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EU Consultation

on **the Right to Stay strategy**: cohesion policy instruments for territorial rebalancing



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1. PREAMBLE

The economic crises that have affected the European Union in recent years – from the war in Ukraine, tensions in the Middle East, to broader geopolitical and global economic and financial changes – require Member States and the EU institutions to rethink investment policies, directing them towards more targeted forms of support for development and social cohesion, with a particular focus on local communities and the most fragile territories.

Alongside these changes, the need for the European Union to provide effective responses to structural phenomena affecting many territories, such as population decline, depopulation, reduced accessibility to essential services and the progressive shrinking of economic and employment opportunities, is confirmed. In this framework, the Commission launched a consultation on the initiative entitled 'Strategy on the right to stay: your region, your future' (hereinafter 'Right to Stay'), with the aim of identifying the main challenges that communities are facing and the forms of support they need to thrive.

This document provides the contribution of the Department for Cohesion Policies of the Prime Minister's Office on the substance of this political strategy on the basis of the significant cases carried out in Italy in the last two programmes thanks to dedicated instruments and actions introduced in the 2014-2020 programming period and confirmed and reinforced in 2021-2027 through resources from European cohesion policy and national funds.

On the basis of the lessons learned, **useful trajectories for the development of *Right to Stay* policy and future programming** are outlined. Particular attention is paid to so-called inner areas, small and medium-sized cities with a strong attractiveness, which constitute a polycentric framework to be recognised and enhanced; outlying and border cities, characterised by multiple identities and specific challenges; and to internationally renowned art cities, which are increasingly difficult for residents to live.

From this polycentric perspective, in line with the approach promoted by the Territorial Agenda 2030 and reiterated by the Letta Report, Italy has extended urban action beyond the 14 metropolitan cities, including in the 2021-2027 programming cycle medium-sized cities as strategic nodes connecting with its own reference territorial area. This synergy has made it possible to overcome the historical clash between urban hubs and remote areas, fostering the 'regional convergence' called for by the European Commission's 9th Cohesion Report.

While supporting the dynamism of medium-sized cities and the resilience of inland areas, the Italian model seeks to promote **transdisciplinary, innovative, environmentally friendly and bottom-up development** to ensure that infrastructure (including digital and social infrastructure) wherever it means enabling businesses and talent to operate successfully, ensuring that citizens' mobility remains a voluntary choice and not an effect of the 'geography of discontent'.

2. THE BACKGROUND

Italy, with its vast rural and remote areas, islands, mountainous territories and a peninsular configuration exposed to the effects of climate change, is at the forefront of implementing a strategy aimed at ‘putting people, communities and territories at the centre, promoting conditions that enable European citizens to stay, grow and build their future in their places of origin’. In addition, there are cities of art and strong tourist attraction, where economic and housing pressure makes it increasingly difficult for residents to continue to live permanently.

Right to Stay is therefore of particular importance in the Italian context. Italy continues to lose skilled human capital trained in Italian universities¹, while population ageing affects the distribution of inhabitants, the sustainability of public services and the socio-economic resilience of many areas. These dynamics manifest themselves in inland and peripheral areas, small and medium-sized towns and cities of art, where housing costs and changes in the local market are likely to expel residents.

In fact, each territory has different starting points, needs and development capacities. However, some of them are more affected by severe challenges and transformations due to remoteness, geographical particularities – including exposures to climate change-related risks – or specific socio-economic conditions.

It is therefore necessary to ensure fairer accessibility to essential services, economic opportunities and the benefits of membership of the European Union. Cohesion policy has a crucial role to play in this, but it cannot be the only instrument: many factors behind the lack of growth in some areas do not depend exclusively on regional or local authorities. More attention should therefore be paid to the territorial implications of European and national policies.

In this respect, Italy has already developed tools anticipating the *Right to Stay* logic. The national strategy for interior areas and urban development measures aim to strengthen the resilience of territories by improving essential services, enhancing local resources and more balanced and polycentric development, combating marginalisation and concentration.

We would also point out that, during the mid-term review of the current programming period, Italy took the opportunity to promote the *Right to Stay*, acting on three pillars: (I) accessible and sustainable housing; (II) strengthening strategic services, water resilience and energy networks; (III) competitiveness through research, development and integration into advanced scientific and technological networks. Finally, in line with this strategy, Italy also addresses this challenge through the ‘Piano Casa’, supported by more than EUR 1.9 billion in cohesion funds.

