



07

Conclusion and recommendations

01 Introduction

THE EVENTS' NUMBERS AT A GLANCE









12 SESSIONS



20 SPEAKERS



5 FACILITATORS



SETTING THE SCENE

The <u>European Urban Initiative</u> (EUI) empowers EU cities by boosting their capacity and knowledge, helping them develop innovative, transferable, and scalable solutions to critical urban challenges. As part of its capacity-building programme, <u>EUI's Romanian national Urban Contact Point</u>, together with the EUI Secretariat, organised a 2-day capacity building event on 16 and 17 September 2025, hosted by Romania's <u>North-West Regional Development Agency</u> at their premises in Cluj-Napoca.



The <u>event</u> aimed to raise awareness among local, regional, and national institutions, associations, and experts about the importance of a multi-level, collaborative approach between relevant authorities for developing and implementing sustainable urban development strategies and policies at Functional Urban Area (FUA) level.



Orsolya-Mária Kövér, State Secretary representing the Ministry of Development, Public Works and Administration opening the EUI Capacity Building Event.



Marcel Boloş, Director General of the Regional Development Agency North-West Region welcoming participants to Cluj-Napoca.



Gabriel-Calin Onaca, DG REGIO introducing sustainable urban development from the EU perspective.

INTERACTIVE LEARNING STYLE



Over 100 participants from all governance levels gathered at the North-West Regional Development Agency in Cluj-Napoca to share experiences on collaborative approaches to Sustainable Urban Development (SUD) in Romania.

They came principally from Romanian municipalities, metropolitan areas, regional and national institutions, joined by four other European cities to share good practice cases.

This report documents the event sessions, the case examples from eight cities, plus the study visits undertaken in Cluj-Napoca.

You can find links throughout the report for information on the examples presented.

The event report has been designed to help the reader understand and experience the main sessions of the onsite event, as follows:

- Overview of the current status of SUD in Romania
- O2 Panel discussion and Mayor's Forum on FUA collaboration
- Strategic approaches to cooperation across FUA including contributions from World Bank and Organisation for Economic Cooperation and Development (OECD)
- 04 Resourcing FUA cooperation

05 FUA cooperation and multi-level governance

The programme was designed to be interactive and focused on learning from others.

- The panel discussions enabled different cities in Romania to gain insights into what others are doing on a national and local level.
- The 'Gallery Walk' invited participants to explore good practice case studies, on topics linked to urban authority collaboration, from Romania and elsewhere in the EU namely Càvado (PT), Brno (CZ), Vicenza (IT) and Warsaw (PL).
- The interactive workshops made participants work together to find collaborative solutions to identified challenges, then share findings with the wider group.

Sustainable Urban Development in Romania

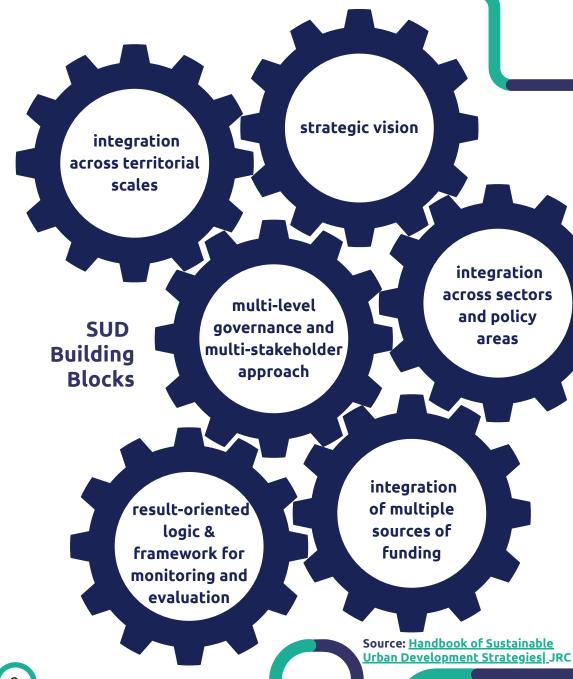
Context: Sustainable Urban Development and Functional Urban Areas

In the European Union (EU), Sustainable Urban Development (SUD) is central to balanced territorial growth and tackling key challenges such as mobility, climate change, and inclusion. Through Cohesion Policy, the <u>Urban Agenda for the EU</u>, and initiatives like <u>EUI</u> and <u>URBACT</u>, the European Union fosters integrated governance and cross-boundary cooperation.

The Functional Urban Area (FUA) concept, shaped by <u>OECD</u>, <u>ESPON</u>, and Council of Europe studies, promotes collaboration between cities and their surrounding areas to manage shared economic, social, and environmental issues.

EU tools supporting SUD and FUA approaches:

- Portico, EU platform on Sustainable
 Urban Development
- STRAT-Board
- Handbook of Sustainable Urban Development Strategies
- SAT4SUD Self-assessment tool for Sustainable Urban Development Strategies
- Specific Toolkit for Functional Areas



Sustainable Urban Development and Functional Urban Areas in Romania

Romania is making significant progress in embedding Sustainable Urban Development and FUA approaches into national and regional planning, guided by the <u>National Urban Policy</u> (Government Decision no. 1575/2022) and <u>Law no. 246/2022 on Metropolitan Areas</u>. These frameworks promote collaboration, local autonomy, and integrated governance to reduce disparities and strengthen urban–rural linkages.

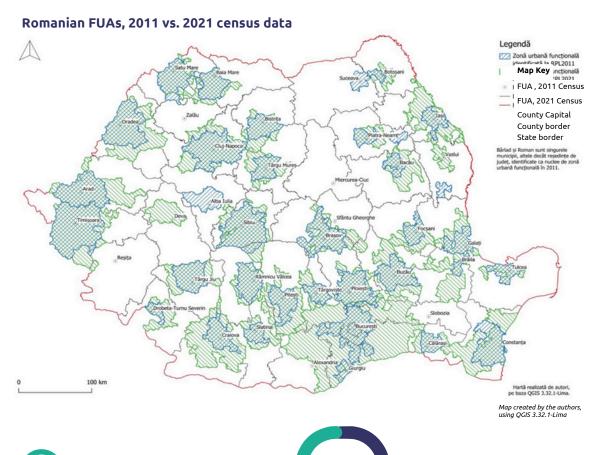
Romania's approach to Functional Urban Areas (FUA) focuses on spatial and socio-economic relationships (e.g. commuting patterns and service accessibility) between urban centres and their hinterlands. However, despite growing examples of metropolitan cooperation, capacity gaps persist in implementing joint strategies and managing partnerships effectively. Strengthening skills, fostering a culture of collaboration, and sharing successful models are now central to Romania's urban development agenda.

