



COMMISSION OF THE EUROPEAN COMMUNITIES

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1999/0233 (COD)

Proposal for a

**DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**on a Community Framework for cooperation to promote sustainable urban  
development**

(presented by the Commission)

## **EXPLANATORY MEMORANDUM**

### **1. THE URBAN ENVIRONMENT CHALLENGE: LOCAL AND GLOBAL SUSTAINABILITY**

The state of the urban environment where some 80% of European population lives is a fundamental concern, with local, European and global implications. The depletion of natural resources and increases in pollution and waste impact upon local, regional and global ecosystems. This imposes in its turn costs of all types on citizens, businesses and urban governments.

Urban environment challenges are inter-related: urban sprawl increases dependence upon private motorised transport, the lack of green space translates into decreased quality of life for citizens, and the rising consumption of primary energy is coupled with an increase of greenhouse gas emissions.

Meeting these challenges requires:

- integrated approaches within strategic frameworks, making full and complementary use of all available policy instruments to tackle problems and the design of measures which solve more than one problem at a time;
- policy interventions that result in solving problems locally rather than passing them on to other places or to future generations;
- policy solutions which lead to changes in individual patterns of consumption and behaviour on the part of all key actors, especially enterprises and citizens.

### **2. SHORTCOMINGS IN THE IMPLEMENTATION OF LEGISLATION AT LOCAL LEVEL AND KEY FINDINGS OF THE COMMUNICATION 98/605 ON HOW TO ADDRESS THEM**

It is commonly accepted that there are clear shortcomings in the implementation of environmental legislation at the local level. The Sustainable Cities Report (presented by the Expert Group on Urban Environment) and the Communication “Sustainable Urban Development in the European Union: A Framework for Action” (COM(1998) 605 final) identify a number of causes explaining these shortcomings, including:

- lack of information on good practice at the level of local authorities;
- organisational problems (e.g. traditional administrative approaches to management, lack of appropriate instruments);
- mismatch between financial resources and responsibilities (varies with national contexts); and
- reluctance of citizens and businesses to change their behaviour.

While stating that reducing the total environmental impact (or “ecological footprint”) of urban activities is the way forward and that it will lead to improvements both within Europe’s urban areas and elsewhere, the Communication (98/605) identifies good urban “governance” and local empowerment as crucial factors for increasing the quality of life in towns and cities and for managing them in more sustainable ways. It states that EU action can play a role in establishing better links between actors at all levels and can ensure that partnership-building for urban issues is encouraged. The following policy objectives are particularly emphasised:

- Increase information for local authorities and other urban actors, including citizens, on EU policies and build dialogue with them in the formulation of EU policies.
- Involve towns and cities more fully in the implementation of EU policies.
- Promote policy integration and synergy between and within all levels of government within functional urban areas.
- Support local capacity-building so as to increase the quality and effectiveness of urban “governance”, including exchange of good practice between cities, transnational cooperation and networks.
- Promote innovative approaches to the extension of local democracy, participation and empowerment and to partnership-building involving the private sector, communities and residents.
- Improve collection and use of comparative information on urban conditions across Europe, the diagnosis of urban problems and the identification of effective policy solutions, enabling actors at all government levels to tailor their policies to local needs and to monitor and assess the performance of their policies in terms of quantitative and qualitative outcomes on the ground.

### **3. MAIN CHARACTERISTICS OF THE PROPOSAL FOR A DECISION**

Given that cities and towns are the places where environmental problems affect the quality of life of citizens most, they are also key partners in solving these problems. The Community’s role is to encourage local authorities to rise to the challenge that these problems pose and to assist them in working towards sustainability. In order to meet the shortcomings identified above, the proposal for a Decision of the Council enables support to be considered in the fields of:

- awareness raising on sustainable urban development, urban environment and local agenda 21, including development and transfer of good practices;
- cooperation between actors involved in sustainable development and local agenda 21 on European level;
- Accompanying measures (such as evaluation and monitoring).

