

## **Urbanization and urban – rural partnerships, experience from Europe**

Peter Nientied<sup>1</sup>

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<sup>1</sup> This draft paper was developed by Dr. Peter Nientied as an input to the “Rural-Urban Poverty Linkages” conference on 2-4 Sept 2014 in Zhejiang, People’s Republic of China. This paper will be revised into a final paper after the conference. The views expressed in this paper are those of the author, and do not necessarily reflect the views and policies of the organizers (the Asian Development Bank [ADB] and the International Poverty Reduction Center in China [IPRCC]), or ADB’s Board of Governors, or the governments they represent. ADB and IPRCC do not guarantee the accuracy of the data and information in this paper.

***Regional Workshop on Rural-Urban Poverty Linkages  
Hangzhou city, IPRCC – ADB  
2-4 September 2014***

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*Draft, version 17 August*

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Annex 4: EU territorial cohesion and inclusive growth

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*Acknowledgement:* Thanks to Carl Dirks, Radboud University Nijmegen dept. Human Geography & Spatial Planning, for his support to this paper.

## Urbanization and rural – urban relations and partnerships, Experience from Europe

What has been the European experience of urbanization and urban-rural linkages and partnerships, what can we say about concepts and practices of governing urban sprawl and about polycentric urban development? Is the European experience relevant for other parts of the world with different conditions - like Asia where the economic development and urbanization processes are quite different? These are lead questions of this paper.

To this end the paper will first give a very concise overview of urbanization in Europe. We will see that that Europe has a network of many large and medium size cities with just a few very big metropolitan areas (a polycentric pattern) and that urbanization will be at 80% by 2020. City growth now, positive or negative growth, is a slow process in Europe. Linked to the urbanization, we will discuss the concept and practical examples of polycentric urban development – how the European city pattern evolved. And to the concept and practice of urban sprawl (the ‘uncoordinated’ way in which cities grow). We will link urban sprawl to notion that polycentric urban development is a preferred pattern. Rural urban relations and partnerships have become more important in the functional development of metropolitan urban areas, and EU countries pay more attention to these linkages and partnerships. . Europe has planning systems that, in different ways, favour territorial cohesion. Competitiveness of cities and positive urban-rural linkages can go well together. This paper will illustrate how, and how urban-rural partnerships are organized. In section 5 an attempt is made to link urban rural linkages to urbanization models and by way of conclusion, we will in the last section 6 submit a few pointers for debate on the relevance of the European experience for the Asian debate on urbanization and urban – rural linkages.

### 1) Urbanization in Europe

To understand European urban and rural-urban development, we start this paper with two short outlines on economic development and oin urbanization in Europe.

The *industrialization and economic development process* started in the 19<sup>th</sup> Century. Key features are:

- late 19<sup>th</sup> and early 20<sup>th</sup> century the basic infrastructure (communication, transportation, power, legal and financial institutions, management technology, HR, etc.) was developed,
- then two world wars and a big recession slowed down the urbanization process,
- from the late 1940's on, the economy grew rapidly: mass production of consumer goods and also social services and better health,
- economies gradually developed into services economies, with smaller contributions from industrial sectors
- in the third quarter of the 20<sup>th</sup> century a process of de-industrialization emerged, driven by higher productivity, IT, lower transportation costs, the emergence of new economies and globalization.

Now we live in a different economic world order. Europe's economic development is very slow while other continents show much better performance.

The second process is *urbanization*.<sup>1</sup> Most production facilities started in the 19<sup>th</sup> century were located in towns and small towns close to mines, people from the countryside moved in search for jobs. In these early days, when industries were small and trade was still modest compared to the present day, the foundations for polycentric urban development were laid. Early theoretical models that explained the number, size and distribution of towns, looked at the range and the threshold of goods and services (Hall and Barrett, 2012, 62 ff.). Early 20<sup>th</sup> century France's urbanization percentage was about 45, Germany's about 60, while the Western European average was 30%<sup>2</sup>. With urbanization, social patterns developed in cities: a rising elite, a growing

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<sup>1</sup> Economic development and urbanization are two interlinked processes - there is ongoing discussion on determinants of urbanization. Cf. Hofmann and Wan (2013). We will not discuss criteria for what cities / metropolitan areas are. We work with a functional approach, rather than an administrative definition or a physical viewpoint.

<sup>2</sup> <http://historum.com/european-history/44491-economic-growth-early-modern-europe.html>

middle class and a large working class of industrial workers and service workers, who often lived in slums. Annez and Buckley (2009) describe how poor the living conditions were for workers in 19<sup>th</sup> century urban England and that it took many decades to improve them.

Häussermann (2005) explains a critical point, namely that, starting in the second half of the 19<sup>th</sup> century, economic interests were forced to find compromises with social responsibilities and the interests of the city as a whole. Häussermann argues that this is a critical issue: the core of the model of the European city is 1) public influence on urban development, and 2) the perception of the city as a collective identity. This resulted in health policies, improvement of housing, education and anti-poverty initiatives. Gradually, situations improved in growing cities, and especially in the second half of the 20<sup>th</sup> century, massive improvement programmes were implemented – both physical and health and education.

