

THE METROPOLITAN CHALLENGE IN EUROPE

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Structure of presentation

1. Benefits of metropolitan cooperation and the main bottlenecks
2. Recent policy trends in metropolitan cooperation in the EU countries
3. Good practices of metropolitan coordination: planning and governance solutions
4. EU policies and tools for metropolitan areas: lessons from the present and ideas for the future

1. BENEFITS OF METROPOLITAN COOPERATION

Coordination between neighbouring municipalities in **functional urban areas** is crucial to

- avoid the **negative effects of competition** (investments, services, taxes) between local authorities
- help to **integrate policies** – economic, environmental and social challenges can best be addressed **at once** on broader urban level
- reach the **economy of scale** – size matters in economic terms and in services

However, functional urban areas are not easy to define and usually **weak** in administrative-political sense

Different areas around cities

- **Administrative area:** the present constituency of the mayor
- **Morphologic area (MUA):** built up continuously – *this should be the minimum definition of the city*
- **Functional Urban Area (FUA):** day-to-day connections – *territory of ,zero-sum game' functions*
- **Larger economic area:** territory which can be reached within one hour from the airport – *territory for ,win-win' types of cooperation*
- **Visionary cooperation area:** agreements on territorial basis to increase international competitiveness – *innovative, mostly cross-border initiatives (Öresund, Oslo-Göteborg...)*

CITIES	Admin city (million)	MUA/city	FUA/city
London	7,43	1,1	1,8
Berlin	3,44	1,1	1,2
Madrid	3,26	1,5	1,6
Paris	2,18	4,4	5,1
Budapest	1,70	1,2	1,5
Vienna	1,60	1,0	1,6
Lisbon	0,53	4,4	4,9
Manchester	0,44	5,0	5,8
Liverpool	0,44	2,7	5,1
Katowice	0,32	7,1	9,5
Lille	0,23	4,1	11,3
...			
AVERAGE (40 cities)	42.63 mill	1,7	2,3

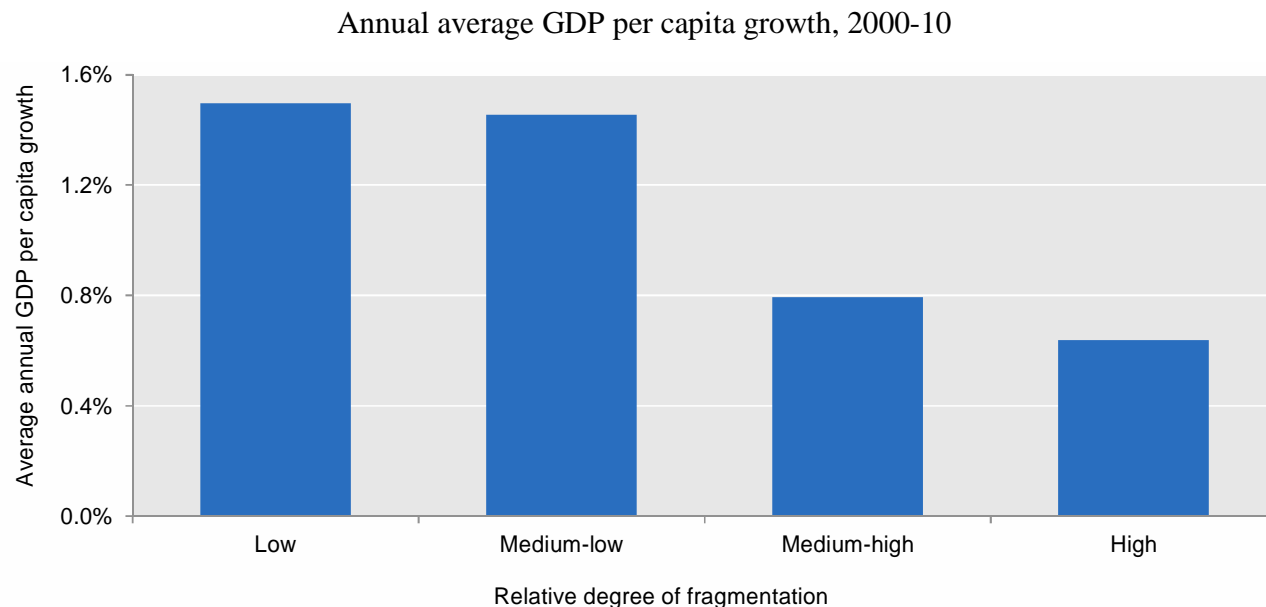
Sources: ESPON, 2007: Study on Urban Functions. ESPON Study 1.4.3 IGEAT, Brussels. Final Report March 2007 www.espon.eu City population: <http://www.citypopulation.de>

