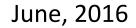


Ministry of Environmental Protection and Regional Development Republic of Latvia

Methods and Instruments Used for Urban Revitalization in Latvia

Indra Ciukša





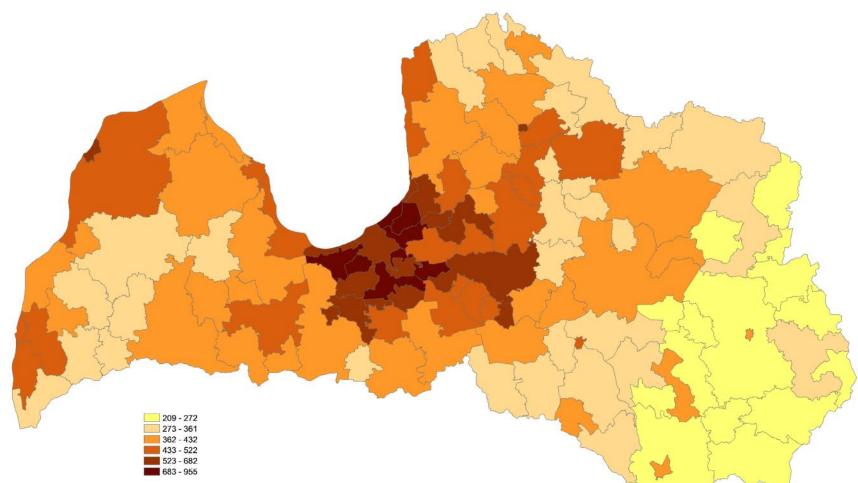








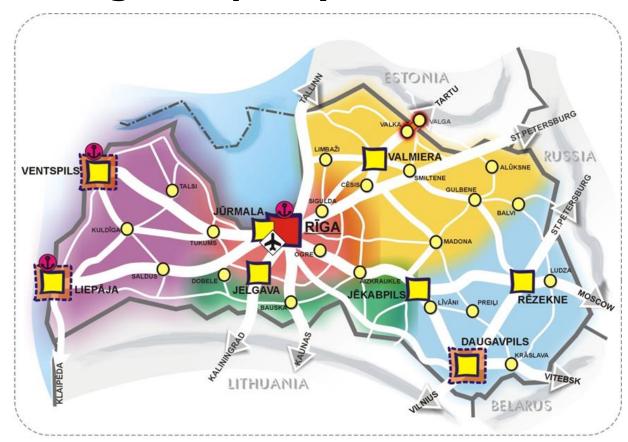
Regional development tendencies

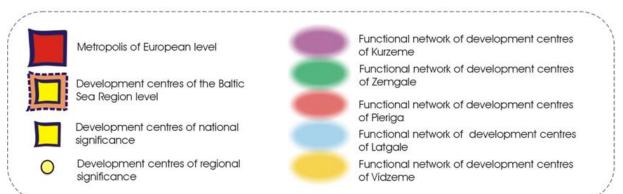




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Regional policy framework







Urban areas in Latvia

- 77 cities and towns, including:
 - ❖ 9 republican cities more than 20 thousand inhabitants
 - ❖ 4 cities more than 50 thousand inhabitants
 - ❖ 21 regional centres 5 to 20 thousand inhabitants
- Largest city Riga more than 640 thousand inhabitants
- Smallest town Durbe 527 inhabitants
- Urban areas cover 11% of all the country
- ❖ Degree of urbanisation 68 %



The most urgent urban challenges

Economical and social:

- high unemployment, increasing poverty rate,
- insufficient business environment and need for new jobs
- lack of skilled labour
- outdated infrastructure networks

Demographic:

- population decline, brain drain
- ageing population, need to review the service network of local governments, etc.