The partners of the framework of cooperation to be established are on one side the Commission and on the other the European Sustainable Cities and Towns Campaign and networks of cities. The **European Sustainable Cities & Towns Campaign** is an alliance of 540 local authorities committed to the development of local policies and action for sustainability. The Campaign Office plays a strong role in coordinating the efforts of the five networks, avoiding duplication, ensuring complementarity and multiplier effects. The Campaign Coordinating Committee, which includes mayors from local authorities representing the various networks, has provided the Commission with valuable dialogue partners at a high political level.

It is expected that the number of networks and cities taking part in the framework of cooperation will grow and extend to Central and Eastern European Countries. The networks' activities to be cofinanced by the cooperation framework will be selected according to the quality of their submission. The deliverables will be: studies, technical assistance, development of new instruments, demonstration projects and conferences with the view to facilitate the implementation of sustainability at local level.

The framework for cooperation is based on Article 175 of the Treaty and would be in place from 1 January 2001 at the latest until 31 December 2004 with a scheduled interim evaluation. The budget envisaged for this four-year period is EUR 12.4 million. Anti-fraud mechanisms are included.

Proposal for a

**DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**on a Community Framework for cooperation to promote sustainable urban development**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 175(1) thereof,

Having regard to the proposal from the Commission<sup>1</sup>,

Having regard to the opinion of the Economic and Social Committee<sup>2</sup>,

Having regard to the opinion of the Committee of the Regions<sup>3</sup>,

Acting in accordance with the procedure laid down in Article 251 of the Treaty<sup>4</sup>,

Whereas:

- (1) The Treaty provides for the development and implementation of a Community environment policy and sets out the objectives and principles which should guide that policy.
- (2) By adopting Decision No 2179/98/EC of the European Parliament and of the Council<sup>5</sup>, the Community has confirmed its commitment to the general approach and strategy chosen by the Commission in its Programme "Towards Sustainability"<sup>6</sup>.
- (3) Many of the Community's international commitments, in particular with regard to action to combat climate change, can only be implemented with the cooperation of local authorities.

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<sup>1</sup> OJ C

<sup>2</sup> OJ C

<sup>3</sup> OJ C

<sup>4</sup> OJ C

<sup>5</sup> OJ L 275, 10.10.1998, p. 1.

<sup>6</sup> OJ C 138, 17.5.1993, p. 5.

- (4) In its communication entitled "Sustainable urban development in the European Union: a framework for action" of 28 October 1998<sup>7</sup>, the Commission gave an undertaking to provide "continued support for local government networking activities" and to "ensure an appropriate legal basis necessary to fund such activities on a multiannual basis".
- (5) The European Parliament has adopted resolutions<sup>8</sup> on strengthening European Union urban environment policy.
- (6) The Committee of the Regions has adopted opinions on transfrontier and transnational cooperation between local authorities<sup>9</sup> and on the Commission communication "Towards an urban agenda in the European Union"<sup>10</sup>.
- (7) The fifth environment action programme recognises that all the players concerned, including the Commission and local authorities, should take concerted action, acting in partnership, to achieve the objective of sustainable development and share the relevant responsibilities.
- (8) Agenda 21, which was the subject of the Protocol signed at the Earth Summit in Rio in 1992, stipulates at Chapter 28 that most local authorities in each country should undertake a consultative process with their populations and should achieve a consensus on a local Agenda 21 for the community.
- (9) The objectives of sustainable urban development and the implementation of Agenda 21 and Community legislation necessitate the definition, development and exchange of good practices between local authorities and the raising of their awareness.
- (10) The capacity of local authority networks should be strengthened at European level, good practices in the fields of sustainable urban development and Local Agenda 21 should be developed and exchanged, and these activities should be coordinated in order to relay to the Commission information and opinions from local authorities on new and emerging prospects in areas relating to sustainable development.
- (11) In accordance with the principles of subsidiarity and proportionality as set out in Article 5 of the Treaty, the objectives of the proposed action, namely the exchange of good practices on a European scale and the raising of the awareness of local authorities by means of European networks, cannot be achieved sufficiently by the Member States and can therefore be better achieved at Community level. This Decision confines itself to the minimum required to achieve those objectives and does not go beyond what is necessary for that purpose.

