

The Croatian Presidency Team
Ministry of Construction and Physical Planning of Croatia
Republike Austrije 20, 10 000 Zagreb
Attention:
Željko Šokčević

URBAN AGENDA FOR THE EU – PARTNERSHIP ON CIRCULAR ECONOMY

The Urban Agenda Partnership on Circular Economy seeks to contribute to the programming of Cohesion Policy actions for the period 2021-2027 by disseminating the outputs of its project to the relevant program planners and managers and practitioners. In particular, our intention is to make known the outcome of our 12 actions to the National Coordinating Authorities and Managing Authorities involved in planning and implementation of the EU Cohesion Policy 2021-2027 programs, wishing to be taken into consideration specifically with regard to actions focused on urban level. We firmly believe that our ideas, suggestions and recommended options contained in the outputs of the actions may prove useful for them during the preparation of the Partnership Agreement and the Operational Programs for the 2021-2027 programming period. For this purpose, we kindly ask for this letter to be forwarded to the MS Directors General (DGs) responsible for Cohesion Policy as well as to the DGs responsible for Urban Matters encouraging them to further forward it to the competent bodies.

The Urban Agenda Partnership on Circular Economy is one of the 14 Partnerships established as a result of the Pact of Amsterdam. Our Partnership which started up in January 2017 consists of the following members: a) six urban authorities, namely the City of Oslo, The Hague, Prato, Porto, Kaunas and Flanders region, b) four EU member states: Finland, Poland, Slovenia and Greece, and c) European Institutions and organisations: the European Commission (DG REGIO, DG ENV, DG CLIMA, DG RTD, DG GROW), the Council of European Municipalities and Regions (CEMR), EUROCITIES, URBACT, the European Investment Bank (EIB) and the Association of Cities and Regions for sustainable Resource management (ACR+).

The Partnership on Circular Economy has looked into the whole circle, starting with the extraction of raw materials to the design, production, transportation, consumption and, finally, the recycling of waste with residues for final disposal. According to the Pact of Amsterdam, the finalised 12 actions of the Partnership contain recommendations for EU legislation, EU funding and developing a better knowledge of Circular Economy on all governance levels throughout Europe. Please find a table with all actions in the annex of this letter.

Of these 12 actions, I would like to pinpoint the following actions:

The Circular City Funding Guide

The Circular City Funding Guide is launched by the European Investment Bank in the framework of our Partnership's dedicated action and it aims to help both funders and fund seekers identifying various funding options and schemes available for circular economy investments. It provides guidance to raise funding for important investments and projects to speed up the transition to circular economy in all member states. The Partnership seeks to raise awareness and disseminate the knowledge of the funding guide to actors in the member states. Moreover, the Partnership seeks to identify an entity that can ensure both the technical hosting and maintenance of the site, and the updates and further development of the content of the Guide. Your support in this regard would be very valuable and appreciated.

Mainstreaming the circular economy as an eligible area into the post 2020 Cohesion Policy and corresponding Funds

Since circular economy has now been mainstreamed in the regulatory provisions for the 2021-2027 programming period particularly of the cohesion policy, the Partnership further recommends focusing on ensuring an adequate programming and effective implementation of the relevant regulatory provisions in the next years. The cohesion policy programmes should aim among others at reinforcing capacities at local level in order to accelerate the transition towards a circular economy. In this context the Partnership encourages all the competent authorities involved in programming of the EU cohesion policy 2021-2027 to have a look at the options provided in the relevant outputs.

Circular City Portal

The 'Circular City Portal' is an openly shared knowledge database, inspiring and guiding cities in their journey towards a circular economy. Additionally, an integrated and visually developed governance concept links all other actions within the Urban Partnership on Circular Economy, and potentially other Partnership's related actions. We ask for help to spread the knowledge of the European Stakeholder Platform and also the governance concept to all cities throughout the member states.

Furthermore, we recommend the Managing Authorities and National Coordinating Authorities to take into account a more integrated approach for European urban (circular economy) policy in the next programming period of the cohesion policy, e.g. in terms of priority actions (allowing circular topics) and funding (stimulating further sectoral integration), and by integrating existing initiatives like URBACT, Urban Partnerships, Urban Innovative Actions, etc. and think about ways of disseminating the conclusions and/ or findings of finalised cohesion-funded projects through the Platform;

Re-use of buildings and spaces

The urban regeneration process passes through changes in society and the industrial area, being able to respond effectively to changes and the emerging needs of a city, with tailored solutions. The Partnership on Circular economy and the Partnership on

Sustainable use of land and nature-based solutions decided to work together to develop a handbook which can serve as a stimulus and incentive for strategic planning at urban level, especially carried out by public authorities, but also supported by the regional and national level.

The partnerships recommend:

- Providing financial resources: buildings cannot be regenerated without financial investment, reason why it is very important to guarantee resources towards regeneration of large areas in the public interest.
- Establishing partnerships: different levels of the administration (local, regional, national) as well as private and social stakeholders need to create long lasting operational pacts to work together.
- Allowing administrative flexibility to enable city in the adaptation of regulation in order to allow more flexibility to adapt to changing needs, thus increasing the building's long-term life cycle and propensity of re-use.

The Partnerships ask for support in disseminating the handbook among the member states to reach out to cities and regions.

