

**TOLEDO INFORMAL MINISTERIAL MEETING
ON URBAN DEVELOPMENT
DECLARATION
Toledo, 22 June 2010**

PREAMBLE

On 22 June 2010, in Toledo (Spain), in response to the invitation made by the Spanish Presidency of the Council of the European Union (EU), and within the framework of the Informal Ministerial Meeting on Housing and Urban Development (21–22 June), the session of the Informal Meeting of Urban Development Ministers was held, with the core topic of “integrated urban regeneration”. The meeting was also attended by the European Commissioner for Regional Policy and representatives from the European Parliament (EP), Committee of the Regions (CoR), European Economic and Social Committee (EESC), European Investment Bank (EIB), as well as representatives from the three candidate countries for EU membership, plus Norway and Switzerland, and several observers and relevant stakeholder organisations related to urban development.

This meeting was held in a context of a global financial, economic and social crisis, which is having a strong impact on Europe’s economy and also on its citizens’ quality of life. In the short and medium terms, European cities are facing the major challenge of overcoming this crisis and emerging stronger from it; but they are also facing other structural and long term challenges – globalisation, climate change, pressure on resources, migrations, ageing and demographic change, etc.- with a strong urban dimension –impact on cities’ economy, urban environment deterioration, increasing risk of social polarisation and exclusion, etc- which have to be tackled at the same time. These challenges are a wake-up call, an opportunity to chart a firm course based on the principles of integrated, smart, sustainable, cohesive, inclusive urban development, as the only way to achieve a greater economic competitiveness, eco-efficiency, social cohesion and civic progress in European cities, and to guarantee citizens’ quality of life and welfare in the present and in the future.

Having considered:

- the Treaty of Lisbon amending the Treaty on European Union and the Treaty establishing the European Community, signed at Lisbon, 13 December 2007 and entered into force on 1 December 2009,
- the strategy “*EUROPE 2020*”, approved by the European Council on 17-18 June 2010 following the Commission Communication “*EUROPE 2020: A strategy for smart, sustainable and inclusive growth*” dated 3 March 2010 (COM(2010)2020); and the renewed “*EU Sustainable Development Strategy*”, adopted by the European Council on 15/16 June 2006;
- the Working Document of the Directorate-General for Regional Policy “*Fostering the urban dimension – Analysis of the Operational Programmes co-financed by the European Regional Development Fund (2007-2013)*” from November 2008; and the Guide from the Commission on “*The urban dimension in Community policies for the period 2007 – 2013*” updated in December 2009;
- the Communication from the Commission to the Council, the European Parliament, the Committee of the Regions and the European Economic and Social Committee entitled “*Green Paper on Territorial Cohesion: Turning territorial diversity into strength*” dated 6 October 2008 (COM (2008)0616)
- the European Parliament resolution of 24 March 2009 *on the Green Paper on Territorial Cohesion and the state of the debate on the future reform of cohesion policy* (2008/2174(INI)); the European Parliament report of 24 March 2009 *on the urban dimension of cohesion policy in the new programming period* (2008/2130(INI));
- the opinion of the European Economic and Social Committee (EESC) on “*the need to apply an integrated approach to urban regeneration*”(EESC 760/2010), approved on 26 May 2010;
- the opinion of the Committee of the Regions on “*the role of urban regeneration in the future of urban development in Europe*” approved in its Plenary Session of 9-10 June, 2010;
- the Barcelona Agenda “*Towards an European Local Agenda*”, approved at the European Summit of Local Governments, held on 22-24 February 2010;
- the Communication from the Commission “*Action Plan on urban mobility*”(COM (2009) 490 final) adopted on 30 September 2009 and based on the Commission’s Green Paper “*Towards a new culture for urban mobility*” (COM (2007) 551 final).
- the Presidency conclusions from the Informal Ministerial Meeting on Regional Policy, held at Zaragoza on 19 February 2010; the conclusions on multilevel governance from the Informal Ministerial Meeting on Territorial Policy, held in Málaga on 16 March 2010, and the Final Communiqué of the 18th Informal Meeting of Housing Ministers held in Toledo on 21 June 2010.
- the documents of the most recent Informal Ministerial Meetings on Urban Development, in particular: the “*Lille Action Programme*” adopted at the Informal Council of Ministers responsible for urban affairs held in Lille on 3 November 2000; the “*Urban Acquis*” adopted at the Informal Council of Ministers responsible for territorial cohesion, held in Rotterdam on 29 November 2004; the “*Bristol Accord*” adopted at the Informal Council of Ministers on sustainable communities held in Bristol on 6-7 December 2005; the “*Territorial Agenda of the EU - Towards a More Competitive and Sustainable Europe of Diverse Regions*” and the “*Leipzig Charter on Sustainable European Cities*”, which were both adopted at the Informal Council of Ministers responsible for spatial planning and urban development held in Leipzig on 24-25 May 2007; the “*Marseille Declaration*” adopted at the Informal Ministerial Meeting of Ministers responsible for urban development on 25 November 2008,

the Ministers responsible for Urban Development agreed upon and approved the following statements of the:

TOLEDO DECLARATION:

A. ON ADDRESSING THE CURRENT URBAN CHALLENGES AND IMPLEMENTING THE EUROPE 2020 STRATEGY BY ACHIEVING A SMARTER, MORE SUSTAINABLE AND SOCIALLY INCLUSIVE URBAN DEVELOPMENT.

Taking into account the urban dimension of the current crises and future challenges faced by European cities, the Ministers examined the Europe 2020 strategy in detail and consequently highlighted the need to promote a smarter, more sustainable and socially inclusive urban development in European urban areas, cities and towns.