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<sup>7</sup> COM(1998) 605 final.

<sup>8</sup> OJ C 226, 20.7.1998, pp. 34 and 36 [A4-0177/98 (Report by Mrs Pollack), A4-0172/98 (Report by Mrs Napolitano)] and OJ C 279, 1.10.1999, p. 44. [A4-0247/99 (Report by Mr Orlando)].

<sup>9</sup> OJ C 51, 22.2.1999, p. 21, Cdr 145/98 (Report by Mr Niederbremer).

<sup>10</sup> OJ C 251, 10.8.1998, p. 11, Cdr 316/97 fin (Report by Mr Peper).

- (12) The priority areas of activity that the Community cooperation framework could support should be defined.
- (13) Effective monitoring and assessment methods need to be established and appropriate information provided for potential beneficiaries and the public.
- (14) Implementation of the cooperation framework should be assessed in the light of the experience gained during the first few years of implementation, and the European Parliament and the Council informed thereof,

HAVE DECIDED AS FOLLOWS:

#### *Article 1*

In order to facilitate the implementation at local level of Community environment legislation, a Community Framework for cooperation is hereby set up to encourage the conception, exchange and implementation of good practices with regard to sustainable urban development and Local Agenda 21. The main partners in this Framework shall be the Commission and the networks of towns and cities organised at European level.

#### *Article 2*

1. The types of activity eligible for Community financial support are information, awareness-raising, coordination, cooperation, conception, the transfer of good practices and any other activity fulfilling the objective set out in Article 1. The Annex gives an indicative breakdown of the financial support between these types of activity.
2. The Commission may provide financial support to any network of towns and cities organised at European level which wishes to develop such activities at European level in compliance with the basic principles of the fifth environment action programme and subject to the Commission's approval of the planned work programme.

With regard to the accompanying measures, specified in the Annex, needed to analyse and monitor the activities, other players may be eligible in the context of the cooperation framework.

3. Community support shall relate to activities scheduled to take place in the course of the year to which the financial contribution relates or the following two years.

#### *Article 3*

1. The Commission shall determine the priority activities to be carried out in the areas of activity indicated in Article 1.

2. The Commission shall publish in the *Official Journal of the European Communities* a communication describing the priority activities to be funded and specifying the selection and allocation arrangements and the application and approval procedures.

#### *Article 4*

The Commission shall ensure consistency, complementarity and synergy between the Community activities and projects to implement this cooperation framework and other Community programmes and initiatives, in particular the URBAN initiative<sup>11</sup>. Projects following the guidelines of the financial instrument for the environment (LIFE)<sup>12</sup> shall not be eligible for funding under this cooperation framework.

#### *Article 5*

1. The annual appropriations shall be authorised by the budgetary authority within the limits of the financial perspective. The overall budget for implementing this programme for the period 2001-2004 shall be EUR 12.4 million.
2. Financial support of EUR 350 000 or more may be obtained only if the beneficiary's accounts for the previous two years have been certified by a registered auditor.

The accounts for the period during which the subsidy is used shall also be certified by a registered auditor.

Financial support amounting to less than EUR 350 000 can only be obtained if the beneficiary's accounts are available in a form recognised by the Commission for the two preceding years and are presented in that form for the period during which the subsidy is used.

#### *Article 6*

1. The Commission shall select the priority activities on the basis of general criteria such as:
  - (a) a sound cost-benefit ratio;
  - (b) a lasting multiplier effect at European level;
  - (c) effective and balanced cooperation among the various partners with regard to programming and carrying out activities, and financial participation;

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<sup>11</sup> OJ L

<sup>12</sup> OJ L



- (d) a contribution to a multinational approach, and in particular to transfrontier cooperation within the Community and, where appropriate, beyond its frontiers with neighbouring countries;
  - (e) a contribution to a multisectoral approach;
  - (f) the degree of involvement of all the players, including the representatives of civil society.
2. The Commission shall specify the additional criteria to be used for selecting the activities to be funded.
  3. After assessing the proposals, the Commission shall choose the activities which will be funded. The decision shall give rise to the conclusion, with the beneficiaries responsible for implementation, of a contract governing the rights and obligations of the partners.

