

Position statement with regards to EC proposals for a future *European Regional Development Fund (ERDF) and Cohesion Fund (CF)*

SEPTEMBER 2018

Key points

- PURPLE welcomes the intention to bring genuine **simplification** to the future ERDF and Cohesion Fund programmes. It also notes with satisfaction the stated intention to bring greater clarification to the **distinction between funds**
- PURPLE also welcomes references in the proposed legislation to tools using ERDF which might be used to support **integrated territorial development**. It is equally pleased to see the suggestion that such work should be firmly set in the context of **territorial strategies** for the areas concerned and with which operations would be required to comply
- It remains concerned however that these “areas” be defined accurately and that their extent - and in particular their boundaries - be identified in ways that reflect **local reality**. This is especially true of areas that include one or more urban centres and their surrounding areas. In such instances existing administrative boundaries will frequently not reflect more meaningful functioning geographies
- This concern is all the greater given that the scope for territorial tools beyond ITI and CLLD is currently contextualised in the proposed legislation within the framework of “urban, rural and coastal” areas – other geographies exist – not least of which **peri-urban**, where functional areas often display characteristics of both urban and rural and straddle administrative borders
- Successful ERDF and CF delivery in such areas will only succeed where eligible programme areas are defined and shaped appropriately and where delivery and impact is enabled across the correct geography. That approach should include deliberate attempts to **identify, and incorporate reference to, peri-urban areas** so that explicit recognition of peri-urban territory can serve as part of a more holistic vision of urban and rural areas across Europe
- Accordingly, PURPLE calls for **explicit recognition of the contribution and potential of - and challenges faced by - peri-urban areas**. Where what we archetypically think of as urban and rural characteristics coincide in one place, this should be referenced in ERDF programme documentation and reflected in funding priorities, indicative activities etc.
- PURPLE is greatly concerned to note that where the current annex to the proposal sets out common outputs and results indicators for Policy Objective 5 relating to “... Sustainable and integrated development of urban, rural and coastal areas ...”, it **specifies ONLY urban development** in the text. **Peri-urban, rural and coastal development are equally worthy of specific inclusion here**. As well as deploring this unequal approach and the inferred bias towards urban as opposed to other types of territories, PURPLE would point out that

sustainable development is frequently only possible by achieving cooperation between territories of different types – the proposed programme architecture runs the immediate risk of making this unduly difficult to achieve

- Similarly, the only suggested **performance indicator** for Policy Objective 5 proposes a specific objective of “fostering the integrated social, economic and environmental development, cultural heritage and security of urban areas”. Why should urban areas be singled out in this way? It is wholly unacceptable (and self-defeating) that **only urban provision will be able to demonstrate a contribution towards programme objectives, outputs and results**, when this Policy Objective makes overt reference to its application to rural and coastal areas as well
- Similarly again, where the proposal document (Para 20) makes reference to reserving a given % of ERDF resources to **“sustainable urban development”**, this needs to be approached with considerable caution. It is perfectly correct to say that integrated territorial development approaches are needed to tackle a whole range of issues which affect urban areas. BUT these same issues affect non-urban (including peri-urban areas) just as much. Hence to look at it from “within the framework of sustainable urban development” is a mistake and an inherent bias
- This applies all the more so since the text refers here to promoting **urban-rural linkages**. To do so from (and “within the framework of”) the standpoint of urban development alone is to ensure failure from the outset. Linkages between urban and rural areas (what PURPLE will often conceive of as interrelations in peri-urban areas) should be based upon relationships between equals – it cannot be **artificially forced within an urban-only framework**
- Of crucial importance is that tools and programmes that may in the future operate within the framework of “sustained urban development” are not conceived of as being solely of benefit to urban areas as is currently implied in the text. **The impact - and degree of involvement - of surrounding non-urban territory should be explicit performance measures**
- Here in the text too is a reference to “... **urban areas including functional urban areas...**”. This too needs to be treated with caution and its meaning made absolutely clear on a case by case basis. So called “functional urban areas” in reality often include territory which is not “urban” in any objective way but in reality draws a line on a map around an area which includes urban, peri-urban and rural but renders the last two territory types invisible. PURPLE will continue to argue against this approach that runs counter to the interests of all
- Despite the observation above, urban-rural (or rural-urban) linkages are increasingly important and should be supported by ERDF funds. PURPLE suggests that the proposed common outputs and results indicators for **Policy Objective 5 could and should explicitly include reference to rural-urban linkages**, where ERDF and CF provision could be deliberately shaped to encourage and support trans-territorial workings as a means to achieve integrated development. There is a clear and significant opportunity here
- The text proposing a new ERDF/CF regulation suggests at one point a concentration on Priority Objectives 1 and 2 (page 9). That should be clarified in the context of the content of the later Article 2
- PURPLE is pleased to note the reference under Article 2 of the proposal to the possibility of **co-operation with partners outside a given Member State** and understands this to make transnational cooperation possible under ERDF/CF as well as under the ETC goal. This should be made explicit in programme documentation agreed at national and sub-national levels