The Romanian FUA approach emphasizes that:

• Metropolitan areas and FUAs are key instruments for balanced regional growth and reducing inequalities.

Map source: FUA Approaches - The National Perspective, EUI Capacity Building, Romania, 2025, Liviu Băileșteanu (MDLPA)

- Administrative collaboration enables more efficient use of resources and shared service delivery.
- Capacity building and practical cooperation tools are vital to turn collaboration intent into results.
- Current examples (e.g., Cluj, Oradea) demonstrate emerging good practices, but scaling them nationally requires sustained training, coordination, and institutional reform.



Panel on Functional Urban Area (FUA) approaches

The plenary session on FUA approaches framed the conceptual, strategic, and financial context for inter-municipal cooperation and sustainable urban development in Romania through the lens of functional urban areas, linking European, national, regional, and local perspectives. Anchored in the EU's recognition of cities as drivers of sustainable territorial development (Urban Agenda for the EU, EUI) and Romania's recent advances (National Urban Policy, Metropolitan Areas Law), it highlighted how functional urban areas shape policy and practice.

The session included inputs from Gabriel-Călin Onaca (EC, DG REGIO), Liviu Băilesteanu (Ministry of Development, Public Works and Administration), Ciprian Barna (North-West Regional Development Agency), and Adrian Craciun (National Federation of Metropolitan Areas and Urban Agglomerations), followed by a Q&A on implementation challenges and opportunities.

Key Messages

- FUA-based governance: Plan and deliver across functional urban areas with needs-driven strategies, cross-sector integration, and coordinated use of ERDF/ESF+/CF/JTF.
- **Enabling framework in Romania:** The Metropolitan Areas Law and National Urban Policy strengthen participatory, efficient 02 governance; FUAs extend beyond legacy associations, but smaller cities still need cooperation instruments. In the long term, territorial-administrative reform is key.
- Regional coordination and implementation: Decentralised 03 Regional Programmes fund urban priorities (e.g. PO2: greener, mobility); tighter alignment is needed between regional strategies (S3/RDP/Smart City) and local needs.
- Eligibility and legacy gaps: Peri-urban areas are often 04 ineligible, metropolitan associations face limited access to calls, and past growth-pole approaches left weak spillovers.

Implementation and funding and financing shift: Complement



Mayor's Forum on cooperation between urban authorities

The Mayors' Forum brought together local leaders from the North-West Region to discuss how collaboration, participatory planning, and administrative innovation can drive sustainable urban and regional development.

Moderated by Ciprian Barna (North-West Regional Development Agency), the session featured Emil Boc, Mayor of <u>Cluj-Napoca</u>, Florin Birta, Mayor of <u>Oradea</u>, Nicolae Moldovan, Mayor of <u>Beclean</u>, and Marius Cioară, Deputy Mayor of <u>Stei</u>.

TOPICS ADDRESSED:



evolving planning practices;



challenges in EU fund absorption;



the critical role of cooperation among local authorities, communities, and regional actors;



reforms needed to strengthen governance, align local strategies, and build cohesive metropolitan areas for the future.



"We need an ECOsystem, not an EGO-system!"

Emil Boc, Mayor of Cluj-Napoca

Mayor's Forum Key Messages

Key Messages

- Collaboration is the foundation of local development. All mayors emphasized the shift from isolated decision-making to cooperation—between local authorities (LAUs), with regional and national institutions, and across public, private, and academic sectors. "Success lies in collaboration," as noted by Mayor Moldovan.
- Participatory and ecosystem-based planning is essential. The evolution of planning from centralized to participatory highlights the importance of quadruple helix collaboration (public, private, academia, citizens). As Mayor Boc summarized: "We need an ecosystem, not an ego-system."

- Capacity and resources determine progress. Smaller cities and towns face major barriers such as lack of skilled personnel and dependence on EU funds. Building internal expertise (e.g. Oradea's project management team) is key to sustainable development.
- Legal and institutional frameworks must enable collaboration. Mayors agreed that the absence of a strong legal framework hinders alignment between local, regional, and national levels. Administrative reform is needed to support metropolitan and inter-municipal cooperation.
- The vision for the next decade: integrated metropolitan areas. The future lies in metropolitan cooperation: shared services, coordinated strategies, and functional mobility systems. This integration will make cities and their surrounding areas more attractive, livable, and resilient.





Sustainable Urban Development in Romania The case of Alba Iulia, Romania

<u>Alba Iulia</u> transformed the Alba Carolina Citadel into the <u>vibrant heart of community life</u> through integrated interventions that combined infrastructure investments with major cultural events and an ingenious marketing strategy—culminating in breaking three world records. This success was made possible by strong coordination between the municipality and a wide network of public and private partners working together toward a shared vision.

Key messages

- O11 Collaboration drives transformation:

 The revival of the Alba Carolina
 Citadel was made possible through
 strong cooperation between the
 municipality, public institutions,
 private partners, and the local
 community.
- Culture as a catalyst for community engagement: By combining heritage restoration, creative events, and innovative marketing, Alba Iulia turned a once-inaccessible fortress into a vibrant hub of civic pride and tourism.



Big ideas inspire big impact: Through bold initiatives, including breaking three world records, Alba Iulia gained national and international recognition, strengthening local identity and positioning the city on the European stage. More details on the latest world record are available here.



Build a strong local network from the start of any urban development process/ intervention, by bringing together stakeholders from all sectors: civil society, academia, business, and public administration, to co-create a bold, shared vision that they will embrace, support, and help implement.



Maria-Elena Seemann of City of Alba Iulia presents her poster during the Gallery Walk

03

Strategic approaches to cooperation across Functional Urban Areas

Urban challenges do not respect administrative boundaries so topics like housing, transport, jobs, environment and basic infrastructure and services are best addressed at the level of a Functional Urban Area. The strategic approach to collaboration between urban authorities can be viewed in different dimensions. It can, for instance, be seen as a decision taken between the various authorities making up a Functional Urban Area to jointly develop an integrated strategy for that area. It can also be seen as a strategic imperative to cooperate on a flagship initiative that crosses the boundaries of neigbouring authorities and which requires joint planning and implementation. In many cases it is both of these things, with the latter building naturally upon the former.

