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Author:  
**Christian Iaione**  
*UIA Expert*



The Urban Lab of Europe !

# The CO-CITY project Journal N° 4

*Project led by the City of Turin*



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## The Co-City project

The Co-City project looks at the transformation of abandoned structures and vacant land in hubs of resident participation in order to foster the community spirit as well as the creation of social enterprises. The implementation of the Regulation on the urban commons will be driven in Turin by the implementation of “pacts of collaboration” between residents or associations and the local authority based in most of the cases on taking care of public spaces, or on the reuse of abandoned urban spaces and structures. The creation of new forms of commons-based urban welfare will promote social mixing and the cohesion of local community, making residents actor of the urban change while the local authority will act as facilitator of innovation process already ongoing in the urban context. The use of innovative ICT platforms, such as the urban social network First Life developed by the University of Turin, and the active collaboration of the network of the Neighborhood Houses (Case del Quartiere) will contribute to combine virtual and physical dimension, involving different types of public in the center as well as in the suburbs of the city in this wide action of urban regeneration against poverty and social exclusion.

The regeneration of abandoned or underused spaces in different areas of the city will contribute to create new jobs in the social economy sector through the creation of new enterprises emerged along the process of residents’ participation initiated and facilitated by the city of Turin together with the network of the Neighborhood Houses.

The definition and the implementation of several pacts of collaboration will improve the participation of residents in different parts of the city, fostering the commitment of the citizens towards a more inclusive and cohesive city.

The content of this journal does not reflect the official opinion of the Urban Innovative Actions Initiative. Responsibility for the information and views expressed in the journal lies entirely with the author.

**Partnership:**

- Comune di Torino – City of Turin.
- Università degli Studi di Torino - University
- Fondazione Cascina Roccafranca – NGO
- ANCI - Associazione Nazionale Comuni Italiani - National Association of Italian Cities

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# 1. Executive summary

Through the Co-City project on collaborative management of urban commons to counteract poverty and socio-spatial polarization that started in mid-2017, the City is investing on the urban commons as a lever for addressing key urban governance issues such as poverty and target the most vulnerable communities in the City. The **UIA Co-City** project is carried out through a partnership with the Computer Science Department and Law School of the University of Turin, the National Association of Municipalities (ANCI) and the Cascina Roccafranca Foundation as the of the leader of the Neighborhood Houses Network. It aims at coordinating the efforts of different urban actors in promoting the implementation of the Turin Regulation. The project provides the renewal of real estate and public spaces considered as urban commons, as instrument of social inclusion and against poverty in many deprived areas of the City. The project is coordinated by the City Department for Decentralization, Youth and Equal Opportunities. The Neighborhood Houses is a policy and network that the city of Turin is implementing since 2006 to promote the diffusion of community spaces all over the city and represents a key platform for the project's implementation. In the Neighborhood Houses Network, city inhabitants find information on the Co-City project and the different opportunities it offers. They will find there the necessary support for drafting proposals of pacts of collaboration as well as the opportunity to meet other city inhabitants interested in establishing a cooperation to take care or regenerate the same urban commons.

The **first Co-City journal**, published in January 2018 retraced the overall architecture of the project

and provided an overview over the challenges its implementation poses to the City of Turin. The **second UIA Co-City journal**, published in June 2018 looked deeply into the results of the calls for proposals for pacts of collaboration and the first steps carried out by the City of Turin in the pacts' co-design phase. The journal also provides an update on the other project's activities that are tackling the challenge of innovation of public procurement at the local level: the participation of the City of Turin and the UIA expert Christian Iaione to the Urban Partnership of the Urban Agenda for the EU on Innovative and Responsible Public Procurement and the process of learning and exchange activated at the Italian level. The **third UIA Co-City Journal**, published in February 2019 provides an update on the project's activities at the local, national and EU level and takes a deeper look at the basket of pacts of collaboration that are more advanced at this stage of the process. A **first zoom in** analyzed empirically and in depth the proposals of pacts of collaboration.

This fourth Journal intends to shed light on how the Co-City Turin project is making impactful progresses at the local, national and EU level. At the local level, the first pacts of collaboration were officially approved and a new version of the Regulation for the Urban Commons, updated building on the knowledge generated by the Co-City project was issued. At the national level the Co-City project is offering an important contribution to the debate between cities and national institutions such as ANCI in terms of the importance of conducting urban experimentations through innovative forms of

partnership and public procurement. At the international level, the City of Turin's participation to the Urban Agenda for the EU through the Urban Partnership on Innovative and Responsible Public Procurement, which includes urban authorities, a Member State (Italy), observers and associations (CEMR, EUROCITIES, URBACT) and the European Commission (DG REGIO and DG GROW) produced a positive influence also through the initiation of a joint action. The result was the forge and adoption of the urban innovation partnership approach by the Action Plan of the Urban Partnership on Innovative and

Responsible Procurement, which today expressly contemplates the Co-City project legal and governance tool as one of the fundamental pillars of a possible EU policy and strategy to enable inclusive and responsible through procurement rules of cities. The next steps of the Co-City Turin project will go in the direction of consolidating the legal tools provided by the project, by finalizing more pacts of collaboration co-designed in the first rounds, approving the new version of the Regulation, working on positioning the pacts of collaboration as the first generation of *urban innovation partnerships*.

## 2. The Co-City project progresses at the local level

At the local level, the first pacts of collaboration were officially approved and a new version of the Regulation for the Urban Commons building on

the knowledge generated by the Co-City project was issued.

### 2.1 The first pacts of collaboration signed in February 2019

The call for proposal of pacts of collaboration issued by the City of Turin at the very beginning of the Co-City project resulted in a great success in terms of civic participation. A total of 63 proposals of pacts of collaboration were admitted to the co-design phase. A detailed analysis and evaluation of the proposals under the profile of their impact in terms of the quality of democracy (in particular the sub-dimension of rule of law and equality) was offered in the first Zoom-in<sup>1</sup> of the Co-City project, published in June 2018 and available here. Here we will limit the scope of analysis to the narration of the main features of the proposals in terms of their goals and the first steps achieved through the starting phase of the co-design path.

On 13 February 2018 and then 6 March 2018 the City Government issued two deliberations through which one proposal for measure A, 4 proposals for measure B, 12 proposals for measure B “schools” and 37 proposals for the measure C were admitted to the co-design phase. The prevalence of the proposals admitted comes from or involves primarily NGOs (47), a group of proposals (12) are presented or involve civic/social innovators (single citizens, informal groups), and 14 pacts

are proposed by a knowledge actor (schools, center for studies) or involves them. The variety of the partnerships composition for the pacts’ proposals foresees a slight majority of bilateral pacts (21), a portion of multilateral, multi-stakeholder partnership (18) and multilateral, mono-stakeholder partnerships (15). The high number of multi-lateral, mono-stakeholder partnerships is determined by the pacts for schools, presenting a high variety of actors involved and the pacts belonging to measure C (care of public space). Those pacts are often presented by partnerships of NGOs, informal groups of city inhabitants, civic committees or neighborhood committees, knowledge actors, groups of shop keepers or cooperatives. Private actors both profit or non-profit such as businesses or foundations seem to be absent in the whole set of pacts of collaboration proposals. This might be overcome in the next rounds of call for proposals with a specific program of outreach activities that targeted these stakeholders. The 37 admitted proposals for measure C mostly address green public spaces (i.e. creation of community gardens for running social agricultural activities) or are aimed at providing open public spaces with

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<sup>1</sup> The Zoom-In is a document produced annually by UIA Experts analyzing in detail one specific element of the project they are working on.

facilities to enable social aggregation or sport activities (i.e. a skate park). The proposals are distributed between eight Districts. The District that presents the higher number of proposals admitted to the co-design phase is the District 8 (seven proposals) while the other districts present between three and six proposals.

The [third Co-City journal](#) provided a focus on 5 proposals that, according to the focus on the pacts of collaboration conducted in the Zoom-in, are the pacts that shows with more clarity the design principles of a “Co-City”. The pacts are: Casa Ozanam community hub; Habitat; Corso Taranto 160 – the intercultural center; the MUFANT; Falklab.

Two pacts among this group have been the [first two pacts to be approved and signed](#) by the City: Falklab and Corso Taranto 160 – the intercultural center.

The pact’s proposal Corso Taranto 160 foresees to expand the activities of the intercultural center of Turin in Corso Taranto 160, a city-owned and run facility that promotes social and cultural integration in the area (District 6).

In the Intercultural Centre of the City of Turin, for three years, a network of local NGOs (such as Actionaid, Associazione Janela, Mais, Re.Te. Ong, Vie d’Incontro Scs Onlus) will collaborate with the City in the management of a structure used as cultural and social hub by the families of this multicultural neighborhood. The project foresees also the creation of a small restoration activity inside the building, which could offer social job opportunities. The project also offers laboratories for achieving new competences (i.e. financial education, job tutoring). Through the Pact of Collaboration, the activities of social inclusion will be strengthened, and more

cultural events will be organized, to foster the active involvement of different categories of residents. Part of the structure located in Corso Taranto will be used by the NGOs committed to implement the Pact, while the City will provide support for the organization and promotion of activities.