Opportunity costs of ignoring metropolitan dynamics

If not organised on the metropolitan space, may problems emerge:

- **lack of scale** and critical mass needed to succeed
- co-ordination and capacity problems
- **internal competition** and waste
- incoherent messages
- missed opportunities

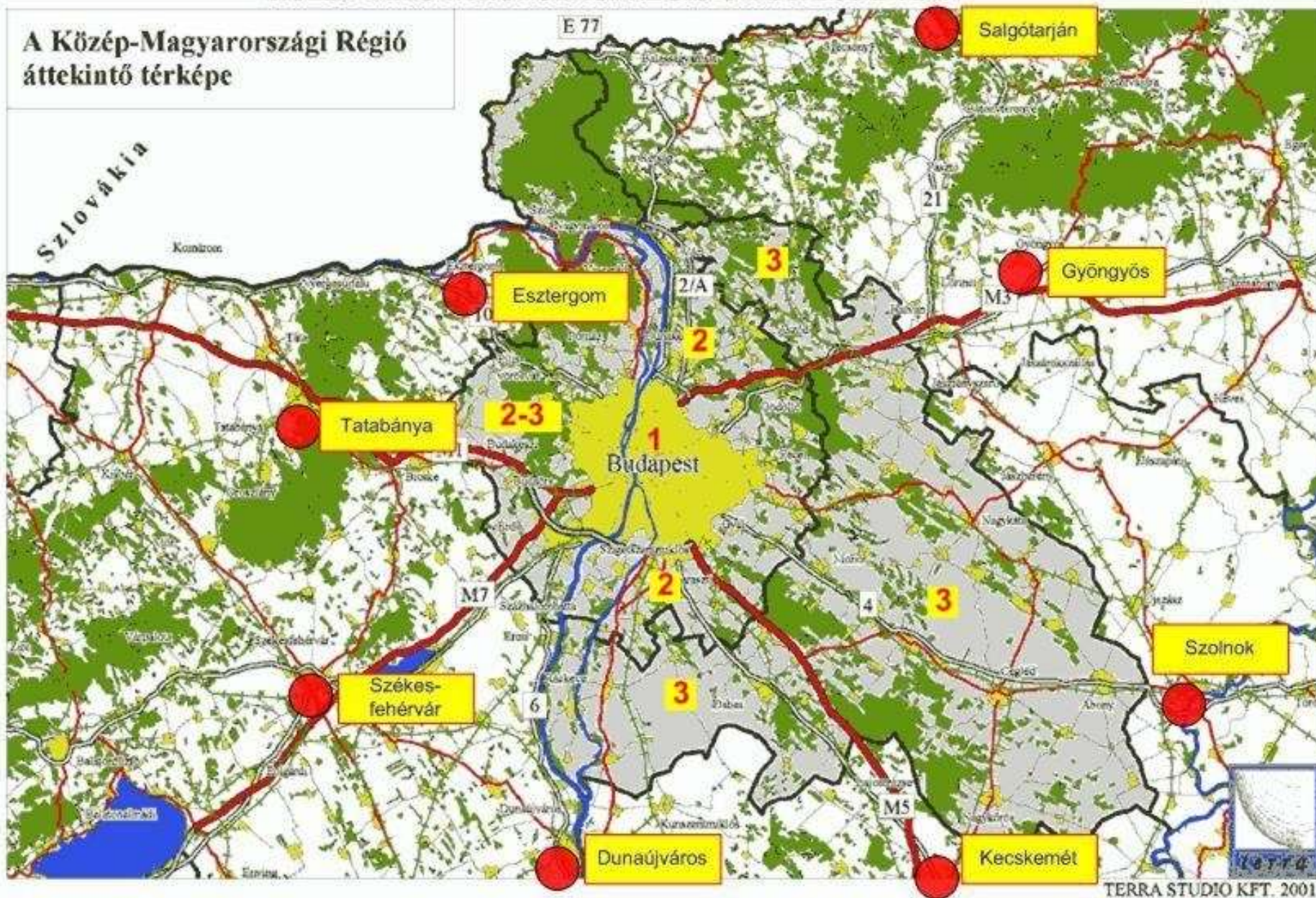
Figure 2.7. **Less fragmented metropolitan areas have experienced higher growth**



Source: Ahrend, R. and A.C. Lembcke (2015b), “Economic and demographic trends in cities”, *OECD Regional Development Working Papers*, OECD Publishing, Paris, forthcoming.

