





Intelligent Cities Challenge

4th Advisory Board meeting – summary report

15 June 2022

Agenda

Timing	Session and content
13.30 – 13.35	Introduction and welcome – European Commission
13.35 – 13.45	Main urban trends and EU policies – an overview – European Commission
13.45 – 13.55	Update on ICC: Achievements, challenges & learnings – ICC coordination team
13.55 – 14.00	Priorities for next phase of ICC – European Commission
14.00 – 14.55	Roundtable discussion
14.55 – 15.00	Q&As and next steps – European Commission

Participation

Organisation	Participants
Advisory Board Members or replacements	Alice Charles, World Economic Forum (excused)
	Bob Bennett, Cities Today Institute
	Christophe Rouillon , European Committee of the Regions, Rapporteur for Recovery and Resilience Facility, Coulaines, Mayor of Coulaines (excused, represented by Audrey Parizel)
	Daniel Gonzalez-Bootello, Smart City Cluster
	Desina Naidin, Eurocities
	Frank Lee, European Investment Bank (excused)
	Jorn Verbeeck, KPMG & former Global Covenant of Mayors for Climate and Energy
	Hugh Lim, Centre for Liveable Cities, Singapore (including Lisa Teo-van Kuijk and Nicole Lum)
	Leonie van den Beuken , Amsterdam Economic Board (excused, represented by Cornelia Dinca)
	Mark Hidson, ICLEI (excused)
	Martina Otto, United Nations Environment Programme (excused)
	Federico Poitier, United Cities and Local Government
	Renate Mittehuberr, German Federal Ministry of the Interior, Building and Community
	(Including Gudrun Schwarz)
	Soo-Jin Kim, OECD Centre for Entrepreneurship, SMEs, Regions and Cities (excused)
European Commission	DG GROW: Dana Eleftheriadou, Natalia Gkiaouri
	EISMEA: Lucia Masarova, Marco Iacuitto
Contractor	Technopolis Group: Nikos Maroulis, Morten Rasmussen
	John Higgins: Advisor to the consortium

Key messages and takeaways from the 4th Advisory Board meeting

Situation at city-level: Crisis, new challenges and a need for new solutions

COVID-19 and the Ukraine crisis have generated new challenges and reinforced the need to address supply chains gaps and local sourcing. The advisory board group highlighted how the new emerging and pressing challenges have introduced new challenges for cities, requiring them to navigate in a more uncertain. Technology investments, mobilising local stakeholders and pursuing collaboration are seen as drivers to help find concrete solutions in urban environments. Desina Naidin, Eurocities, referred to feedback collected from the Eurocities network, outlining how the Ukraine situation had impacted local priorities, including for achieving an energy transition and moving towards renewables. As outlined by Daniel Gonzalez-Bootello, Smart City Cluster, cities today face a paradox where they on one hand need to achieve long-term planning and work towards long-term objective, while on the other hand they need to come up with rapid response to the crisis brought about by the war in Ukraine and COVID-19.

Renate Mittehuberr, German Federal Ministry of the Interior, Building and Community, highlighted the German government's prioritisation of the green transition, including the ambitions for achieving resilience and supporting SMEs and startups. There was a consensus among the advisory board members about the high relevance of investing in green and digital skills and expertise relevant to achieving the twin transition. Hugh Lim, Centre for Liveable Cities, Singapore, emphasised how green skills is becoming more and more important for developing new technological solutions that are geared towards the twin transition objectives. In this context, as training providers lack expertise, it is key to engage industry and practitioners for training purposes. Bob Bennett, Cities Today Institute, flagged skill retention and attraction as key challenges for cities today. While cities generally face skills shortages, also to achieve the digital and green transition, it has been challenging for cities to attract highly skilled workers and to achieve the necessary up- and reskilling. This is also coupled to the need for new city models building on the proximity economy. Daniel Gonzalez-Bootello for instance mentioned that the shift towards the 15min city requires ensuring that employees have the right skill etc but also knowledge of how to interact with the local and regional surroundings. To achieve this requires upskilling and reskilling of the local labour force as well as efforts for talent attraction and retention.

