

## MÁLAGA, SPAIN

0. BACKGROUND INFORMATION	
PROJECT TITLE	Iniciativa Urbana 'Arrabales-Carreterías'
Duration of project	2008-2015 (96 months)
Member State	SPAIN – Region ANDALUCIA - City MÁLAGA
Funding	Total budget Iniciativa Urbana: €14 400 000 ERDF budget: €10 044 432 Contribution from the city: €4 304 757
Cohesion Objective	Convergence
Main reason for highlighting this case	The project is significant because the city has opted for a strategy of creating an urban sustainability that combines the residential function of the area with economic, cultural, and social uses. It defines different uses for the urban area. This sustainability strategy is based on an integrated approach including programmes, activities and services, led by the city of Málaga. There is a very strong involvement of different municipal departments working in a cooperative way. Citizen participation is very significant and central to the project, creating a range of instruments to encourage the involvement of citizens. Specifically, the project seeks to intervene in social inclusion, and in the welfare and employment of residents, in parallel with the physical recovery of degraded areas. The project shows a significant level of integration justifying its position within theme 2.
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1. PROJECT DESCRIPTION	
Overall objective / goals	<p>The overall objective of the project is to recover the historical centre of Málaga, improving the quality of life of residents and neighbours through different methodologies and tools that allow a real comprehensive urban regeneration.</p> <p>It wants to improve the attractiveness of the historical centre (retail, tourism, cultural facilities) and in parallel reinforce the social cohesion and the social inclusion of the more disadvantaged population living in the area. These aims are articulated through specific objectives in the fields of supporting economic activities, creating social services and infrastructures, enhancing the knowledge society, recovering urban spaces with a strong component of citizen involvement and participation.</p> <p>These objectives are framed within a single strategy that aims to:</p> <ul style="list-style-type: none"> <li>• recover the symbolic image of Málaga, its historical reference as a Mediterranean city</li> <li>• enhance public space as a means to improve urban links among citizens</li> <li>• rethink the structure of the city, renovating degraded spaces in the historical centre</li> <li>• enhance the proximity principle as a factor of social cohesion, energy efficiency and sustainability</li> </ul>
Description of activities	<p>The project activities were structured in different sectors or thematic areas articulated to generate real impacts as part of the global objective of recovering the historical centre of the city. The main activities are the following.</p> <p><b>Physical public space</b></p> <ul style="list-style-type: none"> <li>- Recovering run-down spaces in the zones of Pozos Dulces-Nosquera, Dos Aceras-Plaza Montañó, Beatas-Tomás de Cózar: improvement of road infrastructure, pavements, urban furniture, etc.</li> </ul> <p><b>Economic development</b></p> <ul style="list-style-type: none"> <li>- Grants to support retailing and new business start-ups in the area</li> <li>- Technical support to entrepreneurs and small businesses</li> <li>- Entrepreneurial training</li> <li>- Business incubator</li> </ul>