The Intercultural center offers, to date, its own space to around forty NGOs operating in different sectors, although a stable collaboration on joint initiatives and projects has not been structured. The aim of the project proposal is to identify a unitary objective for the Center, because it can be a reference point for the city in the building of an intercultural dialogue and in promoting a sense of belonging to the neighborhood’s community. This pact proposal seems so far to be the most advanced, since all design principles are assessed as strong beside tech justice, where the pact still needs to improve its actions. The support of the City was key in this pact, although the support is not provided only in the form of public funding (also because the resources needed for such a complex project should be integrated with more important and differentiated forms of financial support) but in the form of organizational support and ultimately a partnership. What is particularly innovative of the Intercultural center pact is the entrepreneurial approach of the pacts’ proponents, that are prompt to self-organization and seem to have a sound vision and plan for a potentially sustainable economic mechanism (for instance, they are thinking about organizing a fundraising strategy starting with local foundations and incrementally growing to have access to national and EU level funding sources).

The Falklab Pact was proposed by a group of NGOs and residents to regenerate a structure



*Intercultural center Source: Co-City Turin.*

formerly used as school canteen, located in the heart of Falchera, just a few kilometers away from the Intercultural Centre. **Falklab** aims at activating artistic workshops for teenagers in an underused building inside a school complex in order to make the physical space located in the school buildings area a point for social aggregation of teenagers and their families. The renovation works required to enable the structure to host the workshops are mainly related to securing its energy efficiency.

Falklab was conceived more than a decade ago as informal youth centre of this deprived neighborhood. Falklab addresses the community around a primary and secondary school and the neighborhood inhabitants in a blighted area of the City of Turin. The project will allow several NGOs to animate the space with learning laboratories and networking events where parents, teachers,

students, neighborhood inhabitants can develop connections. The promotion of a dialogue among people of different age and cultures will be carried out through activities such as painting and ceramics labs, reading clubs, trainings for graffiti artists or activities of counseling to prevent and contrast school evasion. The space inside the school will be turned into a space in which to construe the identity of the neighborhood and encourage dialogue between different generations. In the Falklab pact, the role of the City is crucial to ensure the success of the initiative, an entrepreneurial approach is still moderate because volunteering was the initial boost for the group of NGOs involved and the transition to a sustainable and productive governance mechanism must happen without demolishing the social capital produced by the process of cooperation.



*Falklab structure. Source: Co-City Turin.*

## 2.2 The new Regulation for the Urban Commons

Building on the experience of the Co-City project, the City of Turin is working on an updated version of the Regulation for the Urban Commons, (on May 14<sup>th</sup>, 2019 the Turin City Government proposed a new text to the City Council). The new Regulation was produced through the joint effort and close collaboration of several Departments of the City of Turin and the University of Turin, coordinated by Professors Ugo Mattei and Roberto Cavallo Perin.

Three years after the approval of the first version of the Regulation on the Urban Commons, the City of Turin draw a picture of critical issues and opportunities for improvement, both on the basis of the experiences conducted so far by the City through the pacts' co-design phase (initiated pursuant to articles 9 and 10 of the

Regulation) and on the basis of a comparison started with other Italian and EU institutions and programs that are addressing the issue of urban commons. A first necessity that emerged for the City is the need to work on some procedural aspects providing more clarity and velocity, thus improving the effectiveness and efficiency of public action. The proposal of a new Regulation for the urban commons, therefore, constitutes the answer to the need of providing effectiveness to an administrative, cultural and legal process initiated by Turin on the policy domain of the urban commons. Such regulation, on the one hand responds to and resolves the critical issues and difficulties encountered in the recent years, in the application of the current Regulation - thanks, above all, to the experimentation of this instrument within the

Co-City project - and on the other, to expand the regulation alongside forms of self-governance to forms of co-governance.

The new Regulation is divided into four different Titles:

1) **The first Title** gives the general provisions and defines the principles. Compared to the current regulation, it must be emphasized that the new one introduces among the definitions:

- The figure of civic subjects (instead of active citizens),
- The community of reference as the main element of aggregation of civic subjects
- The civic shop as a general concept that includes all the acts that regulate the legal relations between the Public Administration and civic subjects, adding to the pact of collaboration all the shops that regulate the modalities of activation of the various forms of urban commons governance.

2) **The second Title** regulates the shared management and provides administrative streamlining of procedures.

3) **The third Title** is the most innovative part of the Regulation. It establishes, alongside the pact of collaboration, three new legal tools: the civic and collective urban use; the collective civic management and the Commons Foundation.

- The civic and collective urban use foresees that a community (an informal group of civic actors, both individuals and organized groups such as NGOs) can define a Self-Government Charter to regulate the ways in which to use an urban commons, while the property and custody stays in the City administration.

- Civic collective management is the involvement of a community for the management of an urban commons. In this case, the urban commons are delivered to the community that takes responsibility of it, even if the property remains with the City administration. Also, in this case, the management methods are defined in a Self-Government Charter.

- The third legal tool is the Commons Foundation through which the City can confer one or more or assets to a Foundation established for the purpose of managing urban commons. The conferred assets constitute assets with restricted and inalienable destination by the Foundation. Furthermore, in order to mediate the relationship between city inhabitants and the City administration, the regulation establishes the Jury of the Commons, with advisory and arbitration functions.

4) **The fourth Title** defines some general aspects concerning the City participation, the form of financing, the liabilities and the communication and evaluation activities.

The group of legal scholars that supported the City in the drafting of the new updated version of the Regulation also published a volume containing a legal reflection of several aspects of this experience that will be published in the second half of 2019.

### 3. The regulatory and public procurement challenge addressed through national and trans-national learning and exchange activities

At the national level, the Co-City project is offering an important contribution to the debate between cities and national institutions such as ANCI in terms of the importance of conducting urban experimentations through innovative forms of partnership and public procurement. At the international level, the City of Turin's participation to the Urban Agenda Partnership on Innovative and Responsible Public Procurement, which includes urban authorities, a Member State (Italy), observers and associations (CEMR, EUROCITIES, URBACT)

and the European Commission (DG REGIO and DG GROW), produced a positive influence also through the initiation of a joint action. The result was the forge and adoption of the urban innovation partnership approach by the Action Plan of the Urban Partnership on Innovative and Responsible Procurement, which today expressly contemplates the Co-City project legal and governance tool as one of the fundamental pillars of a possible EU policy and strategy to enable inclusive and responsible procurement rules of cities.

#### 3.1 The Italian 'Urban Commons Cities' Working Group

The Turin Co-City project is rapidly becoming a best practice at the national level. The activity of communication and dissemination of the projects' result is particularly relevant for the project's purposes when it addresses community of city makers, policy experts and practitioners. It is also important to share the knowledge and expertise developed through the Co-City Turin experimentation to inform the discussion of networks or working groups established at the national level to produce policy recommendations on the issues that are at the heart of the project, such as the governance of urban commons and innovative social public procurement. During the last six months, the Co-City Turin project was presented at many events of this kind. The exchange with national and international

experiences, allowed also by the participation in the UIA program, highlighted the need to identify other legal tools, alongside the pact of collaboration. Furthermore, the observation about the non-existence of specific state-level regulations that define the forms and methods of governing the urban commons, induces the local administrations to equip themselves with their own instrumentation. Starting from these evidences, the City intended to work together with the national and European authorities to propose specific legal tools, as all the national legislation that regulates the activity of the Public Administration is designed with a logic that is very different from the one that can be at the core of the urban commons.

With reference to the national comparison, the Co-City Turin project participated to the Working Group organized by ANCI with the main Italian cities that have approved regulations for the governance of the urban commons and has started a series of interlocutions with representatives of the state bodies (such as the Council of State, Court of Auditors, the National Anti-corruption authority). The working group on the commons organized within ANCI gives particular relevance to the good practices developed in UIA Italian cities. The Working Group aims to address the most critical and controversial issues related to these processes, starting from how to innovate the existing formulas also in relation to what is happening in Italian and EU cities.

The third meeting of the ANCI Working Group on Commons was held at the national forum of public administrations, the "ForumPA". The meeting, with the title "Governing by Collaboration: the Commons beyond the Experimental Phase", focused on the need for regulatory and training interventions to overcome the remaining obstacles to the full incorporation of collaborative governance (with particular reference to pacts of collaboration foreseen in many city regulations on the commons) in the ordinary models of City government.

The discussion was introduced by Annalisa Gramigna from IFEL, Giovanni Pennetta from LabGov, Fabio Giglioni from Labsus. Participants in the debate included: Giacomo Capuzzimati Director of the Metropolitan City of Bologna, Valter Cavallaro from the City of Turin, Nicoletta Levi from the City of Reggio Emilia, Lisa Lanzoni from the City of Verona, Stefano Rollo from the City of Rome, Cristina Leggio from the Latina City Council, Pasquale Castellano from the Bitonto City Council, Eugenio Kniahynicki from the Isernia City Council.