3. TERRITORIAL AREAS AND POLICY INSTRUMENTS

The recent global transitions and crises are demonstrating how only through place- **based** policies, capable of harnessing the potential of all territories, respectful of environmental and cultural heritage, as well as local specificities, **responding to needs that have emerged without the consumption of new land**, can economic and social fragmentation be prevented. Strengthening cohesion therefore means acting strategically on competitiveness, transforming the Mezzogiorno, inland areas and, in general, the regional networks of small and medium-sized communities (towns and cities) into

¹ ISTAT links the phenomenon mainly to: higher wages abroad; increased career opportunities; more funded research systems; more meritocracy; quality of the best services and infrastructures.

dynamic innovation hubs by strengthening services, education and infrastructure.

In this direction, Italy is an advanced case in the implementation of the principles underpinning the *Right to Stay*, thanks to an intervention architecture that goes beyond the traditional dichotomy between centres and suburbs and integrates, as also stated by Minister Foti on 6 May 2026 at the European Parliament, the medium areas (i.e. the belt municipalities) of the **National Operational Programme Metro Plus and Città Medie**, which also contains a first strategy, albeit still sectoral, with **the intermediate areas**².

This model, recognised at European level as a pioneering application of *place-based* policies, is not limited to passively combating depopulation, but aims to transform marginalised territories into competitive ecosystems by enhancing essential services (health, education and mobility).

For this reason, it is a priority to counter the current trend in the debate on the next Multiannual Financial Framework to separate competitiveness from cohesion, while there can be no real long-term European competitiveness without widespread territorial cohesion.

Finally, this cooperation must be translated into concrete measures in the 2028-2034 programming cycle, preserving the territorial dimension of cohesion policy through adequate and predictable resources and fully implementing the provisions of the National and Regional Partnership Regulations and the ERDF, currently under negotiation, which recognise the ‘right to stay’ as a priority objective.

It is therefore essential that the new 2028-2034 framework preserves the territorial dimension of cohesion policy with adequate resources, so that the attractiveness of territories does not remain a stated objective, but becomes a concrete lever for development, inclusion and competitiveness for all regions, starting with the most fragile ones.

To this end, Italy intervenes in the following territorial contexts:

■ Peripheral and ultra-peripheral interior areas

The Italian Inner Areas now comprise 3.834 municipalities, representing 48.5 % of the total number of Italian municipalities, and are home to around 23 % of the national population. These are mainly mountainous, rural and peripheral areas which, despite their serious problems, play a strategic role in environmental protection, landscape protection, the sustainable management of natural resources and the hydrogeological security of the country.

Inland areas were identified in 2014-2020 as “inland”, i.e. far from all the essential services (upper secondary education, hospitals, adequate railway services and stations) that characterise an urban cluster.

Subsequently, in 2021-2027, while still complying with the criterion of the presence of internal municipalities (outermost, peripheral and intermediate), additional areas were added on the basis of common objective criteria, such as: (I) the existence of a defined and recognisable historical/social identity and/or geomorphological system (valley, etc.); (II) demographic difficulties, with systemic risks of depopulation; (III) organisation of essential services (e.g. fragmentation of schools, inadequate

² See for this purpose also OECD studies taking as a sample the average areas of the PN Metro Programme and in particular Brindisi, CFE/RDPC/URB (2026) 3 (See: <https://www.oecd.org/en/about/programmes/unlocking-the-potential-of-intermediary-cities.html>).

territorial health, accessibility difficulties); (IV) the willingness and aptitude of local authorities to work together and pursue an objective of associationism.

The **National Strategy for International Areas (SNAI)** of 2014-2020 and [the National Strategic Plan for International Areas \(PSNAI\) of 2021-2027](#) are now one of the main instruments through which Italy seeks to combine territorial cohesion, national security, environmental sustainability and economic development. The new *governance* of the PSNAI provides for the centralisation of the decision-making chain in a dedicated national steering committee, in accordance with a coordinated approach for the implementation of measures and shared management of resources. The Strategy stems from the recognition that inland areas are not a 'marginal periphery' of the country, but a strategic space for national environmental, production and energy conservation.