Priorities for the next phase of ICC

It was recommended to keep green economy and the twin transition at the core for the next phase of ICC. Several activities in ICC can be supported to achieve this. Public procurement, among others, is a key lever and should be targeted increasingly towards green standards and objectives according to Hugh Lim and Desina Naidin. Desina Naidin further underlined access to finance and the search for alternative funding mechanisms as opportunities for cities to move towards the twin transition.

Several advisory board members called for an integrated approach and voiced that stakeholder involvement is a key area to focus for ICC 2.0 activities. Renate Mittehuberr mentioned that the ministry in Germany applies an integrated approach also emphasising climate change and energy transition. To achieve this requires a holistic view bringing together stakeholders from multiple themes and across public and private sectors. Cornelia Dinca, Amsterdam Economic Board, stated that there is a fundamental need to re-think local ecosystem mobilisation in a way that emphasises incentives to promote willingness to pursue local collaboration but also fosters stakeholders to assume responsibilities. It was recommended to look further at how to foster collaboration between public and private stakeholders and between city and regional levels. This also includes universities and local research and academic communities that can provide advice but also requires support. John Higgins for instance outlined how many ICC cities have a strong presence of universities, vocational training institutes as well as training providers, providing a good basis to build on with these endeavours. At the city and regional levels, it was also considered by Desina Naidin that mutual learning activities, including on ecosystem development, would be important to emphasise for the next phase of ICC.

Cornelia Dinca also commented that responsible digitalisation serve as a possible focus area for ICC. Emphasis should not only be on the deployment of technology, but also how it can help address the digital divide and how to implement it in a way that respects European values. Federico Poitier, United Cities and Local Government, suggested also emphasise equality and human-centric approaches for the next phase of the ICC. A stronger emphasis on the human-centric approach could help ensure that solutions and strategies are rooted in concrete challenges and needs.

Presentation of urban trends and EU policies

Dana Eleftheriadou (DG GROW) presented on the disruptions faced in global and European energy markets and supply chains. Russia's invasion of Ukraine had induced disruptions across global and European energy markets, making it necessary to end a dependency on an unreliable supplier. The European Commission has launched REPowerEU as a plan to end dependence on Russian fossil fuel imports. The plan is backed by financial and legal measures, in order to construct new energy infrastructure and systems, and seeks to save energy, produce clean energy and diversify energy suppliers.

With the impact of the COVID-19 crisis, city dwellers and planners are offered an opportunity for rethinking production, consumption, living and travel practices towards a more clean, green and human-centric approach. Such paradigm change is foreseen to also create new economic opportunities and jobs at city-level. The Vision for 2030 - New urban models and call for action seeks to promote several activities, ranging from human centric city models, collaborative governance and citizen participation to sustainable public procurement and sharing platforms.

The 100 Climate-neutral and smart cities Mission has recently been launched. The main elements consist of a Mission platform run by the NetZeroCities consortium providing technical, regulatory and financial advice, R&I demonstrators and opportunities for twinning and mutual learning. This is complemented by firstly a focus on Climate City Contracts concentrating on climate action plans, investment strategies, innovative city governance and citizen engagement, and secondly a Mission Label. Given several interlinkages, among others between the Climate City Contracts and Local Green Deals, close collaboration between the Mission and ICC is envisaged. In this context, a total of 23 ICC cities have been accepted to take part in the Mission.

In addition, multiple EU policies are being shaped also with a view to support the implementation of the Local Green Deal¹. These include among others the EU Industrial Strategy², EU Digital Strategy³, European Climate Law⁴, the Circular Economy Action Plan⁵, the Social Economy Action Plan⁶, the Renovation Wave for Europe Strategy⁷, The New Leipzig Charter⁸, the New European Bauhaus⁹, and the European Skills Agenda¹⁰.