	<ul style="list-style-type: none"> <li>- A new incubator under construction</li> </ul> <p><b>Social infrastructures</b></p> <ul style="list-style-type: none"> <li>- Childcare centre (<i>Iudoteca</i>) (Plaza del Pericón)</li> <li>- Community Centre (Plaza Montaña) (under construction)</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>- Telematic network to check noise levels: trying to reduce noise from music bars that disturb residents</li> <li>- Environmental support centre: delivering information to small business, advice on implementing environmental quality systems and reducing consumption of material and energy</li> <li>- Campaign to increase awareness of cleaning and recycling</li> </ul> <p><b>Employment</b></p> <ul style="list-style-type: none"> <li>- Vocational training for unemployed people</li> <li>- Initial orientation and guidelines for defining pathways to work</li> <li>- Training and advice on self-employment</li> <li>- Training of women in traditionally male job areas, e.g. gardening, security, stone carving for construction, warehouse work</li> </ul> <p><b>Social inclusion</b></p> <ul style="list-style-type: none"> <li>- Time bank (<i>banco del tiempo</i>). Non-monetary exchange of time, work, skills and services among residents of the area</li> <li>- <i>Convive Málaga</i> ('Coexistence in Málaga'). Young people are trained as 'citizenship agents'. This programme consists of several activities aiming to increase civic values among young people. A core activity is one week of coexistence among 15 young people belonging to different nationalities, to share their experiences and to work together on various activities concerned with citizenship, civic values, improving their knowledge of the city, visiting and interviewing elected councillors, finding out about the local authority legal framework, and etc. Other activities of the programme are the following:</li> <li>- Training for young people in issues as knowing more about the city, conflict resolution, recycling</li> <li>- Support to local associations: training and conferences</li> <li>- Workshops on multiculturalism, volunteer work</li> <li>- Study and research on 'Cosmopolite Málaga': Newcomers and coexistence between ethnic communities</li> <li>- Centre for supporting children and teenagers</li> <li>- Support to the volunteer carers of dependent people: creating support networks</li> <li>- Active aging: a number of activities for elderly people</li> </ul> <p><b>Citizen participation</b></p> <ul style="list-style-type: none"> <li>- Citizenship school</li> <li>- Citizen's forums of the <i>Iniciativa Urbana</i></li> <li>- Training for better citizenship and civic values</li> </ul>
Beneficiaries	<p>The historical centre of Málaga and specifically the urban area of the <i>Plan Especial de Protección y Reforma Interior del Centro de Málaga</i> (Special Plan for Protection and Reform of the Historic Centre of Málaga – PEPRI), where the project is implemented, has around 23 000 inhabitants and an area of 40 hectares. We can say that the entire population are direct or indirect beneficiaries of the project.</p> <p>The specific beneficiaries are residents and employees in the central area. These include small businesses, business start-ups, unemployed people receiving training, elderly people and members of the time bank, as well as local associations.</p>
Intended results	<ul style="list-style-type: none"> <li>• Recovery of degraded areas of the historical centre to increase their attractiveness for business and tourism and to improve the urban environment and living conditions for residents. The spaces that it was planned to improve have been rehabilitated and improved: <ul style="list-style-type: none"> <li>- Renewal of Tomás Cózar Street and adjacent Beatas Street. The area affected by this action is 1 916 m<sup>2</sup> in size.</li> </ul> </li> </ul>

	<p>- Urban Renovation axis Madre de Dios-Montaña-Dos Aceras. The last section next to the Plaza Montaña remains to be completed. The area affected by this action is 2 933 m<sup>2</sup> in size.</p> <ul style="list-style-type: none"> <li>• New services for social inclusion, especially of disadvantaged groups – children, immigrants and seniors: more than 600 people from vulnerable sectors involved in social inclusion projects.</li> <li>• Economic development, retail and services to new businesses: supported 70 microenterprises with grants, 10 initiatives were welcomed into the incubator.</li> <li>• Measures to reduce environmental pollution, mainly noise pollution.</li> <li>• Strengthening of participative democracy, citizenship and civic values: 34 associations have been strengthened, more than 400 citizens have participated in the assemblies of the project and more than 2 500 citizens have participated in the citizenship school activities.</li> <li>• More equal gender awareness through gender mainstreaming in all projects and activities.</li> <li>• Increased employability: more than 1 500 people have received benefits from employment services.</li> </ul> <p>The majority of these results are achievements based on the initial indicators provided.</p>
Expected impact	<p>The main expected impact has two dimensions. On the one hand, the recovery of Málaga's historical centre and restoration of its various functional capabilities, commercial, cultural, leisure and residential, through a strategy that combines sustainability, social cohesion, economic development and the knowledge society. On the other hand there is an expected impact on improving the quality of life of residents and the social inclusion and employment of the most excluded. All the activities and services implemented should contribute to these objectives. There is no information available about impact assessments, although deduced the possible effects can be from the partial evaluations of the various activities.</p>

