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### TERRITORIAL COHESION AND COMPETITIVENESS THROUGH URBAN-RURAL COOPERATION AND METROPOLITAN GOVERNANCE

# A joint METREX-EUROCITIES contribution to the debate on urban-rural partnerships in the EU







**METREX** is the network of European Metropolitan Regions and Areas. It provides a platform for the exchange of knowledge, expertise and experience on metropolitan affairs, and joint action on issues of common interest. The network has members from some 50 metropolitan regions and areas and partners in many others.

**EUROCITIES** is the political platform for Europe's most important cities. With some 180 member and partner cities, it is a network for exchange and collaboration and the voice for cities in the EU.

On the basis of the experience of our networks and the growing evidence from European cities and regions, we strongly recommend that the dynamic of functional areas and urban-rural partnership development is used and reinforced to support the delivery of Europe 2020 objectives.

## 1. Why do we need more focus on urban-rural cooperation across the EU?

Territorial relationships of European regions are changing. Major challenges such as demographic change, climate change and global economic crises combined with changing mobility and wider use of ICT, lead to new patterns of localisation for homes and businesses. Some new patterns, like commuter flows or economic clusters, are more diffuse than earlier urban-rural boundaries. Such patterns are however increasingly important to describe functional areas for cities and their surrounding communities. The spatial patterns of housing, services and work in and around urban areas, as well as the daily movement of people and goods, cover increasingly wider areas, often way beyond historical boundaries. Moreover, since these spatial and economic patterns are constantly developing, they cannot be easily accommodated by simply changing juridical and administrative boundaries.

The traditional perception of urban and rural is changing. Characteristics of life in cities, suburbs and surrounding communities increasingly overlap. The rural way of life is changing and urban sprawl has led to the development of large areas where urban fabric and farmland are intermixed. At the same time, traditionally rural functions, such as farming, are reappearing in parts of many cities. Social and functional differences between life in cities, suburbs and surrounding communities overlap in many ways and it becomes increasingly difficult to draw a clear line between urban and rural areas.

Partnerships will help to promote territorial cohesion. The overall availability of human capital on the one hand and the opportunities for people to deploy their full potential on the other, have become very important location factors for households and businesses. The resulting concentration of employment and income is a challenge for territorial cohesion.

Sustainability and territorial cohesion can be achieved effectively by metropolitan (functional) areas and urban-rural cooperation. Areas that surround cities contribute to sustainable economic development, energy supplies and the overall quality of life. They give access to a wide range of resources, including local food production and recreational facilities. Similarly, hub cities are often the main attraction for investment and visitors, as well as centres of commerce, education, culture and jobs, providing facilities such as hospitals, waste and water management and connections to major transport systems. Urban and rural areas must - and many already do - cooperate to contribute to a balanced territorial development.





#### 2. What can urban-rural cooperation help to deliver?

Many city and local government leaders find it extremely beneficial to work together with their surrounding municipalities. Public authorities within many metropolitan areas are cooperating to achieve inclusive, sustainable and smart growth. The approaches and issues vary from region to region and from country to country. However the following common issues are strengthened by regional cooperation:

- Smart city development for low carbon strategies including innovative approaches to mobility, waste management and resource management.
- Economic development in urban and rural areas by new forms of cooperation in fields of clusters, innovation strategies, joint marketing and branding, housing, culture, tourism and spatial planning and strategic development of remote areas to face future demographic challenges.
- Inclusive and competitive growth, including knowledge society, innovation with technology transfer, democracy and participation, social affairs, health and welfare services and education.

In a significant number of cases, where such partnerships have been developed in cross border areas, they also contribute directly to European cohesion. Strong urban-rural linkages are essential for developing the full potential of both urban and rural parts of metropolitan (functional) areas, thus strengthening their capacity to contribute to the global competitiveness of Europe.

#### 3. How can and do urban-rural partnerships work in practice?

There is invariably strong cooperation between big cities and surrounding regions. This interdependency is increasingly recognised through cooperative governance arrangements that span the functional areas. The 'communauté urbaine' in France, and the requirement within the Regional Structural Funds Operational Programme (2007-2013) for Associations for Intercommunity Development at growth poles in Romania, are both important examples. Larger scale examples include alliances that are built upon functional partnerships such as the Amsterdam region and the MORO programme in Germany. They include strong urban-rural cooperation on the macro regional scale.

Evidence shows that imbalances of local government finance - including tax - can frustrate attempts to improve regional cooperation. To address this, cooperation partners in some regions have a redistribution of resources and costs for joint issues, which can for example be reflected in the local tax system.

Urban-rural governance does not happen automatically or fast. The basis for cooperation primarily lies in existing elected local and/or regional bodies. In parallel with elected bodies, metropolitan areas across Europe have organised, or are in the process of creating, appropriate arenas and agencies for policy coordination and to develop joint strategies. Experience shows the need for a long-term approach in developing governance structures and then producing joint strategies and programmes. The advantage will be robust and coherent results that can contribute to real change where this is needed.

Metropolitan area governance can be both formalised and non-formalised. There is no one-size-fits-all but governance structures - whether they are voluntary or imposed top-down, based on formal or loose organisational structures - can contribute to enhancing





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specific territorial strengths and contribute to the targeted development of smart specialisation strategies.

#### 4. How can we strengthen the partnerships?

Inter-regional cooperation and exchange programmes (including URBACT and INTERREG) make an important contribution to developing ideas and stimulating visions. A significant proportion of EU-funded inter-regional cooperation projects have already documented the strengths and challenges of metropolitan area cooperation. The knowledge gained in these and many similar projects should be used in the forthcoming funding programmes.

The development of partnership contracts between the EU and member states, which will be part of the future cohesion policy programming, should support urban and rural partners in finding cooperation agreements and building on the potential of urban-rural partnership and functional areas.

The partnership contracts are expected to include Integrated Territorial Investments (ITI) and Community Led Local Development (CLLD). The instruments have a strong bearing on metropolitan areas, including urban-rural perspectives which affect citizens in both cities and their neighbouring towns. The contracts can be effective tools to enable urban-rural cooperation within and beyond metropolitan areas. To this end, we recommend that:

- Cities and metropolitan areas must be included in the negotiations on the partnerships contracts with their member state. The national processes must directly involve hub cities and urban-rural partnerships in building the potential of functional areas.
- The framework at EU level should make it possible for funds that promote integrated local development to be channelled to functional area and urban-rural cooperation, on the basis of an agreement between the (hub) city or cities and their surrounding areas.
- Barriers to effective functional area and urban-rural cooperation in different national contexts should be identified and removed.
- The new structural fund regulations should foster and support integrated planning, joint strategic decision making as well as joint projects and investments at functional area level.
- Research and exchange of experiences on these issues should be supported by all relevant EU programmes.

#### 5. More information

 'Cities cooperating beyond their boundaries: evidence through experience in European Cities', EUROCITIES, September 2011

• 'Efficient Metropolitan Governance. Functioning Urban-Rural Relations.' Conference Report of 14 April 2011, European Parliament, Brussels

 'Urban-rural relationships in metropolitan areas of influence. Best practice examples of metropolitan-rural cooperation.' METREX working group report, October 2011

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<sup>&</sup>lt;sup>1</sup> These include Polymetrex, Intermetrex, CATCH-MR and URMA in the Interreg C-programme, MA and MA+ in the Interreg B-programme (Baltic Sea region), and Metrogov, Joining Forces and LUMASEC in URBACT.