SNAI can make a significant contribution to the implementation of the *Right to Stay* on three complementary floors: as an integrated model of essential services and local development; as a multi-level architecture for coordination between European, national and regional funds; and as a territorial pact based on inter-municipal cooperation, participation and administrative strengthening. The strategies highlight a common grammar of intervention based on community needs and the integration of health, school, mobility, digital, work, culture and the environment, aimed at transforming inland areas into resilience and innovation platforms.

Analysis of the strategies shows that the right to stay is built through an **integrated territorial ecosystem**. The strategies of Cadore, Alpago-Zoldo, Apennines Alto Fermano, Montefeltro and Lario Intelvese, together with those of the Middle Basento, Middle Agri, Trasimeno, Media Valle del Tevere, Valdicecina and Amiata, all show that staying in the area depends on reducing physical, digital and social distances through local services, community networks and new economic opportunities. The Alpine and Apennine strategies also confirm the role of inland areas as strategic national infrastructure, while those in the south highlight the need to confront demographic and social fragility, while at the same time promoting cultural, agricultural and environmental heritage.

■ Urban areas, towns and villages of seatbelts

The progressive concentration of population and economic opportunities in large metropolitan areas has accentuated territorial imbalances requiring new polycentric development strategies. The belt municipalities of large metropolitan areas risk becoming dormitory neighbourhoods of a periphery without functions and identity, while medium-sized and small cities far from urban hubs – albeit historically dense – without policies aimed at recognising and enhancing their attractiveness and/or enhancing their digital transition, risk being forgotten and abandoned precisely because they are far from valuable functions.

In this sense, the [National Metro Plus and Medium Cities Programme](#) represents one of the most innovative and composite experiences of the European landscape and *place-based* policies. The extension of urban strategies beyond metropolitan cities has made it possible to recognise the role of medium-sized cities as strategic territorial nodes, capable of connecting urban areas, local production systems and peripheral territories.

The average cities selected by the programme were identified not through competitive calls, but on the basis of objective criteria linked to socio-economic vulnerability, housing deprivation, urban

fragility, territorial marginality and the need for urban and social regeneration. This approach has made it possible to direct resources to those areas most in need of infrastructure strengthening, services and administrative capacity.

The use of social innovation and shared administration paradigms is particularly innovative. Funded projects promote co-design processes involving local authorities, the third sector, businesses and active citizenship, promoting new forms of participatory territorial governance.

Italy's polycentric model seems particularly consistent with the guidelines of the Territorial Agenda 2030 and the New European Agenda for Cities, which emphasise concepts such as integrated territorial development, multi-level governance, reducing administrative burdens and strengthening the administrative capacity of small and medium-sized cities.

The **National Just Transition Fund Programme (NJTF)** also provides relevant guidance for the implementation of the Right to Stay. Experience gained in the territories affected by the energy and industrial transition (Province of Taranto and Sulcis Iglesiente) shows that maintaining the local population and skills depends on the ability to accompany economic transformation processes through integrated investments. The interventions financed by the JTF – in particular those geared towards diversification of production, regeneration of brownfield sites, development of new innovative sectors, strengthening skills and creating employment opportunities and upgrading the public building stock – contribute to making the territories more attractive and resilient. The JTF is therefore a concrete example of territorial policy aimed not only at mitigating the effects of the transition, but also at creating the conditions for citizens, workers and businesses to continue to live, invest and build their future in territories affected by structural change.

Looking ahead, strengthening the network of medium-sized cities and small municipalities can be a structural response to depopulation and territorial marginalisation. Given that **around 98 % of Italian municipalities have fewer than 20 inhabitants**, it is strategic to build a territorial framework made up of medium-sized cities, towns and villages capable of ensuring services, innovation, accessibility and quality of life.

This polycentric territorial fabric can become the foundation of a new model of sustainable and inclusive development, in which economic competitiveness, social cohesion and environmental protection are not opposing elements, but integral parts of the same long-term strategy.

■ International cities, major tourist attractions and art cities

There are cities in Italy that are universally recognised as major cultural, economic and artistic attractions. These cities must also be given attention to the right to stay. Although they are tourist destinations, they also increasingly lack long-term inhabitants.

These are 'ghost cities', inhabited only temporarily by people often residing elsewhere, whose tax and administrative contributions mainly relate to other territories.

This also makes it more difficult for residents to stay in these cities, both because of the limited diversification of professional opportunities and because of the limited and not always accessible provision of local services.