## 2. POLITICAL AND STRATEGIC CONTEXT

	<p><b>National and regional contexts</b></p> <p>At national level the issue of the recovery of the historical centres of Spanish cities and in particular their cultural and architectural heritage is and has been a crucial issue for urban development, for the welfare of their citizens and for economic competitiveness. Great efforts have been made in this field, linking the recovery of the cities with employment and social inclusion projects. The Urban Initiative experience in Spain is a good example, as is the implementation of the ERDF and the Cohesion Fund.</p> <p>Regarding urban development, the <i>Estrategia Nacional de Sostenibilidad Urbana y Local</i>, developed by the Ministries of Development, Housing, Public Administration and Environment (which is in charge of coordination and secretariat) should be mentioned.</p> <p>National Priority 5 is on 'Sustainable local and urban development' (approx. 10.1% of total investment) where up to 60% of resources will be allocated to integrated projects for the regeneration of districts or municipalities with more than 50 000 inhabitants, small municipalities and rural areas. Other projects are planned with a view to improving tourist services and protecting and preserving the cultural heritage.</p> <p>Urban and local development is conceived of as a main axis in the ERDF operational programme 2007-2013. The main objective is to reinforce local and urban development strategy following the European cohesion policy guidelines.</p> <p>Concerning bigger municipalities (over 50 000 inhabitants and provincial capitals), an innovative urban initiative has been implemented, covering all the national territory. It will continue the previous URBAN initiative, promoting integrated projects for sustainable urban development. Within every regional operational programme, an amount will be earmarked for integrated development projects; normally €10 million for each city, except for those programmes with a smaller financial allocation.</p> <p>At regional level, the Autonomous Community of Andalusia is one of the most disadvantaged regions, with higher social and economic deficits: its unemployment never falls into single digits, even in periods of economic growth. Andalusian cities, both their historical centres and their peripheries, suffer from persistently run-down physical environments, poor quality housing, social exclusion and a lack of economic development. European funds have played a crucial role in active employment</p>
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	<p>policies, social cohesion and local development projects.</p> <p>The Andalusian OP aims to recast current urban models and develop a comprehensive project of city and urban life based on a new logic of economic, social and environmental sustainability. This is considered essential in a predominantly urban region such as Andalusia, with a system of cities characterised by an adequate distribution of ranges and sizes, and a decentralised model of land occupation. The interventions developed within this priority aim to achieve the double goal of (1) ensuring a minimum quality of life, regardless of place of residence, and (2) empowering the urban areas economically, contributing to territorial balance in the distribution of activity and population. They seek to recover a more balanced and comprehensive vision of the economic, social and cultural systems of the city, which can overcome the logic of unlimited growth alone as the engine of urban development.</p>
<p>The planning context</p>	<p><b>Local and regional plans</b></p> <p>The project works in the urban area defined by the PEPRI (Special Recovery Plan of the old city) developed in 1990, which is the plan that gives coherence to all urban interventions. Previously the city of Málaga had established the General Urban Plan (PGOU) an instrument that sets out the planning rules and norms. In subsequent years Agenda 21 was launched, which has also become a reference, likewise the Málaga Strategic Plan of 2006. Finally, the city launched the URBAN I Initiative (1995) in the same urban area, and this serves as a precursor to the current project.</p> <p>In the period between 1960 and 1980, the city was dominated by disorderly economic development driven by tourism and construction, and as a result experienced considerable physical growth – the population more than doubled from 250 000 in 1960 to 503 000 in 1980. The city grew radially outwards, abandoning the central and historical city and allowing it to deteriorate. All planning processes have focused on the recovery of the historic centre.</p>
<p><b>3. IMPLEMENTATION</b></p>	
<p><b>3.1. PROJECT DESIGN AND PLANNING</b></p>	<p><b>The origins of the approach</b></p> <p>With the URBAN Community Initiative launched in 1995, the Málaga local authority started the recovery of the historical centre of the city that has continued until today. Between 1995 and 2006, using various funding sources including the ERDF, important parts were recovered. In this period the main areas developed lay inside the ancient city walls, which form part of the PEPRI boundary. It is a relatively large historical centre, covering 40 hectares, and was in a very poor physical condition, as there had been no public or private investment since the 1960s. Now, the improvement of the environment is clearly visible as a result of public and private efforts. The ‘extra-muros’ area outside the old city wall, called the <i>arrabales</i> and consisting of several neighbourhoods, is the focus of the new <i>Iniciativa Urbana</i> project.</p> <p><b>Analysis and needs assessment underpinning the approach</b></p> <p>The project is based on the analysis and diagnosis made by the European Affairs Service of the City of Málaga (<i>Servicio de Relaciones Europeas</i>). It assumes that the historic centre of Málaga is not only the oldest area of the city but is versatile and laden with a symbolic function representing the image of the city. The centre has suffered a process of degradation in recent decades. The process of marginalisation and isolation of the historical centre not only caused the loss of population and the physical deterioration of public space but the abandonment of the functional capacities of the city centre area. The city’s Special Plan for Protection and Reform of the Historical Centre (PEPRI) was approved in 1990 to respond to this need for the recovery of the area.</p> <p>The area has been losing population, and the population has been aging (18.65% of residents are over 65 years old, compared with 14% in the rest of the city), with aggravated situations of isolation and living alone. The population of foreign origin is rising (11% in the historical centre and 6.8% in the rest of the city) and people have a very low educational level (44.2% are uneducated, in the whole city the rate is 30%). Incomes are low (averaging 75% of those in the whole municipality) and the unemployment is higher than the city average (25% in the area and 12.4% at city level). These high levels of social exclusion have been feeding a kind of sub-culture of exclusion, conflict and increasing obstacles to coexistence.</p>