KÖZÉP-MAGYARORSZÁGI RÉGIÓ STRATÉGIAI TERV

A Közép-Magyarországi Régió áttekintő térképe



The Eurocities MAIA survey

Eurocities „Metropolitan Areas In Action” research (appr. 40 European cities) on territorial collaboration forms around large European cities

- **spatial dimension** of collaboration compared to FUA
- types of **content/functions of cooperation**: from loose talks through single or more functions till strong joint multi-functional planning
- types of **institutional form of cooperation**: from no form or statistical unit through weak delegated council till strong (elected or delegated) council

MAIA data on the FUA level

Combining the OECD and Eurocities-MAIA approach and results

- From OECD: which is the **territorial level closest to the functional urban area** (enough large for territorial integration)
- From EUROCITIES-MAIA: **what kind of collaboration forms** (functions, institutional form) exist on this territorial level

Size of the collab-oration	1. Statistical unit	2. Networking, weak strategic planning	3. Single function	4. Multiple functions	5. Strong strategic, spatial planning of binding nature
A) Smaller than FUA	Budapest, Brussels	Ghent, Malmö , Vienna, Zurich.	Frankfurt , Helsinki, Katowice , Warsaw	Amsterdam, Rotterdam, Milan (Metropolitan City)	Lille, Lyon, Rennes, Strasbourg
B) FUA	Berlin, Ghent, Linköpping, Lisbon, Strasbourg , Vienna, Warsaw	Amsterdam , Birmingham LEP, Bratislava (Region) , Brno, Brussels, Göteborg , Katowice, Lyon, Malmö , Sofia, Terrassa,		Helsinki, Madrid (Region) , Munich , Manchester, Oslo , Preston, Stockholm (county) , Tampere (region)	
C) Somewhat larger than FUA	Sofia	BrabantStad, Zurich	Brussels	The Hague, Torino (Province), Helsinki (Region)	Stuttgart
D) Much larger than FUA (larger economic zone)	Birmingham Budapest	Amsterdam, Bratislava, Frankfurt, Ghent, Göteborg, Hamburg, Katowice, Lille, Linköpping, Lyon, Malmö, Oslo, Rennes, Stockholm, Strasbourg, Stuttgart, Tampere, Vienna, Zurich	Rotterdam – The Hague	Katowice (Region), Lisbon (Region),	Berlin, Malmö (region)

Cities in **bold**: some type of metropolitan organization exists

Functions and organizations on (or close to) metropolitan level: examples

Functions Institution	Networking	Some functions	Strong planning
No organization	Brno	Vienna	
Delegated organization	Bratislava	Amsterdam	French cities
Elected organization			Stuttgart

Some conclusions of the MAIA research

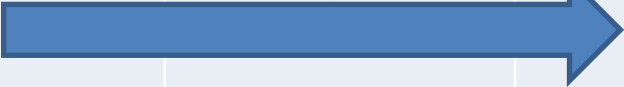
- there are big variations regarding the types of collaborations on the MUA/**FUA**/Business zone levels around European cities
- on FUA level: most often **only informal collaborations** exist; the strong collaborations usually **do not cover the full FUA** territory

Thus there is a „**metropolitan area mismatch**” which is a serious problem, making difficult to handle in integrated way the basic challenges of sustainable urban development

Options for change

On the basis of MAIA there are two options to create stronger, more binding forms of cooperation on the functional urban area level:

- to **give more power and functions** to the existing weak collaborations on FUA level (moving from B-2, B-3, B-4 towards B-5)
- to expand in **territorial sense** the existing strong collaborations to better cover the whole area of the FUA (moving from A-5 towards B-5)

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How to do it in practice?

It is difficult to establish a **new general administrative level for metropolitan areas**; it would be difficult for this new level of governance fit the already overcrowded system of administrative levels.

- **Replacement:** dissolve the existing administrative level around the large cities and merge them with the city into a metropolitan unit, while keep this level unchanged in other areas (Italy, potentially France).
- **Create new, informal level:** collect some competencies down from the upper regional level and some competencies up from below, from the municipalities (Poland, Romania).

Conditions to achieve changes

Stronger metropolitan collaboration requires :

A) the spreading out of **bottom-up initiatives**, in the form of cooperation agreements between political leaders of settlements belonging to the same functional urban area.

- **Larger cities** have to initiate FUA level cooperation in their surrounding areas.

B) the existence of **top-down framework** that initiates (in some cases obliges) the formation of cooperation across the administrative boundaries.

- Both the **national government** and the **EU** can and should initiate and support changes towards stronger metropolitan collaboration.

2. Recent policy trends in metropolitan cooperation in the EU countries

Country	Initiative	Top-down or Bottom-up?	Gate-keeper level
FR	Municipal associations: series of laws since 1999 Regional reform (2015); future of departements?	TD – BU TD	(Regions)
IT	Metropolitan cities initiative: 1990, 2000, 2012, 2014; thinking about the future of provinces	TD	Regions
DE	Metropolitan regions initiative: starting from the late 1990s	BU	Lander
PL	Regional reform in 1990s. Metropolization of regional seats since 2007, based on EU money (ITI)	TD – BU	Regions
RO	Municipal associations since 2004, Growth Poles to allocate EU resources since 2007	TD	

What can be understood on metropolitan areas?