#### *Article 7*

This programme shall be open to participation by the Central and Eastern European Countries (CEECs) in accordance with the conditions laid down in the additional protocols to the Association Agreements relating to participation in Community programmes to be concluded with those countries. This programme shall be open to participation by Cyprus and Malta on the basis of additional appropriations under the same rules as those applied to European Free Trade Area countries in accordance with procedures to be agreed with those countries.

#### *Article 8*

1. In order to ensure the success of the activities carried out by the beneficiaries of Community support, the Commission shall take the necessary measures to:
  - (a) verify that activities proposed to the Commission have been carried out properly;
  - (b) prevent and take action against irregularities;
  - (c) recover, where appropriate, sums improperly received.
2. Without prejudice to the financial audit carried out by the Court of Auditors pursuant to Article 248 of the Treaty or inspections carried out pursuant to point (c) of Article 279 of that Treaty, officials and other staff of the Commission may carry out on-the-spot checks, including sample checks, on activities funded in this cooperation framework.

The Commission shall inform beneficiaries in advance of any on-the-spot check, unless there are good reasons to suspect fraud or improper use of the aid.

3. Beneficiaries of financial support shall keep available for the Commission all supporting documents regarding expenditure on an activity for a period of five years following the last payment in respect of that activity.

#### *Article 9*

1. The Commission may reduce, suspend or recover the financial support granted through a contract if it finds irregularities or if it learns that, without its approval, the contract has been subject to a major change which conflicts with the agreed objectives or implementing conditions.
2. If the deadlines have not been observed or if only part of the financial support allocated is justified by the progress with implementation of a contract, the Commission shall request the beneficiary to submit any explanations within a specified period. If the beneficiary does not provide a satisfactory answer, the Commission may cancel the remaining financial aid and demand prompt repayment of sums already paid.
3. Beneficiaries shall submit to the Commission a report for each contract within six months of its completion. The Commission shall determine the form and content of that report. If the report is not submitted within this time-limit, the beneficiary shall no longer be eligible for subsequent funding under this Decision.
4. Any undue payment shall be repaid to the Commission. Interest may be added to sums not repaid in good time. The Commission shall lay down the detailed rules for implementing this paragraph.

#### *Article 10*

A list of the beneficiaries and activities funded through this cooperation framework, together with an indication of the amount of aid, shall be published in the *Official Journal of the European Communities*.

#### *Article 11*

The Commission shall assess its implementation and shall submit a report in this connection to the European Parliament and to the Council no later than 31 March 2003.

*Article 12*

This Decision shall be applicable from 1 January 2001 until 31 December 2004.

Done at Brussels,

*For the European Parliament  
The President*

*For the Council  
The President*

## ANNEX

<u>Types of activity eligible for Community financial support</u>	<u>Indicative allocation of resources</u>
	<u>100%</u>
A. Information on sustainable urban development and Local Agenda 21	40%
– develop tools for training, information, documentation and awareness-raising for professionals, target groups, local policy-makers and the general public;	
– support, transfer and disseminate good practices and the results of demonstration projects.	
B. Cooperation between the players concerned by sustainable development and Agenda 21 at European level	40%
– promote cooperation between partners identified by the fifth environment action programme;	
– facilitate dialogue, coordination and exchange of information between networks of local authorities organised at European level and the Community institutions;	
– in compliance with the subsidiarity principle, supplement work under the national programmes to help local authorities (e.g. urban regeneration schemes);	
– support the establishment of partnerships including players from the Central and East European countries.	
C. Accompanying measures needed to analyse and monitor activities in the field of sustainable development and Local Agenda 21	20%
– reports on the level, extent and nature of urban problems which could be addressed at Community level;	
– analytical reviews of the local penetration of “sustainable development” in other areas covered by Community policies.	