The crime rate is also higher in the intervention area; whereas in the whole of Málaga this ratio is 10.2 crimes per thousand inhabitants, in the area the ratio is more than double at 23 crimes per thousand inhabitants.

The deterioration of the historical centre is compounded by a combination of several factors such as poor quality of buildings, property disputes and occupations, the economic difficulties of the owners and property speculation.

### **Selection by the Managing Authority and devolved administration**

For municipalities with over 50 000 inhabitants, (where 67% of the Spanish and 50.45% of the Andalusia population is concentrated), an innovative urban initiative ('URBANA') covering the whole country is expected to be created. This is conceived as a continuation of the Urban Community initiative promoting integrated sustainable urban development projects in Spanish cities of over 50,000 inhabitants and provincial capitals. The best projects submitted were supported following a national call.

The Management Authority is the General Department for Administration of the ERDF, located in the Directorate General for Community Funds of the Ministry of Economy and Finance.

The intermediate body is the General Directorate for European Funds, Ministry of Economy and Finance of the Government of Andalusia (*Dirección General de Fondos Europeos de la Consejería de Economía y Hacienda de la Junta de Andalucía*), designated in accordance with Article 59.2 of Regulation (EC) 1083/2006.

The governance scheme among the institutional levels is based on a direct relationship between the national and the municipal levels. To a certain extent, this is seen as compensation for the strong regional autonomy of the Spanish model. One aspect of the Spanish system is that no ministry exists that is explicitly dedicated to urban development. Coordination and technical support to the evaluation process is carried out by a private company (this is the first time that such a procedure has been used).

Cities responding to the eligibility criteria defined by the national scheme apply to the Managing Authority operating at national level, and are appointed as intermediary bodies implementing the operational programme at local level. Through a contract (*acuerdo sobre atribución de funciones*), cities receive a standard block grant (usually €10m). Integrated development projects proposed by the city are nevertheless required to fit into the most general regional strategy (MER AN, EADS). The integrated programme is approved by an interministerial committee comprising the Ministry of Economy and Finance, acting as Managing Authority, together with representatives of the Ministry of Housing and Ministry of Environment.

The selection process appears to be robust and the agreements contained in the contract mitigate risk. There are clearly risks for the managing authority in the devolved approach as all expenditure is approved at a lower level.

### **Future sustainability**

First, the project improves the most run-down spaces physically, enabling the consolidation of new spaces and improving the quality of the urban environment. Also items of infrastructures launched by the project – community and public facilities such as the childcare centre (*ludoteca*), new museums, shops and the new civic centre – will remain and ensure sustainability to the regeneration strategy.

Second, in the social and citizenship area, the project establishes new methods and creates social networks that strengthen processes and local actors. This is the case of community organisations, associations and new spaces for interaction promoted and strengthened by the project. Partnerships have been able to meet, interact and cooperate due to the existence of the *Iniciativa Urbana*.

Third, the project has also raised a form of cooperative management among different municipal departments, which has matured and strengthened during the project, encouraging the process of integrated development of the area.

These three elements, as they reach significant levels of consolidation, will ensure high levels of sustainability of the project (or some of its dimensions) and the urban regeneration process in the long term.

One aspect for transferability is the fact that the project is located in District 1 (Málaga has 10 municipal districts). The project methodology and its innovations can be transferred in the future to other districts.