- **Metropolis**: areas above 1 million people. **OECD**: areas above 0,5 million people.
- **residents/people** understand metro area as the MUA or the area of services, e.g. transport associations and road charging
- **EMA** historically was an initiative to highlight the importance of large secondary metropolitan cities, like Barcelona, Lyon, Milan, Torino.
- Now the focus is on metropolitan areas which are **drivers of development via their functional relations**. They represent economic and social flows and exchanges with bigger and smaller towns, which are in functional relations with rural and peripheral areas.
- Thus metropolitan areas should be defined not only on the basis of the population of the core city and not even of the total population of the area, but taking also the **geo-political aspects** into account.

Politically and financially motivated approaches

Political considerations: higher levels of government often intervene without proper discussions with the affected municipalities

- Oslo and Thessaloniki

Financial considerations to form metropolitan areas

- Italy: merging the largest cities with their provinces
- France: creating larger regions which tend to better accept metropolitan areas (e.g. Lille)
- Poland: national decision to use Article 7 money in FUA settings in regional centers
- Hungary: cutting cities from their territories in EU CohPol planning, and dissolving all metropolitan institutions around Budapest

Debates with all stakeholders, involving also the civil society and private entrepreneurs are needed to prepare any solution. It is important what citizens think, otherwise council members will not support any metro development idea.

Decision-makers and gate-keepers

Legal circumstances and the role of the higher administrative level (national, regional) are very different across countries

National visionary metropolitan ideas exist only in a few countries and can be objected in many ways

Gate keeping power of intermediate administrative regions is very strong in some countries

- Italy: the example of Rome vs Milan and Torino
- Germany: to allow bottom-up metropolitan cooperation only till not hurting the interests of the Lander

Forms of metropolitan coordination

Metropolitan coordination is an urgent challenge from many **different perspectives**

- strategic and land use planning
- mobility regulation: transport associations and road charging are crucial topics on metropolitan level
- infrastructure and housing development in growing cities can not be solved without metropolitan cooperation (Vienna)

How to proceed:

- **metropolitan governance or sectoral cooperation projects?**
- **Planning coordination?**

3. Good practices of metropolitan coordination: governance and planning solutions

3.1 Successful metropolitan organizations

- New Metropolitan City (2014) gets EU funding: **Bari**. Pact signed with government on €230 mill, plus another €40 mill in the Open peripheries project. New ringroad, metropolitan platform on jobs, public transport development.
- Metropolitan area formed and gets funding: **AMB around Barcelona**. Third largest budget after Catalunya and Barcelona city. €30 mill ERDF project was signed between AMB and Catalunya. This was success as there were many enemies and also the MA and Brussels had to be convinced.
- Cohesion Policy ITI measure initiates metropolitan cooperation in **PL, CZ, RO**