At all events, there is also a need for a strategic approach to sustain the collaboration itself. Lack of trust between authorities with no tradition of working together must be overcome, whilst significant differences in capacities between authorities of different sizes and geographies need to addressed effectively.

World Bank Toolkit for functional areas



Eva-Viorela Sfârlea of World Bank presented the <u>Toolkit</u> from the EU project 'Functional Areas in the EU'. The toolkit was developed through case study research and collective work involving 12 functional areas from 7 Member States - of which 5 were in Romania.

- Cluj Metropolitan Area
- Oradea Metropolitan Area
- Caraș-Timiș Functional Area
- Western Ialomița Functional Area
- <u>Jiu Valley Functional Area</u> / Jiu Conurbation

The 12 functional areas are highly diverse in character, but they all share one common feature – cooperation between authorities beyond administrative borders.



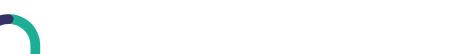
The World Bank Functional Area Toolkit presents practical advice for territorial authorities, to address challenges identified during collective work with the functional areas involved in the project. These challenges are grouped under chapters representing 6 main building blocks of Sustainable Urban Development:

- Strategic focus
- Territorial focus
- Governance and administrative capacity
- Cross-sectoral integration
- Funding and finance
- Monitoring and evaluation.

The Toolkit goes on to develop 25 detailed recommendations on how best to approach these key challenges.

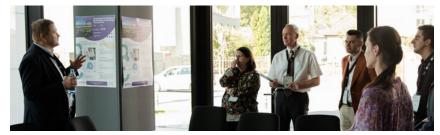


https://functionalareas.eu/methodological-toolkit/



The case of Warsaw Metropolitan Area, Poland

Cooperation between urban authorities in the **Warsaw Metropolitan Area** has developed substantially over the last two EU programme periods, currently encompassing no less than 79 municipalities. Crucial to success has been the establishment of a formal mechanism for cooperation and the building of a fair and effective system for project appraisal and selection.



Paweł Sajnog of City of Warsaw presents his poster during the Gallery Walk session

Key messages

- Partner municipalities need to see the benefits of cooperation first-hand to be fully convinced by this approach. Participation in joint initiatives has gradually overcome the initially considerable lack of trust between municipalities in the functional area, as well as between them and the City of Warsaw.
- Flagship initiatives involving as many municipalities as possible have the greatest positive influence. For Warsaw, an important example has been the development of 510 km of built or renovated bicycle routes throughout the Metropolitan Area. The initiative was based on a framework plan for creating a unified infrastructure, jointly-developed by all partners, including joint technical solutions for bicycle routes in neighbouring municipalities.
- It is vital to break down administrative barriers between municipalities for implementing partnership projects. This was achieved through precise definition of mutual obligations between all partners, based on the agreed framework plan which must be adhered to during the entire implementation phase.
- Sometimes the main city municipality needs to compromise in order to enable full participation by neighbouring municipalities with significantly lower capacities. The City of Warsaw, for instance, accepted less than its 'fair share' of EU funding for certain cycleway sections, so that this could be accessed instead by smaller municipalities in the partnership.



Group work: De-construction and re-construction of selected recommendations of <u>the</u>
<u>World Bank Toolkit for Functional Areas</u>

Each group was given one recommendation from the World Bank Toolkit and asked to 'de-construct' it - highlighting why it would not work (or not work fully) in the real world context of the group participants.

They were then asked to 're-construct' the same recommendation – identifying key factors which would make it work, also in the participants' real world.





The following recommendations were examined by the groups:

- Identify flagship (high priority) projects that can mobilise support from a broad range of stakeholders across the functional area.
- Apply a data-based approach in delineating the functional area to identify shared needs, trends, and linkages.
- Develop an integrated strategy for the functional area, gradually expanding the governance body's realm of competencies to areas such as mobility, spatial planning, public service provision, or economic development.
- Develop a form of partnership based on existing linkages and encourage the exchange and replication of best practices between urban and rural areas.

For the purposes of the exercise, these recommendation were numbered 1-4. The results obtained are presented in the next pages.

<u>RECOMMENDATION 1</u> Identify flagship (high priority) projects that can mobilise support from a broad range of stakeholders across the functional area.

DE-construction

- Lack of political agreement on which high priority projects should be funded can make it hard to focus on one flagship project.
- X Lack of a cooperation mechanism (legal framework) to promote cross-municipal flagship projects at a functional urban area level.
- Complexity to deliver on large scale flagship projects due to governance conflicts, high costs and implementation delays.
- X Scepticism from stakeholders can also hinder the focus on high priority projects.

RE-construction

- Select a portfolio of projects including flagship high priority projects balanced with smaller scale initiatives.
- Establish a legal framework for metropolitan collaboration seeking inspiration from other European countries experienced in this field.
- Develop inclusive governance structures during both design and implementation of the flagship projects.

REVISED RECOMMENDATION 1

Identify and co-develop a balanced portfolio - mixing both flagship and smaller-scale initiatives - that respond to shared challenges across the FUA, supported by inclusive governance structures to strengthen cooperation between stakeholders.





Strategic approach to collaboration across Functional Urban Areas The case of Cávado Region, Portugal

<u>Cávado Region Multi Level Management in Tourism</u> is an initiative led by a consortium of public bodies in the north of Portugal. Launched in 2009, Minho IN is a Collective Efficiency Strategy designed to enhance the unique resources of the low-density Minho region, fostering the sustainable development of the territory through tourism, innovation, and entrepreneurship.

Key messages

- **Grounded in a strong regional partnership** all municipalities in the region are represented in this inter-municipal committee where strategic decisions are made jointly ensuring alignment between municipalities and regional partners.
- The power of flagship projects the initiative brings together actions structured around flagship and complementary projects, with the aim of attracting private investment, upgrading the quality of the tourism offer, strengthening the Minho brand, and addressing seasonality.
- One common voice Promoting the Minho brand in a cohesive manner, avoiding fragmentation into sub-brands has led to a stronger international presence and the creation of distinctive experiences.
- Establish a shared vision and common identity among neighbouring territories, ensure clear leadership and coordination among intermunicipal entities, create distinctive tourist products while integrating them into a single narrative, guarantee a strong focus on digital promotion and internationalisation, and involve businesses, associations, and local communities from the outset.



<u>RECOMMENDATION 2</u> Apply a data-based approach in delineating the functional area to identify shared needs, trends, and linkages.