	<p><b>The added value of EU support</b></p> <p>A project of this size and complexity could not have been implemented without the support of the EU funds. The ERDF can articulate different measures and interventions in a relatively short time, and thus concentrates resources and coordinates interventions consistent with each other in a bounded territory.</p> <p><b>Monofund or multifund approach</b></p> <p>The project itself only has ERDF funding and national cofinancing, but the recovery process of the historical centre, as a broader process, uses other funds, including the ESF regarding job creation. This is delivered through the state Adaptability and Employment OP, from which €2.4m of ESF funding has been allocated.</p> <p>In addition to physical interventions through the ERDF there was a further €60 million for the Bellas Artes Museum, through the redevelopment of the historic customs building.</p> <p>The Junta de Andalucía, through the ERDF and within the tourism programme, has approved a further €6m.</p>
<p><b>3.2. MANAGEMENT, MONITORING AND EVALUATION SYSTEM</b></p>	<p><b>Selection of project manager</b></p> <p>The project is led by the European Affairs Service of the City of Málaga. The technical staff of the service manages the project.</p>
	<p><b>The organisation of the management structure and distribution of the tasks</b></p> <p>The project management structure is organised around the European Relations Service, which directs strategy and coordinates project activities. It ensures complementarities and synergy between the heads of the main areas concerned by the project: urban planning, environment, employment and economic development, equality, participation and social rights. This decentralised structure of interventions and activities maintains a significant level of coordination, and allows a shared monitoring system.</p> <p><b>Human resources for managing the project</b></p> <p>At central level (Department of European Programmes), there are three people, including the director. At department level around 30 members of the staff of various departments and programmes are involved. Staff is of two types: those who belong to the permanent structure of the municipal services and those (about 20) who are hired for a limited period for specific programmes.</p> <p><b>The organisation of monitoring</b></p> <p>Monitoring is done by measuring the outcomes of each programme, and is carried out by the respective department. Globally, the European Foreign Service collects all the information to conduct regular monitoring reports.</p> <p>A significant component for strategic monitoring is the application of the GIS (Geographical Information System) through the creation of a Map Viewer <a href="http://www.programaseuropeos-malaga.com/urban/pagina.asp?cod=111">http://www.programaseuropeos-malaga.com/urban/pagina.asp?cod=111</a></p> <p>This technological tool created by the <i>Iniciativa Urbana</i> e-project, allows the evolution of the area where the project is implemented to be observed in terms of relevant indicators to measure economic development, cultural facilities, the presence of associations, population, traffic, and so on.</p> <p><b>Evaluation and monitoring reports</b></p> <p>The evaluation done so far has resulted in two audits of management control procedures, and certification costs, according to art. 13 of the ERDF regulation. The project is currently in the process of organising the system of evaluation of outcomes and impacts.</p> <p><b>Evaluation approach</b></p> <p>There is a self-evaluation by the staff of the different departments. They measure the achieved results and compare them with the expected results defined at the beginning. In some cases there are quantified results, while other cases deal more with qualitative aspects, with processes of increasing capacities and cooperation, where it is difficult to establish objective indicators.</p> <p><b>Unexpected issues</b></p>