## FINANCIAL STATEMENT

### **1. TITLE OF OPERATION**

"Proposal for a decision of the European Parliament and of the Council on a Community Framework for cooperation to promote sustainable urban development ".

### **2. BUDGET HEADING(S) INVOLVED**

B4-304.

### **3. LEGAL BASIS**

Art. 175 § 1.

### **4. DESCRIPTION OF OPERATION**

#### **4.1 General objective**

The general aim of the cooperation framework is to make it easier to implement Community environmental legislation at local level, to encourage the development, exchange and implementation of good practices with regard to sustainable urban development and to extend Agenda 21 locally.

#### **4.2 Period covered and arrangements for renewal**

From 1 January 2001 to 31 December 2004.

The Commission will assess its implementation mid-term and will, no later than 31 March 2003, present a progress report to the Council and the European Parliament.

### **5. CLASSIFICATION OF EXPENDITURE OR REVENUE**

**Non-compulsory expenditure**

**Differentiated**

### **6. TYPE OF EXPENDITURE OR REVENUE**

- Subsidy for joint financing with other sources in the public and/or private sector: projects relating to information, development, exchanging, collecting and demonstrating good practices; projects relating to coordination and cooperation between partners involved in sustainable development and Local Agenda 21 at European level.

- Service/study contract and publications: analyses and assessments, reports on and evaluations of activities relating to sustainable urban development and Local Agenda 21.

## 7. FINANCIAL IMPACT

### 7.1 Method of calculating total cost of operation (relation between individual and total costs)

The itemised breakdown given in sections 7.2 and 7.3 corresponds to the past activities of the European Sustainable Cities and Towns Campaign (including the Coordination and Information Office). As at present, the ceiling for joint financing is 95%. To obtain the approximate total cost of the cooperation framework, the cost of the Office (Euros 0.4 million/year) should be multiplied by the number of networks of towns and cities which are members of the Campaign. 5 networks have joined the Campaign since it was launched and 2 others applied for membership in 1998. They will become members in 1999, thus bringing the total number of partners, including the Campaign Office, to 8. Furthermore, there is a reasonable chance that a network such as the Union of Baltic Cities, which covers Northern Europe, and a thriving network of local authorities in Central and Eastern Europe may also express a definite wish to join the Campaign while the cooperation framework is in place, particularly in view of the two regional conferences held in 1998 in Turku (Finland) and Sofia (Bulgaria). Should further networks become members during the first period of existence of the cooperation framework, their memberships should be financed by withdrawing certain members or increasing the members' contribution. At the end of this period, the cooperation framework is sufficiently stable to allow the decrease in the Commission's contribution, in both absolute and relative terms, to be offset by an increase in the members' contribution.

The Campaign Coordination and Information Office and the networks of towns and cities associated with the framework for cooperation must carry out the information and coordination/cooperation tasks specified in Annex 1 to the draft legal basis.

### 7.2 Itemised breakdown of cost

Commitment appropriations in EUR million (at current prices)

Breakdown	Year n (2001)	n+1	n+2	n+3	<b>Total</b>
Information (40%)	1.2	1.2	1.2	1.6	<b>5.2</b>
Cooperation (40%)	1.2	1.2	1.2	1.6	<b>5.2</b>
Analyses and assessments (20%)	0.5	0.5	0.3	0.7	<b>2.0</b>
<b>Total</b>	<b>2.9</b>	<b>2.9</b>	<b>2.7</b>	<b>3.9</b>	<b>12.4</b>

### 7.3 Schedule of commitment and payment appropriations

Commitment appropriations in EUR million

	Year n 2001	n+1	n+2	n+3	<b>Total</b>
Commitment appropriations	2.9	2.9	2.7	3.9	<b>12.4</b>
Payment appropriations					
Year n	1.6	2.0	2.0	2.8	<b>8.4</b>
n+1	0.8	0.9	0.7	1.1	<b>3.5</b>
n+2	0.5				<b>0.5</b>
n+3 and subs. Yrs					
<b>Total</b>	<b>2.9</b>	<b>2.9</b>	<b>2.7</b>	<b>3.9</b>	<b>12.4</b>