In this sense, cohesion policy instruments, such as the METRO Plus NP, intervene to counter the negative effects of gentrification and overtourism, supporting operations aimed at improving local services in historic centres for the benefit of residents, and also launching intangible initiatives to involve the population, especially those groups exposed to social risk.

Strategies aimed at the resident population concern the regeneration of pedestrian spaces, community parks, widespread local sports facilities, support for young people at risk of marginalisation, the recognition and upgrading of vacant housing for social *housing*, the revitalisation of basic services and the promotion of widespread cultural initiatives. These works are being carried out in historic neighbourhoods and nearby outskirts of major art cities such as Bologna, Florence, Catania, Naples, Palermo, Rome and Venice.

■ Border areas – European territorial cooperation

Within the framework of European cohesion policies, [European Territorial Cooperation \(ETC\)](#) plays a strategic role, not only to foster cooperation between territories, but also to concretely support the *Right to Stay*. Interreg is one of the most well-established and advanced tools for connecting peripheral territories, border areas, intermediate urban systems and inland areas through shared projects capable of generating innovation, services and new economic opportunities.

Interreg has been operating for more than 30 years and has at European level, for the 2021-2027 programming cycle, around EUR 10 billion spread over 86 programmes. It is based on the definition of international partnerships and project teams to address common territorial challenges that transcend administrative boundaries. The projects test flexible working arrangements and enable the joint development of analyses, services and new professional skills, which are instrumental in making full use of the knowledge potential of the territories. Interreg creates permanent connections between strong territories and fragile territories, turning cooperation into a concrete lever for competitiveness, innovation and territorial resilience.

Italy participates in 19 programmes with three components: crossborder, transnational and interregional. Cross-border programmes are the most immediately operational level of territorial cooperation, supporting investments that improve accessibility, transport, health services, education, labour mobility and energy efficiency. In many border areas, especially mountainous or peripheral areas, these interventions directly contribute to combating depopulation, improving the quality of life and increasing the economic attractiveness of the territories.

The transnational component shall have a strategic function in coordinating large functional and macro-regional areas linked to the green and digital transition, innovation, climate resilience, accessibility and economic competitiveness. In this context, inland and peripheral areas become places for experimentation and practical application of innovations developed in areas with greater scientific and technological capacity. Finally, interregional programmes foster the exchange of good practices, *capacity building*, institutional learning and administrative capacity building for the development of new services contributing to the improvement of citizens' quality of life.

4. FROM FRAGMENTATION TO COHESION: WHAT GOVERNANCE FOR THE RIGHT TO STAY

In addition to increasing the financial dimension of cohesion funds and programmes, the **governance of economic programming is also being streamlined**, with the integration of national and European policies being strengthened, along the lines of development that Italy has already anticipated since the new rules governing the Development and Cohesion Fund for the 2021-2027 programming period.

Long-term, stable interventions are needed *to make Right to Stay* effective. Demographic, economic and social challenges affecting many European territories cannot be addressed through temporary or fragmented interventions, but 8

they require integrated territorial strategies capable of ensuring planning continuity and coordination between the various institutional levels.

In this perspective, the principle of multilevel governance, understood as cooperation between the different levels of government of territorial transformations and integration between infrastructure, environmental, energy, social and industrial policies, takes centre stage, overcoming fragmented and sectoral approaches.

In the absence of such coordination, the spontaneous dynamics of the market tend to reinforce the processes of concentration of growth in the most competitive territories, exacerbating territorial disparities and the marginalisation of fragile areas.

Of particular importance is the **role of local authorities**, as institutional units of proximity and the first level of implementation of public policies. In this context, municipalities are called upon to develop their role from primarily implementing actors to integrated governance actors, capable of promoting administrative innovation, initiating co-design processes with local stakeholders and guiding public action towards objectives, going beyond a purely sectoral and procedural logic. Strengthening **administrative capacity** is therefore structural in nature, not only by strengthening technical planning and planning skills, but also by including coordination, institutional mediation and integrated management of interventions, which are essential to ensure the effective implementation of cohesion policies.

Alongside institutional governance, it is essential to strengthen the structured involvement of local communities and *stakeholders*, in accordance with the principles of shared administration, social innovation and participatory territorial development. From this perspective, territorial rebalancing cannot be understood as a mere redistributive or compensatory function, but rather as a strategic component of the systemic competitiveness of the European Union, in so far as it makes it possible to activate and enhance the differentiated contribution of territories to sustainable growth, economic cohesion and the overall resilience of the European system.