DE-construction

- Administrative or statistical data are often collected for bureaucratic convenience, not for capturing true functional relationships.
- Data quality and availability vary across administrative boundaries and incompatible datasets make it hard to integrate or compare data meaningfully.
- Reliance on academia to manage and analyse data can be a challenge in some cities or functional areas.
- Quantitative data only shows part of the picture there is a need for qualitative analysis to understand local specificities and needs.

RE-construction

- Develop partnerships with business, academia and civil society to gather data representative of real needs.
- Apply an integrated approach to data, agreeing across municipal boundaries which indicators should be monitored to promote comparability of data, while capturing the local specific context.
- Do not rely solely on quantitative data, use public consultation to gather qualitative data to inform local needs.



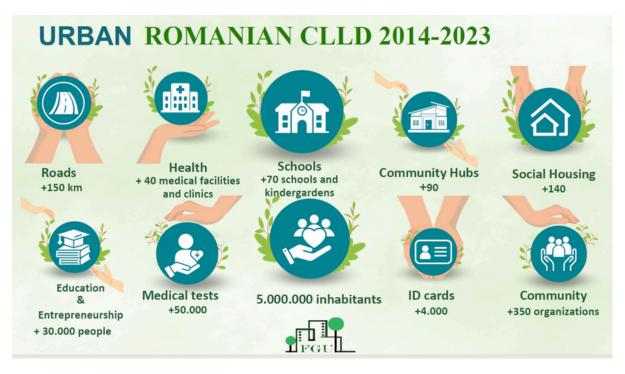
REVISED RECOMMENDATION 2

Adopt a data-informed and participatory approach to delineating the FUA, combining quantitative evidence with local stakeholder insight and qualitative analysis to identify shared needs, trends, and linkages.

Strategic approach to collaboration across Functional Urban Areas Good practice showcases from urban areas in Romania







Urban Community-Led Local Development (CLLD) in Romania targets urban neighbourhoods with high poverty, social exclusion, and/or Roma population concentrations. Successful implementation of urban CLLD depends on effective cooperation between local authorities and a wide range of other partners, including local businesses and citizens in the context of Local Action Groups (LAGs), as required by the EU regulations.

Cătălin Tiuch of Romania's National Federation of Urban LAGs, highlighted the importance of strong cooperation also between the different LAGs involved in urban CLLD in the framework of the National Federation. He presented the encouraging results achieved collectively by the LAGs in some of Romania's most difficult urban areas. These include the creation of over 90 community hubs, education and entrepreneurial support for over 30,000 persons, as well as notably some 4,000 previously undocumented persons receiving ID cards so that they can enter fully into the economic life of their localities.



RECOMMENDATION 3 Develop an integrated strategy for the functional area, gradually expanding the governance body's realm of competencies to areas such as mobility, spatial planning, public service provision, or economic development.

DE-construction

- There are no coherent regulatory provisions for strategic frameworks at Functional Urban Area level in Romania.
- In Romania, strategies at the level of Functional Urban Areas are just lists of projects without real governance.
- Lack of ownership of the Functional Urban Area level inertia.

RE-construction

- Place-based / place-sensitive approaches for tailor-made solutions.
- Political legitimacy of the Functional Urban Area, with well defined competencies.
- Resources and incentives for strategy implementation for Functional Urban Areas.
- Better communication of the Functional Urban Area concept.

REVISED RECOMMENDATION 3

(For this to work in Romania), first carry out reforms to ensure the necessary legal framework and administrative competences at the level of FUAs, then develop robust integrated FUA strategies which can be implemented effectively.



01

02

The case of Vicenza, Italy

The Vicenza Functional Urban Area (FUA) consists of the City of Vicenza and 8 surrounding Municipalities. The FUA was set up under <u>EU-Funded 'Sustainable Urban Development' (SUD)</u> within the Veneto Region of Italy, specifically for ITI implementation. It has been successful in jointly establishing the SUD strategy and the intermunicipal co-design of 27 projects, many of which are now under implementation.





Donata Gaspari of City of Vicenza presents her poster during the Gallery Walk

Key messages

Vicenza FUA governance structure reflects both political and technical collaboration between municipalities. The Convention on the FUA requires an institutional representative and a technical representative for each municipality to participate in the FUA Steering Committee, which meets regularly and cooperates closely with the Managing Authority for the region's Cohesion Policy Programme.

Vicenza FUA has also built effective partnership with a wide range of non-governmental bodies in line with the EU Code of Conduct on Partnership. There is regular interface between the FUA municipalities and higher education institutions, the Chamber of Commerce, business association, public companies responsible for housing and public social health and various NGOs representing key stakeholder interests.

Providing robust Technical Assistance to FUA municipalities surrounding the main city of Vicenza was crucial in overcoming capacity deficits and building trust between them. Regular thematic meetings have taken place with the involvement of specific field experts to support to the co-design and implementation of joint projects.

Carry out preliminary research work prior to setting up formal territorial collaboration structures, in order to explore the full potential and different opportunities for collaboration.



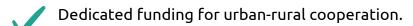
<u>RECOMMENDATION 4</u> Develop a form of partnership based on existing linkages and encourage the exchange and replication of best practices between urban and rural areas.

DE-construction

- Different priorities of urban and rural authorities lack of integrated urban-rural development vision and understanding of what could be achieved by such cooperation.
- Lack of financing for urban-rural cooperation and lack of rural authorities' capacity to sustain projects financially.
- Specific legislation missing local authority associations are voluntary.
- X Lack of necessary expertise, especially in rural areas.

RE-construction

- Legal framework to drive collaboration coupled with administrative reform.
- Structured dialogue between rural and urban authorities to reconcile differences, clarify the advantages of cooperation, and promote rural-urban and cultural exchanges.





REVISED RECOMMENDATION 4

Introduce dedicated urban-rural programme components, based on strategies and joint operations co-developed between urban and rural authorities, with territorially sensitive budget allocations and enhanced technical assistance for bodies with low capacity.

Strategic approach to collaboration across Functional Urban Areas The case of Bucharest, Romania

<u>Bucharest Metropolitan Area</u> coordinates <u>ORBITAL</u> Bucharest which is the first mobility infrastructure programme designed specifically for a metropolitan area in Romania. Radial roads optimise and complement the existing secondary road network, helping to successfully reconfigure the street grid in urban expansion areas near Bucharest. Additionally, they will enhance road safety through measures and solutions designed to improve traffic flow and prevent accidents.