## 8. FRAUD PREVENTION MEASURES

Such measures are provided for in Articles 5, 7 and 8 of the proposal for a Council Decision setting up the framework for cooperation. The main measures are:

- The beneficiary's accounts for the previous two years must be available and must have been certified by a registered auditor if the subsidy exceeds EUR 350.000;
- On-the-spot checks may be carried out (unannounced where there are reasons to suspect fraud or improper use of the aid):
- Any undue payment must be repaid, with interest where appropriate.

## 9. ELEMENTS OF COST-EFFECTIVENESS ANALYSIS

### 9.1 Specific and quantified objectives; target population

The initial situation<sup>1</sup> and the multiplier effects the Campaign has already had on the cities and towns involved are described below:

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<sup>1</sup> The figures are drawn from two exercises: (1) The "Urban Management and Governance" project, involving a survey of 397 local authorities participating in the European Sustainable Cities & Towns Campaign to which 105 local authorities responded (26% response rate); (2) The Campaign assessment exercise, involving a survey to which 75 local authorities responded (14% response rate).

- in 73% of local authorities, organisational changes favourable to sustainable development have been made to municipal services, to facilitate a more integrated approach to problems and to fulfil commitments arising from the Aalborg Charter and the Rio Conference;
- 82% of these local authorities have acquired new habits of inter-departmental cooperation (horizontal integration), while in 69% there is habitual cooperation between the different levels of government (vertical integration);
- 49% of the local authorities taking part in the Campaign apply the EMAS (eco-management and audit scheme), while another 44% intend to introduce it shortly;
- many local authorities use financial mechanisms to promote sustainable development. For example, 35% use environmental criteria in their contractual procedures, 29% use them in their purchasing procedure and 28% now have an environmental budgeting system.

The following objectives may be achieved:

1. a further increase in the number of local and regional authorities taking part in the Campaign (some 70-80 new members per year). By the year 2004, about 1000 local authorities should have joined the Campaign, and the proportion of local authorities from the countries of Central and Eastern Europe should be much higher than it is today;
2. other players throughout Europe will be more interested in taking part in the Campaign and, in particular, in working more closely with businesses and town or city councils;
3. more citizens and organisations will be more deeply involved in local projects (Agenda 21), which means a greater chance of changing attitudes and a greater openness towards changing the way they do things;
4. more changes in the structures of local government and management, in accordance with the principles of sustainability, in the local authorities taking part in the Campaign;
5. a greater number of international networks of local authorities will be taking a direct part in the Campaign and will be represented on the coordinating committee;
6. local players will implement Community legislation (including environmental legislation) more thoroughly and effectively, and will make more frequent use of multiplier instruments such as taxation or buying "green" products and developing "green" employment.



The target population of the Campaign consists of all the local and regional authorities which had signed the Aalborg Charter. At present there are approximately 520 such authorities, representing 110 million European citizens.

Since the Campaign has been growing steadily since its inception, the population concerned should be growing at a similar rate.

## **9.2 Grounds for the operation**

In its Communication No 98/605 of 28 October 1998, entitled "Sustainable urban development in the European Union: a framework for action", the Commission recognised (notably in action No 20) the need to continue supporting local government networking activities and providing local support for Agenda 21. It cited, in particular, the European Sustainable Cities and Towns Campaign and a number of networks of towns and cities. In this Communication, the Commission also stated that it would "ensure an appropriate legal basis necessary to fund such activities on a multi-annual basis".

Under the cooperation framework, in accordance with the Commission Decision, it will be possible to consolidate and extend existing activities relating to the urban environment.