A.1. The suitability of the integrated approach in urban development policies and the need for a common understanding of it.

To achieve this smarter, more sustainable and socially inclusive urban development, the Ministers reaffirmed the validity of the commitments taken at and the principles established during previous ministerial meetings, and highlighted in particular the integrated approach in urban policies as one of the main tools in order to advance in the direction set out in the Europe 2020 strategy, especially in the current scenario of scarce resources in which it seems necessary to achieve more with less. To this end, they also acknowledged the role that cities can play in achieving this objectives and call for a real partnership with cities in the implementation of Europe 2020.

Nevertheless, the Ministers considered that to face these important urban challenges principles agreed on at the last meetings held in Leipzig and Marseille have to be fully developed, implemented and put into practice. In order to continue doing so, Ministers agreed that it would be advisable to establish an in-depth common understanding of the integrated approach in urban development. In this regard, they took note of its key features described in the *“Toledo Reference Document on integrated urban regeneration and its strategic potential for a smarter, more sustainable and socially inclusive urban development in Europe”* and thank the Spanish Presidency for the preparation of this valuable document. From this common understanding, the Ministers expressed their commitment to promote it from their respective competences; and furthermore agreed on their interest to explore the possibility of developing a minimum common set of indicators translating this shared understanding of the integrated approach, and including urban sustainability indicators.

A.2. The importance of integrated urban regeneration and its strategic potential for a smarter, more sustainable and socially inclusive urban development in Europe.

In order to make the model of a smarter, more sustainable and socially inclusive city a reality, the Ministers emphasised the importance of:

- implementing integrated urban development strategies with a global and comprehensive vision of the city, conveniently framed within a territorial perspective, which harmoniously promote all dimensions of urban sustainability in an integrated way both in new urban developments and in existing areas of the city;
- taking into account the need to improve the economic performance, the eco-efficiency and social cohesion of the existing city, in order to achieve the general aims and the specific headline targets¹ set out in the Europe 2020 strategy and to truly implement and deploy this

¹ These are: 75% of the population aged 24-64 should be employed; 3% of the EU's GDP should be invested in R&D; the 20/20/20 climate energy targets should be met (including an increase to 30% of emissions reductions, if the conditions are

smarter, more sustainable and socially inclusive model in the whole built environment and in all the social fabrics of the existing city;

- assuring citizens' quality of life and welfare in all the existing communities and neighbourhoods of the city, stressing the need of their involvement in urban development through citizen participation, and also acknowledging the importance of the alliance and implication of all other stakeholders (private sector, civil society, etc.) as a crucial tool for an integrated approach,
- recalling the recommendation to reflect and take due account of climate change as expressed in the Europe 2020 strategy itself and in the Marseille Declaration;
- supporting the acknowledgment of the importance of the renovation and physical upgrading of the existing housing stock from different perspectives, as stressed in the Final Communiqué of the 18th Informal Meeting of Housing Ministers held at Toledo on 21st June 2010;
- taking into account the commitments set out in the Leipzig Charter with regard to paying special attention “*to deprived neighbourhoods within the context of the city as a whole*” and more particularly the convenience of aligning one with each other its concrete objectives² in order to reduce social polarization ;
- recalling that the overall urban quality, determined by the quality of public spaces and urban man-made landscapes and architecture is an essential requirement for establishing a pleasant environment for the urban population and also for the global attractiveness and competitiveness of the city,
- stressing the convenience and effectiveness of spatial and urban planning as a policy lever for integrating environmental, social and economic objectives,
- taking into account the suitability of urban recycling, and/or compact city planning³, where appropriate, as strategies to minimize land consumption, preventing unnecessary conversion of greenfields and natural areas to urban land, and therefore managing and limiting urban sprawl.

Therefore, they agreed to point out the strategic role of Integrated Urban Regeneration, framed in the broader concept of Integrated Urban Development, as one important perspective in order to achieve these afore-mentioned objectives.

Consequently, the Ministers took note of the related recommendations outlined in the afore mentioned “*Toledo Reference Document*”, acknowledging its value for a common understanding of this concept and for the future development of the cooperation between Member States and with the European Commission, the other EU institutions and stakeholders. Therefore, the Ministers agreed to promote -within the framework of their respective competencies, in close cooperation with the cities from their countries, and when relevant given the context of each Member State- integrated urban regeneration as a strategic tool for achieving a smarter, more sustainable and socially inclusive urban model, and particularly to address the current urban challenges and implement the objectives of the Europe 2020 strategy in the existing urban fabrics and built environment.

right); reduction of the share of early school leavers to under 10% and achieving the rate of at least 40% of the younger generation with a tertiary degree; and reducing the people at risk of poverty to under 20 millions.

² Which were: “*pursuing strategies for upgrading the physical environment, including investment in housing*”, “*strengthening the local economy and local labour market policy*”, promoting “*proactive education and training policies for children and young people*”, and the “*promotion of efficient and affordable urban transport*”.

³ In accordance with the Communication from the Commission on “*Thematic Strategy on the Urban Environment*”, COM (2005) 718 final.

B. ON SUPPORTING THE CONTINUATION OF THE MARSEILLE PROCESS AND THE IMPLEMENTATION OF THE EUROPEAN REFERENCE FRAMEWORK FOR SUSTAINABLE CITIES (RFSC).

Following the Marseille Statement on the need to continue supporting sustainable urban development and the integrated approach, and to implement the principles of the Leipzig Charter at local level, a prototype of a common European Reference Framework for Sustainable Cities (RFSC)⁴ has been established in 2009-2010 by a high level working group (MS/I WG) led by France.

