

COR FIRST VICE-PRESIDENT MARKKU MARKKULA

XV UBC General Conference: Building an inclusive and resident-focused city.

The Baltic Way.

Backgrounds of my speech and a few key messages at the Plenary Session:

Inclusive Cities

Kaunas (Lithuania), 16 October 2019

Background 1 – the crucial role of cities:

Cities are Europe's economic engines, contributing to two thirds of its Gross Domestic Product. Cities and urban areas¹ are hubs for competitiveness and employment, and drivers of innovation and growth. They are also centres for education, science, social, cultural and ethnic diversity. *Cities are the future powerhouses of Europe*.

Cities can be both the source of - and solution to - many of today's economic, social and environmental challenges. Cities and city networks have a collective power to act and to scale up solutions quickly and efficiently. <u>The close links between spaces, services and people is at the core of cities' capacities to respond to people's needs and to manage new challenges.</u>

Tomorrow's cities should provide opportunities and better living conditions for all: economic inclusion by creating jobs, sufficient affordable housing and essential infrastructure to an increasingly varied population, ensure inclusiveness and integration among its communities, while reducing environmental impacts.

Unfortunately, social exclusion and segregation are predominantly urban phenomena. While cities are the home of most jobs, they also have high unemployment rates. Even if many cities pursue inclusive policies and work to ensure social rights for all inhabitants, many cities face a loss of cohesion and an increase in exclusion and polarisation. <u>Many cities are making pledges to turn the principles of the European Pillar of Social Rights into actions to improve people's lives on the ground.</u>

What does this mean? My key message 1:

Cities need to invent the new role, since they cannot produce enough services covering all the needs of citizens. The new role of cities is to become catalysers and enablers for different communities both business and civic to produce different services. They need to focus on societal innovations – encouraging citizens to be more creative. In addition, cities need better support from national governments and EU institutions to be effective in their new role.

¹ Almost three quarters of EU population lives in urban areas (cities, towns and their suburbs); https://ec.europa.eu/eurostat/documents/3217494/7596823/KS-01-16-691-EN-N.pdf

Background 2 – Polarisation, tackling radicalisation

Europe needs more forerunner cities and scaling-up the good practices. <u>Digitisation and globalisation</u> <u>drive change</u>, <u>and convergence towards digital services is speeding up</u>. <u>Regions and cities need to encourage regional innovation ecosystem development</u>.

Cities struggling with growing polarisation could benefit from more inclusive and equitable place-based community policies. These should take into account the multiple factors in play in deprived neighbourhoods – e.g. health, housing conditions, and ethnic background – and look at the causes of, and solutions to segregation that go beyond the boundaries of segregated areas.²

In many cities, increasing immigration combined with loss of jobs has resulted in problems of integration. The Committee's opinion "Combatting radicalisation and violent extremism: prevention mechanisms at local and regional level", was drafted by our member Bart Somers, Mayor of Mechelen, also the Best Mayor in the world in 2016. The opinion has highlighted that cities — as well as national and European authorities — must invest in prevention work rather than pursuing a solely reactive, punitive policy. And these preventive policies must be focused on enhancing integration and social cohesion.

EU through cohesion needs to support renewing local and regional structures, particularly in smaller cities. *Innovative communities learn from each other operating as ecosystems through systemic value networking* in a world without borders. This applies also to radicalisation. Local empowerment is the first step to success in preventing radicalisation and in putting in place prevention programmes. Our response to extremism must not lead to the stigmatisation of any group or community, but present the common European values of tolerance, diversity and mutual respect.

What does this mean? My key message 2:

Cities – supported by national governments and the EU – need to develop social economy and their long-term expertise as well as immediate and tailored support mechanisms for implementing actions at local level empowering local communities. By the help of cohesion funds integrated with national and regional public and private funds cities need to encourage investments in local capabilities for community driven policies, using human interaction and available modern technologies.

Background 3 – more support for the youth and their learning

I'm pleased to notice that the Baltic Sea youth is actively present in this conference programme.³ The voices of our young generation count - and many of these young people live in the suburbs and close to capital or other large cities, attracted by jobs and educational and recreational opportunities⁴.