Environmental and climate:

- deprived and contaminated territories in former industrial areas
- low energy efficiency of buildings, poor condition of heating networks that causes high heat losses 5



Largest cities demonstrate higher growth potential

Indicator	Republican cities	Municipalities containing regional centres	Other municipalities (without Riga agglomeration)
Unemployment level (%)	7%	9%	10%
Income tax per one inhabitant in municipalities budget (EUR)	531	407	339
Number of enterprises per 1000 of inhabitants	34	23	15



Policy approach in strengthening urban areas

- Integrated local development strategies
- Investment concentration in development centres
- Wider use of place based and integrated solutions
- «Basket» of services for each level of development centres
- Thematic focus of investments
- More active role of municipalities in promotion of development



Methods and instruments for urban revitalisation

- Planning
- Financial
- ❖ Fiscal









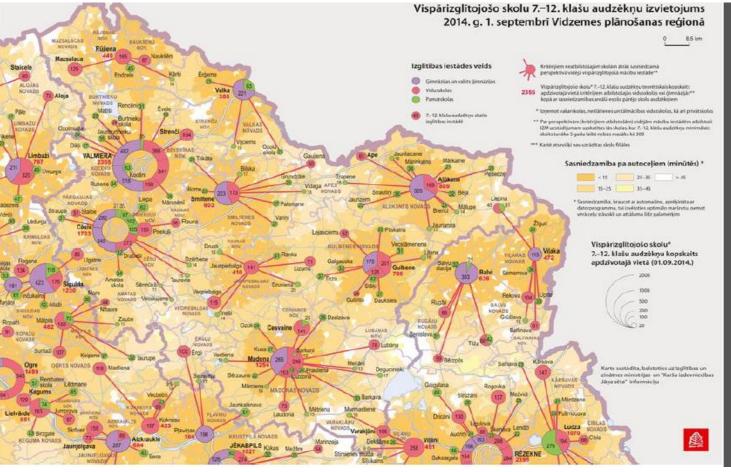


Development programs of local municipalities

- To assess challenges and resources at disposal of territory
- To present a clear vision and solutions for more efficient use of the resources
- ❖ To facilitate targeted planning of actions and investments
- To facilitate attraction of investments from all the available sources
- To facilitate recognizable image of the territory (territory marketing)

«Basket» of public services for investment





- Differentiated amount of public services related to each level of settlement
- Basket of services defined for services in education, health, culture, social care, sports
- Higher levels of settlement should provide for wider amount of services



Financial tools

EU funding – the main financial source for urban development (incl. revitalisation)

2007-2013	2014-2020
Specific territorially targeted measures	Specific territorially targeted measures
(Polycentric development)	(Integrated Territorial Investments)
Sectoral measures	Sectoral measures

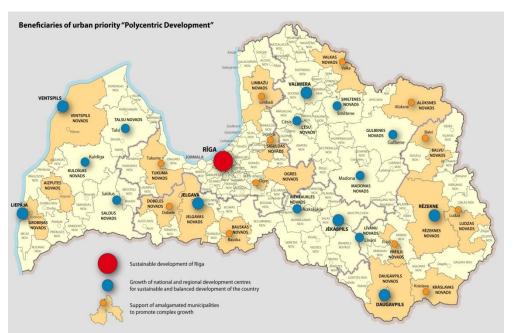


EU funds 2007-2013

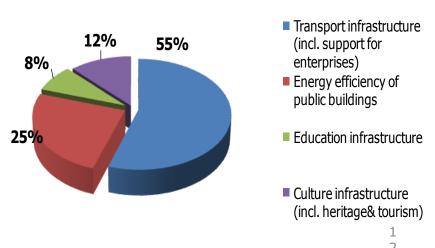
ERDF priority "Polycentric development"

Activities

- Sustainable development of Riga
- Growth of national and regional development centres
- Growth of amalgamated municipalities