#### *Stages of urbanization*

Cheshire (1995) proposed the following sequence of stages of urbanization:

1. early stage of economic development – with rapid urbanization
2. intermediate stage – slower pace, spread to intermediate cities and hinterlands
3. mature stage – slower growth, spread of growth, stabilizing urbanization,
4. post-industrial – stable, slow growth or negative growth, declining cities in older industrial regions.

In the post-industrial stage, processes of suburbanization, desurbanization, reurbanization, hidden urbanization, anti-urbanization, etc. have been studied (Fertner, 2012). There has been debate about the future of urbanization – whether these four stages apply to emerging economies as well. The correlation between urbanization and GDP growth does, but social, economic and political conditions are now very different in the current globalized world, and so is the speed of urbanization in Asia (cf. Liu Qianqian, 2013). Theory suggests that land rent and transportation costs have been main factors for firms to relocate their plants, and thus employment. What can be witnessed in Europe in the last quarter of the 20<sup>th</sup> century and the 21<sup>st</sup> century, is that employment was not reallocated to other parts of the country based on land rent and transportation costs, but to countries with low wages and relaxed environmental regulations. Indeed, a significant part of Western Europe's manufacturing was moved to Asia and to Eastern Europe. Much of new manufacturing is contracted in these countries.

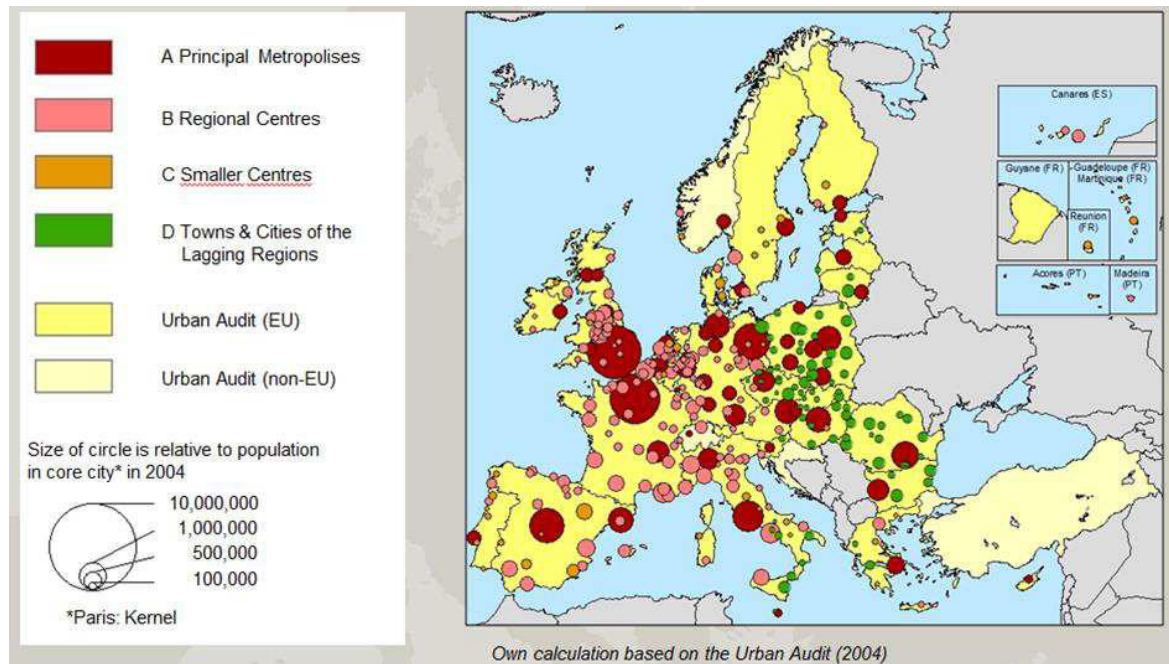
#### *City size*

There has been discussion about the relationship between city size and economic performance (Annez and Buckley, 2009). A broad conclusion: the association between income and city size turns negative once a threshold is reached and diseconomies of scale become more important than agglomeration economies. In general, very small and very large cities tend to have lower economic growth rates than the average urban (OECD, 2006). Agglomeration economies are significant but depend on national economic development. Important is that public policy is needed to maximise positive effects of agglomeration economies (OECD, 2011, 40).

Very large cities have higher public sector costs per capita (e.g. more complex infrastructure and transportation systems) and tend to have more negative externalities of urban concentration, such as high land values, longer commuter time, environmental costs. Quigley (2009) emphasizes three sources that limit the size of cities and affect the efficiency of cities: - land and transportation costs (higher wages, output prices, higher housing and land prices limit efficient sizes of cities), - unpriced externalities of urban life and higher densities (pollution, congestion, higher risks of disease); and - explicit public policies affecting the gains from urbanization (policies favouring places on non-economic grounds). To what extent these efficiencies of cities play a role, depends on the theoretical perspective. Very large cities may not be optimally efficient, but they flourish and grow anyway, since agglomeration advantages are more important than the costs).