The debate at ForumPA focused on three elements:

- 1) The intervention sectors to which collaborative governance can be applied, in other words should we consider urban commons only micro maintenance interventions of green and public space or even more relevant sectors such as public services?

In this regard, the attention was devoted to the need of "not trivializing" micro interventions: these are the basis for an overall administration innovation that focuses on collaboration. This does not mean that legal tools such as the pacts of collaboration must have certain application boundaries and not concern all the sectors of intervention of the City. The risk could be the use of such legal tools merely as a shortcut to not apply the rules on public contracts.

- 2) What regulatory interventions are needed to facilitate the incorporation of collaborative governance into ordinary governance processes?

There is a general consensus that there is no need for a national commons law. However, it has emerged the need for timely interventions on the various city regulations already in force. The working table, regarding this point, proposes to develop an article to be included in the national law 241/1990, which gives full administrative legitimacy to the pacts of collaboration. On this, the ANCI Studies Office will take charge of writing a proposal after consultation with Cities. Based on the experience of the Co-City Turin project, the UIA expert advances the proposal that a national provision would be effective only under the condition that it allows City administration to experiment with innovative



Meeting of the ANCI Working table on the commons, Forum PA, May 2019

urban partnerships, particularly in the field of public procurement.

3) What other interventions can be conducted by the ANCI to facilitate the Cities?

Participants strongly underlined the need to offer Cities training tools to spread the culture of collaboration within the administrative structures. In this regard, the different hypotheses in the field are: the activation of an Academy of the Commons in collaboration with several Universities and the synergy with existing training tools such as those provided by ANCI (*i.e.* ForsAM and IFEL training).

The experience of the Co-City Turin project was central in the high-level seminar “Civic collaboration as a general principle of administrative activity” that took place in Rome in June 17<sup>th</sup> 2019, organized by the UIA Co-City expert Christian Iaione and hosted by the Council of State to present the results of the book “La Co-Città”, edited by Paola Chirulli and the UIA Co-City expert Christian Iaione.

The book is the result of a professional and academic debate triggered by the UIA Co-City seminar and it hosts contribution of law, public policy, local development and social economics

scholars, administrative judges from the Council of State itself and from the Italian Court of Auditors. The book also included interviews conducted with the city officers responsible for the most innovative policies on the urban commons in Italy: Milan; Naples; Massarosa; Narni; Reggio Emilia; Bologna; Rome; and Turin, with an interview with the City officer responsible for the Co-City project, Giovanni Ferrero.

The seminar’s speakers included on purpose mainly law professors from different disciplines (including public and administrative law; law and economics; property law); a top scholar on active citizenship, a top rank judge from the Council of State and the ANCI Secretary General.

The conference was introduced by the book editors. Professor Paola Chirulli (Full Professor of Administrative law at La Sapienza University) who underlined the need to identify a more stable regulatory framework for the experiences of managing urban commons and civic collaboration that are increasingly spreading in cities, while Professor Christian Iaione stressed the crucial role played by engaged research, which can be defined as the third mission of university namely “the commitment to the solution of real problems”. He also emphasized that “in Italy, Europe but all over

the world, cities are proved to be a perfect place for legal experimentation, places that produce law to guarantee rights, forging legal instruments that aim at achieving social and equality goals". The second panel consisted in a discussion with Sheila Foster (Georgetown University) and Giovanni Moro (FONDACA – Foundation for Active Citizenship). Sheila Foster discussed the concept of "The City as a Commons", intended as an enabling infrastructure, which creates opportunities and ensures the "right to the city" and which favors the creation of public-private-community partnerships. Sheila Foster, along with LabGov Georgetown, is trying to adapt the Co-City approach to the USA (in New York and Baton Rouge in Louisiana). Moro reminded that there are two main risks we should avoid with laws and regulation about active citizenship. The first one is the banalization, reducing social capital to the role of last resort maintainers of the public administration, the other is the bureaucracy killing the creativity and entrepreneurship of social innovators.

The third panel hosted contribution by Rosanna De Nictolis, (president of the Administrative Justice Council of the Sicily Region of the Council of State) and Raffaele Bifulco, (Luiss Guido Carli University). President De Nictolis pointed out that City administrations will have to know how to take on the challenges related to participation and active citizenship, knowing how to exploit legal tools such as administrative barter (or social partnership) a tool that in Italy is envisaged by the code of public contracts. Raffaele Bifulco instead recalled how "international law recognized the concepts of common heritage and common concern" and how "ethical and moral responsibility assumes importance today especially towards future generations. Even the legal tradition begins to rethink its tools in terms of intergenerational responsibility".

In the fourth and final panel, Professor Aristide Polce (Tor Vergata) stated how "differentiation of cities is an element that should not discourage but induce private individuals to intervene wherever possible. There are duties and responsibilities of private parties towards cities", while Professor Paolo Stella Richter (La Sapienza) recalled how participation is not new to the urban governance and talked about the role of urban gardens as a tool to build social capital - in particular during turbulent times - and stated that "It is a commons not something that is of common ownership but something that is useful to all and our task is to preserve and transmit our territory to future generations".

The seminar closed with the concluding remarks of Veronica Nicotra, Secretary General of ANCI – National Association of Italian Municipalities, stating that "for years, Italian municipalities, which have always been at the forefront of social and legal innovation, have been working on the issue of urban commons, despite the heavy cuts that have been made on public funding" and concluded her speech by ensuring that ANCI will try to "disseminate the contents of the Co-City manual among Italian municipalities".

In the end, all the panelists agreed on the fundamental thesis advanced by the book that a regulatory approach based on collaboration and polycentric governance for urban regeneration and the creation of neighborhood services for complex urban regeneration strategies that also foresee the creation of jobs through the promotion of local civic entrepreneurship is more effective in fighting against urban poverty than a regulatory approach based on mere administrative simplification to promote shared governance of small-scale urban resources such as urban public spaces and green areas. As already stated in the first Co-City Journal, the



Presentation of “La Co-Città” book, Council of State, Rome, June 2019



Cover of “La Co-Città” book

micro-projects of shared governance are crucial to increase social capital but they must evolve or factored in a more complex urban governance scheme, to avoid the risk of a perceived

instrumentalization or even actual exploitation of civic energies as a hidden form of externalization of services.

### 3.2 Urban Agenda for the EU – Urban Partnership on Innovative and Responsible public Procurement

The second step carried out by the City of Turin to follow this path is the participation in the Urban Agenda for the EU – Partnership Innovative and Responsible Public Procurement. The City participates in the thematic partnership of public procurement launched within the framework of the construction of the European Urban Agenda, with the aim of requesting the Community institutions to define an adequate regulatory framework that combines a more traditional regulatory paradigm with a set of regulatory indications and operational that allow Public Administrations to establish relations of “collaborative dialogue” with civic subjects and communities. The key challenge here for the City of Turin, as already stated in the first and second journal, is to create a connection between the EU goal of implementing innovative and responsible public procurement procedures and the goal

pursued by the city through the Co-City project of stimulating urban collaborative governance. The participation of the City of Turin to the Partnership is ultimately aimed at introducing into the EU debate on public procurement the topic of the public-private-community partnerships, that the Co-City Turin project is experimenting at the local level. The Urban Agenda for the EU Partnership on Innovative and Responsible Public Procurement - that held its 8th and 9th Partnership meetings on January 21-22<sup>nd</sup> and May 19-21<sup>st</sup> 2019 in Haarlem, the Netherlands – focused its efforts on making concrete agreements about the further implementation of the Partnership’s Action Plan within the action team and formulating the deliverables. The meeting also hosted presentations by the Cities participating to the partnership as members on the progresses of their work at the local

level and presentation by representatives of EU commission (i.e. DG Connect and DG Grow) on forthcoming urban policies.

Among the seven actions that the Action Plan of the Urban Partnership on Innovative and Responsible Public Procurement foresees, the UIA expert and the City of Turin are particularly active on two: the drafting of a “Legal Handbook on Innovative Public Procurement” led by the City of Munich, and the “Innovation Procurement Broker (IPB)”, led by the Italian Agency AgID, within which it is cabined the UIA – Urban Partnership joint pilot action (2.2.1 of the Action Plan) on public-community partnerships that will be further discussed in paragraph 3.3. of this Journal.