Key messages

- ORBITAL Bucharest addresses the entire metropolitan territory: instead of isolated interventions, an integrated mobility model connecting the metropolitan area is proposed.
- The programme promotes a **balanced economic development:** neighbouring localities being no longer isolated.
 Instead, they become an active part on the metropolitan area's dynamic development.
- Involve a wide range of relevant stakeholders: The success of the programme is dependent on the commitment of a wide range of stakeholders, from central public authorities, to local authorities, public and private companies and local communities.
- Promote the cooperation between central and local authorities in urban planning and create multimodal transport corridors which encourage sustainable mobility. European Funds are an essential tool for preparing and implementing sustainable urban mobility projects.



Future strategic perspectives

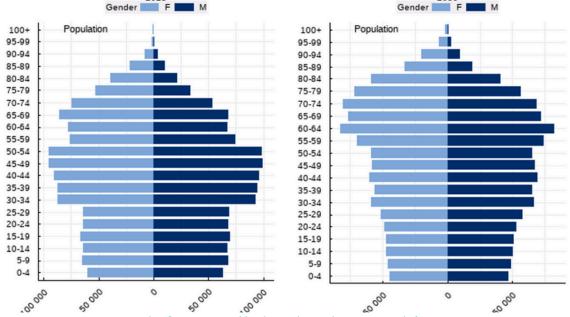
OECD study - Preparing for demographic change in North-West Romania

Courtenay Wheeler from OECD presented key findings from a forward-looking report currently being launched about how Romania's North-West region can better adapt to demographic changes in the future.

The whole of Romania is confronted with accelerated demographic aging which will have severe consequences for public finances and local, regional and national planning in years to come. Against this background, the report calls attention to the lack of any local and/or urban development strategies in the region containing detailed population projections.

The next generation of Sustainable Urban Development strategies in Romania should aim to stimulate proactive adaptation to the diverse effects of demographic change.

N-W Romania Current and projected population distribution across ages groups and gender 2023-2050



Source: Preparing for Demographic Change in Nord-Vest, Romania | OECD

Romania's population is shrinking overall, although the North-West is less affected by this phenomenon than other Romanian regions. Within the North-West, Cluj-Napoca is a vibrant exception in its ability to attract young and skilled people, largely due to its numerous universities and evolving IT sector. There nevertheless remains a persisting skills gap in the region, which is likely to worsen as the population ages.

The OECD report contains over 50 recommendations covering administrative reforms, such as decentralization, emphasis on the development of public services (including childcare and care for elderly), and effective multi-level spatial planning. Special focus is recommended on the built environment and the need to deliver affordable housing for key workers in increasingly expensive central urban locations.



Key findings of the report were debated in a panel discussion featuring speakers from North-West Regional Development Agency, City of Cluj-Napoca, Babeş-Bolyai University and Cluj Metropolitan Area Inter-community Development Association. The discussion highlighted recent progress on public transport in the city, involvement of youth in decision making, triple helix collaboration and Roma integration, but recognised needs for further improvement, particularly in bridging urban-rural divides.

Strategic approach to collaboration across Functional Urban Areas The case of Cluj Metropolitan Area, Romania

Cluj Metropolitan Area has led ground-breaking efforts to socially integrate a part of the families living in the segregated and marginalized area of Pata Rât, situated in the immediate proximity of the city's former landfill. Through an integrated approach combining housing, education, healthcare and tailored social support services, over 500 people have been helped to rebuild their lives. The initiative has been implemented through two <u>projects</u> funded from Norway Grants and a third one financed by Cluj-Napoca Mayors' Office, with the first one starting in 2014 and the last ending in 2024. The projects involving Babeş-Bolyai University as a partner, put emphasis on trust-building and participatory engagement, serving as an example for inclusive urban development. The initiatives relied on a <u>place (area)-based strategy for housing and inclusion</u> developed with the support of UNDP.

Key messages

- O1 Inclusion starts with participation and building trust: engaging families from the outset and involving them in shaping their future builds trust and represents the foundation for sustainable desegregation.
- Housing alone is not enough: integrated support in education, employment, healthcare and tailored social services is essential for long-term reintegration.
- Long-term vision and continuity: the practice demonstrates the power of a long-term, consistent approach, initiated in 2014 and sustained through successive projects supported from various funding sources. This continuity allowed the team to adapt solutions over time, and turn a pilot initiative into a lasting, scalable model for social inclusion and urban transformation.

Adopt a people-centred, long-term, integrated and tailored approach: combine relocation with social inclusion, education, healtcare and employment measures, and work with the community, not just for it. Continue to access available funding sources to maximise impact.

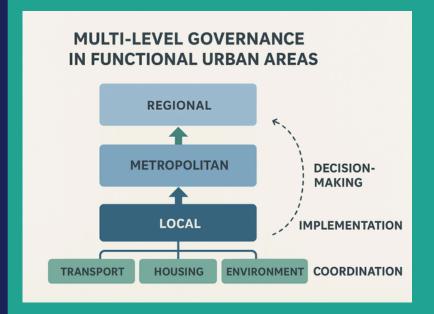


Functional Urban Area 2. cooperation and multilevel governance

Functional Urban Area cooperation and multi-level governance

Multi-level governance is a concept central to improving collaboration in Functional Urban Areas. Decision-making and policy design should be shared and negotiated across different levels of government and with non-governmental actors to enhance this collaboration.

Instead of power being centralised in one place (like a national government) or fully devolved (to regions or local authorities), Multi Level Governance recognises that authority is distributed vertically (across local, regional, national, and supranational levels) and horizontally (across public institutions, private organisations, and civil society). Multi-level governance supports collaboration in functional urban areas by creating a framework where municipalities, regions, national governments, and other stakeholders coordinate, integrate policies, share resources, and align interests—allowing the whole urban region to function effectively rather than as isolated parts.



Functional Urban Area Cooperation and Multi-Level Governance

Interactive Workshop

The workshop split the participants into three groups covering national, regional and local level respectively. Each group took part in a multi-level governance game, with the objective of encouraging participants to join a group that is not the actual governance level at which they work every day. This approach was to encourage participants to imagine working at a different governance level to their own, to help them understand the challenges faced by those working at other levels.

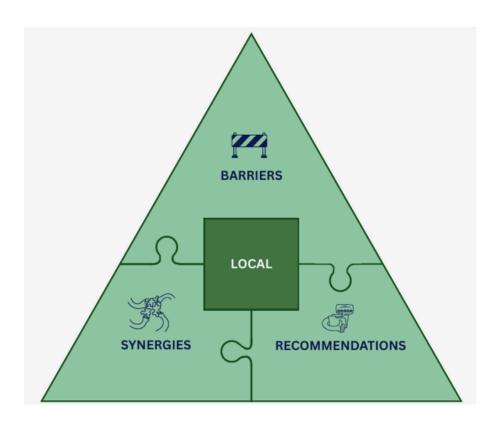
Each group worked around the game board using a series of guiding questions to address the barriers and possible synergies of each level of governance. Finally, groups were asked to make some recommendations for the future.