Learnings from first phase of ICC and thematic priorities for second phase of ICC

In order to prepare for the next phase of ICC, several consultation activities have been carried out with stakeholders (experts, mentor cities and core cities). The aim is to review and redefine thematic priorities, identify future orientations, and possible high-impact actions.

A brief presentation on achievements, challenges and learnings from ICC was provided by Morten Rasmussen (ICC coordination team, Technopolis Group). It was presented how solutions developed by supported ICC cities largely focusses on twin transition goals of digitalisation and green transition across thematic tracks, including skills, tourism and mobility. When it comes to city demand voiced, the following have frequently been mentioned by participating cities: learning from best practices, knowledge transfer, access to finance, procurement support, capacity building, stakeholder and citizen engagement, political involvement and support.

The first phase of ICC has provided a wide thematic coverage via thematic tracks and transversal services focussing on implementation and impact in accordance with city needs and resource constraints. Digital tools have allowed for frequent interactions withing and among cities, while a combination of thematic network sessions, geographical chapter meetings and informal network sessions. The more challenging elements have been the variety of cities' maturity and

¹A European Green Deal | European Commission (europa.eu)

² European industrial strategy | European Commission (europa.eu)

³ Shaping Europe's digital future | European Commission (europa.eu)

⁴ European Climate Law (europa.eu)

⁵Circular economy action plan (europa.eu)

⁶Social Economy Action Plan - Employment, Social Affairs & Inclusion - European Commission (europa.eu)

⁷Renovation wave (europa.eu)

⁸ new leipzig charter en.pdf (europa.eu)

⁹ New European Bauhaus: beautiful, sustainable, together. (europa.eu)

¹⁰ European Skills Agenda - Employment, Social Affairs & Inclusion - European Commission (europa.eu)

hence different needs and cities, the lack of interdepartmental connections with ICC city teams and complexities with multi-city face-to-face meetings (especially in a cross-border context) due to COVID-19 restrictions.

Dana Eleftheriadou (DG GROW) outlined the foreseen three major thematic clusters for the second phase of ICC, envisaged to start from December 2022. The three thematic clusters serve to allow cities to tailor their priorities and solutions

- Green Economy and Local Green Deals: Circular practices, energy efficiency and renewables. decarbonisation of buildings and mobility
- Digital economy and digital solutions for local economy and innovation: Tech4Good, sharing platforms, urban data to boost local businesses
- Proximity economy and local dimensions of industrial ecosystems: Tourism, agri-food, small/local retail, construction, cultural and creative industries, mobility and textiles

This is further complemented by transversal services, covering access to finance, reskilling and upskilling and public procurement, aiming to offer coaching opportunities in demand by participating cities.

