



1st ASCIMER WORKSHOP

Focus groups

KEY FACTORS FOR ASSESSING SMART CITY PROJECTS

Focus Group Summary

What is the purpose of Smart City Projects assessment?

Smart City Projects (SCP) assessment, as any other project assessment, is the essential third step of the political, planning or design process: 1. Where do we want to go? (Objectives, vision, needs) 2. How do we get there? (Course of action, resources, processes) 3. How do we measure the distance between the two? Therefore, without the first step, no project can be assessed. SCPs' objectives and city's objectives lie at different levels, but a necessary coherency between the two is needed. SCP's assessment should reflect that coherence among levels and it should also evaluate the level of compatibility between different (and conflicting) dimensions, because SCPs are projects of public interest and they necessarily imply a political process, defining order and priorities among competing goals.

Consequently, a strategic vision of the city, a sustainability strategy, a social contract, in sum a place where priorities are defined should already exist in order to assess SCPs according to the framework defined in it. Clearness of the long-term vision of the city is the central factor for a good assessment process.

Fundamentally, the main purpose of a SCP assessment is to increase responsibility, that is:

- To make leaders, managers and decision-makers "accountable" for their choices and courses of action
- To link together project's objectives with the global issues that are faced at different scales (climate change, resources deployment, poverty, social exclusion, etc.)

What are the challenges for Smart City Projects assessment?

SCP assessment cannot be a synthetic figure because many incommensurable dimensions are involved. SCP assessment is always **an opinion**, which is **based on synthetic indicators**.

Indicators are fundamental pillars of SCP assessment; the challenge is **choosing which indicator or indicators** is/are to be used to assess each objective, in each of the three dimensions of sustainability. For the economic and environmental domains the choice and the measurement of indicators is not as challenging as is the definition of adequate indicators for the social domain, where value and benefits are difficult to quantify and to monetize. "Value for money" of social outcomes is a tricky issue... For example, after the installation of elevators in its stations, Metro of Barcelona measured that 92% of users of such elevators did not have any visible disability nor reduced mobility. If they had to base their decision according to "return on investment" or "value for money" the project would have received a bad assessment, but instead it is a high valued asset for everyone. That is to say that SCPs should not be assessed as "business", only with business criteria.

Thresholds of acceptability of social indicators are also challenging. What is the degree of inequalities a city can accept? Indicators on inequality and distributional benefits should always be included in a SCP assessment.

Indicators should have the following key **features**:

- Since indicators are inherently linked to city's global objectives, they must be **ordered** and **weighted** according to the global objectives defined.
- Indicators should **arise from a combination** of legacy and consolidation of assessment practices (e.g. from A21 agendas) and from public debate processes with involved stakeholders.
- Indicators have to be **coherent to the scale** of their application, in space (local, regional, global), in time (short-, medium-, long-term)
- Indicators have to be **coherent with the city characteristics** (historic, cultural, sociologic...).
- Indicators should be **measurable as much as possible**. An essential condition to have measurable indicators is collecting data, in a structured and consistent way.

Another challenging aspect to consider or to integrate in the set of indicators is **culture**. Should assessment processes and criteria be alike in any context? How could the specific and idiosyncratic aspects of the culture of a city be taken into account when assessing SCPs? Examples of success could be Vitoria-Gasteiz, Spain and Wien, Austria.

How to assess Smart City Projects?

The approach on how to assess SCPs will be different depending on:

- What **type** of assessment (ex-ante/ex-post)?
- Who is the **recipient** of assessment? If we are only thinking in the investors (e.g. EIB), they need the assessment to decide the best "value for money" to correctly allocate resources. But the assessment is also needed for the decision-maker, the community as a whole, and the user of services.

Three **levels** of assessment have been proposed, each one according to the following questions:

1. Does the SCP fit in the general framework of global strategic objectives?
2. Is the SCP coherent with the aims of other projects that form part of the city strategy?
3. Is the SCP viable economically/environmentally/socially?

The latter level should be carried out through the use of **consolidated** assessment **tools** like CBA, MCA **and** EIA, and also through **new tools** like SEA, or Ecological footprint assessment, etc. For example, if a SCP contemplates a system of parking sensors which permits to find a car park more easily and this finally attracts more car users, should it be considered "smart"? Technology has to be assessed as a tool, not as an end in itself. Then, SCPs have to be assessed with the needs of citizens into account. Projects and technology involved in them should never create new needs.

"Self-assessment" of the project may be a good starting point for the whole process of SCP assessment.

Assessment is mainly an intra-city process but the **inter-city assessment** should also be considered, given that cities are not isolated islands. Comparison and benchmarking with other cities has many benefits i.e. raise awareness on city's weaknesses and threats and helping to face.

Assessment of SCPs should consider **complexity** and relationships among elements, not only based on a list of indicators: relationship among indicators, actors, scales, time frames, dimensions should be analyzed and considered.

Assessment of SCPs should consider the **dynamism** of cities, they should not be static, and therefore indicators should always include time (representing cities as "movies", not only as "pictures").

Assessment of SCPs should be made from the public point of view, considering the **public interests**, producing benefits for all, or at least for the majority of citizens. However, the assessment should not only have city's citizens as reference of assessment efforts. Visitors, immigrants and foreigners, with their heterogeneity, should also be taken into account.

Which are the criteria that have to be taken into account when evaluating projects?

An overall agreement exists among participants on the relevance of all dimensions of sustainability in the assessing of SCPs, so that **Multi Criteria Analysis tools** are needed in order to assess SCPs. The following criteria were mentioned although **no relative importance has been attached** to any of them because the order of indicators and their relative weight should be decided through city's participative processes, as explicated previously. Mentioned **criteria** to build indicators were:

- Employment impact
- Effect on resource distribution
- Inclusiveness
- Participation
- Fulfillment of the basic needs
- Adequacy to people needs
- Environmental improvement
- Production of negative externalities
- Cultural impact
- Efficiency (money, energy, time, space, non-renewable resources, ...) → easier to demonstrate
- Quality of services → more difficult to demonstrate
- Financial sustainability
- Transferability level (It has been pointed out that instead "replicability" is often an illusion)
- Maturity of the country (stability, risks, leadership)
- Leadership and managerial capability
- Innovation



<http://eiburs-ascimer.transyt-projects.com/>

2nd Focus Group

Thursday, 17th of July 2014, 3:30 – 5:30 pm

Number of participants: 14 + 18

- Level of integration with global objectives