## Europe

Europe is a highly urbanised region. The processes of industrial development / urbanization and later tertiarization have been going on for a long period – much more than 100 – 150 years. By 2020, 80% of the Western European population lives in urban areas.<sup>3</sup> The dense urban network contains about 1,000 cities with more than 50,000 inhabitants, but only a few very large cities. In the European Union (EU), only 7% of people live in cities of over 5 million as against 25% in the US, and only 5 EU cities appear among the 100 largest in the world (CEC, 2008).<sup>4</sup>



The settlement pattern in Europe is rather diverse, urbanisation is unevenly distributed. Some countries have primate metropolitan areas and dominant capital regions, others have more dispersed urbanization. There are different histories of government systems, different planning traditions.

The situation of urban / rural and the understanding of urban / rural is diverse too. On one end perhaps the Netherlands – without major metropolitan areas<sup>5</sup>, where rural areas are in fact intermediate areas and very closely connected to urban areas, and with relatively small differences in incomes, services etc. between urban and rural areas. On the other hand: EU countries such as Spain and Italy with bigger differences between urban and rural, and new EU countries like Romania and Bulgaria where differences are even bigger. Urban and rural are extremes of a continuum, rather than clear cut categories of a dichotomy. Countries like Bulgaria and Romania, show rural out-migration as a way for social mobility (EC, 2008). In countries with backward rural regions, four categories of problems of rural areas are demography, remoteness, education and labour markets, and they may interact and generate 'vicious circles.' In the Eastern European process of liberalization, spatial planning has lost its role to guide development and together with the emerging individualization of values, this has resulted in rather chaotic urban patterns (Nientied and Toto, 2012).

<sup>3</sup> Approx. 359 million people – 72% of the total EU population – live in cities, town and suburbs. This percentage will continue to increase (EU, 2014).

<sup>4</sup> Wikipedia includes 7 metropolitan regions (London, Paris, Berlin, Madrid, Barcelona, Ruhrgebiet, Naples), and another list mentions only 4. It of course depends on the exact definitions. Fact is that there are few European names on the list.

<sup>5</sup> The Randstad region is often seen as a polycentric metropolitan region, but this is not how it is felt in the Netherlands. From an administrative point of view, Randstad is not a metropolitan area, from a functional point of view to a certain extent. From a physical point of view Randstad can be seen as metropolitan region.

CEC (2012, 5) describes Europe's settlement pattern of many towns and cities and few mega cities as a contribution to the quality of life in the European Union. City dwellers live close to rural areas and rural residents are within easy reach of services. It is resource-efficient because it avoids the diseconomies of large agglomerations and high level energy and land use of urban sprawl. While concentration of activity brings economic gains and better access to health and education, it also brings congestion, social exclusion, and pollution. Also in prosperous cities, crime and social unrest are factors. Intermediate regions with more small cities and towns can benefit economically through together coordinating a network and the cities strengths. The roles that towns in rural areas play, is key to avoiding rural depopulation, as they are the rural access to services, infrastructure and enterprises, says CEC (ibid.).

## 2) Urban sprawl and peri-urban development

We will discuss two concepts related to Europe's urban development: urban sprawl and polycentric development. The concepts are intertwined as the cases will show. We start with urban sprawl.

A functional definition of an urban area is: urban area + peri-urban area. Not the administrative or physical dimensions, but the functional dimension (with its morphological articulation) defines urban areas.

Larger peri-urban areas can include towns and villages within an urban agglomeration. Such areas are often fast changing, with complex patterns of land use and landscape, fragmented between local or regional boundaries.

A rural-urban region is seen as an urban area + peri-urban area + rural hinterland (Plurel, 2008; Ravetz *et al.*, 2013). Peri-urban is often understood to be mixed areas under urban influence but with a more rural morphology. The residents can be considered urbanised even if they do not live in a strictly urban spatial type, because of their lifestyles and social focus on the urban. Sometimes the term urban – rural interface is used.