As far as the drafting of a “Legal Handbook Innovative Public Procurement” is concerned, this handbook is intended to become a useful tool to share the experience of practices such as the Co-City project and the advancements produced in terms of process innovation in local public procurement to a wide policy community. The recent developments of the Co-City Turin project introduced in this journal, for instance the legal tools included in the new version of the Regulation for Urban Commons, the collaborative dialogue procedure or its model contract might offer the basis for a set of tools that could be factored in the Legal Handbook to serve as a way to seed transfer policy exercises through knowledge sharing between public authorities especially at the urban and local level and initiate policy experimentations for this purpose to disseminate legal tools such as model contracts to promote social and digital innovation partnerships pursuant to an adaptive methodological protocol. It has already been stated that the starting point of this action is a lesson coming from the Turin

Co-City project, that risk aversion is the greatest challenge for procurement of innovation. A legal handbook based on concrete practices can help urban authorities by reducing uncertainty and the perception of complexity<sup>2</sup>

As far as the Innovation Procurement Broker action is concerned, the deliverable of the action will be structured in the following way:

- Definition of IPB functions and business models
  - Aims, function and needs to be fulfilled (pre-procurement, need aggregation, collaborative dialogue)
  - Typical tasks of an innovation procurement broker (including market engagement and dialogue)
  - Concrete performance indicators (KPI) engagement, outputs, results (based on needs)
- Solutions for an effective broker (use cases based on idealtypes)
  - Analysis of emerging innovation broker’s models (use cases across type of needs, private or public Innovation Brokers)
  - Tools/platforms at disposal and possible future innovations (including “idea management” tools)
  - Pros/cons to be considered – make or buy?
- Recommendations for compliance with the EU principles and directive on procurement
  - Areas of caution for public (pre) procurement (transparency, etc.)
  - Compliance with current procurement directive, procedures

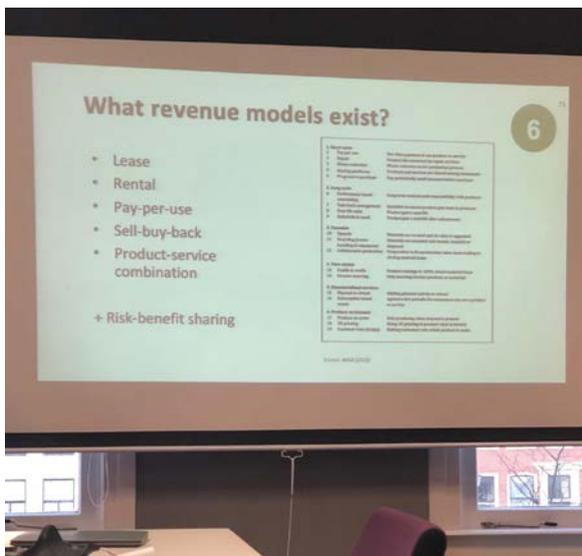
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<sup>2</sup> Draft Action Plan, <https://ec.europa.eu/futurium/en/public-procurement/public-procurement-draft-action-plan>, at 24.

- Compliance with the EU legislation and coherence with policy frameworks on open innovation
- Recommendations to enable the experimentation of newly conceived public partnerships with the private or social sector and local communities especially at the urban level, collaborative dialogue procedures to enable the co-design of such social and digital innovation partnerships and innovative procurement solutions
- Suggestions to promote the drafting of soft law at the EU level to provide cities and public officials with procurement

guidelines enabling partnerships for social and digital innovation through urban innovative actions

- Institutional and multilevel design of the IPB
  - Multilevel governance and possible structures of IPBs to serve urban needs
  - Connections with “local Competence Centres” (Action 6)
  - Policy opportunity: different levels of brokerage and support of strategic urban innovation



8<sup>th</sup> Urban Partnership meeting on January 21-22<sup>nd</sup> 2019.



8<sup>th</sup> Urban Partnership meeting on January 21-22<sup>nd</sup> 2019..



9<sup>th</sup> Urban Partnership meeting on May 19-21<sup>st</sup> 2019.

### 3.3 Urban Innovation Partnerships in the Urban Agenda for the EU

The Co-City Turin project is contributing to inspire EU policies on innovative urban public procurement. Thanks to the example and the effort of the City of Turin, in fact, the UIA program decided to initiate a joint pilot action with the Partnership of the Urban Agenda for the EU on Public Procurement with UIA, in the Action Plan of the Partnership to which the expert of the Co-City Turin project and the City officer responsible for the Co-City projected already provided thematic input. The main focus of the pilot is the model of public-community partnership being tested in Turin with Co-City. The main objectives of the

pilot are to raise awareness on this specific model, valorize the experience and main outcomes of the Co-city project while mapping other relevant experiences and promote the drafting of guidelines for city officials. The initialization of the joint pilot action relies upon a scoping paper that was prepared, presented and discussed in three meetings: the UrbInclusion Local Support Group (March 7, 2019); the Economic Development Forum organized by the EUROCITIES network in Florence (March 27-28<sup>th</sup> 2019); the 9th Urban Partnership meeting on May 19-21<sup>st</sup> 2019.



*UrbInclusion Workshop\_presentation of the policy paper on Innovative Public Procurement based on the Co-City Turin experience, March 7, 2019.*

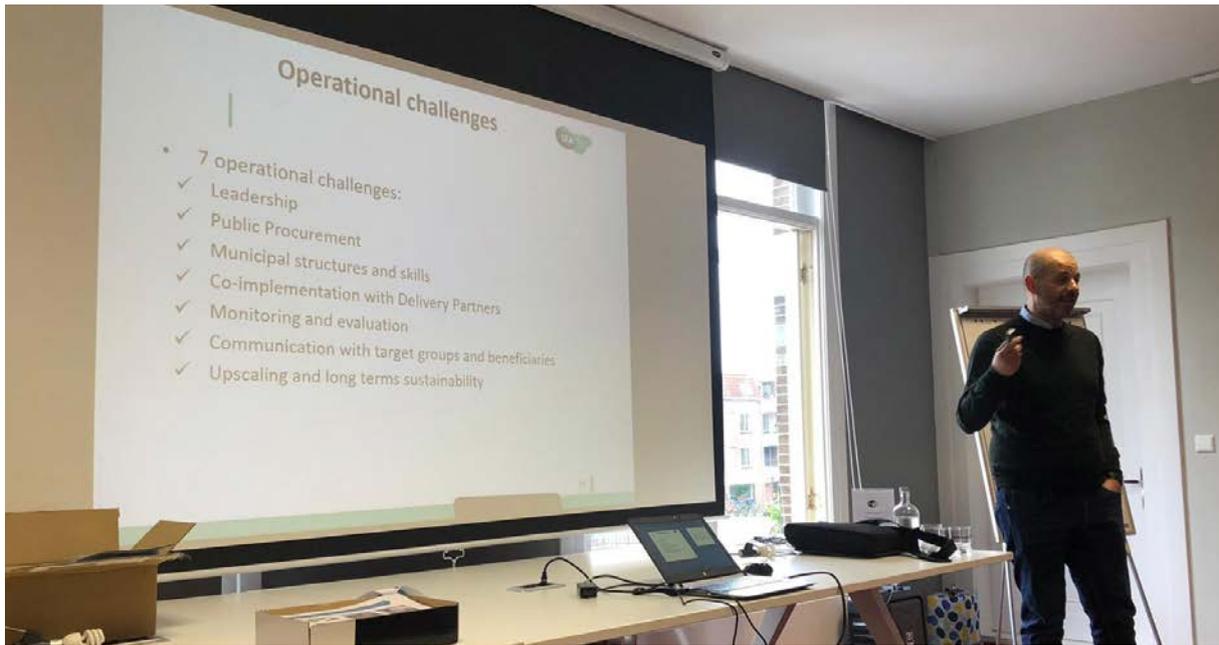


We need to form a coalition to rethink the way procurement in cities is carried. Instead of simply act as law takers, cities should become law makers. EUROCITIES has the opportunity to shape EU legal framework, moving from competition towards cooperation in public procurement.

Christian Feltri  
Director of L&C  
@CFeltri

#EDForbes

*Project officer and UIA expert of the Co-City Turin project at the Economic Development forum organized by Eurocities in Florence, 27-28 March 2019. Source: Eurocities network.*



9th Urban Partnership meeting on May 19-21<sup>st</sup> 2019.

The scoping paper **“Urban Innovation Partnerships. Unleashing the Potential of Public – Community and Public – Private – Community Cooperation”** available in the Co-City Turin project library (see <https://www.uia-initiative.eu/en/uia-cities/turin>) has kicked off an UIA capitalization effort on Public Procurement. To deliver this pilot action the main steps and deliverables of the process will be:

- A call for the identification of relevant practices with respect to the content of the scoping paper – June / July 2019;
- The analysis of practices identified and draft of a final report (including co-design meeting with selected cities) – September/October 2019;
- Meeting with relevant EC DGs to share first findings - December 2019;
- Public presentation of main results (Co-City final conference) - February 2020.

A summary of the paper is outlined in the following paragraphs.

The Urban Agenda for the EU recognized the potential that cities have to be important drivers of innovation and advances the idea that public procurement is one of the key levers, as much as social innovation is one of the key elements of implementation of a missions driven policy and has identified responsible and innovative public procurement as one of the 12 priority themes around which partnerships among various governmental levels and stakeholders were founded. In particular, the “Partnership on Public procurement aims to push forward the development and implementation of an ambitious procurement strategy as an integrated and supportive management tool for governance”<sup>3</sup>. The Urban Agenda therefore highlights the strategic importance of Public Procurement and Procurement of Innovation from a governance point of view, as they constitute management tools that cities can use to address social and environmental challenges.