	<p>The key issue has been the huge increase in unemployment in the city and especially in the historical centre. The project is trying to strengthen support to unemployed people.</p>
<p><b>3.4. GOVERNANCE: PARTNERSHIP, PARTICIPATION AND EMPOWERMENT</b></p>	<p><b>The composition of the partnership</b></p> <p>The partnership established by the project can be considered at three levels:</p> <ul style="list-style-type: none"> <li>• First, an area of cooperation with citizens and civil society organisations through the organisation of the Assemblies of the <i>Iniciativa Urbana</i>, a series of regular meetings between municipal officials, civic associations and citizens. In these assemblies citizens are informed of the activities of the project and have an opportunity to make proposals to municipal officials.</li> <li>• Second, there is a partnership within the municipal government, which involves all the departments concerned with the Urban Initiative: European Affairs Service, Municipal Institute of Training and Employment, PROMALAGA (Municipal Corporation), Environment, Social Rights Area, Planning Department, and Central District. A Commission of the Historical Centre was created within the local authority to establish procedures for coordinating, planning, monitoring and evaluation. The intra-municipal cooperation should ensure the integrated approach of the project.</li> <li>• Third, Málaga participates in the national network of <i>Iniciativas Urbanas</i>. The Urban Initiatives Network is one of the sector networks provided for in the Spanish Benchmark Strategic Framework for the 2007–2013 funding period as one of the main coordination mechanisms with regard to urban development and community funds.</li> </ul> <p>The network's permanent members include the bodies responsible for national and regional urban policy, the Spanish Federation of Municipalities and Provinces, representatives from local government with a particularly significant involvement in the management of community funds and the European Commission.</p> <p>The Urban Initiatives Network is co-chaired by the Ministry of Finance and the Treasury (Department of Community Funds) and the Ministry of Housing (Department of Land and Urban Policy), with the Ministry of Housing's Sub-department of Land Policy as the permanent secretary.</p>
	<p>The roles and motivations of the individual partners are very diverse. Local associations have seen in the Urban Initiative an opportunity to increase their presence, strength and dialogue with the municipal government. Many people participate actively as beneficiaries and users of services. Entrepreneurs benefit from the resources of the project and contribute their business ideas and innovations.</p> <p>Residents, beneficiaries and community organisations are very involved in the project through their participation in programmes and activities, attending the Assemblies of the <i>Iniciativa Urbana</i> (periodic meetings with policy-makers) or holding planning and monitoring meetings on different topics of interest to the various associations. The trade association is actively involved in the project.</p> <p>The role of the local authority is a key role. It plays a real role of leadership and coordination of different stakeholders of the city.</p> <p>The leadership of the project was provided through the Málaga local authority and its European Affairs Services.</p> <p><b>Political support</b></p> <p>The project has broad and deep political support from the local authority. One indicator is that the Assemblies are chaired by the mayor and all elected councillors are present in the dialogue with the neighbours. There is a real accountable process and a reception of neighbours' proposals.</p> <p><b>Innovative aspects to the partnership working</b></p> <p>The project adopted a 'variable geometry' approach to building the local partnership. First, there are the Assemblies of the Urban Initiative as a forum for dialogue, accountability and evaluation of the current activities and results achieved by the project. Neighbourhoods, associations and local councillors are members of these forums. Second, there is micro-level participation, linked to different types of activity that take into account the participatory component of people or groups concerned with certain problems and solutions. Third, the School of Citizenship is an innovative</p>

tool as a mechanism that enhances coordination and synergy between associations. The Historical Centre Commission is another strategic tool to ensure cooperation among the different departments of the municipality.

#### 4. INNOVATIVE ELEMENTS AND NOVEL APPROACHES

##### **Innovation in project design and implementation**

Regarding the design, the project approach is based in a multifunctional urban strategy combining projects addressed to the residents and tenants with projects addressed at the area's attractiveness (commercial, touristic, cultural etc.)

Regarding planning, what should be highlighted is the integrated approach of the project and the participation of different stakeholders within the municipality in defining priorities and interventions.

Regarding management, there is the Historical Centre Commission, presided by the mayor of Málaga where the heads of the different departments involved in the project are represented.

##### **New approaches to communicate and disseminate the project's ongoing work and results**

There is a great concern with communication and dissemination, and several instruments and mechanisms are used to ensure good communication with the residents of the Historical Centre and with the whole city of Málaga. All activities are advertised via channels such as posters, brochures and websites. Listening to citizens and building good links and dialogue with them in the framework of the various activities launched by the project, is a priority.

Some initiatives and schemes are going to be applied in other districts of the city, given the success of their implementation in the *Iniciativa Urbana*.

The city of Málaga is known in the Spanish context as a city with a high level of innovation in environmental issues, urban planning and governance. The city has participated in several networks of cities worldwide, and has experience of innovative approaches in local management.

#### **4.1. KEY IMPLEMENTATION CHALLENGES AND PROBLEM-SOLVING PRACTICES**

##### **Implementation challenges**

Some obstacles and challenges that the project has to face are:

- The main unexpected challenge had a strong negative impact. This is the increase in unemployment during the period of execution as a result of the financial crisis. Unemployment in the whole city of Málaga has risen from 12% at the start of the project to over 30% today. This has meant having to reinforce employment programmes, support entrepreneurial initiatives and take the risk of higher levels of social exclusion, especially for the most disadvantaged and low-skilled.
- Another challenge deals with the harmonious combination of urban functions and applications, taking into account that the historical centre is envisaged as becoming multifunctional and sustainable. In particular the reduction of vehicle traffic throughout the area of intervention is a constraint and an obstacle to the residents and it is only functional for visitors. The project tries to negotiate more flexible parking regulations, schedules, etc.
- Another challenge has to do with the availability of new housing for young people, needed to counter demographic trends (aging) in the historical centre. The slow growth in social housing supply delays the overall project objective of creating a new demographic and social composition in the area.
- In the area of citizen participation, the project is constantly changing because the formulas and procedures to ensure greater participation must be constantly renewed, to work towards greater resident involvement in the project itself.
- There is also the slowness of procedures for opening new businesses, according to municipal regulations. The bureaucratic rules often prevent a more dynamic start-up of new businesses. This issue is being negotiated between the project leaders and municipal departments in charge of these administrative rules.