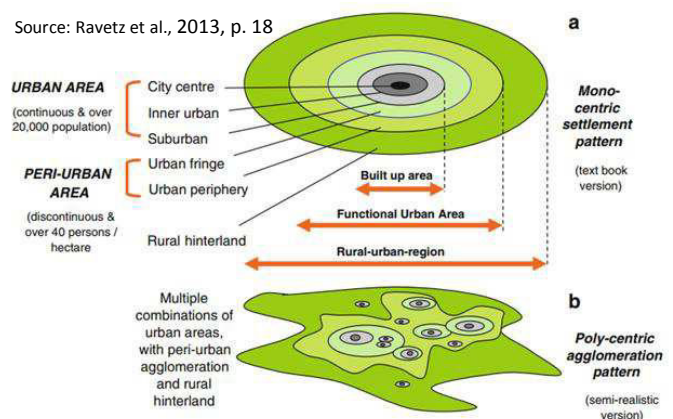


Fig. 2.1 PLUREL concept of peri-urban areas and rural-urban-region

### Copenhagen (Fertner, 2012)

Denmark's urbanization is at 87% (2009) and slowly grows. Copenhagen is the primate capital, and develops into a larger urban functional region – peri-urban space up to 100 km. from Copenhagen's centre becomes part of the metropolitan region. "... once could say that it has developed into a city without limits." (p. 20) Peri-urban areas account for 1/3<sup>rd</sup> of the area and 1/5<sup>th</sup> of the population. Immigration, peri-urban development due to lifestyle preferences and main causes for the physical growth of Copenhagen.

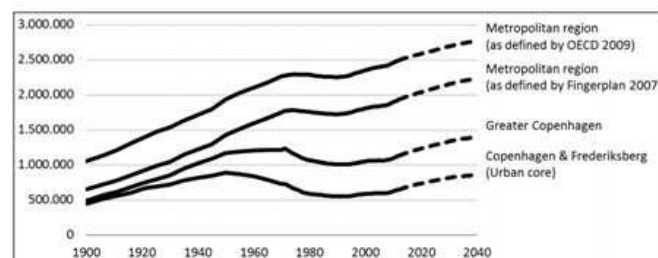


Figure 4: Population development in the Copenhagen region, 1900-2040

In the existing urban area in Copenhagen, the number of m<sup>2</sup> per inhabitant was 314, new inhabitant in the additional area per new inhabitant is 562.<sup>6</sup>

Over the past 50 years, European cities have expanded on average by 78%, whereas the population has grown by only 33% (EEA, 2008), and this process slowly continues. More free standing apartment blocks, semi-detached and detached houses, more m<sup>2</sup> space consumed per inhabitant. Urban sprawl generally means that urban areas continue to grow, with on average lower urban densities. Sprawl as scattered suburbs, in peripheral fringes, in commercial strips and business centres. The EU funded project Scatter (2005, p. 5, 15), states “Urban sprawl is usually defined using three key concepts: low density, uncoordinated urban growth, spatially segregated land uses (e.g. homogenous single family residential development; shopping centres, retail and services; freestanding industrial areas).

Sprawl is positioned against the model of the compact city, with higher densities, more centralized development and a spatial mixture of functions. Urban sprawl is often characterised by leapfrog development, commercial strip development and low density residential development. Often, urban sprawl is considered to be a problem. Urban sprawl is associated with uncontrolled incremental urban development, low densities, inefficiencies in land use, overheated land markets, costs of (public) transport and public services, all of which undermine agglomeration benefits. Scatter (2005, 21) states that the urbanisation of agricultural or open land through the development of new settlements has negative effects by itself: loss of high quality agricultural land and open space, destruction of biotopes and fragmentation of eco-systems, change of the water streaming coefficient. Urban sprawl also generates higher costs of new neighbourhood equipment and infrastructures and public services.

In 2006 the European Environment Agency (EEA), wrote the report *Urban Sprawl in Europe, the Ignored Challenge*. Like Scatter, it sketches a negative picture of sprawl “Sprawl threatens the very culture of Europe, as it creates environmental, social and economic impacts for both the cities and countryside of Europe. Moreover, it seriously undermines efforts to meet the global challenge of climate change.” (p. 5) EEA identified a number of drivers of urban sprawl. This long list (see box Drivers of Urban Sprawl) shows the complexity of the process: how can the power and the impact of these driving forces be identified? The impacts of urban sprawl are in the environmental field (loss of natural land, more pollution etc.) and sprawl has socio-economic impacts (increased polarisation suburbs and inner-city).

EU supported a large research project on peri-urban development, PLUREL, an initiative for peri-urban land use relationships and Piorr *et al.* (2011) wrote a synopsis report. This research project puts an emphasis on the risks of peri-urban spaces, noting that it often results in sprawl, which can result in social segregation, urban decline, wasted land and dependency on oil for transport.<sup>7</sup> Most of the EU intentions

#### **Drivers of urban sprawl**

##### **Macro-economic factors**

- Economic growth
- Globalisation
- European integration

##### **Micro-economic factors**

- Rising living standards
- Price of land
- Availability of cheap agricultural land
- Competition between municipalities

##### **Demographic factors**

- Population growth
- Increase in household formation

##### **Housing preferences**

- More space per person
- Housing preferences

##### **Inner city problems**

- Poor air quality
- Noise
- Small apartments
- Unsafe environments
- Social problems
- Lack of green open space
- Poor quality of schools

##### **Transportation**

- Private car ownership
- Availability of roads
- Low cost of fuel
- Poor public transport

##### **Regulatory frameworks**

- Weak land use planning
- Poor enforcement of existing plans
- Lack of horizontal and vertical coordination and collaboration

Source: EEA, 2006, 17

<sup>6</sup> In the Rotterdam – the Hague region these figures were even more marked: 189 m<sup>2</sup> existing versus 786 m<sup>2</sup> for new inhabitants in the period 2000-2006 (Fertner, 2012, 35). We see in this region is that new developments in the peri-urban areas of the two cities, were to attract or keep higher income families, who want more space and can afford it.