High-level overview of feedback and suggestions by advisory board members

Speakers	Feedback
Federico Poitier, United Cities and Local Government	 The role of Digital solutions emphasised as a key driver to support human rights at city and regional levels and to address the digital divide. Recommendation to put equality and human-centric approaches at the core of the next phase of the ICC. Among others, digital technologies considered to address several challenged faced in built and social environments. Address reskilling and upskilling also as a mean to enhance community engagement at local level.
John Higgins , Advisory to ICC consortium	• In addition to the business community, recommended next phase of ICC to also engage increasingly with universities and local research and academic communities. Many ICC cities have a strong presence of universities, vocational training institutes and ad-hoc training providers, making it impactful to onboard them in supported ICC city solutions. It was highlighted how they make up a key stakeholder group and peers, how they can offer advise (also on technology), while knowledge institutions also require support.
Bob Bennett , Cities Today Institute	 Referring to a recent publication on workforce development by Cities Today Institute, the challenges for cities to attract, train retain a talented workforce was highlighted. It needs to be recognised that cities generally face shortages in skills to address the opportunities and challenges faced with the digital and green transition. Levers to overcome this include community engagement and civic inclusion.
Hugh Lim , Centre for Liveable Cities, Singapore	 Emphasised the need to develop green skills also for building technology. As training institutions lack expertise, it is key to engage industry and practioners and to involve them for training purposes. Recommended to orient public procurement increasingly towards green standards and green economy objectives. Given that COVID-19 has impacted supply chains, no reinforced by Ukraine disruptions, there are urgent supply gaps. This calls for a stronger emphasis for local sourcing; different initiatives can help to address this, including: indoor farming, technology investments and local boot strapping.
Cornelia Dinca, Amsterdam Economic Board	 Highlighted the need for responsible digitalisation. Digital tools and digital transformation can have adverse or non-intended outcomes, among others leading to exclusion and intrusion. Emphasis reflections on how technology is deployed, for instance transparency with sensors, how data is used, etc. Emphasised the need for local ecosystem mobilisation and collaboration between public and private stakeholders. Need to re-think how to bring in corporates funding and how to create safe spaces. This overall calls for a mindset change in collaborative patterns at city and regional levels. A mission approach was recommended drawing on a balanced approach, mixing clear targets, incentives to induce willingness for collaboration, responsibilities and joint decision-making.

Also the emerging mobility challenges require attention. Several cities need to re-think mobility and infrastructure patterns. There is a desired for an integrated approach: At regional-level there is a new organisation set up with the aim of pushing forward integrated approaches, to be the glue to facilitate this. Desina Naidin, Highlighted how Eurocities' members had flagged how the Ukraine situation had Eurocities brought about new challenges and impacted local priorities. Among others there is a need to promote the energy transition and to investment in refurbishment and renewables. Access to finance and procurement seen as key levers, while also the need to look at alternative funding mechanisms was mentioned. Given that most cities struggle a key emphasis should be given to funding mechanisms for the twin transition. Upskilling was also commented as key, also for city staff to be trained on technology. At the regional-level, there is a need to facilitate mutual exchange and learning among cities, including on ecosystem development. Daniel Gonzalez-Complemented the perspectives provided Amsterdam Metropolitan Region on Bootello, Smart City responsible digitalisation. Cluster Highlighted the paradox where cities on 1) one hand need to achieve long-term planning and work towards long-term objectives and on the 2) other hand need to come up with rapid response to the crisis brought about by the war in Ukraine and COVID-19. On long-term planning, there is a need for new city models based on proximity. Moving towards the 15min city requires having capable employees in several functions, and knowledge how to interact with the surroundings, which in turn requires upskilling and reskilling of the local labour force as well as talent attraction and retention. Also other dimensions like standardisation, agile industry responses and investments in culture are important to emphasise. The need for a response to the immediate challenges at city-level requires responding in quick manner, finding new solutions and finding inspiration in solutions applied elsewhere with replicability potential. Recommended that the ICC renewal gives emphasis to the 14 ecosystems with emphasis on the urban ecosystem: cities with mutual interest could work jointly within ecosystems. Resilience to be emphasised. Renate Mittehuberr, Highlighted the German government's prioritisation given to the green transition, to German Federal resilience and to supporting SMEs and startups. Cities need to be able respond to Ministry of the multiple challenges, beyond climate change, also to disruptions faced in global and Interior, Building and European energy markets, food supply chains and the war in Ukraine. Community The German ministry has an emphasis on deploying measures to support German municipalities in becoming digital, covering digital skills, digital services and uptake of digital technology. They apply an integrated approach also emphasising climate change and energy transition. Achieving an integrated approach is challenging and requires a holistic view. Also mentioned the need for looking at the area of digitalisation and traffic/mobility, where there is a need to overcome sector approaches and look for more integrated

Next steps: ICC 2.0

solutions.

Advisory board members were informed that this was the last meeting of the current phase of the Intelligent Cities Challenge. With the envisaged renewal of ICC, existing members will be invited to participate in the advisory board to be set up. Further information will be communicated to advisory board members.