The need for new governance models that push Urban Authorities to cooperate with local

<sup>3</sup> Public Procurement, *Urban Agenda for the EU*, available at <https://ec.europa.eu/futurium/en/node/2230>.

communities, civil society, businesses and knowledge institutions is indeed one of the key messages sent by the Pact of Amsterdam. Co-governance is seen as a fundamental tool to both foster democratic decision-making and social innovation. The Urban Agenda calls for a recognition of “the potential of civil society to co-create innovative solutions to urban challenges, which can contribute to public policy making at all levels of government and strengthen democracy in the EU”<sup>4</sup>. Co-creation models moreover prompt social urban innovation: local communities, civil society, business and knowledge institutions together with urban authorities “are the main drivers in shaping sustainable development with the aim of enhancing the environmental, economic, social and cultural progress of Urban Areas”<sup>5</sup>.

On top of addressing governance and social innovation through the Urban Agenda, the EU has been working on supporting innovation in member-states by launching several initiatives in the field of social innovation. Under Horizon 2020, the European commission has funded “innovation actions” through Large Scale Demonstration Projects that address the cross-cutting Focus Area on ‘Smart and Sustainable Cities’: “These demo projects are widening the solution portfolio beyond technological innovation and include social innovation for new governance, finance, and business models that can help develop new and sustainable markets for innovative solutions”<sup>6</sup>. The creation of the European Capital of Innovation Award also symbolizes the EU-wide effort to promote social innovation at city level. This year, Athens won the

iCapital Award 2019 for its innovative policies on the social integration of migrant populations.

The European Commission further invests in innovation through a specific focus on the development of new commercial solutions, aiming at maximizing the potential of small companies and entrepreneurs to turn bright ideas into action. European Innovation Partnerships (EIPs) and the pilot project on the European Innovation Council (EIC) are two examples of this effort. Currently, there are five European Innovation Partnerships working in the health, agriculture, raw materials, water and smart cities and communities’ sectors. These EIPs “act across the whole research and innovation chain, bringing together all relevant actors at EU, national and regional levels in order to: (i) step up research and development efforts; (ii) coordinate investments in demonstration and pilots; (iii) anticipate and fast-track any necessary regulation and standards; and (iv) mobilize ‘demand’ in particular through better coordinated public procurement to ensure that any breakthroughs are quickly brought to market”<sup>7</sup>.

Practice across thematic fields has therefore shown that Innovative partnerships constitute a key strategic tool to foster digital and social innovation in cities. The European Innovation Council pilot initiative also taps into the potential of these multi-level and cross-sectorial partnerships by investing in the skills of local entrepreneurial communities. The European Commission has confirmed its intention to set up this new body under the Horizon Europe proposal with the aim “to support top-class innovators, entrepreneurs,

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<sup>4</sup> Urban Agenda for the EU, *Pact of Amsterdam*, Agreed at the Informal Meeting of EU Ministers Responsible for Urban Matters on 30 May 2016 in Amsterdam, The Netherlands, available at <http://urbanagendaforthe.eu/pactofamsterdam/>.

<sup>5</sup> Urban Agenda for the EU, *Pact of Amsterdam*, *supra* note 5.

<sup>6</sup> “EU Research and Innovation for and with Cities” Yearly Mapping Report, 2017 DG RTD, page 10.

<sup>7</sup> ERA Learn, “European Innovation Partnerships” <https://www.era-learn.eu/p2p-in-a-nutshell/type-of-networks/other-era-relevant-partnership-initiatives#EIPs>

small companies and researchers with bright ideas and the ambition to scale-up internationally”<sup>8</sup>.

The main driver behind these initiatives is the need to fast-track the kind of innovation that is able to create new potential markets and contribute to solve current challenges. Patrick Child, the European Commission Deputy Director General for Research & Innovation, reiterated the programmatic line of the Commission for Horizon Europe during the “Science for the City” Roundtable, jointly organized by the City of Amsterdam Chief Science Officer, the DG Research & Innovation, and the Joint Research Centre. The Deputy Director General confirmed the EU Commission intention to move towards more multi-stakeholder partnerships models in order to build bridges among disciplines and increase the level of engagement of local actors. The Commission is aiming to make EU R&I strategy more linked to local challenges, with a stronger place-based approach. The shift that is happening is from cities as objects of research to cities as systems of engagement.

Such an approach has been at the center of the discussion of the above-mentioned “Science for the City” roundtable, which has brought together innovation officers, Chief Science Officers (CSOs), and European cities network organizations from all over Europe in order to discuss about the existing structures of interaction between urban policy making and scientific research. The informal roundtable allowed for the sharing of solutions as well as of common challenges among cities like Amsterdam, Berlin, Copenhagen, Madrid, Paris, Groningen, Reggio Emilia, Stockholm, Hamburg, Cork (and more). This initiative underlined the need for the creation of new regulatory and governance frameworks, capable of enabling cooperation between knowledge institutions

and city administrations in order to foster social innovation. It also highlighted the need for innovative institutions able to bring together public, private, knowledge and civil society actors in order to collaborative design and implement innovative solutions to tackle local challenges.

The Charter of Fundamental Rights of the European Union states in Article 34 (3) that in order to combat social exclusion and poverty, the Union recognizes and respects the right to social and housing assistance so as to ensure a decent existence for all those who lack sufficient resources, in accordance with the rules laid down by Union law and national laws and practices. Along the same line, the European Pillar of Social Rights proclaimed on 17 November 2017 through principle 8 recognizes the importance of social dialogue and collective action and through principle the right to access essential services.

The EU Commission has implemented the Social Investment Package aimed at scaling up projects and policies on social innovation. In particular, within the EU framework, the objective is to strengthen levels of autonomy and possibility of action of city inhabitants in society and to support them in their work and social life.

The European Commission made also a clear reference to social innovation within the EaSI Program (Employment and Social Innovation), outlining a framework of priority interventions in the Regulation establishing it, related to two challenges:

- the economic crisis, with particular reference to the levels of unemployment, poverty and social exclusion;
- demographic changes, with particular reference to the decreasing trend of working

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<sup>8</sup> What is the Enhanced European Innovation Council (EIC) pilot, available at <https://ec.europa.eu/research/eic/index.cfm?pg=about?>

age population and, at the same time, to the further increase in the average age.

How do we build this bridge? Cooperation seems to be the key.

The action plan of the Urban Partnership on Innovative and Responsible Procurement advocates for the introduction of “innovation procurement brokers [...] offering concrete support to public buyers and public administrations willing to exploit the full potential of the EU Directives on procurement which grant room for the experimentation of newly conceived public partnerships with the private or social sector and local communities especially at the urban level (e.g. innovation partnerships, public-social partnerships, public-private-community partnerships, public-community partnerships, public-private-people partnerships, etc.), as well as collaborative dialogue procedures to enable the co-design of such social and digital innovation partnerships and innovative procurement solutions.

The action plan of the Urban Partnership calls on innovation procurement brokers both at the local and national level to “involve civil society and local communities in the co-creation of innovative solutions to urban challenges by establishing a pilot project possibly in cooperation with the Urban Innovative Actions Initiative aimed at (i) raising awareness on the social and digital innovation partnerships by convening EC officials, city officials and economic, social and community operators to discuss for this purpose; (ii) seeding transfer policy exercises through knowledge sharing between public authorities especially at the urban and local level and initiate policy experimentations for this purpose to disseminate model contracts for social and digital innovation partnerships pursuant to an adaptive methodological protocol (e.g. the model

contract to be defined through the UIA CO-City Turin project); (iii) promoting the drafting of soft law at the EU level to provide city and public officials with procurement guidelines enabling partnerships for social and digital innovation through urban innovative actions”.

This approach is coherent with the overall EU Public Procurement strategy that contributes to corroborate a legal basis for public-private-community or public-private-people partnerships (hereinafter also “PPCPs” or “P5s”) and public community partnerships (hereinafter also “PCPs”) as Urban Innovation Partnerships (hereinafter also “UIPs”).

As a matter of fact, EU Directives clearly state that their rules are intended to support “Research and innovation, including eco-innovation and social innovation”. According to the directives they should be “among the main drivers of future growth and have been put at the centre of the Europe 2020 strategy for smart, sustainable and inclusive growth”. This is why the 2014 legislative package has foreseen a new contractual tool, called Innovation Partnerships. Now, this new legal tool seems to have been narrowly interpreted as a tool aimed only at digital innovation. Practice especially in cities has demonstrated that Innovation Partnerships can extend their scope to encompass also social innovation initiatives and/or social-digital innovation initiatives, such as many of the cases under which PCPs fall under. Also, the EU directives recognize the principle of self-organization and public – public cooperation. Considering that many of this urban commons initiatives act in the general interest, it is possible to say that the cooperation between the city and the urban commons could also be reconstructed as a form of public-public cooperation. Finally, the EU Commission has started a stakeholder consultation to gather suggestions on the scope

of the guidance on green and social procurement and the issues it should address, including “how to best integrate the demand-side function for social innovation and social entrepreneurship”<sup>9</sup>.