<sup>7</sup> Indeed, sprawl has a negative connotation in Europe, it goes against the image of the European city. This idealised city type has a high density, a high degree of function mix and proximity as its main physical characteristics. Its traditional centre is the market place, a public space where people of various economic, cultural and ethnic background meet (Bontje, 2003, 3).

are aimed at creating partnerships and projects supporting peri-urbanism and cohesion of rural-urban relationships and Plurel presented motives for dealing with the negative results of peri-urbanization. The project stresses that challenges of the peri-urban dimension need to be addressed at the wider strategic level of the surrounding rural-urban region (Piorr *et al.*, 2011, 10), requiring more effective local government and new forms of social enterprise and cooperation.

Sprawl may be uncoordinated development (but who decides what good coordination is?), it is not illegal or informal urbanization. Authorities has approved development plans and construction activities leading to sprawl.

- Sprawl is an answer to the living preferences of families, demands of families and firms, for more space, cleaner air and green surroundings, and lower housing costs per m<sup>2</sup>. In the case of Copenhagen (Fertner, 2012), families move to the region surrounding Copenhagen city, because they want more space, a garden with vegetables, etc.
- Efficient transportation allows for sprawl, local governments approve plans for new residential developments. Sometimes local governments in municipalities close to a metropolitan government, compete with each other to attract residents and businesses, resulting in sprawl. But more coordinated urban growth goes with more government intervention – and a question is: who wants more government intervention?
- Land for agriculture is not so much needed any more, from an economic viewpoint. A very low percentage of the working population works in agriculture and this is enough to feed the nations. Rural land may be highly productive agricultural land, but it is cheap and not needed for more food, except for exports. Green areas are very important for the quality of life, not for more agricultural production.

In quite a few European metropolitan regions, the economic crisis starting in 2007/8 has been an effective halt to urban sprawl, since planned residential and commercial developments were stopped. It can be expected that peri-urban developments will be continued once the economy picks up, despite the fact that local governments of the core cities give preference to the compact city concept. But it may be kept in mind that this takes place in a European context with rather modest urban growth.

### **3) Deconcentration, polycentricity**

In this section attention is paid to deconcentration of urban areas in two manners 1) longer distance – deconcentration connected to regional development policies (bringing jobs to people), and 2) shorter distance - polycentricity (within urban and intermediate areas). The first is discussed through an illustration of the UK experience and a small case from the Netherlands, the second topic of polycentricity is more of a spatial planning discussion. It comes back in different elements of the Randstad region in the Netherlands.

#### ***Bringing jobs to people: regional policy in the UK***

Crowly et al. 2012 from the University of Lancaster's Work Foundation, made a useful summary of UK regional policy, as follows.

*UK regional policy* dates back to the 1930s when the first measures to the 1930s when the first measures were put in place to tackle high levels of unemployment. Early policy was interventionist and attempted to steer geographically mobile investment into those areas where unemployment was high – that is – to bring jobs to the people. On coming to power in 1997 Labour sought to revamp urban and regional policy and large amount of time and resources of were allocated to rebalancing the UK economy. Regional Development Agencies were the UK economy created with the aim of narrowing the growth rates between the regions and Labour attempted to tackle deprivation at the neighbourhood level via the New Deal for Communities.

Yet (2012) for the first time in over forty years there are no area based initiatives targeted at the most deprived parts of England. Alongside this, the agencies tasked with reducing regional disparities have been abolished - amounting to a cut of two-thirds in core regeneration funding. Some politicians and