In this perspective, the Ministers:

- thanked all participants involved, and especially France, for their contribution and commitment in the process ,
- welcomed and acknowledged the work done to date, recognising the added value of the RFSC as an operational tool for cities, and more particularly medium-sized and small towns, helping them on a voluntary basis to develop better integrated sustainable urban development strategies, policies and projects,
- reaffirmed, in line with the Marseille Statement, that this RFSC is based on a collective and open process, and is to be an overarching, adaptable, open and non-binding tool for cities, based on the principle of subsidiarity,

Considering that the prototype presented at the Toledo Informal Ministerial Meeting has now to be further developed and tested in a new phase, the Ministers:

- reasserted their commitment to continue the process for the upcoming second phase, which is now foreseen for having the prototype tested by a set of selected pilot cities, and to improve and finalise the RFSC on the basis of this text and as described in the document of Conclusions of the MS/I working group, proposing that the complete and fully operational final tool would be delivered at the end of 2011 (under the Polish Presidency)
- underlined the need for a shared support by the Members States and the European Commission and asked the European Commission to take a significant role in this process, co-leading the testing phase together with France and other volunteering countries, including the respective EU Council Presidencies,
- affirmed their commitment, within the framework of their competencies and possibilities, to carry on and reinforce the process at national level, through the continuation of the existing National Support Groups or the voluntary launching of new ones; to make an appropriate effort to disseminate, promote and use the European Reference Framework in their national context; and to translate the RFSC prototype and/or the final tool into their national language in order to make it accessible and to allow for broad participation across cities , and
- considered that a broad participation and involvement of European towns and cities is key for the success of the development and future implementation of this tool, and therefore, proposed, on a voluntary basis, a number of test cities for the testing phase, and to facilitate the testing by these cities in the national context as well as communication at European level if necessary;

⁴ <http://www.rfsustainablecities.eu/>

Taking into account all these recommendations, the Ministers:

- encouraged the upcoming Presidencies to participate in the follow-up stage of the process;
- invited local authorities and other bodies, and more particularly the professional bodies, private sector bodies, NGOs, etc. to be active participants in the process;
- encouraged all the stakeholders at European, national, regional and local levels, to take this opportunity and support the dissemination of this tool;
- stressed the potential contribution of the RFSC to good governance, and to a European multi-level wide dialogue on the basis of a common format and understanding; and
- underlined its high added value in the perspective of a new European Urban Agenda and the Europe 2020 objectives.

C. ON THE NEED TO CONSOLIDATE A EUROPEAN URBAN AGENDA IN THE FUTURE

Acknowledging the work on urban issues carried on by successive EU presidencies in rotation and especially the outputs of the most recent landmarks from the last Informal Ministerial Meetings mentioned in the Preamble, the Ministers considered that the new framework resulting from the entry into force of the Lisbon Treaty increases the need for coordination between the Trio of successive presidencies. It therefore seems to be appropriate to start consolidating strategic areas for continuity and coordination between successive presidencies, moving towards the future preparation of a joint working programme or 'European Urban Agenda', which will have to mature gradually before taking its final shape.

Besides the intergovernmental support, the Ministers also acknowledged the continuous efforts and contributions to the urban agenda made by the European Commission, particularly through the urban dimension of cohesion policy. In this regard, they called upon the European Commission to continue playing a pro-active role, particularly in those areas of the intergovernmental process that foster the European 'Acquis Urbain'.

The Ministers also underlined the need to strengthen the cooperation and coordination with the European Parliament, the Committee of the Regions, the European Economic and Social Committee, the European Investment Bank, and other relevant institutions and organisations working in the field of urban development in Europe.

As a preliminary outline of this joint work programme, the Ministers undertook to encourage and support the following joint actions:

C.1. Strengthening the urban dimension in Cohesion Policy.

The Ministers considered that cities and towns are the places where most of the current and future potentials and challenges lie, and that they are key to achieve the goals of Europe 2020, by making Europe's economies smarter, more competitive, sustainable and socially inclusive. Therefore, they stressed that it must be a political priority to empower European cities to tackle future challenges and to unlock their potential, and to continue and to strengthen the public support for sustainable urban policies across the EU, in particular through Cohesion Policy.

In order to do so, the Ministers agreed on their wish to collaborate with the European Commission in the debate on the consideration of and the elaboration for a strengthened framework for the urban dimension in Cohesion Policy in the next programming period.

The Ministers agreed that the common basis of the new framework of the urban dimension in Cohesion Policy should be the following principles: the involvement of local authorities and the cities in the design and implementation of the Operational Programmes, a stronger emphasis on the integrated approach and sustainable urban development, a stronger focus on territorial and social cohesion, and a simplified delivery system.

C.2. Supporting a greater coherence between territorial and urban issues and agendas and fostering the urban dimension in the context of territorial cohesion

The Ministers stressed the importance of the coordination and coherence of urban and territorial policies, taking note of the paper "*Territory matters to make Europe 2020 a success*",⁵ recognising that Europe as a whole would be smarter, more sustainable and socially inclusive if better use of its rich geographical diversity and territorial potential in all the regions and cities were made, paying particular attention to multilevel governance mechanisms in order to secure better consistency in the territory between different sector policies and between different tiers of government.

In this regard, they agreed to explore the possibility of establishing greater coordination between territorial and urban issues and agendas, working in a coordinated way on this issue in the process of reviewing the European Territorial Agenda that is expected to be approved during the Hungarian presidency in the first half of 2011.

The Ministers also considered crucial to view the urban dimension within the wider context of territorial cohesion. European cities and the relationship between cities and neighbouring communities, including metropolitan and urban-rural relations and partnerships, and considering the wider territorial diversities, are key in achieving this new EU horizontal objective. Therefore the urban dimension should be an integral part of the concept of territorial cohesion.