Functional Urban Area Cooperation and Multi-Level Governance

LOCAL LEVEL - municipalities, towns, companies and non-governmental organisations.

Motivated by serving citizens.



"Take advantage of win-win situations to collaborate on flagship projects"

Key Learnings

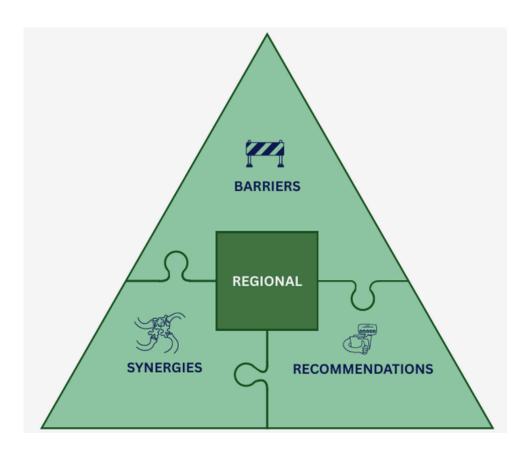
- Develop **mechanisms to support collaborative work** including tools to foster dialogue between different governance levels and set up a partnerships office in the municipality to engage with private, regional and national partnerships.
- Explore the **digitalisation of services** and access to data in an interconnected manner including innovative digital tools for citizen participation such as marketplace of ideas.
- Joint initiatives and projects should be developed across the functional area to serve as an incentive to collaborate. Such projects can also improve collaboration with private and non-profit organisations locally.
- Invest in **capacity building** and support through technical assistance and other opportunities at EU level. Consider national capacity building programmes and events to foster better local-regional-national cooperation.
- Develop and / or strengthen links within the **local ecosystem** to build connections in a structured way between local municipalities, universities and the <u>private</u> sector.



Functional Urban Area Cooperation and Multi-Level Governance

REGIONAL LEVEL - Regional Development Agencies.

Motivated by absorption rates and reducing development disparities.



Key Learnings

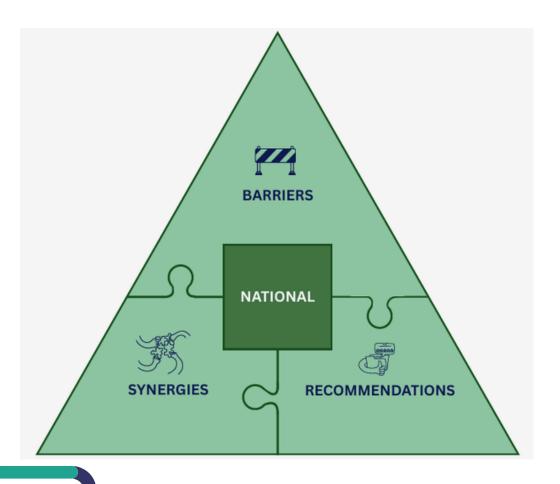
- The responsibilities of the Regional Development Agencies, constituted as NGOs with a specific status in Romania, should be further clarified.
- There should be more emphasis on long term strategic planning. The reactive behaviour should be abandoned.
- O3 Strategic decisions should be taken closer to the territory and based on the real needs at the local level.
- Regional Development Agencies should raise their institutional capacity and have more personnel to be able to cope with the volume of work resulting from the decentralization of the regional programme and their designation as Managing Authorities.

"Regional level strategies should not be seen as mere instruments for financing projects; instead they should offer solutions to the realistic needs of the local authorities."



Strategic approach to collaboration between urban authorities

NATIONAL LEVEL - Government ministries and specialist national agencies. Motivated by reducing disparities and setting up legal frameworks.



"Listen to the voices from lower territorial levels".

Key Learnings

- O11 Strategic planning and the development of a robust legal framework should rely on the consultation of local and regional bodies as well as with different associations representing urban or rural public authorities.
- Establish clear **agreements / contracts** regarding major infrastructure projects to formalise cooperation between the local and national levels.
- Empower the local level through a real **decentralisation** and further delegation of tasks.
- Consider the **institutionalisation of metropolitan areas** by transforming these into territorial-administrative units.







Collaboration within and between Functional Urban Areas is a complex process, with numerous implications at various levels of and professional territorial competence. Bringing together many stakeholders, with often diverging interests, requires specific skills and expertise in articulating common initiatives and providing strong incentives for their implementation. The impact and durability of such joint initiatives depends on the allocation of resources, provided at the right time and in sufficient quantity and quality. While in case of individual projects this may be a straightforward task, when it comes to collaboration between functional urban areas, resourcing becomes more challenging.

Interactive Workshop

The session was introduced through a series of presentations sharing European and Romanian examples of innovative approaches to resourcing cooperation across FUAs.

The good practice cases shared methods and techniques providing some tips on how to address the specific challenges identified here.

Key Challenges

- How to identify the variety of internal and external resources required to effectively cooperate within a FUA?
- How to improve knowledge on the variety of sources of funding including some of those that are less known and more innovative?
- How to ensure long term sustainable funding for strategic projects in the FUA?
- How to develop a strong leadership to manage funds and build trust across the FUA?





The case of Jiu Valley, Romania

Jiu Valley is a mining region of Romania, with an economy in decline. Out of 15 mines, only four are still operating and the area lost in the past decades more than 40% of its inhabitants. The <u>Association for Integrated Territorial Development of the Jiu Valley</u> (formed of six municipalities and other relevant stakeholders in the area) is implementing the only urban <u>Integrated Territorial Investment</u> in Romania funded mainly from ERDF and the Just Transition Fund. The goal is the sustainable economic and social revitalization of the region.

The Protocol of collaboration for the development of the Jiu Valley is signed by the local actors (Mayors, University, Mining company CNH, INSEMEX, private sector, syndicates, and NGOs). Ensure flexibility during implementation of projects: While the strategic focus should be always observed, the implementation of various actions shall be flexible enough so it adapts to the actual circumstances and possibilities.

This governance model is legally organized as an NGO, is versatile and can attract different types of funds for growth. It allows for a mix of stakeholders, including citizens, which denotes high representativeness, is efficient in terms of work procedures, and highly responsive.