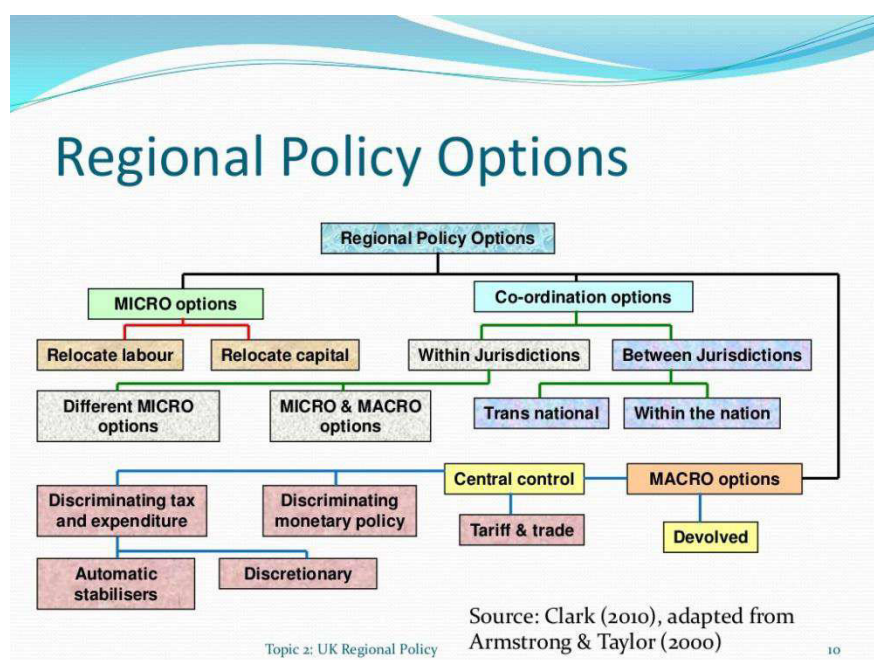


academics have argued that this 'end of regeneration' is jeopardising the funding which supports the parts of the country with the weakest economies. According to this view, regeneration helped bring jobs to the people who needed them. Without regeneration, the most deprived communities in the UK will have little chance of economic recovery.

Yet others have suggested that the old model did not work - that approaches to economic development based on supporting particular places had only limited impact in attracting jobs. Instead of expensive approaches to regeneration which attempted to bring jobs to deprived areas, policy should focus on people rather than place. In cities such as Birmingham, spending on economic development has not been accompanied by private sector employment growth. Therefore, it is argued, the focus of policy should be much more on supporting disadvantaged people rather than places to achieve better individual outcomes regardless of where they live; increasing geographic mobility so that it is easier for people to move to areas which are growing; and reducing the barriers to the expansion of more economically successful places.

A serious evaluation suggests that the Regional Development Agencies provided significant benefit and value added to their regions. However, economic and labour market data would suggest that they were unsuccessful in their aim to narrow the gap between the least and most successful regions. Two points: much of convergence on employment and unemployment can be attributed to increased public sector expenditure and jobs growth which disproportionately benefited regions outside of London and the South East. And second, the impact of any policy is very difficult to separate from what would have happened in its absence.

It is worthwhile to add which measures and policy instruments have been used. Moffat (2013) gives an overview in the following figure.



The RDA's worked with various instruments: business parks, partnerships, training firms and people, infrastructure investments, subsidies for reallocation of jobs, etc. Moffat (2013) concludes his discussion on regional policy with two statements: 1) regional policy has increased employment in the assisted areas (i.e. regional development policy was successful), but 2) as expenditure on regional policy has never been greater than 1% of GDP in Great Britain, it is unsurprising that it has failed to eliminate regional differences in economic

performance. Noteworthy too is that the employment created in UK assisted regions, is to a large extent public sector employment. This last point is illustrated through a Dutch example.

In 1973, the largest Dutch pension fund (ABP, managing the pensions of the public sector) opened its office in Heerlen, in the south east of the Netherlands. Before, ABP had its offices in The Hague. In the south-eastern part, mines were closed in the 1960's, and unemployment was rising. Dutch regional policy of the 1960's, gave support to peripheral regions, and promoted deconcentration of the cities of Randstad. ABP was moved to Heerlen and became the largest employer of the town. Likewise, other public or semi-public institutions were moved from The Hague to the North and to the East. The deconcentration policy had its share of problems: employees resisted moving with their organization to another part of the country (from the Hague to a peripheral area, as it was felt at that time), unemployed workers from mines could not easily be employed as administrative staff in the office, the costs of moving were high, better salaried employees of ABP looked for a place to live in the countryside nearby, etc. The deconcentration policy was discontinued in the 1970's. A relevant point: the public sector can move its own employment but cannot force private sector firms to move and create a development process. Indeed, stimulating firms to move to other regions in the Netherlands, never really worked. Firms make locational choices for their own good (market) reasons, like locational advantage, labour market, network of suppliers and partners, etc.

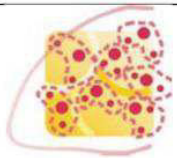


### **Polycentricity**

Polycentricity is an answer to urban sprawl and diseconomies of agglomeration. Small-scale polycentric development is an option close to existing large cities. As Bontje (2003) concludes: in several countries, this 'small-scale polycentricity' has been facilitated or stimulated through spatial planning policies, like the 'clustered deconcentration' policy in the Netherlands and the 'decentralised concentration' policy in Germany. It is a result of both housing preferences and business location preferences, generally aiming for 'the best of both worlds': locating in spacious, quiet, green surroundings, but still within reasonable distance of urban facilities.

*The European Spatial Development Perspective: Towards Balanced and Sustainable Development of the Territory of the European Union* (EC, 1999), summarized polycentric development in four points (see Box). With respect to urban-rural linkages, ESDP states that it is essential to ensure

that town and country can formulate and successfully implement regional development concepts in partnership based collaboration. A key function of spatial development is to achieve a better balance between urban development and protection of the open countryside.