C.3. Continuing to promote research, comparative studies and statistics, exchange of best practices and dissemination of knowledge on urban topics, and strengthening coordination of them all.

The Ministers considered it to be key to continue to promote research, comparative studies and statistics on urban topics, in addition to exchanging best practices and dissemination of knowledge.

To do this will require coordination and driving research programmes more vigorously on a national scale and transnational projects on a European scale. In this regard, the European Commission is thanked for driving the European Research Area on urban topics by supporting urban research through the Framework Programmes for RTD in a considerable way and especially by funding the URBAN-NET network.⁶ It would be extremely useful to continue beyond 2010 on the path begun by URBAN-NET to coordinate transnational research programmes on urban topics and the intergovernmental funding of calls for transnational projects, and also extend the number of participating countries. The Ministers also asked the Commission to consider the urban dimension within the Seventh Framework Programme currently in effect, and stressed the importance to continue supporting it in the future. Finally, they also asked the Commission and national authorities involved to strengthen the analysis of the territorial dimension of urban dynamics within the ESPON Programme.

In the light of the recommendations from Portugal's report presented at Leipzig on the need for stronger cooperation between knowledge providers, the Ministers took note of the progress that has

⁵ Joint contribution by the Directors Generals of ministerial departments responsible for territorial development policy in the European Union approved in Seville, 10th May 2010.

⁶ <http://www.urban-net.org/>

been made in the cooperation between the European urban networks, and also between intergovernmental and Commission initiatives, particularly welcoming the envisaged creation of a Common Search Engine between EUKN⁷ and URBACT⁸ Programme. The Ministers also welcomed the commitment of several Member States to continue their participation in EUKN for the 2011-2015 period and valued their efforts to establish EUKN as an EGTC.

Finally, the Ministers stressed the need to reinforcing all these initiatives and welcomed Sweden, Spain and Belgium's initiative to set up a working group associated with the UDG to look into the possibilities and define the strategies to foster coordination and reflection on these topics related to urban research and knowledge.

C.4. Promoting sustainable urban development and integrated approaches by re-enforcing and developing instruments to implement the Leipzig Charter at all levels.

The Ministers reaffirmed that a multi-level policy as described in the Leipzig Charter, is a prerequisite for the implementation of an integrated urban development policy. Such an approach will not only facilitate an integrated urban development policy but will also help to realise the Europe 2020 objectives and the EU Sustainable Development Strategy. In that respect it is clear that the Leipzig Charter needs to become more than just a set of principles, aiming to become a living document on the basis of which concrete strategies can be elaborated in order to implement all its recommendations.

The Ministers considered that existing coordination instruments have to be re-inforced and the development of new instruments for integrated and sustainable urban policies have to be explored at all levels of governance: local, regional, national and European. At the urban level, the RFSC will offer a useful tool to support an integrated approach. At regional and national levels, existing coordination structures should be used more intensively and the possibilities of new coordination instruments explored in order to move towards an integrated approach in urban policies. As mentioned above, at European level, cooperation between Member States, European institutions, and cities' associations and networks should also be reinforced.

In relation to this, the initiative driven by the Czech EU Presidency to follow up the implementation of the principles of the Leipzig Charter on a national scale is welcomed. The conclusions of this survey show the need to continue promoting sustainable urban development and integrated urban approaches, especially in the national policies for which we are responsible.

To this end, on Spain, Belgium and Hungary's initiative, the possibility of developing methods to address and follow up the implementation of the Leipzig Charter at all levels of governance will be explored from the second half of 2010 onwards.

C.5. Considering the most important challenges that European cities will face in the future.

The Ministers welcomed the European Commission's initiative for a reflection process on the challenges and models for the cities of tomorrow.

The Ministers also supported Hungary's initiative, to open a topic-based discussion on two of the major challenges that Europe's cities will face in the future: climate change –continuing the reflections carried out during the Slovenian, French and Swedish Presidencies- and the impact of demographic changes.

⁷ <http://www.eukn.org/>

⁸ <http://urbact.eu/>

TOLEDO REFERENCE DOCUMENT ON INTEGRATED URBAN REGENERATION AND ITS STRATEGIC POTENTIAL FOR A SMARTER, MORE SUSTAINABLE AND SOCIALLY INCLUSIVE URBAN DEVELOPMENT IN EUROPE

1. The strategic importance of integrated urban regeneration to achieve a smarter, more sustainable and inclusive urban development

As has been addressed in the Europe 2020 strategy approved at the recent June Council, the European Union faces a number of major challenges in terms of economics (financial and economic recession, globalisation, etc.), social issues (unemployment, social integration, demographic structure, inequality, etc.) and the environment (climate change, preserving natural resources, etc.), maintaining that *“our exit from the crisis must be the point of entry into a new economy. For our own and future generations to continue to enjoy a high-quality of healthy life, underpinned by Europe’s unique social models, we need to take action now. What is needed is a strategy to turn the EU into a smart, sustainable and inclusive economy delivering high levels of employment, productivity and social cohesion”*. To do so, the Europe 2020 strategy sets out three mutually reinforcing priorities: smart growth, developing an economy based on knowledge and innovation; sustainable growth, promoting a more resource efficient, greener and more competitive economy; and, inclusive growth, fostering a high-employment economy delivering social and territorial cohesion.

In this regard, cities and towns are vital for achieving the general objectives and specific headline targets of the Europe 2020 strategy. If the impact of these challenges on Europe’s cities is considered and examined from the classical viewpoint of the multiple dimensions of sustainability (economic, social, environmental, cultural and governance), it comes out that “urban regeneration” may have a truly strategic role to play in the future of urban development in Europe, and come to represent an opportunity to help to address the challenges of European cities from this multiple perspective, and particularly to address them in the existing urban fabrics.