#### **4.2. THEMATIC FOCUS**

##### **Sustainable integrated urban development under Article 8**

The project is of particular relevance to Article 8, as it has made great efforts to adopt an integrated approach to addressing the various problems concentrated in the intervention area. Physical rehabilitation has improved the urban quality of the most



run-down sites of the area, improved the road network and increased the number of pedestrian streets.

This effort has been accompanied by the promotion of economic activity in order to facilitate the opening of new small business, mainly in commerce. New social and cultural facilities have been built or are under construction, such as the civic centre, the childcare centre and the Carmen Thyssen Museum. These new buildings have been built on derelict land (brownfield redevelopment). New services are being set up to serve at disadvantaged social groups such as elderly people, immigrants, and young people.

The integrated approach is driven by the management organisation composed of various local authority departments working in the area through the Historical Centre Commission chaired by the mayor.

The project is based on the sustainability of interventions focused on transforming the degradation process into a virtuous circle of sustainable development. This promotes urban quality, strengthens civil society organisations, encourages the arrival of new residents (young couples) and consolidates new social and cultural facilities as well as the commercial fabric.

Citizen participation has been enhanced through the creation of spaces for civic associations, people's participation in project activities and, through citizens' assemblies, creating space for monitoring, accountability and cooperation between the municipality and the citizens.

## 5. FUNDING

Funding came from both the ERDF and the ESF.

The budget of the *Iniciativa Urbana* project is as follows:

- ERDF contribution: €10 044 432.
- contribution from the city: €4 304 757.

The project matches with other national funding. In parallel to the *Iniciativa Urbana*, other funds have been captured, for example, ESF addressed to job creation and vocational training. Through the OP of the central government (Adaptability and Employment), €2.4 million has been added to the project. It is not thought that the MA or city used the cross-funding opportunity offered under Article 8.

In addition to physical interventions through the ERDF there was a further €60 million for the fine arts museum, through the redevelopment of the historic customs building.

The Junta de Andalucía, through the ERDF and within the tourism programme, has approved a further €6 million.

The weight of the project in the city's annual budget is around 0.2%. But we must remember that the city's budget also includes items such as the staff spending of departments that are involved in the project.

### **Private sector leverage generated by public funding**

The project has measured the private investment of the new enterprises created and supported. Grants of €560 000 have been awarded, and have prompted the entrepreneurs to make €3 434 000 worth of investments.

In other areas, this generation of private contributions has occurred but has not been measured or quantified in monetary terms, for example, in terms of the improvement of dwellings or buildings as a result of the improvement of public spaces, new pedestrian streets, etc., which is occurring as a result of the project.

Likewise, the regeneration of the historical centre is attracting new residents, visitors, consumption, shopping, and so on, that generates investment by the private sector and new consumption by visitors. This is a virtuous circle that will strengthen the historic centre.

## 6. PROJECT ASSESSMENT

### 6.1. SUSTAINABILITY

Because Málaga local authority is leading this initiative and the whole process of regeneration of the historic centre, it is assumed that the regeneration process will continue once the current ERDF funding ends. Probably, learning outputs in terms of policy coordination, public participation and innovations in the field of social cohesion will be assets for the 'exit-strategy'.