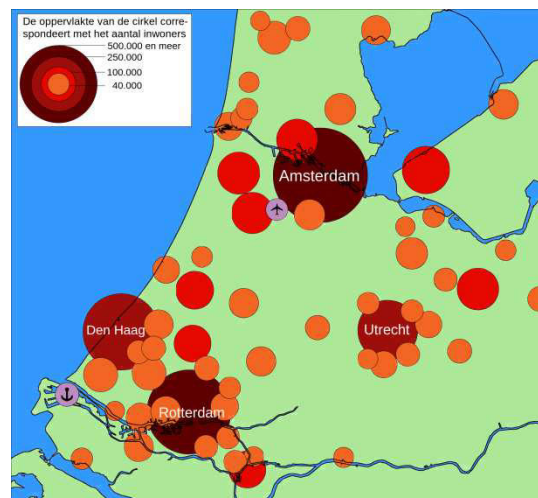
<b>Polycentric balanced spatial development in the EU</b>	
Specific policy recommendations:	
• Strengthening of several larger zones of global economic integration in the EU, through transnational spatial development strategies.	
• Strengthening a polycentric and more balanced system of metropolitan regions, city clusters and city networks	
• Promoting integrated spatial development strategies for city clusters, including corresponding rural areas and their small cities and towns.	
• Strengthening co-operation in the field of spatial development	

### ***Planning policy in the Netherlands***

A characteristic example of a polycentric urban pattern and of cooperative land use policy making in The Netherlands is the Randstad and its Green Heart. The Randstad is the most important economic centre and most densely populated area of The Netherlands. The Randstad a conurbation of the four biggest cities in The Netherlands: Amsterdam, Rotterdam, The Hague and Utrecht (including its surrounding areas). It contains the biggest harbor of Europe (in Rotterdam) and the 4<sup>th</sup> largest European airport (Schiphol, near Amsterdam). An important element of Dutch planning policy has been urbanization policy, with a strong focus on the choice between concentration and deconcentration.

Since the 1960's, Dutch government has attempted to put a stop to the continuous deconcentration trend of people and economic activities. This policy was the 'clustered deconcentration' approach in which the government tried to lead outmigration from the cities to selected growth centers (like Almere and Zoetermeer), not far from the four large Randstad cities.

Due to the growth centers, urban sprawl-like suburbanization has been modest. The policy of growth-centers was abandoned in the 1980s and a switch was made to promoting compact-city growth.

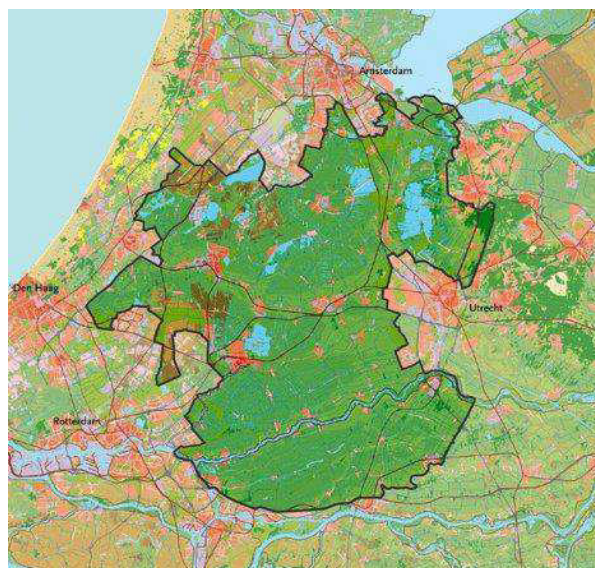


### ***The Green Heart***

'Het Groene Hart' (the Green Heart of Holland) is a green environment for the conurbation. The Randstad is a highly urbanized and centralized area. The Green Heart is its counterpart; promoting ways of preserving nature and countryside. This Green Heart provides fresh air, space and room for agricultural and recreational activities.

In 1958, after the development of Schiphol and the growing employment options, the discussion about the Green Heart was started. In 1977, when the housing market kept growing and the Green Heart was encroached upon, the government decided to intervene by stating that the Green Heart was to be an agricultural area, where farmers had to take care of the landscape. In this year the borders of the region were determined.

In 2004 the Green Heart obtained the status of national landscape. But in an accompanying national policy document ('Vijfde Nota Ruimtelijke Ordening', Green Outline) the national government focuses more on development of the area rather than prohibiting land use changes.



This *Green Outline* (Vijfde Nota RO, 2001) stated that areas with a green outline have valuable nature, places with cultural historical value or archeological monuments. These areas are under protection and it is prohibited to build new houses, factories and offices, infrastructure etc. within the boundaries, or even to use agricultural land for intensive agriculture. The general principle for protecting these areas is the "No, unless..." principle. When there are no realistic alternatives for building plans and there is high priority to realize the plans (from a public point of view), authorities could consent, but then 'green' compensation measures have to be taken, such as: - no net loss of natural/historical values; - compensation in close proximity; - compensation of qualitative green values, and if that is impossible, financial compensation.