From the environmental viewpoint...

Taking the environmental dimension first, metropolitan areas, cities and towns are key actors for global sustainability and more specifically to combat climate change, since they are the places where most of the resources consumption (both materials and energy) and the production of waste and emissions (including, most significantly, greenhouse gases) are concentrated. To solve the equation of urban sustainability, and taking into account that the Europe 2020 goals include reducing greenhouse gases by at least 20% compared with the 1990 levels (or by 30% if the conditions are suitable), increasing the percentage of renewable-energy sources in our final energy consumption by up to 20%, and energy efficiency also by 20%, the eco-efficiency of the new urban developments (for example, by means of developing new ‘eco-neighbourhoods’) is a necessary condition, but it is not enough. The core battle for urban sustainability will lie in achieving the maximum possible eco-efficiency in the existing urban fabrics of cities.

To achieve this, a genuine ‘green, ecological or environmental’ regeneration of cities must be undertaken, including such key issues as:

- reducing transport needs by the promotion of proximity and mixed-uses schemes, while at the same time stimulating a more sustainable mobility (on an urban, metropolitan and interurban scale) by: prioritising non-motorised ('walkable', 'cyclable' cities)⁹, less pollutant means of transport, supporting affordable and efficient public transport accessible for all—notably for deprived neighbourhoods, where it can play a key role in breaking its physical isolation-, and multimodal transport networks, and optimizing urban logistics;
- boosting energy efficiency in existing buildings (by improving the thermal insulation of exterior walls, roofs and glazing, and the efficiency of heating and other installations), considering the physical conditions of the building stock ;
- improving the management of energy and material resources and flows in the city (urban metabolism), including the whole water cycle, waste, etc., striving to close urban metabolic cycles locally and to reduce the ecological footprint;
- promoting renewable energies and implementing them and their use in cities;
- recycling land (by means of urban regeneration, the redevelopment or reuse of abandoned, derelict or unused areas, etc.) as a key strategy for contributing towards the reduction of land consumption and therefore combating 'urban sprawl';
- promoting the consumption of local green products to shorten consumption circuits and to strengthen the local eco-economy,
- protecting natural, landscape, forestry, water resources, agricultural areas, etc. around cities and strengthening their links or articulation with cities (for example, with green belts and/or corridors connected to and in continuity with the network of public parks and spaces), 're-greening' the existing city, etc.

Finally, it shouldn't be forgotten that besides strategies to mitigate climate change there is a need to begin to stimulate strategies to adapt to it, particularly in coastal or river areas that could be affected by rising sea levels or flooding, or areas where the effects of warming are expected to be the greatest. The new scenarios being considered imply the need for cities to develop proactive strategies to resist these changes ('resilient cities'), to protect them against natural disasters or warming and to improve water management in times of drought.

From the social viewpoint...

From a **social perspective**, cities — concentrating most of the European population as they do — are also the places where the challenges of demographics, inclusion and social cohesion, the integration of immigrants, unemployment, education, poverty, multicultural challenges, etc., are felt most intensely. These problems, which have been made worse by the effects of the recent recession, mostly threaten the most vulnerable population, and particularly some "*deprived neighbourhoods within the context of the city as a whole*"¹⁰, deepening social polarisation and therefore leading to a higher risk of potential social fracture. Fostering employment, reducing the number of early school leavers and the reducing the poverty risk are the main social targets of the Europe 2020 strategy. Furthermore, the European Commission has recommended¹¹ that active inclusion policies should facilitate the integration into sustainable, quality employment of those who can work and provide resources that are sufficient to live in dignity, together with support for social participation, for those who cannot, combining adequate income support, inclusive labour markets

⁹ As pointed out in the Communication from the Commission "*Action Plan on urban mobility*" (COM (2009) 490 final).

¹⁰ Leipzig Charter.

¹¹ Commission Recommendation of 3 October 2008 on the active inclusion of people excluded from the labour market (notified under document number C(2008) 5737) (2008/867/EC).

and access to quality services. This goals, together with the implementation of a set of other interconnected measures - e.g. for the integration of immigrants, ensuring equal opportunities in education, demand-oriented training, inclusion, ensuring the availability and affordability of services, etc., as well as other economic and environmental measures, such as the physical upgrading of the built environment-, are the key actions for stimulating greater social integration and cohesion that enable combating spatial segregation and social marginalisation. In this regard, housing policies are particularly important: on the one hand, decent and affordable housing can be considered as one of the cornerstones of social inclusion strategies, especially for those at the greatest risk of exclusion; while on the other hand, housing and building renovation, retrofitting and upgrading can provide tangible and considerable improvements in its inhabitants' daily lives¹²; and last but not least, socially balanced housing policies allow to reduce social polarization at neighbourhood level. As it was recommended in the Rotterdam Ministerial Meeting on 2004¹³, considering all these types of actions in integrated programmes or urban plans is particularly effective when intervening in the most deprived neighbourhoods.

From the economic viewpoint...

Finally, from an **economic viewpoint**, cities concentrate a large part of Europe's human, social, cultural and economic capital, etc., such that optimising and revaluing them are also key for a strategy of global competitiveness, where the 'traditional European city model' is one of the EU's principal assets.

The economic headline targets of the Europe 2020 propose to increase employment and investment in R&D. To achieve this, it seems necessary to develop strategies to 'regenerate the urban economy', which, in accordance with different local contexts, are committed towards a more competitive economy, in which economic progress is steadily decoupled from the consumption of resources, stimulating an economy of knowledge, creativity, excellence and innovation, strengthening endogenous development and diversifying local production systems, while appropriately organising the labour market through education and ongoing training for workers.