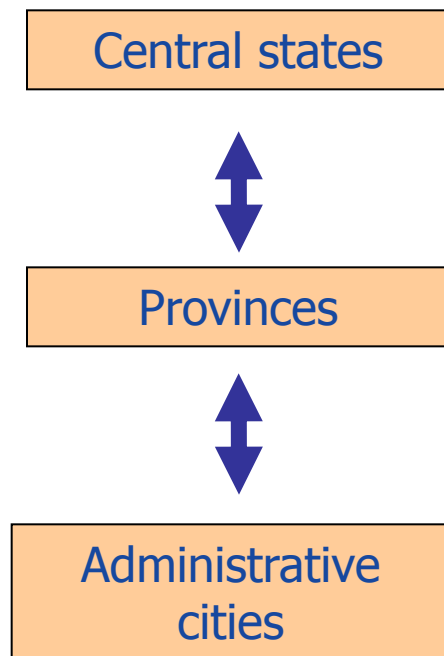
Warsaw ITI



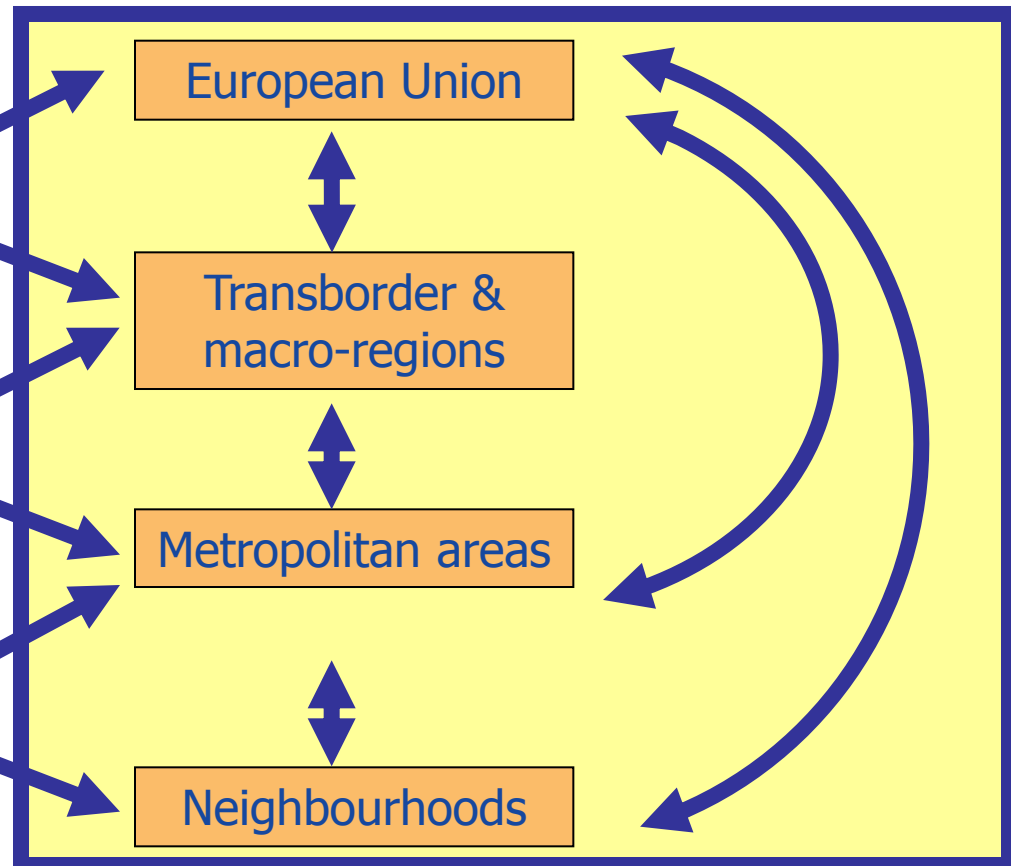
- a voluntary cooperation of **40** communes (incl. Warsaw)
- ca. 2.650.000 inhabitants – **50,3%** of the population of the region
- cooperation in the field of joint application for the EU funds