In conformity with chapter 28 of Agenda 21, the EU's fifth environment action programme 'Towards Sustainability' and the Aalborg Charter, the general aim of the European Sustainable Cities and Towns Campaign is to encourage and support towns and cities which are working towards sustainable development. The work and publications of the Expert Group on the Urban Environment<sup>2</sup> and the recent documents adopted by the Commission have nevertheless identified three factors which limit the extension of sustainable development at local level. They are:

- A) local decision-makers are insufficiently aware of what is at stake overall in sustainable development and of the existing mechanisms (local agendas, integrated approach, etc.) they could use to make their local contribution.

It is, in fact, one of the main aims of the Sustainable Cities and Towns Campaign to persuade local authorities to tackle problems in an integrated manner by showing them the link between local and global challenges;

- B) the players involved (politicians, civil servants, citizens, economic operators) are insufficiently committed to sustainable development.

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<sup>2</sup> Set up following the Council Resolution of 28/01/91.

Persuading them to adopt integrated approaches of this kind is, again, one of the main aims of the Sustainable Cities and Towns Campaign. Key catalysts in the persuasive process are initiatives such as Bremen's "Business and Municipality" project, or the ZEUS project - in which a collective invitation to tender is used to create sufficient demand for non-polluting vehicles for the public transport fleets of eight major European cities;

- C) the present state of the labour market and levels of unemployment. All too often, public opinion sees High unemployment tends to make politicians switch their priorities away from the environment and sustainable development.

While it is true that the cooperation framework does not aim to create jobs, it can nevertheless help develop the network of "green" jobs and in general boost employment connected with the new tasks relating to sustainable local urban development. Above all, sustainable development strategies will succeed only if more people come to realise that environmental protection is good for jobs.

Clearly, the Campaign's main activities are directed at helping towns and cities to overcome these three obstacles.

Because of the high degree of urbanisation in Europe, many Community policies/initiatives have a major impact on towns and cities. This is relevant to sustainable development because, in cities, a wide range of economic, social, cultural and environmental problems are concentrated in a limited area, and the solutions to all these problems have to be found at the same time. In the last analysis it is up to the local authorities to implement these integrated solutions. Many local authorities have indicated their intention of doing so by joining the Sustainable Cities and Towns Campaign and by signing the Aalborg Charter.

The justification for providing Community aid is precisely this need (recognised by the cities and towns themselves) to support the efforts of those urban authorities which are already convinced of the importance of sustainable development, and to make other cities and towns aware of its challenges and benefits.

Furthermore, such support can help the Union fulfil its international obligations, such as its environmental commitments under the Kyoto Protocol and the Agenda 21 protocol signed by the EU Member States at the Rio conference.

The Commission, as a full signatory to the Rio agreements, has also undertaken to promote Local Agenda 21. The Community framework for cooperation should enable the Commission to fulfil this commitment.

The Campaign presents five combined advantages which make it an instrument, a process, unparalleled in Europe:

- The geographical area covered by the campaign (520 local and regional authorities in 32 European countries).
- The Campaign's consolidated communication and information network: the contact database contains more than 2200 contacts throughout Europe and world wide; 1800 people and institutions receive its newsletter, which is now available in six languages, and a new interactive website was set up in 1998.
- At present, five international networks of local authorities are taking part in the Campaign. They provide guidelines on how to implement policies and local plans for sustainable development, information exchange mechanisms, partnership consolidation, etc.
- The many links which already exist between the Campaign and important players in the field of sustainable development, such as other networks, economic operators, professional associations, national and European institutions, international and national associations of local authorities, local and regional authorities throughout Europe, research institutions and the media. The representatives of these sectors regularly receive information on the Campaign and regularly take part in events organised by or under the auspices of the Campaign.
- The political influence of the Campaign and the way it attracts politicians and top civil servants, not to mention the mutual benefits of bringing together European institutions and local authorities.

A number of Member States have national schemes for implementing Agenda 21, and these tie in well with the Campaign. They have the advantage of enabling more detailed consultations to be held and in a single language (since, of course, most Member States are monolingual).

