be required to declare any conflict of interest they have concerning any agenda item discussed where this conflict of interest may cause a direct material impact, financial or otherwise, either personally or to the organisation or institution they are representing. In case of conflict of interest, the member must absent themselves for the duration of that discussion.

THE NARRATIVE OF THE GOVERNANCE OF THE EUI STEERING GROUP

EC's overall narrative on EUI goes as follows:

- EUI is aimed to offer more coherent support to cities and regions to overcome the current fragmented landscape of manifold initiatives, programmes and instruments in their support under cohesion policy. Intertwining actions should create multilevel and inter-sectoral value-chains able to speed-up and improve the processes of establishing sustainable urban development.
- EUI is thus 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 and regional challenges. It aims to create a more evidence-informed networks of actors dealing with sustainable urban development and to create multilevel value chains in the whole of EU.
- The EUI is also a concrete EU contribution to the Urban Agenda for the EU and to the intergovernmental cooperation on urban matters.

Hereafter, we focus first on the SG's role to advise the Commission and the EUI entrusted entity about the EUI activities. Next, we elaborate on its linking specifically with URBACT and the UAEU respectively, its secretariat, and we present a typical agenda for its meetings.

STEERING GROUP TO SUPPORT ART 10 IMPLEMENTATION

The objective of this governance mechanism is to support the adequate implementation of article 10 as per the European Regional Development Fund and Cohesion Fund Regulation.

The EUI governance will provide a decision making and implementation mechanism that enables the delivery of synergies in the intervention logic of the EUI. It will ensure a participatory process for consulting the relevant stakeholders, providing a space for opinions and observations, and a support for the work plan of the activities. One of the key objectives of this system will be to allow for thorough discussions regarding the priorities and substance of the activities the EUI will undertake through the Steering Group, and to introduce a multi-level perspective in order to tackle urban issues upcoming at different levels of governance. It will be essential for a coordinated, inclusive and participatory process to ensure partnership and the most adequate response to the various aims of the initiative.

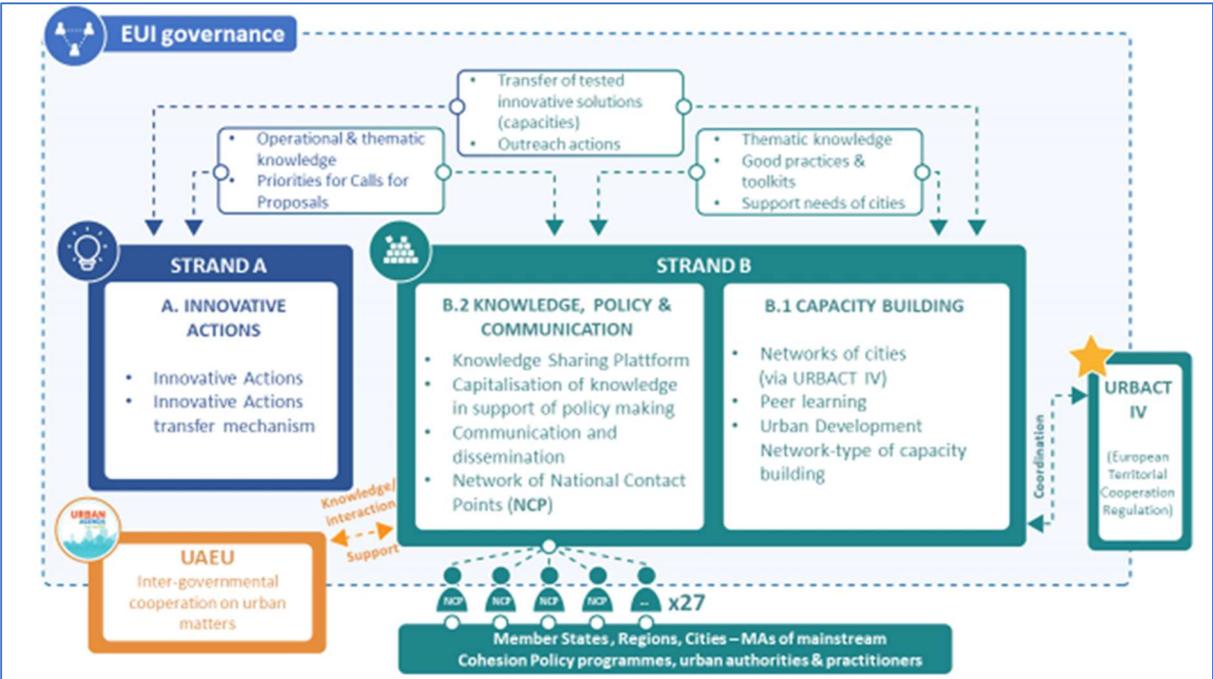
The EUI's main focus is centred around the two strands (a. support of innovative actions, and b. support of capacity and knowledge building, territorial impact assessments, policy development and communication) identified in the regulation, which ultimately aim at strengthening sustainable urban development (SUD) under Cohesion Policy in all cities across the European Union. This consequently relates to Article 9 ERDF/CF which describes the parameters of support to sustainable urban development. It includes a focus on economic, environmental, climate, demographic and social challenges which shall be addressed through integrated territorial development based on territorial or community-led local development strategies. Special attention is also given in the regulation to tackling environmental and climate challenges, notably the transition towards a climate-neutral economy by 2050, to harnessing the potential of digital technologies for innovation purposes, and to support the development of functional urban areas.

Through its contribution, the initiative also supports the goals of sustainability, inclusiveness and cohesion, and the overall implementation of the Sustainable development goals. Cohesion policy priorities focus on some of them more specifically (goal 7, 8, 10, 11, 13 notably). In line with the 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.