3.2 Planning in flexible space for implementing in fixed space

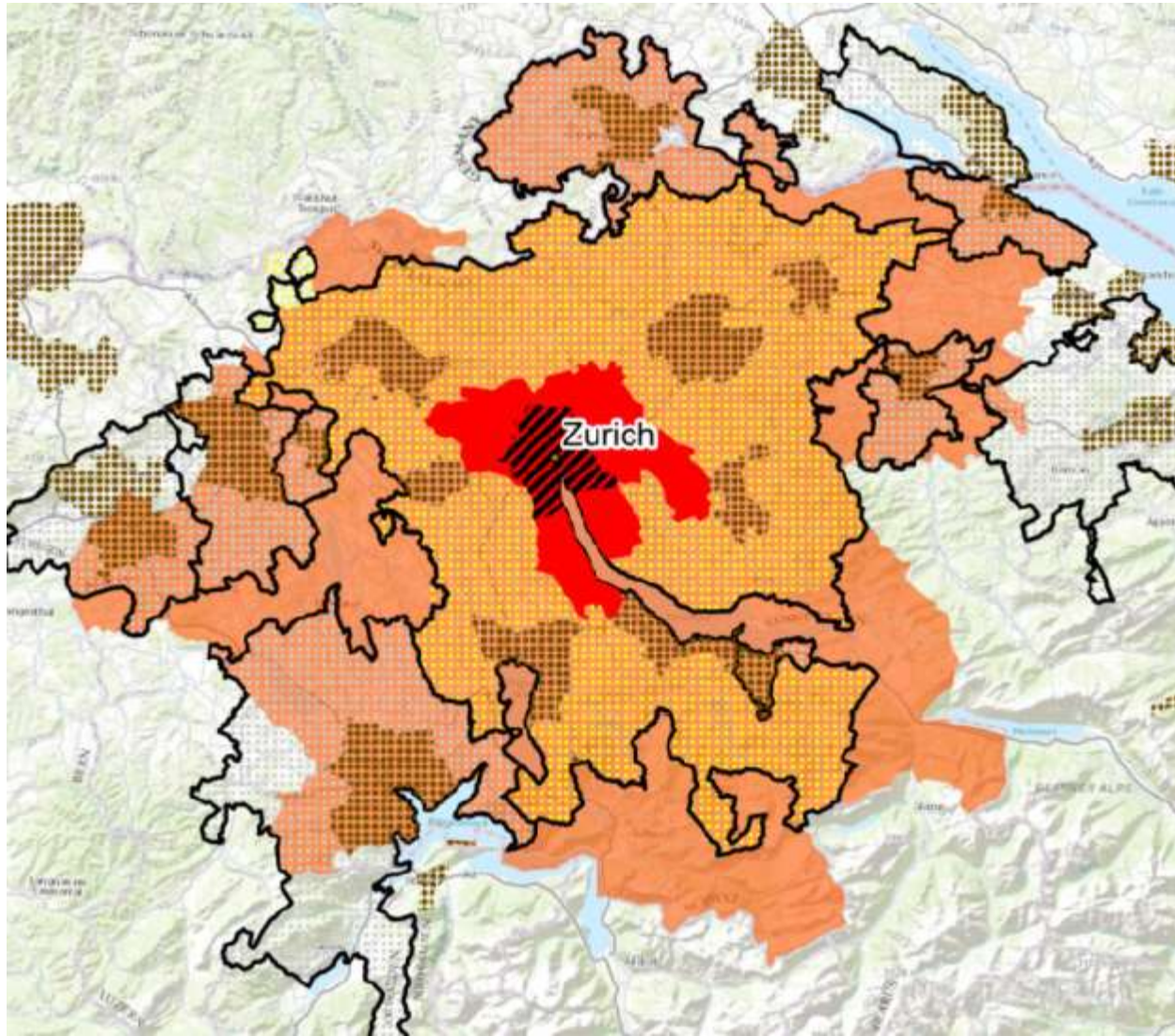
Old: fixed action space



New: flexible action space



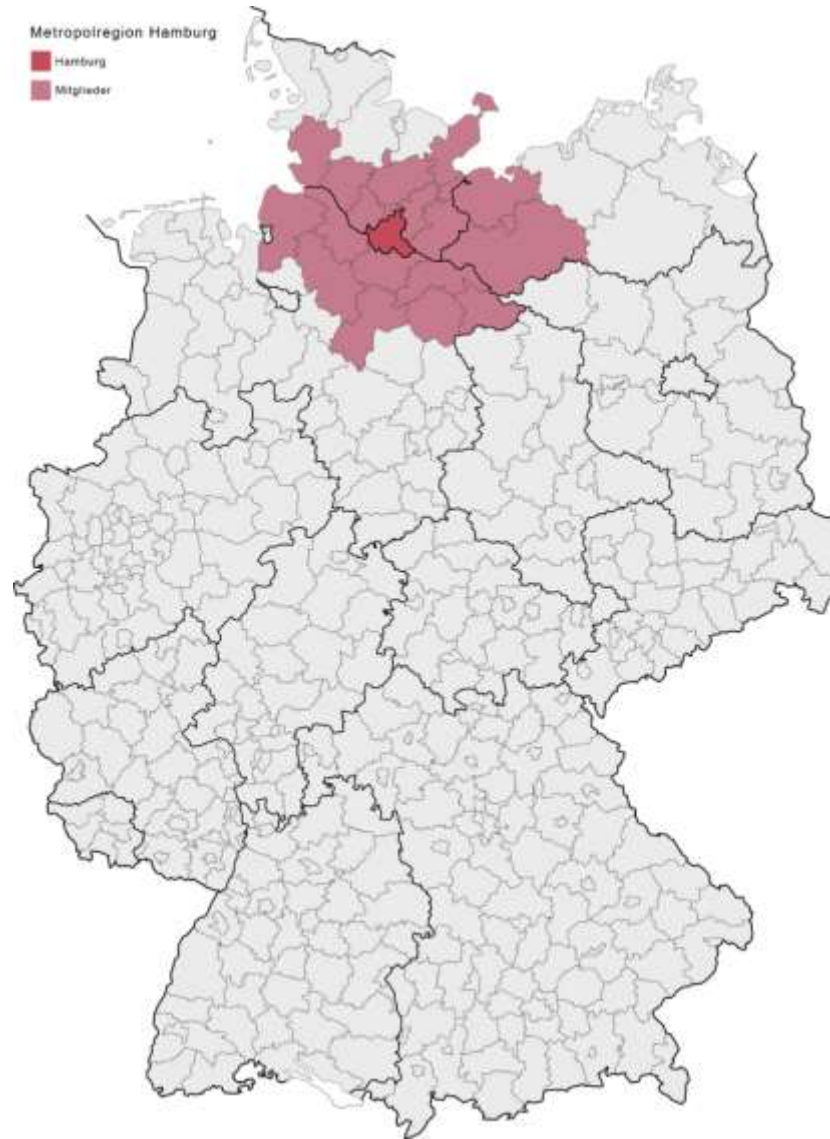
Planning cooperation to implement cooperation ideas on elected government level: ZÜRICH