Total funding: 323 M EUR





EXAMPLE (I) Riga city – complex renewal of deprived neighbourhood







EXAMPLE (I)Renewal of the «Spīķeri» block

Before







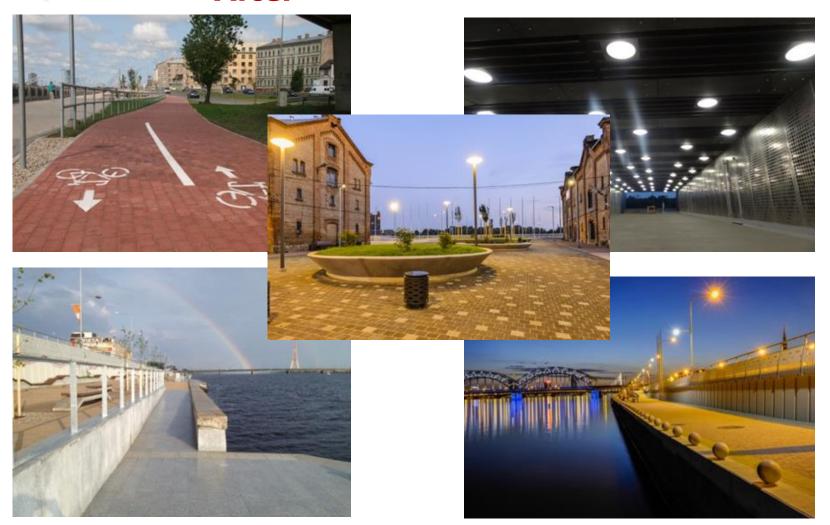




Republic of Latvia

EXAMPLE (I)Renewal of the «Spīķeri» block

After





EXAMPLE (II) Daugavpils City – renewal of historical fortress area





EU funds 2014-2020

Urban development – ITI investments

Specific Development Objective	ERDF	including 9 cities
3.3.1. Infrastructure for entrepreneurship	64 219 292	16 114 183
5.6.2. Revitalization of deprived areas	262 623 652	120 237 953
8.1.2. Infrastructure for general education	142 484 746	62 226 934
8.1.3. Infrastructure for vocational education	89 068 647	5 711 177
4.2.2. Energy-efficiency of municipalities	46 996 394	31 299 565
9.3.1. Social services	41 241 194	13 450 032



Preconditions for public business support infrastructure

Business demand

- Clear link between business demand and gap's in infrastructure
- ❖ Support for connections <u>not</u> for the entire infrastructure of municipality
- ❖ Infrastructure has to show positive impact on entrepreneurs performance: number of job places and attracted private investments

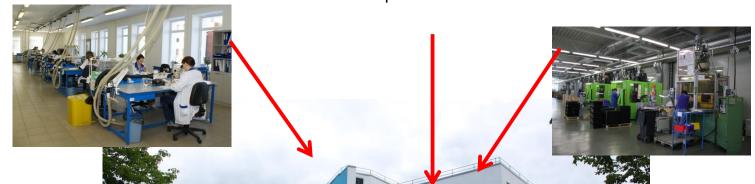
Partnership with entrepreneur

- Entrepreneurs as final beneficiaries
- Priority to exporters and manufacturers
- Project ideas are part of Local Development Program and are selected by municipality

EXAMPLE (I)

Trainings for empoyees

Building or reconstruction of Equipment, technologies premises



Private investments

Public investments

Power supply, gas supply

Water supply and sewerage, rainwater drainage system, heating system

Access roads



Fiscal tool

❖ Real estate tax

- the right to local municipalities to vary the tax rate for individual private owners (0,2 - 3% from cadastral value)
 - can be used as stimulus/motivation for private owners to develop their property



Capacity building tools

❖ ESF 2007-2013 activities

The purpose – to improve development planning capacity



❖ Norwegian financial tool 2013-2016 activities

- The purpose:
 - to improve the development planning skills
 - to strengthen the ability of local and regional authorities to improve the business environment, providing necessary support to entrepreneurs



EXAMPLE (I)

«Knowledge Angels» programme for local governments

- The purpose to improve the skills of municipal staff responsible:
 - for consultative work with local community in development and commercialization of creative business ideas
 - advisory work to increase the competitiveness of existing companies







EXAMPLE (III)Future City Game

- Interactive methodology for urban development planning
- Involvement of different players in designing local development
- Generation, testation and presentation of innovative ideas for better living environment





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Thank you!

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