The pilot project aims at developing two main strands of ideas when it comes to analyzing the state of the art in the field of innovative procurement practices.

On one hand, the research will focus on understanding the functioning and the use that has been done of the institutional mechanism of private-public-people and public-community partnerships.

On the other hand, it seeks to identify what are the institutional infrastructures that can be developed in order to sustain these partnerships. In other words, we will delve into the literature and the case studies on public-people partnerships and the like (public-civic, public community, public social, etc.), while analyzing the role of different institutional instruments that can make these partnership work: innovation brokers, urban laboratories, living labs, CTOs, Competence centers, Chief Science Officers.

This framework needs a new policy, legal and financial tool and that is the Urban Innovation Partnerships.

As above mentioned, multi-level governance at the city level often results in the creation of multi-actors’ partnerships to provide for a service or infrastructure development. While Public-Private-Partnerships (PPPs) have by now become a common solution for the public sector

risk aversion and for its lack of resources, it is more and more clear that sustainable innovation and smart city infrastructures require new types of partnership to be created, overcoming the public-private binary<sup>10</sup>.

Especially when it comes to the inclusion of citizens and civic associations, innovative procurement practices hold the potential to experiment new regulatory and governance solutions for the co-design, collaborative management, and implementation of urban regeneration projects as well as service delivery.

The inclusion of citizens in pre-procurement phases or in-service design and implementation is said to reduce the risks linked to top-down complex urban regeneration projects, infrastructure development or service delivery. The literature on public-private-people partnerships (P4) for instance sees increased public engagement as a strategy that “can help improve the development process by moderating the risk of unforeseen oppositions, building clear responsibilities and rights, and creating opportunities for public inputs. It is anticipated that formulating such effective and genuine public engagement framework for PPP projects would assist government bodies (...) to better realize the changing public aspirations and demands for infrastructure planning and policy formulation<sup>11</sup>.

If public-private-people partnerships represent an alternative option to the traditional PPPs, a further step can be taken by establishing public-people partnerships that allow for a direct

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<sup>9</sup> See the COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS, *Making Public Procurement work in and for Europe*, COM (2017) 572, 3.10.2017.

<sup>10</sup> C. Oliveira Cruz & J. Miranda Sarmiento, *Public-Private Partnerships and Smart Cities*, in *Network Industries Quarterly*, - Vol 19 - Issue 3 (Sept 2017): “Regulatory challenges for smart cities”.

<sup>11</sup> S. Ng, J.M.W. Wong & K.K.W. Wong, *A public private people partnerships (P4) process framework for infrastructure development in Hong Kong*, in *Cities*, 2013, p. 370-381.

participation of citizens both in the procurement and in the delivery/implementation process. The UIA Co-City project is a clear example and represents a unique experimentation in the field of innovative procurement. As a matter of fact, the Co-City model “a) establishes a procedure of “collaborative dialogue” as it implies the co-design of the content of the procurement procedure and the construction of the partnerships and therefore it creates the possibility to replace competition with collaboration as a design principle of tendering procedures; b) it attempts to go beyond the traditional concession or public contract approach trying to build a more cooperative system in which there is no transfer of risk but rather a sharing of risks (p. 9)”<sup>12</sup>. Indeed, thanks to the legal tool of the so called “pacts of collaboration”, citizens and the administration cooperate for the care, shared management and regeneration of urban commons. The introduction of ‘pacts of collaboration’ could be considered “as the first example of social innovation-led public–people or public-private-people partnerships”<sup>13</sup>.

Urban Innovation cannot happen without a proper financial structure and vision.

When speaking of innovation in public procurement and social innovation more in general it is important to address the rise of new financing instruments aimed at investing in projects with a social impact: “Social Finance (SF) defines the set of alternative lending and investment approaches for financing projects and ventures, requiring to generate both positive impacts on society, the environment,

or sustainable development, along with financial returns”<sup>14</sup>. In as much as they are aimed at creating positive social impact, Social Finance instruments are key tools for the development of the social innovation sector. Indeed, “Moore et al. define SF both as a social innovation itself and as a vehicle for redirecting financial capital, thus providing new opportunities for social innovation to grow”<sup>15</sup>.

The first model of social project finance was born in the UK in 2007 as an organization that aimed to tackle the problem of reoffending among short-sentenced offenders from the Peterborough prison. The idea behind it was therefore to provide support to vulnerable citizens that were struggling to find their way back in to society after prison.

Thanks to the coming together of professionals from the social, financial and government sector, this project has been able to rethink the purpose of financial instruments and couple economic growth with social impact. As of 2017, the Peterborough Social Impact Bond has “reduced reoffending of short-sentenced offenders by 9% compared to a national control group”<sup>16</sup>.

There are multiple financial instruments used in the sector of Social Project Finance, depending on the sector: *Social Investment Bank*, *Social Impact Bonds* and *Development Impact Bonds*. Social Impact Bonds are especially interesting for the purpose of this research as their mechanism implies the involvement of a public subject, who indirectly guarantees the financing for a social utility project managed by a non-profit subject in

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<sup>12</sup> Christian Iaione, “The Co-City Project Journal N 1”, UIA January 2018, available at [https://www.uia-initiative.eu/sites/default/files/2018-03/Turin\\_CO-City\\_UIAExpertJournal1%28Jan2018%29.pdf](https://www.uia-initiative.eu/sites/default/files/2018-03/Turin_CO-City_UIAExpertJournal1%28Jan2018%29.pdf)

<sup>13</sup> Christian Iaione, “The Pacts of Collaboration as public-people partnerships”, Zoom in 1, UIA July 2018.

<sup>14</sup> Francesco Rizzi, Chiara Pellegrini & Massimo Battaglia, *The structuring of social finance: Emerging approaches for supporting environmentally and socially impactful projects*, 170 Journal of Cleaner Production 805-817 (2018). P 805

<sup>15</sup> C. Iaione, *supra* note 19.

<sup>16</sup> Social Finance Group, *Peterborough*, 2017, available at [www.socialfinance.org.uk/projects/peterborough](http://www.socialfinance.org.uk/projects/peterborough) (last accessed March 6, 2019).

light of the attainment of a specific result. In other words, with Social Impact Bonds (SIBs) “a payer (usually Government, at a national, regional or local level) agrees to pay for measurable improved outcomes of social projects, and this prospective income is used to attract the necessary funds from commercial, public or social investors to offset the costs of the activity that will achieve those better results”<sup>17</sup>. The potential of this model lies in the injection of financial capital to provide funding for civil society initiatives with the transferring of risk to the public authorities.

Especially when it comes to the digital infrastructure, circular economy, renewable energy, and cultural heritage sectors, Social Finance solution provide a partnership model that is able to have a real impact on local communities bringing together local associations, citizens, private and public actors. The case of Reggio Emilia is especially relevant to provide a practical example of how the coming together of these actors can positively benefit a marginalized community.

The project “Coviolo Wireless” represents an example of local investment in digital infrastructures that allowed for the extension of the wifi access to an area of the City of Reggio Emilia characterized by a severe digital divide. The project realized a community wi-fi thanks to the collaboration between the local community, the City, civic entrepreneurs and public and private operators. Using the neighborhood social center as a community infrastructure, citizens have been able to access the new wireless broadband coverage at an affordable cost. After having won the European Broadband Awards 2017, the

Coviolo Wireless model has been replicated in other neighborhoods in Reggio Emilia<sup>18</sup>.

The possible role played by tech finance, purpose finance, sustainable finance shall also be discussed.

Finally, Urban Innovation needs a new change agent, Innovation Brokers.

Bringing so many actors together, finding the proper ways, methodologies, rules to foster such a multi-stakeholder forms of cooperation such as P5s and PCPs requires attention, competences, skills, time and resources. In other words, it is needed a place and an organization that managers P5s and PCPs building processes.

The action plan of the Urban Partnership on Innovative and Responsible Procurement mentions innovation brokers. They are third party facilitators that offer support to public administrations by acting as moderators between private, public and civic actors. Innovation brokers at the urban level can manifest themselves in the form of public officials in charge of research and innovation (i.e. Chief Science Officers, Chief Innovation Officers, etc.) or in the form of entities like Urban Laboratories, Living Labs, or Competence Centers.

The role of a brokering place and/or agency in pushing the public sector to invest in innovative partnerships with private and civic actors has been proven to foster innovation in procurement processes as it allows to overcome the barriers inherent to public sector service delivery. The literature on PPP shows that the public sector lacks skills, incentives, and resources to experiment and change its traditional system of service delivery

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<sup>17</sup> N. Mulgan, M. Reedere, M. Aylott, L. Bo'Sher, *Social Impact Investment: the challenge and opportunity of Social Impact Bonds*, The Young Foundation, 2010, p. 5.