Circular Economy Financial Incentives - Develop a “Pay-as-you-throw” (PAYT) toolkit with coaching

To stimulate source separation and high recycling rates in municipalities, PAYT is considered one of the tools necessary to be used by cities. The PAYT instrument is one step towards a smarter city. PAYT demands developing of data collection and tools that could be valuable in developing sustainable value chains for products from design, production, consumption and waste handling. The partnership has developed a toolkit to be used by municipalities for introducing PAYT.

Cities need help from both the Commission and the national governments in developing and introducing PAYT. We encourage the Managing Authorities and National Coordinating Authorities to disseminate the toolkit to the municipal organisations and/or other urban authorities involved in the transition towards circular economy and ask for support in translating the toolkit into member states languages.

How may the outcome of the work of the partnership support European policy?

The actions delivered by our Partnership could be beneficial to the European Commission in elaborating updated policy options, as well as to the Presidency in examining the new EU policy framework towards a greener, smarter, more social, more connected and closer to citizens Europe, and the member states in fulfilling the aims in the new programming period. The Partnership could elaborate all our actions if necessary to give more in depth information. Please don't hesitate to contact me as coordinator of the partnership for this.

On behalf of the Partnership, I send you the final deliverable report of the work carried out by the Partnership (attached).

We kindly ask for this letter to be forwarded to the MS Directors General (DGs) responsible for Cohesion Policy as well as to the DGs responsible for Urban Matters.



Best regards,

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Annex 1: Table of the Partnership on Circular Economy Action Outputs

Actions	Short description	Outputs
Better Regulation		
Help make waste legislation support the circular economy in cities	<i>In order to keep products and materials in the economic cycle and prevent them from going to waste, the use of secondary resources needs to be supported by a regulatory framework for waste around a consistent material hierarchy.</i>	
Help make water legislation support the circular economy in cities	<i>Sustainability in the water sector is a major concern and compliance with the current legislation alone does not seem to be enough to face major challenges like climate change or urban population growth.</i>	Position paper submitted to the European Parliament
Analyse the regulatory obstacles and drivers for boosting an urban circular bioeconomy	<i>This action has identified some regulatory obstacles and drivers contained in specific EU legislations influencing the value chain producing bio-based products from urban bio-waste and wastewater.</i>	Survey report on regulatory obstacles and drivers for boosting a sustainable and circular urban biobased economy
Better Funding		
Prepare a Circular City Funding Guide to assist cities in accessing funding for circular economy projects	<i>Cities can be both cradles and catalysts for circular development. The Circular City Funding Guide is a tool that will improve access to funding for circular projects and companies in cities. This will contribute to scaling and speeding up the circular transition in cities.</i>	Interactive funding platform available here: http://www.circularcityfundingguide.eu/
Mainstream the circular economy as an eligible area into the post 2020 Cohesion Policy and corresponding Funds	<i>It is essential for the European Union to mainstream the circular economy into its policies and particularly into the Cohesion Policy (which through its corresponding Funds amounting around 1/3 of the total EU Multiannual Financial Framework), can provide the required impetus for the promotion of the transition towards circular economy starting from the urban level.</i>	Final report with recommendation and position paper.
Better Knowledge		
Prepare a blueprint for a Circular City Portal	<i>The 'Circular City Portal' is an openly shared knowledge database, inspiring and guiding cities in their journey towards a circular economy. Additionally, an integrated and visually developed governance concept links all other actions within the Urban Partnership on Circular Economy, and potentially other Partnership's related actions.</i>	The blueprint will be integrated in the European Stakeholder Platform and the City portal is accessible here: circulargovernance.city

Promote Urban Resource Centres for waste prevention, re-use and recycling	<i>Urban Resource Centres are the testbeds for circular solutions at city level keeping in mind that the policy challenges hindering the implementation needs to be addressed at European level.</i>	Classification of different approaches to Urban Resource Centres. URBACT APN Resourceful Cities established
Develop a Circular Resource Management Roadmap for cities	Identifying and understanding material stocks and flows is important to transform linear resource flows into circular flows. This is even more true for cities and regions, essential partners in realising the circular economy.	
Develop a Collaborative Economy Knowledge Pack for cities	<i>Understanding the workings of the Collaborative Economy as the means to achieve Circular Economy objectives empowers cities and regions to reap most benefit of this new economic paradigm.</i>	Part of the work has been conducted as an ESPON Targeted Analysis. Read more here: https://www.espon.eu/s/haring
Manage the re-use of buildings and spaces in a Circular Economy	<i>The urban regeneration process passes through changes in society and the industrial area, being able to respond effectively to changes and the emerging needs of a city, with tailored solutions.</i>	The Handbook produced by the Partnership on Circular Economy and Partnership on Sustainable Land Use
Develop City Indicators for a Circular Economy	<i>Transition towards circular economy depends on a significant part on the transition taking place in cities (and metropolitan area). Indicators that are Relevant, Accepted, Credible, Easy to monitor and Robust against manipulation (RACER) need to be made accessible for cities.</i>	Issues and mapping paper – Indicators for circular economy transition in cities
Develop a “Pay-as-you-throw” toolkit with coaching	<i>Although PAYT is identified as a useful tool for cities, cities have experienced several barriers in introducing and the use of PAYT. This Action has addressed some of these barriers by developing a toolkit for use of PAYT. For cities, PAYT can be an effective option for waste reduction, source separation and an essential first step to produce clean streams and consequently increase recycling</i>	“Pay-as-you-throw”-Toolkit