Young people are more interconnected than ever through technology, and the so-called "millennial generation's" technology-enabled power to influence is growing in rapid and interconnected ways. Social media and digital tools as in *eParticipation*, have proven their power in increasing engagement

² https://urban.jrc.ec.europa.eu/thefutureofcities/executive-summary

³ http://www.ubc.net/ubc-events/xv-ubc-general-conference-kaunas

⁴ https://ec.europa.eu/eurostat/documents/3217494/7596823/KS-01-16-691-EN-N.pdf

and participation - in civic life, but also in elections. <u>This is why enhancing the means of digital</u> <u>participation and information outreach will have an ever-increasing importance.</u>

Young people must have and use the opportunity to shape the social, economic and political life of where they live. I'm happy to share that in my region in Finland the youth councils of our Capital Region of Espoo, Vantaa and Helsinki are just now jointly organising Finland's biggest youth elections. And youth entrepreneurship has been growing much faster than anyone believed. Slush, or to be more precise, a student driven movement and network of slush events globally, started as an Aalto Entrepreneurship Society initiative ten years ago. Already for a few years Slush has been the most interesting youth entrepreneurship activity – the main event being the Slush conference attracting 20 000 participants, 1000 investors and 1000 media experts to Helsinki late November or early December annually.

Education – commitment to lifelong learning – has a major role to play in building inclusive cities and preventing social exclusion. Urban areas where migrants or other socially disadvantaged groups are concentrated face particular challenges in achieving educational inclusion. We have evidence-based practices demonstrating how to improve educational inclusion and achieve better outcomes. The key to success includes comprehensive strategies that cover the entirety of a person's educational trajectory, from pre-school to post-secondary, and which strengthen the capacity of educational institutions to develop an effective learning environments.

The options for quality education should also include an effective and modern vocational education and training (VET) path. VET is a key element of lifelong learning systems, increasingly important in today's rapidly changing world of work. More is to be done to promote work-based learning in all its forms, by involving social partners, companies, chambers and VET providers, as well as stimulating innovation and entrepreneurship.

Even cities that are doing well and have competitive and diversified economies struggle with structural unemployment of youths and groups who are less qualified and more marginalised. Cities should offer efficient and integrated public employment services supporting young people and the long-term unemployed, offering the necessary guidance and to connect jobseekers with employers. These services are also a central in the implementation of the Youth Guarantee, which has the full support of our Committee. Moreover, many of the public employment services are also directly or indirectly involved in either proactive work with pupils and students and/or outreach work with the young not in education, employment or training.

What does this mean? My key message 3:

At the European Committee of the Regions, we have launched a programme for Young Elected Politicians. It is addressed to, young politicians from all the Member States to learn more about the European Union and to network with the other politicians at European, national and local levels. This programme has raised a lot of interest. This youth networking needs to be increased.

Another major target focusing on youth during the next EU programme period is creating favourable conditions for youth entrepreneurship. The Finnish Slush start-up movement and other entrepreneurial initiatives give excellent opportunities for European wide sharing of experiences, as

well as bench-marking, bench-learning and bench-acting to speeding-up entrepreneurship in all parts of Europe.

Background 4 – the future can only be based on citizens' engagement

Our Committee has emphasised the crucial role of bottom-up movements, favourable conditions and entrepreneurial spirit in cities and regions in achieving sustainable and inclusive growth. Inclusive cities encourage citizen's engagement and initiative. Engagement and trust in institutions are essential also for the European project. Cities can contribute to bringing trust back into politics and work with the EU to bring it closer to the citizens.

Our Committee, and its elected members representing regions and cities, give input to the EU project, bringing local and regional concerns to the European level and, in return, bring European solutions back to the grassroots.

In 2016 during my CoR Presidency we agreed with Council President Donald Tusk to organise an extensive initiative, the Citizen Dialogues throughout Europe. Since then, we have had citizens' dialogues involving 117 regions and 182 cities [and almost 200 CoR members]. <u>As result, we have drafted a final report "Reflecting on Europe: the voice of local and regional authorities to rebuild trust in the European Union"</u>, of which I was co-rapporteur with the CoR President of today, Mr Lambertz.