Planning cooperation to implement cooperation ideas on elected government level: ZÜRICH

- Switzerland defined metro areas and **prescribed mandatory cooperation** within these
- Zürich (415 th) is center of the metro area (1,9 mill), including 8 cantons and 122 settlements
- It took 7 years to build up cooperation, with **regulation of growth** and working out how to compensate those whose growth is limited.
- The agreement was achieved in the **informal level of planning conference**, the resolution of which is not binding but **gradually taken over by the 8 cantons** which make binding decisions.

Planning cooperation to implement cooperation ideas on elected government level: HAMBURG



Planning cooperation to implement cooperation ideas on elected government level: HAMBURG

- Hamburg Metropolitan Region: 4 federal states (Mecklenburg-Vorpommern, Niedersachsen, Schleswig-Holstein and the city state of Hamburg), 17 districts ("Landkreise") and 3 cities **share the belief in urban-urban and urban-rural cooperation** within the metropolitan region.
- The **4 federal states** run first cluster policies jointly. The next big challenge will be that each actor does not invest into digital transition just for himself, but that governments understand that they can only be successful, if they cooperate with their neighbours.

Source: Rolf-Barnim Foth

4. EU policies and tools for metropolitan areas

Lessons from the present (2014-2020) period

- Novelty: requiring **integrated development**.
- The Sustainable Urban Development requirements (**Article 7 of ERDF**) have in a majority cases led to the development of new strategies or major adaptation of existing strategies, creating potential for establishing or further developing integrated place-based approaches.
- This has been particularly the case in **Less-Developed Regions** where strategies have larger budgets. **ITI** has been applied in some of these countries on **FUA level**, resulting in **new bodies for metropolitan cooperation**.
- However, metropolitan (FUA) cooperation is only one of the options in the regulation, and **in many of the countries no metropolitan cooperation exists at all**.

Emerging problems in the use of EU means for metropolitan cooperation

- the required **thematic concentration** on sectoral priorities limit the integration on territorial level (priority axes are often not considered flexible enough to take into account local needs and challenges)
- national level might **misuse the metropolitan dimension** if planning it without sufficient inclusion of the metropolitan and local stakeholders
- national level might **slow down decision making** (Croatia), so that large urban areas (IB-s) will have too little time to finish their ITI projects by 2022
- metropolitan planning might lead to **loss of democracy** if no citizen input is required. There are a few good examples to fight that: Milan organizing referendum, Gdansk giving up majority in decision



**Post-2020: what
kind of EU it will be?**

Source: https://www.google.hu/search?q=future+of+eu+cartoons&tbm=isch&source=iu&pf=m&ictx=1&fir=RrztpJ2WOnQN-M%253A%252C1N1YGxBO1dhlUM%252C_&usg=__CAjhIUgpL_HLPWWvUIOM_Mklf8M%3D&sa=X&ved=0ahUKEwizj6aqn_vWAhUFnRoKHdaABesQ9QEIJzAA#imgrc=4XUPLC5wosFj6M

Cohesion policy post 2020

- Unfortunate external conditions from Brexit till re-nationalizing efforts; **less money** (also) for Cohesion Policy.
- After Brexit **the whole architecture of Cohesion Policy has to be revisited** in order to stay effective.
- A **fresh look** would be needed, but this is difficult, as each programmes and institutions want to keep/maximize their money.

One of the potential ways to go: apply **stronger territorial dimension** and simplification in the form of **less thematic priorities**, allowing larger choices for metropolitan areas.

Towards a stronger metropolitan dimension post 2020

1. An EU Metropolitan agenda

- EU should **increase the territorial dimension** (SUD)
- EU should support the idea that **metropolitan authorities and organized agglomerations** (represented by a politico-administrative institution having at least delegated competences for policy) **are eligible to bid directly for EU CohPol money**
- EU should put this into regulation, giving some **financial incentives to metropolitan level projects** so as also the national level should consider it

Towards a stronger metropolitan dimension post 2020

2. EU should support metropolitan level planning

- EU regulation should support planning on metropolitan level, to **push for acceptance on administrative levels** above (Hamburg) and/or below (Zurich)
- **metropolitan areas** should be suggested not just as final beneficiaries but as **real partners**, when it comes to the strategic planning, designing, managing and evaluating programmes for their development (including the possible topics and projects within an ITI)

How far the EU can go?