**Continuity from a previous funding phase**

	<p>Previously, the regeneration and recovery process of the historic centre of Málaga had an Urban I project and other funds from the ERDF and ESF. So when this project was implemented there was a broad background of experience. It can be considered as a new phase of the regeneration process of the area.</p> <p><b>Mainstreaming</b> The current project builds on an earlier URBAN I programme (1995-1999).</p>
<p><b>6.2. TRANSFERABILITY</b></p>	<p>There are some individual innovative elements that can be highlighted regarding their potential for transferability once tested with this project.</p> <p>This has already happened with the time bank (<i>banco del tiempo</i>) an innovative mechanism to facilitate voluntary (non-monetary) exchanges of services and time among neighbours. The bank is a sort of platform managed by associations where people's supplies and demands meet and can be exchanged. It stimulates volunteering by providing a framework in which this can take place and be validated. Another initiative to be transferred to other urban areas of the city is the network of volunteer carers that has caused a real strengthening of care services for dependent people. Likewise, the process of citizen participation and the Citizenship School is going to be applied in other districts of the city.</p> <p>At a broader level, the OMAU (Observatory of the Urban Environment) belonging to the Málaga municipality should be mentioned. The OMAU was created in the framework of the URB-AL programme during the period 2000-2006. The observatory gives continuity to those exchanges in the field of the urban environment including <i>inter alia</i> city configuration, natural resources, social cohesion and economic development, and citizen participation and local governance.</p> <p>The observatory regularly monitors 37 environmental indicators in the city of Málaga and in the partner cities adopting the Integrated System of Urban Indicators initiated by UN-Habitat.</p> <p>The observatory is a platform for exchanging urban practices and for training. It also operates the CDPU documentation centre of the URB-AL programme.</p> <p>The observatory could become a very useful platform to transfer good practices and innovative aspects of the <i>Iniciativa Urbana Arrabales</i>.</p>
<p><b>6.3 PROJECT RESULTS</b></p>	<p><b>Outputs</b></p> <ul style="list-style-type: none"> <li>- 70 small business supported with grants</li> <li>- 20 new microenterprises located in the incubator</li> <li>- 300 unemployed people undergoing vocational training</li> <li>- 150 people have participated in training courses to start up a new business</li> <li>- 1 000 people have been supported with guidelines on searching for jobs</li> <li>- 60 women trained in traditional men's jobs</li> <li>- 34 associations take part in the steering group of the Citizenship School and around 2 500 citizens have participated in activities launched by the school</li> <li>- 30 young people participate in the <i>Convive Málaga</i> programme</li> <li>- 230 elderly people participate in the Active Life school</li> <li>- 120 children participate in the Support Centre for children and teenagers</li> <li>- 200 people use the time bank (<i>banco del tiempo</i>)</li> </ul>
<p><b>7. CONCLUSIONS: KEY SUCCESS FACTORS AND LESSONS LEARNED</b></p>	
	<p><b>Five success factors</b></p> <ol style="list-style-type: none"> <li>1. The regeneration process and the strategy adopted aims to combine welfare, inclusion and a vibrant experience of citizenship for the residents, with an improvement of the attractiveness of the area for visitors and tourists. That means avoiding gentrification. This decision remains central at the practical and operational level which ensures positive action for the residents through the delivery of services and resources.</li> <li>2. A clear political commitment to creating a sustainable city, which drives measures to control noise, curb vehicle traffic and increase pedestrianisation. Economic growth should have clear limits and restrictions due to environmental factors.</li> <li>3. People at risk of exclusion should be integrated in the urban environment, avoiding isolation and stigmatisation. This is the reason why the programme gives</li> </ol>

	<p>priority to socialisation.</p> <p>4. A strong system of coordination and partnership within the municipality, with a clear political leadership, is crucial to achieving a real integrated approach and to ensure synergy and complementarities among projects and services.</p> <p>5. Mixing in a balanced way non-profit organisations, volunteers, staff of public services and individual citizens to achieve confidence and social capital, as key resources for successful interventions within the community.</p>
<b>8. CONTACT INFORMATION</b>	
	<ul style="list-style-type: none"> <li>• Website of the <i>Iniciativa Urbana</i> <a href="http://www.programaseuropeos-malaga.com/urban/pagina.asp?cod=24">http://www.programaseuropeos-malaga.com/urban/pagina.asp?cod=24</a></li> <li>• Website of the GIS (Geographical Information System) <a href="http://www.programaseuropeos-malaga.com/urban/pagina.asp?cod=111">http://www.programaseuropeos-malaga.com/urban/pagina.asp?cod=111</a></li> <li>• <b>Begoña Oliva Pérez</b> Servicio de Programas Europeos Tel: +34 9519 28843 <a href="mailto:programaseuropeos3@malaga.eu">programaseuropeos3@malaga.eu</a> <a href="mailto:urbanmalaga@malaga.es">urbanmalaga@malaga.es</a></li> <li>• City Council: <a href="http://www.malaga.eu/">http://www.malaga.eu/</a></li> </ul>
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