In 2018, President Lambertz, together with Mr Jahier, the President of the European Economic and Social Committee, proposed to establish a joint European permanent structured consultation mechanism with citizens, cities, regions and civil society organisations during the 2019 - 2024 EU institutional cycle. This should contribute to strengthening the legitimacy and the democratic foundations on which the Union is built.

We are pleased to notice that citizens' participation has its place in the political guidelines presented by the President-elect Ursula von der Leyen: <u>A Conference on the future of Europe – starting in 2020 and running for two years – would provide continuity to the work already done on citizens' dialogues and consultations in cities and at the EU level.</u> Local and regional authorities should be involved in the Conference, including via our Committee, to enhance the legitimacy of the process and increase its outreach. It is also worth mentioning that we intend to prepare an opinion on Local and regional authorities in the permanent dialogue with citizens.⁵

What does this mean? My key message 4:

The European urban development model relies on cities' capacity to formulate challenges and strategies that correspond to long-term visions and objectives that are sustainable and inclusive. This implies giving weaker stakeholders a say in the formulation of future visions and in the development of the cities, whether at neighbourhood or a wider territorial level, and transparency in strategic planning processes.

Background 5 - the EU Urban Agenda & UN SDGs

We have expressed support for the EU Urban Agenda (2016), which seeks to mobilise the experience and expertise of local authorities and enable them to contribute to the development and

⁵ CoR Opinion, Rapporteur Mireia Borrell Porta, Secretary for Foreign Action and the EU of the Government of Catalonia, for adoption in May 2020 Plenary.

implementation of EU policies and instruments, which most impact cities. It should be backed up with dedicated funds to investments in sustainable urban development in the framework for cohesion policy beyond 2020, and long-term political commitment and resources to cater to the needs of cities.⁶

This Urban Agenda includes, for example, a Partnership on Air Quality to delivers tools to help cities overcome the challenge of air pollution. The use of Health Impact Assessment tools in European Cities is a good guide to support policy towards cleaner air and improvement of citizens' health.

Beyond the European Urban Agenda, the UN Sustainable Development Goals (SDGs) offer municipalities a set of integrated objectives, which can help them to bring about a more sustainable vision of urban development. The OECD estimates that 65% of the 17 SDGs can only be achieved with the involvement or coordination of cities and regions. In this regard, there are many concrete examples of mobilisation of municipalities from all over the continent. My own city, Espoo is a forerunner in the implementation of the SDGs and we participate in the UN SDG 25+5 Cities Leadership program, which aims to reach the UN Agenda 2030 already by 2025. To reach those ambitious goals, we decided to create partnerships at all levels of society; involving universities, local industries and residents.

Given their critical role, I am convinced that local governments cannot be mere implementers of a global or national SDG agenda: they should be partners in defining policy responses, and in the implementation and monitoring of progress against the goals. This is one of the key messages that I have conveyed at the UN Climate (and SDG Summit) in New York. *Our citizens give us, as local leaders, the mandate to act and to be bold.* The weekly Climate school strikes seen across the world have a clear message of what our children expect. Our climate objectives and actions are ever more ambitious and we, local leaders, make a big contribution on the ground. But much still needs to be done. *The LRAs must be the real partners in the implementation of the Sustainable Development Goals, the Paris Agreement and the 2050 strategy.* Without us the national governments will never reach climate neutrality. Yet, our calls have fallen short in many member states.

What does this mean? My key message 5:

To have EU to play the pivotal global role in achieving the UN SDG targets, EU should rely on cities and regions and give them adequate financial means: EU cohesion policy being the main investment instrument for regions and cities to implement the SDGs. The next EU cohesion financing 2021-2027 should remain significant and accessible to all regions. This is about need for finance, capacity building, the need for transfer of knowledge and data, but this is also about education and digitalisation.

My concluding remarks

Let me conclude by saying that cities can contribute to inclusive growth and to a more cohesive and inclusive Europe starting from the local level. City communities play an important role in reshaping their own futures.

The future of cities is not set in stone nor is it easy to predict, but the choices cities make shape the lives of generations to come.

⁶ CoR Opinion "Implementation assessment of the Urban Agenda for the EU", Rapporteur McCarthy, 2018