<sup>18</sup> See “Good broadband practice: Coviolo Wireless, Italy”, European Commission, available at <https://ec.europa.eu/digital-single-market/en/news/good-broadband-practice-coviolo-wireless-italy>. See also “Progetto Coviolo Wireless”, Comune di Reggio Emilia, available at <https://www.comune.re.it/retectivica/urp/retecivi.nsf/PESDocumentID/D8CF7E0E9FFE9A32C12580060030E13D?opendocument>.

through partnership with citizens and other civil society actors<sup>19</sup>. In order to effectively innovate, there is therefore a need for risk-takers in public administrations that overcome the barriers to change and experiment new partnerships with different actors, brainstorm on new ideas for service delivery and more generally are open to test innovative solutions coming from external actors.

In many cases, especially at the city level, such public open innovation processes are supported by what we can generally call urban laboratories. Be them “Collaboratories”, “Urban Innovation Labs” or “Living Labs”, these environments generally act as intermediaries between public authorities, private actors, knowledge institutions, civic society actors and citizens<sup>20</sup>. Living Labs are for instance defined as forums “for innovation, applied to the development of new products, systems, services, and processes, employing working methods to integrate people into the entire development process as users and co-creators, to explore, examine, experiment, test and evaluate new ideas, scenarios, processes, systems, concepts and creative solutions in complex and real contexts”<sup>21</sup>.

Innovation brokers therefore play an important role not only because they produce knowledge and experiment innovative solution to local challenges. They often allow for multi-actors meeting and networking; they set up collaborative processes of design and implementation; they foster learning and skills development;

and provide for the infrastructure necessary for the participation of civic society actors or citizens, through the organizations of meetings, assemblies and workshops<sup>22</sup>. This is the case for the “Local Competence Centers” mentioned in the WP 2 of the Urban Partnership Action Plan: “Learning can happen through cooperation and peer learning, namely through Local Competence Centres which provide opportunities for training and skills development, but also for networking, technical assistance provision and potentially joint purchases. Such Local Competence Centres are specifically valuable for smaller and medium-sized cities, and can complement new and on-going national and EU-wide initiatives, such as the Procure2Innovate project that was launched by DG CONNECT”<sup>23</sup>

Closing the gap between public administrations, service providers, and users, and facilitating cooperation and exchanges between these actors, innovation brokers are therefore essential instruments for the development of urban innovation partnerships.

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<sup>19</sup> S.A. Ahmed & S.M. Ali, *People as partners: Facilitating people’s participation in public–private partnerships for solid waste management*, in *Habitat International*, 2006, p. 781-796.

<sup>20</sup> M. Gascó, *Living labs: Implementing open innovation in the public sector*, in *Government Information Quarterly*, 2017, p. 90-98.

<sup>21</sup> H. Bulkeley et al., *Urban living labs: governing urban sustainability transitions*, in *Current Opinion in Environmental Sustainability*, 2016, p. 13-17.

<sup>22</sup> S.A. Ahmed & S.M. Ali, *People as partners: Facilitating people’s participation in public–private partnerships for solid waste management*, in *Habitat International*, 2006, p. 781-796; M. Gascó, *Living labs: Implementing open innovation in the public sector*, in *Government Information Quarterly*, 2017, p. 90-98.

<sup>23</sup> Urban Partnership on Innovative and Responsible Procurement, *Action Plan*, December 2018, p. 29.

# 4. Co-City Turin and UIA challenges

Innovating public procurement by streamlining public money spending, making strategic use of the UIA funds, and setting up multi-actor’s collaboration schemes is one of the challenges inherent to the UIA mission. These challenges include: 1) Leadership for implementation;

2) Public Procurement; 3) Integrated cross departmental working; 4) Adopting a participative approach; 5) Monitoring and evaluation; 6) Financial Sustainability; 7) Communicating with target beneficiaries; and 8) Upscaling<sup>24</sup>.

**TABLE 1: MAPPING Co-City AGAINST THE ESTABLISHED UIA CHALLENGES**

Challenge	Level	Observations
1. Leadership for implementation	High	<p>The leadership implementation is a challenging issue in urban policies addressing urban innovation in several policy fields due to the randomness of political cycles. The Turin City administration and the civil servants working on the collaborative management of urban commons adopted a positive and committed style of leadership. Political leadership and support of the Mayor and ruling parties are critical and necessary, but they might not be sufficient to secure the policy implementation due to changes that may happen across political cycles. Urban authorities should therefore seek for a more “distributed” form of leadership and the case of Turin represents a good example for this approach. In the case of the Co-City Turin project, the successful leadership for the implementation is an achievement mainly attributable to the capacity of the City bureaucracy to work across political divides by explaining the general interest and impacts implied and produced by this policy. This approach was able to secure the necessary political support to the urban policy framework of the Co-City project notwithstanding the change in political leadership of the Turin City government, and it is able to secure a strong support to the project during its implementation phase, including the recent approval by the City Government (May 14<sup>th</sup>, 2019) of a new, improved version of the Regulation for the Urban Commons that incorporate the lessons learnt through the Co-City project.</p> <p>A key factor of leadership that facilitated the implementation of the Co-City Project carried out by the City administration was the creation of an internal coordination group of different departments (i.e. the cross-departmental City of Turin Working Group for the implementation of the Regulation on the Urban Commons), as well as with external projects partners (the Co-City Steering Committee) and in general the constant outreach activities in the city with other relevant stakeholders.</p>

<sup>24</sup> Christian Iaione, “The Co-City Project Journal N 1”, UIA January 2018, available at [https://www.uia-initiative.eu/sites/default/files/2018-03/Turin\\_CO-City\\_UIAExpertJournal1%28Jan2018%29.pdf](https://www.uia-initiative.eu/sites/default/files/2018-03/Turin_CO-City_UIAExpertJournal1%28Jan2018%29.pdf)

Challenge	Level	Observations
2. Public procurement	High	<p>The pacts of collaboration, the key regulatory tools implemented by the Co-City project, imply the creation of a cooperation among key urban actors (the City and other public actors, private actors, community actors) potentially responsible to address urban poverty issues through the combined use of public, community and private resources. Such a strategy requires the use of an innovative and responsible public procurement strategy that the UIA Co-City Turin project is devising. The logic followed by the City of Turin in designing the system of allocation of the financial resources for the implementation of the regeneration activities (i.e. 1.700.000 euros for the urban regeneration works of public abandoned complexes, several underused spaces inside public assets, and public or green space in the city) was to adopt a collaborative approach. This was done through a communication strategy at the neighborhood level to create interest in (and knowledge around) the project and stimulate the creation of civic partnerships and the following call for a co-design procedure of the pacts of collaboration between these civic partnerships and the City administration to define the layout, use, as well as the management scheme for these spaces.</p> <p>The Co-City project was able to inject a substantive innovation in procurement procedures, which can be defined as a “collaborative dialogue”, by making the design phase and in some cases also the execution phase of these procedures more participatory. Another fundamental aspect of innovation relevant from a public procurement standpoint is the management scheme of these spaces. Again, here the main innovation is that the final managers of such regenerated spaces will be these urban civic partnerships that were created and identified through the collaborative dialogue. To consolidate and challenge this approach, the Co-City project joined the EU Urban Agenda Partnership on innovative and responsible public procurement and is organizing a workshop with administrative judges and other relevant authorities. This issue is being tackled with a decisive contribution of the UIA expert Christian Iaione and the legal task force established within the Law Department of the University of Turin led by Ugo Mattei and Roberto Cavallo Perin. The work of the Co-City Turin project within the Urban Partnership on Public Procurement throughout the production of its <a href="#">Action Plan</a> was very effective and resulted in both the injection of the Co-City Turin key lessons in terms of innovative and socially responsible public procurement implemented through the pacts of collaboration in the Action Plan and in the creation of a pilot action between the Urban Partnership and UIA concerning the model of public-community partnership being tested in Turin with Co-City. Co-City Turin ultimately contributed to raise awareness on the model of public-community partnership for the urban commons in EU cities and to create the conditions to shape the policy framework on public procurement at the EU level towards an enabling framework for this kind of urban innovations.</p>

Challenge	Level	Observations
3. Integrated cross-departmental working	Medium	One of the key institutional tools that is facilitating the implementation of the Co-City project is a cross-departmental working group internal to the City Bureaucracy that coordinates different departments of the City in order to push them to work in synergy on the collaboration proposals. Among the key activities carried out by the Working Group, there is the evaluation of the proposals of collaboration that the City receives after each round of the call to get admission to the co-design phase for a pact of collaboration.
4. Adopting a participative approach	Medium	In order to enable a high participation to the public call for collaboration proposals, the City of Turin and the Neighborhood Houses network have supported local associations, active citizens and stakeholders towards the composition of civic partnerships to build proposals of pacts of collaboration and respond to the public call issued by the City of Turin. Local contact points, helpdesks and accompaniment activities has been provided, both offline (events, workshops, etc.) and online activities. The turnout of the public call was very rich, more than 100 proposals of pacts of collaboration were advanced by the stakeholder. Another tool implemented in order to face the challenge of implementing a participative approach was the creation of the steering committee of the Co-City project, constituted by representatives of the project's partners. The Steering Committee is led by the Project Manager and meets once a month.
5. Monitoring and evaluation	High	The Steering Committee of the Co-City project has established a set of result indicators to be applied to the project to monitor and measure outputs and results. All relevant data over the project lifetime are being collected, as well as demonstrate progresses in achieving expected results are being registered. The application of the evaluation model helps the Steering Committee and the project management to ensure that the Co-City project is delivering the right activities for the desired outcomes and producing contextual local impacts in terms of urban regeneration. An internal evaluation expert will be appointed by the end of the year to run the evaluation. The evaluation that will be implemented by the expert will be based on theory of change principles. It could be considered, in order to integrate quantitative insights produced by the set of indicators and the insights produced by the application of the theory of change with quali-quantitative insights related to the analysis of the impact of urban policies to the quality of urban democracy, to also run analysis of partnership design and the content and goals achieved by the pacts of collaboration signed, and to run a survey addressed to the civic signatories of the pacts to analyze the socio-demographic composition, and the way the policy implementation impacted the democratic quality, such as the responsiveness of the policy to the stakeholder's expectations or trust in City government.

