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## **COVER NOTE**

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Subject: Special Report N°24/2023:  
Smart cities: Tangible solutions, but fragmentation challenges their  
wider adoption  
- Powerpoint presentation (Research WP meeting 12.12.2023)

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12 December 2023

# Special Report N°24/2023:

## Smart cities:

### Tangible solutions, but fragmentation challenges their wider adoption



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**Audit scope and goal**



**Observations**



**Recommendations**



## What did we look at? And what was our goal?

### SCOPE

Design and implementation of the Horizon 2020 **Lighthouse programme**

Design of the Horizon Europe **Mission on Climate-Neutral and Smart Cities**

### GOAL

➔ Assess whether the programme helped EU cities become smarter effectively

➔ Assess whether the Commission applied the lessons learned to the Mission

*(Period covered: 2012-2022)*

### Lighthouse programme

**18** projects  
**€381m** of funding  
**48** Lighthouse cities  
**72** Fellow cities  
**515** other partners  
**24** member states

- **Demonstration** of smart-city solutions
- **Multi-stakeholder** (22 and 53 partners)
- **2 or 3 Lighthouse cities**, where solutions are demonstrated
- **At least 2 Fellow cities**, where solutions are replicated (but no funding for replication)



# Observations

**1** Overall a well-designed programme, though part of a fragmented landscape of instruments and lacking impact indicators and targets.



- **Cross-sectoral**
- Multiple **stakeholders** (public & private)
- Close-to-market technologies from **different fields**



- **50+** EU initiatives
- **12** Commission DGs and **3** Executive Agencies involved
- **Not fully coordinated** measures



- Lack of quantitative **indicators** and **targets** at programme level
- **Heterogeneous** project indicators and targets
- Difficult data **aggregation** and **comparison**

# Observations

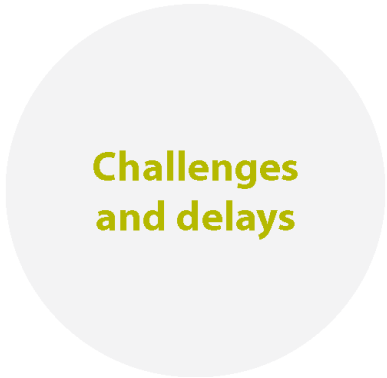
## 2

**Tangible results achieved and majority of targets met, but multiple challenges caused delays and the replication of solutions faces obstacles.**



### Tangible results

- **92%** of **solutions** deployed (mostly in line with plans)
- **2/3** of assessed **targets** achieved or exceeded
- **1/3** partially achieved
- **Replication** started



### Challenges and delays

- Complex and changing urban environments
- Main challenges:
  - **Citizen trust/ disengagement**
  - Regulatory issues
  - *COVID/Energy crisis*
- 73(+9) **amendments**
- Half of the projects **delayed** by 6-18 months



### Obstacles to replication

- **Lack of funding** (90% of Fellow cities and 63% of Lighthouse cities)
- Lack of expertise (35% of FC and 21% of LC)
- Regulatory barriers (35% of FC and 37% LC)

## Observations

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Mission cities could exploit Lighthouse results and benefit from them. Still, present coordination between initiatives is limited. And Mission cities lack clarity on available funding.

### Coordination

- **51** of the 120 Lighthouse and Fellow cities are also Mission cities
- No formalised coordination between the **support services**
- No **replication assessment** planned

### Lack of clarity

- Horizon and other EU resources **not ring fenced** to Mission cities
- Mission **label**, possible dedicated **financial instruments**, synergy with **national support** yet to be defined

The Lighthouse and Mission cities investment needs are in the order of billions of euros. **EU** funding is **important**. Yet, **not sufficient** by itself.



## *Recommendation 1:* **Assess financing capability of Mission cities**

### **STOCKTAKING**

- Take stock of the capacity of the Mission cities to **pool sufficient public and private funding**, including EU funding

### **ENHANCING**

- **Enhance the support** provided to the cities with **financing weaknesses**
- Exploit **synergies** with national/regional resources and private investment

**Target implementation date: 2024**





## *Recommendation 2:* **Ensure citizen engagement**

### **WORK PROGRAMMES**

- Ensure that **adequate citizen engagement and co-design activities** are reflected in Horizon Europe work programmes

### **FLEXIBILITY**

- Allow projects flexibility to **conduct citizen-engagement activities** and incorporate the results into those projects

**Target implementation date: 2024**



## *Recommendation 3:* **Carry out a replication assessment**

### **ASSESSMENT**

- Assess whether Lighthouse projects' results have been **replicated**

### **EXPLOITATION**

- **Feed results** into the Mission Platform

**Target implementation date: 2026**



## *Recommendation 4: Coordinate the Lighthouse programme better with the Mission*

### COORDINATION

- **Strengthen the coordination** between the Lighthouse programme and its support services, and the Mission

### PARTICIPATION

- **Involve the Lighthouse and Fellow cities** in the networking and peer learning activities planned by the Mission Platform

**Target implementation date: 2024**



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# THANK YOU

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