Building retrofitting, physical upgrading and the modernization of infrastructures are not only some of the essential requirements for the attractiveness of a city, but also fairly labour-intensive sectors, and therefore a potential new source of jobs that could help to absorb unemployed workers, particularly those from the new-building sector (which is currently undergoing a major slump in several Member States). It is also a more specialised sector, and quite appropriate for the creation of new local SMEs, with a certain knock-on effect for innovation and industry. These opportunities are even more significant in the case of 'green, ecological or environmental regeneration', based on stimulating energy efficiency for buildings and installations, on sustainable mobility, on the implementation of renewable energies in cities, etc. As the Europe 2020 strategy has pointed out¹⁴, this field offers excellent opportunities not only for creating new businesses and jobs but also for innovation and consolidating European leadership in this sector.

Last, but not least, the current recession also has an individual and family dimension whose repercussions are felt particularly strongly by the most vulnerable and in the most deprived neighbourhoods, where an integrated approach would also have a highly positive effect, by making economic and social support policies more permeable and channelling them more directly towards those who are the most seriously affected. In this regard, strengthening welfare and social services

¹² For example: improving physical accessibility is crucial for the promotion of autonomy and participation in society of disabled and elderly people .

¹³ Conclusion 3.6 on Social Inclusion.

¹⁴ Meeting the objective of 20% of renewable energy is thought to have the potential to create more than 600 000 jobs in the EU, and adding the 20% target in energy efficiency, over 1 million new jobs are believed to be at stake.

not only contributes towards improving citizens' quality of life, but also towards the economic development of the city.

From the urban planning, architectural and cultural viewpoints...

Cities and heritage are key elements and repositories of the rich and varied European history and culture. Fortunately, nowadays the need to preserve the historical and cultural heritage of the city, particularly its architectural heritage and the 'Baukultur', is generally taken for granted as a way of keeping alive the collective memory that is characteristic of the European city model. Nevertheless, besides as protecting the heritage from a physical point of view, it is often necessary to guarantee its inhabitability and attractiveness in order to keep it really alive.

From an architectural point of view, building rehabilitation will enable many of the deficiencies of the existing built stock to be overcome, particularly those of the many dwellings that were poorly built to low quality standards in the second half of the 20th century, by improving their functionality, promoting diversity and adapting residential typologies to new family and demographic patterns, stimulating the eco-efficiency of buildings and facilities, resolving accessibility problems and the building deficiencies that some of them still present, etc., and also to increase their architectural quality, diversity and identity.

Revaluing deteriorated public spaces and providing new open spaces, together with the protection or requalification of architectural forms, will contribute not only towards the improvement of the urban scene, landscape and place quality of many of our cities' urban fabrics, and therefore to raise their attractiveness to highly skilled workers and business, but also to increase their attractiveness and the local residents' identification with the urban environment and their community. This will therefore contribute not only to their cultural enrichment but also towards creating or recreating citizenship, because the values of democracy, coexistence, exchange, civic progress, diversity, living together and freedom are key factors in the culture of the European city, which are expressed most effectively in the public realm.

From the viewpoint of governance...

Good governance, based on the principles of openness, participation, accountability, effectiveness, coherence and subsidiarity, is required in order to assure the successful implementation of public policies, a more efficient and effective allocation of public resources and to increase citizen's direct participation, involvement, engagement and empowerment, considering that citizens' satisfaction and well being is also key for the success of urban policies.

Good governance has acquired even greater importance in the current financial crisis, which makes it particularly significant to achieve the maximum optimisation of resources and efforts by stressing cooperation and synergies, multilevel governance and the integrated approach, as described below.

2. Towards a common understanding of the integrated approach in urban regeneration in particular and in urban development in general

Which are the key features of the integrated approach?

The Leipzig Charter recommended "*making greater use of integrated urban development policy approaches*". The experience and practice accumulated through national, regional and local projects as well as those funded through EU urban initiatives (based on which a common European 'Urban Acquis' has been developed), has demonstrated that the key features of this integrated approach, which have become especially important in these times of scarce financial resources, are:

- This integrated approach requires, first of all, the adoption of a holistic approach and thinking. This means replacing the usual sector or one-dimensional approaches with new transversal or multidimensional ones, aligning different policy areas and resources. It also implies considering the city as a whole: strategies and actions should be unitary, and address the whole complexity of urban development, taking into account the role of each part of the city in the whole structure.

This holistic approach also means thinking and working –and allocating resources in consequence- on all the multiple dimensions of sustainability — economic, social, cultural and environmental — at the same time, in such a way that the actions undertaken in each of them will have a positive effect on the others, or at least avoid them contradicting one another or having a negative effect on the others. The main future challenge for urban policies is to be able to provide convergent answers with equal level of efficiency to the environmental, social and economic questions raised in cities.

- Putting this integrated approach into practice also means resolving conflicts, overcoming discrepancies or interferences between the effects that each of these dimensions has on the others and finding compromises in the line of the overall defined key guiding principles of the city. In order to do so, it seems necessary to channel this shared commitment to deliver sustainable outcomes through establishing appropriate coordination platforms and frameworks –whether formal or informal- for policies and actions: ‘transversal coordination’ to make sector or one-dimensional approaches converge; ‘vertical coordination’ between all administrative levels (EU/national/regional/intermediate/local), by means of new formulas and arrangements for ‘multilevel governance’¹⁵; and ‘horizontal coordination’ between all the actors involved in ‘city building’ (public authorities, property and financial sector, professionals, etc.) which combine top-down and bottom-up approaches, and, most particularly, make public participation and involvement a truly effective reality.
- The city is time and space. The integrated character means seeking the right way to organise all ‘timescales’ (short/medium/long term) and all ‘spatial scales’ (region/metropolitan area/small, medium sized and large cities and towns/neighbourhood, etc.) and, finally, the conjunction between the two.