However, if these national schemes were the only ones:

- they would lack solid backing (which they now receive from the European campaign);
- they would have to acquire new instruments for sharing information, for collaboration and, above all, for coordinating their efforts so as to avoid overlapping with one another;
- they would have to rebuild the partnership with the network of cities and towns;
- they would be in a much weaker position when it comes to exchanging experience internationally, finding new members, influencing the European agenda and, in general, working towards sustainable development, especially in Central and Eastern Europe.

### **9.3 Monitoring and evaluation of the operation**

In 1998-99, at the request of DG XI, an evaluation was carried out of the effectiveness and efficiency of budget heading B4-3040, including certain financial undertakings relating to the joint financing of certain networks of cities and towns and of the Campaign. At the end of this evaluation, the consultant noted that improved coordination and the integrated approach, involving the horizontal and vertical integration of services, contributed greatly to its success. This is precisely the approach taken by municipal authorities which initiate procedures of the Local Agenda 21 type and by the Commission when proposing this cooperation framework. It should also be noted that DG XI has set up a thematic working group on the urban environment and intends to consolidate its activities. Finally, the Commission is making a further effort to coordinate its work in this field: an interservice group on urban affairs has been set up, led by DG XVI.

These developments should make it easier to monitor the cooperation framework and its contribution to the development of the Commission's urban policy.

The following are intended to serve as output indicators:

- the number of campaign newsletters printed and the number of language versions;
- the number of visits to the website and the increasing use of information technology;
- the number of languages used in the main publications;
- the number of enquiries made to the campaign office and to other actors involved in the campaign;
- the participation of actors from other sectors, notably private companies, and other geographical regions currently under-represented, such as Central and Eastern Europe.

In accordance with the objectives pursued, the following impact indicators have been identified:

- the number of cities and towns, and networks of cities and towns, joining the campaign;
- the number of Local Agenda 21 projects launched (including other long term programmes for sustainable development);
- the quality of these Local Agenda 21 projects and programmes, and their results 'on the ground';

- the number of local authorities which have brought their models of government and management into line with the principles of sustainability; the quality of the changes involved;
- the number and quality of events and projects that have taken place as part of the campaign, organised by it in particular when outside actors have taken the initiative;
- the extent to which the campaign has been involved in the mechanisms for implementing Commission Communication 98/605 on sustainable urban development.

The output and impact indicators will not only be monitored as part of the evaluation referred to below but will also be the subject of a half-yearly report presented by the campaign office. A monitoring schedule including the main indicators should also make it easier to keep track of progress.

As decided by the Sustainable Cities and Towns Campaign coordination committee in June 1997, and as in the case of the CIRCULATE IV contract for the Car Free Cities network in 1998, where an application for joint financing has been made an evaluation should be provided for in the work programme of all Campaign member networks or an independent evaluation should be carried out.

#### **10. ADMINISTRATIVE EXPENDITURE (SECTION III, PART A OF THE BUDGET)**

Actual mobilisation of the necessary administrative resources will depend on the Commission's annual decision on the allocation of resources, taking into account the number of staff and additional amounts authorised by the budgetary authority.

### 10.1 Effect on the number of posts

Type of post		Staff to be assigned to managing the operation		Source		Duration
Type of post		Permanent posts	Temporary posts	Existing resources in the DG or department concerned	Additional resources	
Officials or temporary staff	A B C	2		2	0	
Other resources						
Total		2		2	0	

The additional resources should be made available from year N or N+1.

### 10.2 Overall financial impact of additional human resources

(EUR)

	Amounts	Method of calculation
Officials	200 000	
Temporary staff		
Other resources (indicate budget heading)		
Total	200 000	

**10.3 Increase in other administrative expenditure as a result of the operation**

(EUR)

Budget heading (No and title)	Amounts	Method of calculation
A-7030	14 000	4 meetings of experts covering the selection, evaluation and monitoring of cooperation projects (5 members)
A-7030	40 000	4 meetings of the group of experts on the urban environment (15 members)
A-7030	28 000	8 meetings of sub-groups (5 members)
A-7010	7 000	10 missions in Europe
A-7040	20 000	1 conference
Total	109 000	