The <u>strategy</u> which represents the backbone of the ITI is owned by the Ministry of European Investments and Projects. This approach proved to be efficient because it protects from the continuous changing of local priorities, providing an increased coherence of the interventions.

Key messages

- **Build on existing strengths:** the basis of the interventions were the existing assets of the area, such as good power grid, qualified workforce, affordable land, natural richness, vibrant civil society, valuable industrial heritage.
- **Develop an entrepreneurial culture:** even if the institutional structures and support are in place, real change and sustainable impact can be achieved only if a dynamic entrepreneurial ecosystem is activated.



Association for Integrated Territorial Development (ADTI) Jiu Valley Alexandru Kelemen presenting.

The case of Brno Metropolitan Area, Czechia

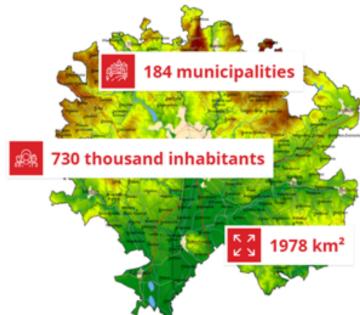
Brno Metropolitan Area covers more than 180 municipalities with a population of 730 thousand inhabitants. <u>Brno's integrated</u> <u>strategy</u> uses multiple funding sources governed through several principles of integration:

- Spatial integration focus on key strategic projects
- Factual integration coordinated implementation of interrelated activities with common management structures
- Financial integration financing of integrated projects from various specific targets of Operational Programmes

• Organizational integration – a common coordinated approach of engagement the stakeholders of the territory based on the partnership principle.



František Kubeš discusses key aspects of Brno's approach to collaboration in the interactive session.



Brno Metropolitan Area uses the Integrated Territorial Investment (ITI) tool to cooperate and share resources across the high number of municipalities in the Functional Urban Area. The approach requires a strong governance structure but allows for huge diversity in the projects that are financed. One example is presented below.

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Resourcing Functional Urban Area cooperation The case of Brno, Czechia

The city of Brno coordinates a multi million euro transport initiative, an <u>integrated solution linking three major investment projects</u> — relocation of a tram line, modernisation of the bus terminal and replacement of obsolete steam pipes with energy-efficient hot-water infrastructure. The actions were synchronized in time and scope thanks to the Integrated territorial investment instrument.

Key messages

- Adopt an eco-system approach: combine separate but complementary investments (tram relocation, bus terminal modernisation, replacement water infrastructure) to develop an integrated approach to sustainable urban development.
- Catalyst for further urban development: the solution strengthened the competitiveness of the Brno Metropolitan Area, stimulated additional investments (e.g. park, parking, public space), and prepared the ground for the future relocation of the main railway station in the Metropolitan Area, thus liberating a major new development site in the city of Brno.
- Strong stakeholder partnerships: under the leadership of city of Brno the partnership included public bodies, private companies and civic organisations. The collaboration and consultation approach using the ITI mechanism was very successful.
- With the use of an integrated instrument (ITI) coordinating projects across multiple sectors and with early coordination, communication and planning it has been possible to combine transport with environmental gains upgrading outdated energy infrastructure alongside mobility investments.



Resourcing Functional Urban Area cooperation Case of Oradea Metropolitan Area

Letitia Motoc discussed how adopting a strongly collaborative approach has helped <u>Oradea Metropolitan Area</u> come to be seen as a leader in Romania's North-West development region in <u>EU funds absorption</u>, especially from EU Cohesion Policy.

Oradea Metropolitan Area Association was established in 2005. It was instrumental in setting up 6 sectoral inter-community development associations, which operate as distinct and independent entities, providing the following public utility services:

- solid waste management
- water supply and wastewater treatment
- industrial parks
- modernised district heating
- public transport and sustainable urban mobility





Letitia Motoc, Programmes Director- Oradea Metrolpolitan Area

Oradea Metropolitan Area helps with the identification of relevant funding programmes to finance development interventions by its members, as well as with structuring of their projects and monitoring their implementation. The Association provides support in the form of human, technical and financial resources, for the sustainable development of each member and of the association as a whole.

The Metropolitan Area also enjoys strong cooperation with Bihor County, as well as with the national administration, such as the Ministry of Transport for the development of major road infrastructure and train/tram projects.

Beyond the public bodies, Oradea Metropolitan Area also collaborates with local universities and research institutes, for example on the Metropolitan Centre for Geothermal Development, and increasingly with the private sector. With only a small starting amount, the Association established a <u>revolving fund</u> which provides bridging loans to grant beneficiaries to help their cashflow, and has proved popular and successful.

Key Learnings

- Human resources are essential in collaboration initiatives, but they must be accompanied by material, informational, and, of course, financial resources.
- Leadership (having the right person in the right place), organizational culture, ownership of actions and results, and the existence of a critical friend were mentioned as key ingredients for collaboration.
- Besides the grants provided by EU and other institutions, the municipalities shall consider alternative sources of financing. Participants mentioned the rolling fund mechanism in place at Oradea Metropolitan Area, as an innovative method of addressing cash-flow challenges.
- The most important take away when it comes to sustainability is securing the ownership of results together with a solid, data and evidence-based monitoring system.



06 Study Visits

Study visits in Cluj Metropolitan Area

The study visits were organised on the first day of the event with the support of <u>Cluj Metropolitan Area</u> and <u>Cluj-Napoca City Hall</u>. They started at the Someş riverbanks, transformed into the so-called 'green-blue sustainable mobility corridor' of the city with financial support received under the <u>Regional Operational Programme 2014-2020</u>. As the Someş river connects several localities, the aim is to scale-up the investments to the level of the metropolitan area. This entails a <u>strong collaboration between the Municipality and other administrative units</u>.



The visits ended at the Regional Excellence Centre for Creative Industries, financed from the Regional Operational Programme 2007-2013. Three research and innovation labs from the Centre were equipped using funds available under the Urban Innovative Actions Initiative 2014-2020. The Centre is part of Cluj Innovation Park. Further complementary investments are clustered in the area. These resulted from projects implemented by various stakeholders with funding from the Competitiveness Operational Programme 2014-2020.



A complementary investment was also visited: the <u>Railway Park</u>. This was revitalized through a project funded from the <u>North-West Regional Programme 2021-2027</u>. The Youth Pavilion within the park offers a space for bottom-up youth involvement.