Broader correlation of the initiative will be considered in order to help the complementarity, coherence and consistency of concerned activities. This relates in particular to the URBACT IV programme and the Urban Agenda for the EU, considering the set-up of the various work streams and coordination and complementarities needed between their activities and stakeholders to ensure the value-chain logic and as per regulatory requirements.

In Figure 1, the external stakeholders contributing to the EUI are depicted on the edge of the dotted rectangular with the blue shaded filling: URBACT, the UAEU, Members States, Regions and cities, MAs (Managing Authorities) of mainstream cohesion policy programmes, urban authorities and practitioners. The Commission foremost invites these outsiders to reflect on what the Commission is doing in its EUI annual cycle, and to share views.

Figure 1. Streams of EUI art 10, as mentioned in art 10 of the new ERDF/CP (source : the Commission, 15 October 2020)



The primary role of the SG is to provide stakeholder views on the EUI implementation. It focuses on orientations for the implementation of the activities under each stream, the coherence of the activities with each other, and with programmes and initiatives that enter into the EUI value chain. It supports the connections between the parts of the value chain.

The SG makes no formal recommendations and unanimity is not needed. The SG members' observations are summarized by the chairs in accordance with the debate. The Supervisory Board weighs, in its follow-up, the various observations, and explains how it has taken them into consideration.

THE LINK WITH URBACT

The regulatory provisions refer that URBACT and EUI should complement each other in a coordinated way. URBACT is under shared management by the Member States, with agreement in the monitoring committee.

They are, however, part of the same ecosystem of activities, all contributing to the implementation of the Cohesion Policy and the SUD in the EU. A symbiosis between EUI and other URBACT activities cannot be seen separate from the larger common ecosystem.

This means that the members of the EUI-SG jointly (1) will have to know and understand the priorities, (2) will have to know and understand options for more integrated action, (3) will have to know and understand existing operational interventions into urban development in the front runner cities of the EU and (4) will have to know and understand how many cities in different countries can be facilitated in learning and improving their cities.

Having this overview will enable the SG to recommend actions at the level of all activities, including Urbact, to increase their mutual synergy.

THE LINK WITH THE URBAN AGENDA FOR THE EU

As a matter of coherence in its intervention logic, the EUI should take the UAEU objectives into consideration. This agenda emerged in a multi-level governance way; all levels of government meet in the UAEU, to discuss sustainable urban futures and what needs to be done.

This agenda for sustainable urban development, like expressed in the Pact of Amsterdam and in the New Leipzig Charter, is thought out, balanced, and widely supported by all levels. However, interviews suggest that the UAEU's organisation may benefit from the EUI to put its own agenda into practice, and the potential synergy with the CP's objectives is very significant. The objectives of the UAEU are "Better regulation, Better knowledge and Better funding", with a view to SUD. However, SUD can only be, at the end of the day, be implemented in cities and regions, in the context of regulation, knowledge and funding at larger scale of government.

To implement the SDGs, the ideas, and actions of the UAEU need to "penetrate" the systems that actually creates urban development. The strategic agenda of the UAEU must be connected strongly and effectively with concrete action on all levels. Only by doing this, the value chain (or ecosystem) will generate more added value to cities, Member States and EU. This overlaps strongly with the CP's goals.

THE ROLE OF THE EUI SECRETARIAT IN SUPPORT OF THE STEERING GROUP

The SG's secretariat is a function to be performed by the EUI secretariat. Its tasks are identified in the Rules of Procedure. Given the role of the SG as synergy-seeking connector, the way in which the SG's secretariat performs its tasks should also be in a "connecting" way. The following suggestions are made:

- For balanced discussions, the Secretariat may provide a neutral facilitator of cocreation to SG meetings
- At the request of the SG, the SG Secretariat may organise, and learn from, cross-EUI activity exchanges (including outside the EE) and report to the SG.
- The SG may request its secretariat to organise preparatory meetings with SG members to prepare specific topics for the agenda.

A TYPICAL AGENDA OF A STEERING GROUP MEETING

The chairs may propose to split meetings in two parts: 1) annual cycle of programming-implementing-reporting to be filled each time and 2) other items that the SG considers of interest that require more freethinking.

Annual cycle of programming-implementing-reporting

- Discussion of documents presented by the chairs for discussion (e.g. annual EUI implementation report of the secretariat, annual EUI work programme).
- Lessons of the 2014-2020 programming period about processes towards sustainable cities.
- EUI support to the design and implementation of SUD strategies on the ground, including good practices of value chain management.

- EUI contributions to the cross-cutting issues of the cohesion policy regulatory framework (Articles 9 and 10 of the ERDF/Regulation) that are applied to the implementation of the EUI across its different work streams.

Other items that the SG considers of interest

- Review of the SG's long-term agenda: where is coherence and synergy an issue?
- Main internal conclusions / conclusions to be communicated widely.

Issues which may be of specific interest to the SG:

- Geographic balance of EUI activities.
- Points of stagnation in value chains and what SG members may do about it formally or informally (e.g. pillarization, national contact points).
- EU initiatives with urban implications of relevance for the EUI.
- State-of-play of activities at the level of the UAEU.
- International dimension of urban policy (e.g. on SDGs).
- Possibilities for achieving objectives of CP/UAEU and SDGs in combination.
- URBACT capitalisation/communication/plans, achievements (networks, tools) of interest in the frame of EUI delivery.
- Flexibility of EUI operational objectives in view of adapting to the value chain and reciprocity.
- Link with European Environment Agency reporting on progress of sustainable urban development.
- Overall public communication by the EUI, or other members of the SG, on value chain level achievements and challenges.

COLOFON

Provision of the draft rules of procedure of the EUI Steering group

Assigned by
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