Challenge	Level	Observations
6. Financial Sustainability	High	<p>The Co-City project is aimed at experimenting the governance of the urban commons to establish sustainable collective management schemes and ultimately collective institutions that address urban poverty issues and regenerate urban blighted areas or abandoned/underused public assets. It intended to do so by creating new job opportunities in or through these management schemes and/or institutions. One key challenge that the Co-City project might have to face is the shift from a public policy approach rooted in the publicly-managed creation of job opportunities to a policy stance aimed at creating public investment on self-entrepreneurship. The main activity provided by the original project proposal foresees the creation of community-based employment opportunities through the pacts of collaborations for people at risk of exclusion. This part needs rethinking by the City given the introduction of changes in the national framework regulating the labor market and it might therefore require a slightly different strategy. The City is evaluating to turn it into an investment on the expansion of the civic self-entrepreneurship capacity, addressing young urban population and vulnerable/disadvantaged people thus dramatically increasing the chances of the Co-City project to tackle the challenge of financial sustainability.</p>

Challenge	Level	Observations
<p>7. Communicating with target beneficiaries</p>	<p>High</p>	<p>The challenge of communicating with urban inhabitants and other stakeholder in order to ensure a high and effective civic participation to the project was addressed by the Co-City project with great efforts since the beginning. The first step was the public call for collaboration proposals, where this challenge was tackled with the support of the Neighbourhood Houses.</p> <p>Alongside the Co-City social network pages on <a href="#">Facebook</a> and <a href="#">Twitter</a> and the <a href="#">Medium channel</a>, a key role is played in the project by the Co-City version of the First Life platform, realized by the University of Turin and based on an interactive map and a timeline. The platform, available at the address: <a href="https://www.firstlife.org/projects/co-city/">https://www.firstlife.org/projects/co-city/</a> is both a tool for network coordination and a collaboration tool. During the first phase of the project the platform disseminated news on all the meetings in the Neighbourhood houses and the public call for collaboration proposal issued by the Co City project. The Co-City project realized a platform release focused in particular on improving the section of the newsfeed, which was rationalized through using experience. The second release of the platforms, in a later stage foresees the development of a blockchain app to create a local collaborative decentralized environment tokens can be distributed to the participants, the “commoners”, to be used as an exchange means or as discount in local stores and workshops. Also, mechanisms of group buying, crowdfunding, fidelity cards could be developed.</p> <p>The project is putting its best efforts in disseminating the opportunities of civic collaboration that the Co-City project offer at the local level. The Co-City project became part of the broader narrative on the urban strategy of social innovation of the City, summarized in the final publication of the URBIInclusion network, funded by the URBACT program, where a contribution on the Turin’s pacts of collaboration as a new form of social partnership is included. The publication was presented on June 19 during the Enterprise and Community Network workshop, organized by the City of Turin to present the results of accelerated projects thanks to the URBACT network which involved Barcelona, Gdansk and Naples among others. The Co-City project was also mentioned among the main social innovation initiatives active in the city within the European event “<a href="#">The Future of European Social Innovation</a>” organized by Nesta, Nesta Italia and Torino Social Impact, with the participation of representatives of the European Commission, local administrators and innovators from all over Europe.</p>

Challenge	Level	Observations
8. Upscaling	Medium	<p>The Co-City project embodies an experimental approach and is thus conceived by the city as a testing phase to verify how the innovative solution reacts to the complexity of the urban context and, eventually lead to an upscaling of the solutions. The City will plan the next stage, as provided by the UIA framework, only at the end of the project also taking into account the insights of the evaluation stage. However, the City is already putting in place the first steps for understanding, through an experimental and adaptive approach, what would be the next steps for upscaling the Co-City approach to a larger scale. The participation of the City of Turin to the EU Urban Agenda Partnership on public procurement and the participation to the LabGov Rockefeller Foundation Bellagio convening on “Accelerating Citywide Civic Entrepreneurship. An Exercise in the Co-City Approach” (11-15 December 2017) are conceived as means to reach this goal. The evolution of the Co-City project to a larger scale would probably require an accompaniment from EU and National institutions in terms of resources and competences. The experience of the Co-City Turin project was central in two high-level seminars organized in Rome in 2018 and 2019. January 26th, 2018 addressing social innovation and public procurement, with the goal of helping the City stretch the connection between the two issues. It was a closed-door seminar organized by the City of Turin and the UIA expert (author of this journal) in collaboration with the University of Turin and the National Association of Italian Municipalities (ANCI) (where it also took place). The second one, “Civic collaboration as a general principle of administrative activity” took place in Rome in June 17<sup>th</sup> 2019, organized by the UIA Co-City expert Christian Iaione and hosted by the Council of State to present the results of the book “La Co-Città”, edited by Paola Chirulli and the UIA Co-City expert Christian Iaione where the case of the Co-City Turin project is introduced as a key case study.</p>

## 5. Next steps and concluding remarks

The next steps of the Co-City Turin project could go towards the direction of consolidating the legal tools provided by the project, by finalizing more collaboration pacts co-designed in the first rounds, approve the new version of the regulation, keep working on positioning the pacts of collaboration as the first generation of *urban innovation partnerships*.

The Co-City project of the city of Turin is considered the most advanced experiment in Europe thanks to these new forms of public partnerships which:

- Introduces a procedural technique based on “collaborative dialogue” implying a brokerage function in the construction of partnerships by the public administration through the management of the co-planning function of the contents and the legal framework of the partnership in order to replace the competition between local actors with collaboration and cooperation as a design principle for awarding procedures and public contracts;
- Tries to go beyond the traditional administrative legal tool of “concession” and beyond traditional contractual tools, building a more cooperative and entrepreneurial approach. An essential characteristic of these new forms of cooperation is that they imply a non-exclusive relationship between the public administration and local actors in particular the social ones and the communities of inhabitants or users, the local entrepreneurs who create or invest in forms of sustainable and responsible real economy, universities and schools. In addition, these actors agree to bear part of the risks that

a partnership approach implies and therefore the risk is no longer only on the shoulders of the City administration and / or one of its concessionaires.

Collaboration pacts represent a form of institutional innovation and public governance that is unprecedented from this point of view, relying on a form of non-authoritative action by the City administration. Pacts should enable active citizenship, self-organization and collective action by the inhabitants as a new way of governing and managing urban resources, services and local infrastructure. The construction of non-authoritative relationships (horizontal, collaborative, cooperative) between the government and the inhabitants of the cities and / or the enabling of forms of cooperation between the inhabitants and the other local actors implies that the different actors interact on an equal level. This requires changes in the action and mentality of both public and social actors.

In other words, the City administration acts as a platform to facilitate the construction of these cooperative relations between the various urban actors. In the case of Turin, the practice of collaboration agreements signed or in the process of being signed shows that more than in other contexts the inhabitants and other local actors are ready to engage in these extended cooperation formulas to provide answers to the city’s problems, as well as to undertake a certain level of risk and to invest a significant amount of time showing the quality of “civic entrepreneurs”.

Urban Innovative Actions (UIA) is an Initiative of the European Union that provides urban areas throughout Europe with resources to test new and unproven solutions to address urban challenges. Based on article 8 of ERDF, the Initiative has a total ERDF budget of EUR 372 million for 2014-2020.

UIA projects will produce a wealth of knowledge stemming from the implementation of the innovative solutions for sustainable urban development that are of interest for city practitioners and stakeholders across the EU. This journal is a paper written by a UIA Expert that captures and disseminates the lessons learnt from the project implementation and the good practices identified. The journals will be structured around the main challenges of implementation identified and faced at local level by UIA projects. They will be published on a regular basis on the UIA website.



## Urban Innovative Actions

Les Arcuriales  
45D rue de Tournai  
F- 59000 Lille

**+33 (0)3 61 76 59 34**  
info@uia-initiative.eu  
**www.uia-initiative.eu**

Follow us on **twitter**  
@UIA\_Initiative  
and on **Facebook**.