From a time-scale viewpoint, it is advisable to overcome short-term urban-management methods by creating strategic scenarios (economic, environmental, socio-demographic, etc.) formulated through an integrated city plan or vision with clear statements and goals, combining long-term framework visions with a certain flexibility when it comes to specific determinations, to allow for a greater capacity for adaptation, innovation and evolution, without any extreme ruptures and assuring the continuity of actions and effective use of resources.

From a spatial viewpoint, an integrated city plan or vision must go beyond the sum of ad-hoc or isolated actions, and at the same time consider its implementation at a functional or administrative level.

¹⁵ This is further developed in the Committee of the Regions White Paper on Multilevel Governance (2009) and in the Annex 3 (“*Governance and sustainable communities*”) of the Bristol Informal Ministerial Meeting (2006).

- at local level, an integrated spatial vision should be reflected in the coordination of actions with the goal to ensure a balanced development of the city as a whole and its parts, and even beyond, considering its role within the territory;
 - at regional level, in coordinating sector and local policies under a broader regional perspective and articulating metropolitan or rural-urban relationships, promoting regional clusters of cooperation and innovation, ensuring the contribution of territorial economic growth as a driving force for strengthening a polycentric structure, and a well-balanced and integrated model based on diverse territorial identities;
 - at national level, in assuring the coordination of sector policies and the effectiveness of multilevel governance at all the administrative tiers, promoting polycentric and balanced national development and international competitiveness by developing existing and planned economic, social and functional ties and cooperation projects.
- The city is a social construct. ‘Integrated’ also refers to ‘inclusive’, i.e. working on articulating the city’s ‘social body’ in an inclusive shared project of coexistence, to combat social exclusion and spatial segregation.
 - The integrated character also refers to the ‘integration’ of the parts into a whole structure. This implies that conceptual and operational thinking must also stem from strategies or plans with ‘integrated’ -global or comprehensive- visions of the city as a whole, but optimal development will often be brought about through ‘territorialised actions’ (‘area-based’ approach). In the city, where objects (e, g: housing, buildings) and subjects (physical and legal persons) have a specific spatial location, it is usually more fruitful to conjugate an ‘integrated’, global or comprehensive overall strategy with an ‘area-based’ development, rather than merely acting on objects and subjects in isolation (home by home, or building by building, for example) or indiscriminately and generically.

In practical terms, the integrated approach requires shared commitment to deliver common outcomes in urban sustainability, evidence of multiagency or cross cutting teams working together, and evidence of budgets from different authorities or agencies being pooled and directed in the same or convergent directions.

Which are the benefits of the integrated approach?.

In a context where the urban challenges are increasingly more complex, but where both public and private resources are decreasing, and subsequently there is a need to achieve more with less, it is necessary to struggle to extract full value from each input of public and private stakeholders. There is a need to break down silo-based thinking, working and funding to develop new ways of thinking and working in order to offer better, more efficient and sustainable services. The integrated approach offers these possibilities, allowing additional, synergetic and multiplying effects to be achieved while encouraging coordination and avoiding any duplication, conflict or interference.

3. How do we understand Integrated Urban Regeneration?.

Integrated urban regeneration is conceived as a planned process that must transcend the partial ambits and approaches that have usually been the norm until now, in order to address the city as a functioning whole and its parts as components of the whole urban organism, with the objective of fully developing and balancing the complexity and diversity of social, economic and urban structures, while at the same time stimulating greater environmental eco-efficiency.

This concept of ‘integrated urban regeneration’ aims to optimise, preserve or revalue all the existing urban capital (social, built environment, heritage, etc.) in contrast to other forms of intervention in which, amongst all this urban capital, only the value of the land is prioritised and conserved, by traumatically demolishing and replacing the rest of the whole urban capital¹⁶ and — most lamentably — of the social capital. Deprived urban areas are not to be seen as a problem, but as a source of untapped human talent and physical capital whose potential has to be unlocked in order to contribute to the overall civic progress and economic growth of the city.

This strategic commitment towards ‘integrated urban regeneration’ is not meant to be incompatible with urban growth. Obviously, wherever necessary, spatial and urban planning should allow the appropriate amount of land development to meet justifiable needs, applying the terms of “*strong control of land supply and of speculative development*” included in the Leipzig Charter. But it is also advisable to curb the limitless growth of cities or urban sprawl, because — in societies with basically stable or recessive demographics such as that of many European cities — new suburban growth is largely fed — together with the increase of housing prices and the decentralisation of employment, services and facilities — by the citizen’s feeling of decline or lack of quality of life in some of the existing parts of the city.

In shrinking cities it may be important to find a balance between the need to maintain the vitality of their central areas and the regeneration and upgrading of block housing estates, avoiding some potential contradictory side effects such as the increasing share of unused dwellings in renovated buildings.

In short, the aim is to stimulate urban policies of plenitude by means of comprehensive urban approaches that administer the physical extension of the city as necessary and combine the commitment towards integrated urban regeneration in the existing fabrics and built environment with a sustainable, integrated growth model in new urban developments. This should be based on calling for the ‘traditional European city concept’, which, while diverse (and therein also lies its richness), is recognisable by striving for complexity, compactness, functional diversity, plurality and social integration, with the ultimate goal of achieving a better balance and integration between all the dimensions of sustainability.