Main takeaways from the visits

- Collaboration and cooperation are of key importance for designing and implementing good quality and impactful projects, as well as for scaling them up from the city to the metropolitan area level.
- Collaboration and cooperation can take several forms and involve various stakeholders, including citizens.
- Projects should be in synergy and complementarity. To this end they should be embedded in broader strategies.
- Complementary use of different funding sources to enhance project impact should be part of the strategic approach.
- Larger, more advanced cities could support smaller ones to implement similar projects. Some of the areas of particular interest are:
 - green infrastructure,
 - nature based solutions and attention towards preserving biodiversity,
 - youth involvement.



"There is still a hidden potential for development (...) based on multi-level cooperation."



O7 Conclusions and recommendations

O7 Conclusions and Recommendations

WHAT DID WE LEARN FROM THIS EXPERIENCE?

The participants were asked to populate learning logs during the event, highlighting the lessons learnt from the different sessions that they considered most important.

Many referred to the usefulness of the overview given by the European Commission and the crucial importance of EU Funding to Sustainable Urban Development in Romania.

Collaboration was mentioned here in various dimensions - vertically between territorial levels and horizontally between authorities in functional area scenarios, as well as with academia and the private sector. 'Ecosystem not ego-system', a phrase coined during the Mayors' Forum, clearly struck a chord with participants and was repeated in the logs several times.



From many participants there was emphasis on environment/climate factors, as well as on social aspects of urban development and how better cooperation can enhance both.



Participants highlighted various capacity building needs relevant to the collaboration theme. These included help with improving strategy design and implementation processes, enhancing stakeholder involvement in urban development, gearing up for challenges such as climate change mitigation/adaptation and vastly increased provision of affordable housing in strategic locations, improved territorial analysis at Functional Urban Area level, and use of revolving Financial Instruments.

General Recommendations

The outputs from the different sessions indeed provided rich insights, with certain key themes recurring. These have been distilled into just a small number of key recommendations, which are presented below:

- Complete the legal framework for collaboration between authorities in functional areas: Use a co-creation approach that harnesses inputs from all relevant territorial levels.
- Fully consider demographic change when building Sustainable Urban Development strategies: Improve multi-level spatial planning to better anticipate key demographic trends.
- Make full use of available tools to support collaboration: such as the World Bank Methodological Toolkit for functional areas, or the New European Bauhaus which has cocreation as a core value.

- D4 Enhance collaboration also with academia, private enterprises and citizens: Genuine 'quadruple helix' collaboration will enhance the relevance of urban strategies and projects.
- Avoid over-dependence on grants for financing urban development: Engage in partnerships with financial institutions to establish revolving Financial Instruments and with businesses to mobilize private funding.
- Don't be afraid to start deeper collaboration with neighbouring urban authorities even without a legal framework. The examples showed that much can be achieved simply with a positive attitude and the will to succeed.



Session-specific Recommendations

A number of recommendations specific to each of the three main thematic sessions of the event also emerge from the report - albeit with a degree of overlap. These specific recommendations are summarised here:

Strategic Approach

- Carry out **preliminary research** work prior to setting up formal territorial collaboration structures, in order to explore the full potential and different opportunities for collaboration.
- Develop mechanisms and instruments for collaboration and trust building between authorities, as well as incentives such as additional scores for projects developed in partnership.
- Develop **portfolios of inter-authority projects at FUA level**, including flagship
 high priority projects balanced with
 smaller scale initiatives.
- Establish structured dialogue between urban and rural authorities to build mutual understanding of the advantages of cooperation, and consider dedicated funding for urban-rural collaboration initiatives.

Multi-level governance

- Strengthen vertical and horizontal multi-level collaboration to enhance coherence and alignment between sectoral strategies and enforce the needs-driven character of place-based strategies.
- Apply an integrated approach to data collection and management. Agree between national, regional and local levels which data sets require comparability, while allowing municipalities to capture the specificities of their local contexts.
- Establish clear **agreements / contracts**regarding major infrastructure
 projects to formalise cooperation
 between the local and national levels.
- Foster dialogue between different governance levels, for instance by setting up offices to help municipalities engage in partnership activity with private, regional and national actors.

Resourcing

- on establishing strong leadership (having the right person in the right place), supportive organizational culture, and make sure you have access to at least one critical friend.
- When it comes to sustainability, strengthen partnership with diverse stakeholder types and ensure a solid evidence-based monitoring system to secure collective ownership of results.
- Consider putting in place innovative revolving fund mechanisms, similar to that used by Oradea Metropolitan Area, to help address cash-flow challenges of grant beneficiaries.
- 172 Invest in capacity building and support through technical assistance and other opportunities at EU level. Consider national capacity building programmes and events to foster better local-regional-national cooperation.



EUI Capacity Building offer



Capacity building events

Capacity Building events comprise of a wide range of formats: workshops, seminars, etc. enabling cities to improve their capacity to design and implement Sustainable Urban Development (SUD) via practical, replicable and inspirational exercises and practices. They can be EU-wide, cluster or national (UCP-led).



Peer Reviews

Peer Reviews are designed to help European cities with the **design** and implementation of their SUD strategies, through a process of benchmarking and peer learning. This format involves two roles: 'cities under review', working with four to six cities each, acting as 'peer reviewers' to address concrete challenges in **developing**, implementing or monitoring effective SUD strategies. Call-based.



City-to-City Exchanges

A City-to-City Exchange brings together an urban authority facing a specific implementation challenge related to SUD and 1-2 other urban authorities from different EU Member States with expertise which could help tackle this challenge. The cities visit each other for in-depth face-to-face exchanges which are quick to implement. Call for applications is continuously open!



Portico

Portico is the urban knowledge platform developed by the EUI and funded by the European Union to support better urban policy and strategy design, implementation, and mainstreaming. The platform connects urban actors with the knowledge, people, and initiatives they need to implement sustainable urban strategies.



"We have learned to find in EUI a partner that can support our development actions"

Many of the capacity building needs identified by participants in the event in Romania can, in fact, be addressed by the EUI through the various practical tools it offers. These include City-to-City Exchanges, Peer Reviews and additional Capacity Building Events focused on specific topics. Further information on all of these tools can be accessed via the QR codes opposite.



The EUI also hosts the European urban knowledge platform Portico:

- A wide range of urban good practices are featured in the urban case study section of the <u>Portico Knowledge Hub</u>.
- All of the cities cited are open to contact, partnership and Cityto-City Exchange with EU peers via the <u>Portico community</u>.

For further information in Romania, check out EUI - Romania Urban Contact Point