Metropolitan areas should be the product of **voluntary efforts**, even if **within top-down frameworks**

The higher level – EU initiated and nationally regulated – metropolitan framework, which should be filled up from below, **should avoid the traps:**

- **political use** of national framework
- **unwilling** national and regional regulators

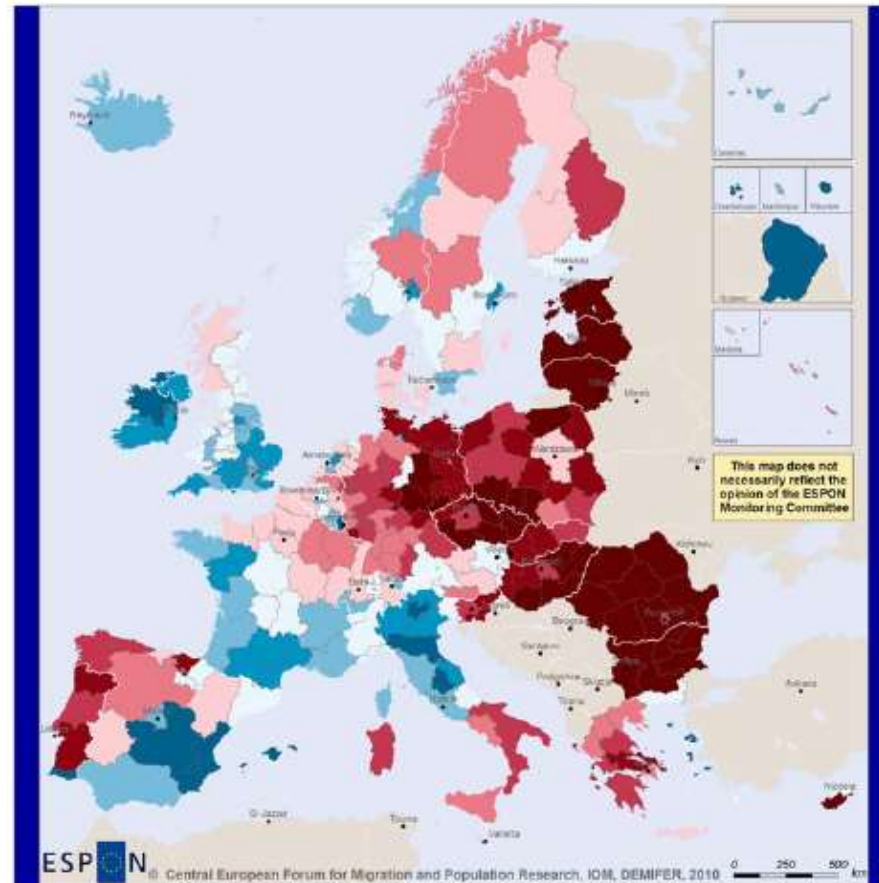
Dilemmas of the post 2020 Cohesion Policy

Difficult dilemma between **flexibility/simplification** and the need for more **ex-ante conditionality**.

- The **Semester** and the **Country Specific Recommendations** should be more binding, from the beginning on the spot, **down to the regions**, defining strength/weaknesses, determine priorities and the funds through these.
- Need for **differentiation between projects** (large-small) and **between countries** (reliable institutional systems and policies or not...).

Population Change 2005-2050, STQ Scenario

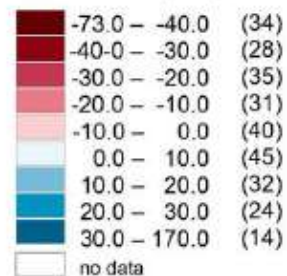
HOW REGIONS ARE AFFECTED?



EUROPEAN UNION
Part-financed by the European Regional Development Fund
INVESTING IN YOUR FUTURE

Regional level: NUTS 2
Source: ESPON 2013 Demose 2010
Origin of data: Eurostat, NSA, Estimates, 2009-2010
© EuroGeographics Association for administrative boundaries

Change in regional populations in 2005-2050, in %, 'Status Quo' (STQ) scenario



Source: The ESPON 2013 Programme DEMIFER (Demographic and migratory flows affecting European regions and cities) Reference scenarios, 2010:28)

STQ Scenario: Status quo scenario: the demographic trends remain the same as currently

The map below displays an East-West gap in demographic terms

The need for strong Cohesion Policy with strong Metropolitan dimension

- **Without Cohesion Policy it is not possible to build a common Europe.** Even within a smaller EU budget Cohesion Policy should remain strong, The Juncker plan can not replace it.
- **A strong metropolitan dimension within the Cohesion Policy** is not only important in the core economies of the EU but **also in the peripheral countries.**
- Metropolitan areas (with **outreach to rural areas**) should strengthen the **more balanced territorial development across the EU.**

Thanks for your attention!



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