4. Which are the operational tools that could favour integrated urban regeneration?

From an operational viewpoint, the tools that could favour integrated urban regeneration include:

- The launch of integrated regeneration plans and programmes that at the same time consider both the city as a whole and its partial ambits of intervention, establishing diagnoses of the problems and opportunities and determining the sector actions to be applied and how they should be organised and coordinated in order to create synergies and to overcome any discrepancies between them, assuring the necessary consensus between all the urban actors, and including public participation.
- Among these plans and programmes, combining an organised set of actions focusing on the physical upgrading of buildings and urban spaces with other integrated sector-based actions as the afore-mentioned, and with urban-development guidelines that set the criteria for physical-regeneration interventions, for the management of uses, improvement of public spaces and the urban scene, protection of the landscape and cultural heritage, etc.

¹⁶ This does not mean that in certain ‘regeneration’ operations it may be not necessary for some specific buildings to be demolished and replaced, or that on other occasions (‘brownfields’, derelict, abandoned areas or areas in decline) it may be best to turn to complete renewal.

- Taking into account that the integrated variety of social groups and diverse urban activities and functions, over and above certain areas of specialized uses, is a symptom of urban vitality, we should aim to extend quality of life, attractiveness and inhabitability to all the fabrics of the city, particularly to its central ones and especially to residential areas. This means: cities and neighbourhoods for everyone to live in, in an urban environment which is *“active, inclusive and safe, well run, well connected, well served, environmentally sensitive, thriving, well designed and built, and fair for everyone”*¹⁷. For this to be achieved, urban planning and urban management must seek to create or recover sufficient attractiveness and optimal inhabitability conditions, and to provide the means to *“meet the needs of existing and future residents”*¹⁸, so that all parts that make up the fabrics of the city become areas where diverse social groups can and *“want to live and work, now and in the future”*¹⁹.

In some cases, this may mean increasing the social and functional complexity and variety of certain areas (for example, in tower block housing estates built after the Second World War), by enhancing the attractiveness of these areas for new residents or new activities, and thus improve the social mixture of different population and income groups and the functional balance of the area. However, in other cases (as is often the case, for example, in central or historic areas), it can be necessary to set up mechanisms to reduce social exclusion or any unintended side effects of gentrification that urban regeneration interventions may occasionally cause, by having the unwanted effect of driving out certain population groups or vital functions for a proper urban balance, because they find themselves unable to compete with other, more profitable activities in the short-term.

Housing typologies and formats, and affordability of prices for rented or owned houses are some of the key elements of these strategies. In order to preserve -or if necessary, stimulate- social diversity and the plurality of social groups of differing incomes and ages in all the existing fabrics of the city, there is a need to encourage the presence in them of a wide diversity of housing typologies and formats, by preserving them if possible, or by introducing them if no such diversity was previously present.

- Public funding in urban regeneration is considered to be key in order to guarantee social and environmental goals in the medium and long terms, but in the current scenario of limited public resources it may be necessary to combine different types of existing public funding (European structural funds, national, regional and local funds, etc.) together with other formulas and new financial means (loans, revolving funds, JESSICA, etc.) as well as the development of new financial and tax incentives for private enterprises trying to increase the involvement of private property and financial agents and other urban actors in urban regeneration.
- Strengthening existing and developing new, regeneration-specific forms of public–private partnership based on codes of conduct for both sides that are clear and transparent, led — if necessary, in order to spur the private sector’s involvement — by the public authorities by means of incentives, an initial economic boost and the play of a catalysing role.
- Investing in capacity building efforts and skills to address economic, social and environmental issues as they affect places, wherever they are located (cities, towns, urban and rural) is essential in promoting sustainability. The Bristol Accord championed the concept of ‘place-making’ skills – such as such as territorial leadership, community

¹⁷ These were the eight characteristics of a sustainable community agreed at the Bristol Accord, 2006.

¹⁸ Bristol Accord, 2006.

¹⁹ This was the definition of sustainable communities included in the Bristol Accord, 2006.

engagement, partnership working, project management, governance and cross-occupational learning.

- Considering the diversity of European cities and towns and the wide geographical and contextual diversity, it is impossible to apply ‘one-size-fits-all’ solutions in integrated urban regeneration plans and programmes, and consequently they can benefit from a local development and implementation by the inclusion of a management and governance proposal adapted to the local context, with particular regard to the stimulation and channelling of public participation. This often requires previously the existence of an open and transparent process for measuring and reporting performance towards sustainability to local citizens and other stakeholders, empowering people and making them aware first, and then giving them the opportunities to have a stronger participation in decision making.
- In this regard, it seems convenient –both for the self evaluation of public policies and for citizens’ information- to include appropriate monitoring and assessment tools (ex ante, mid-term and ex post evaluations, set of criteria and indicators, etc.) in the plans and programmes, in order to verify whether the goals set have been reached and, if necessary, consider the relevant changes or corrections.

5. The need to configure a new ‘urban alliance’ to put the strategic commitment towards integrated urban regeneration into practice

Putting into practice this strategic commitment towards ‘urban regeneration’ and the ‘integrated approach’ that is under consideration will call for a new ‘urban alliance’ shared by all the actors involved in the ‘city-building’ process: the property sector, finance, local people, public authorities, professionals, etc. This new ‘urban alliance’ should be based on consensus and legitimised by new forms of governance, where social and citizens’ networks play a leading role, and its common aim should be to revalue, recover and even re-invent the ‘existing city’, thus optimising the human, social, material, cultural and economic capital that has been built up there over the course of its history, and using these elements to build the efficient, innovative, smart, more sustainable and socially integrated cities that Europe is striving for.