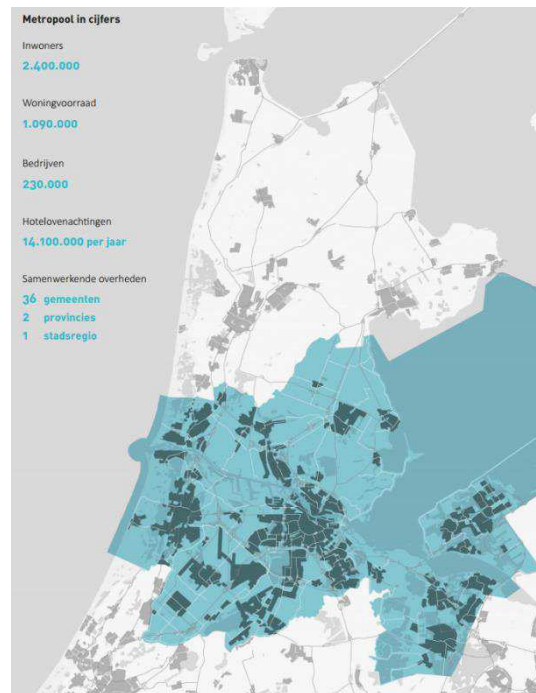


## Amsterdam

Above, it was mentioned that the Dutch government adopted a policy of deconcentration for the metropolitan region. Nearby cities like Almere, Zaandam, Amstelveen and Haarlemmermeer were appointed as cities that had to accommodate developments. Dutch planning policies have changed, from integrated planning to a more regional economic approach.

The recent Amsterdam spatial policy paper (Amsterdam Municipality, 2011, p. 17) states that the city does not adhere to deconcentration anymore. *“To keep the economic engine running in the interest of Dutch economy, it is important to organize houses for the people that keep the engine running. A choice to locate them outside Amsterdam is the wrong path in our view. A choice that would lead to new clustered deconcentration, with the automatic increase of traffic, investments in new roads and fragmentation of land use. Amsterdam and the metropolitan region want to give an essential contribution to the Dutch economy, by facilitating growth for companies and people.”*

Throughout the policy document, the name “Metropolitan Region of Amsterdam” is used. The Metropolitan Region of Amsterdam is a cooperation of 36 municipalities and two provinces in the Amsterdam region. The overall goal is working on a powerful, innovative economy, faster connections and attractive space for living, working and recreating. By working together, they also feel they have a stronger lobbying voice towards the central government. The cooperation has six main points of focus; 1. Economy; 2. Accessibility; 3. Urban planning; 4 Sustainability; 5. Landscape; 6 Urbanization. Urban and more rural areas are covered. In practice this metropolitan region is a constructive and pragmatic cooperation rather than separate government body. (<http://www.metropoolregioamsterdam.nl/>).



## Haaglanden

In The Hague Region (Haaglanden) there is a broad consensus amongst actors that open landscape is scarce and should be protected against further urbanization. The Plurel project analysed the case of Duivenvoorde Corridor. By national Dutch law, nature is protected from urbanization quite well. For the parts that are less well protected, informal coalitions are sometimes made. Towns and cities agree on buffer zones between their built up spaces. The Duivenvoorde Corridor ([www.duivenvoordecorridor.nl](http://www.duivenvoordecorridor.nl)) is an example of this. This is a small area in between the towns of Voorschoten, Wassenaar and Leidschendam, just north of The Hague. In this area, greenhouses are demolished by joint effort of the three municipalities, and the area is turned into an area with flora and fauna, recreation, low density residential area and historic preservation. A main spatial goal is to connect the lowlands to dunes in the west. However, the area is under threat of fragmentation. The municipalities try to expand, but with governance initiatives like these, deals can be made of how each municipality's interests is best preserved – in a process of discussion and negotiation. In this way



smaller urban-rural areas are protected against more urbanization.

Authorities involved realize that in order to preserve the historical green landscapes, there should be possibilities for farming (meaning that farms should have an adequate size). Several strategies are used to strengthen agricultural land use in the urban fringe in The Hague Region (Plurel, 2009, 78).

- Stimulating more intensive agricultural land use, making sure farmers are independent and can keep running their businesses, facilitating increased farm sizes;
- Multipurpose farming: diversification for an urban-rural relationship (services to society like welfare and recreation);
- Ecological and water-related ('green and blue') services, farmers as managers of the landscape and cultural heritage;
- Promoting regional products/branding: preserving regional identity, also supports rural-urban relationship, people in the cities know where their food comes from.
- Land purchase and land banking: environmental groups can undertake land banking to preserve nature and keep buffers of green between cities. Also agricultural lands in danger of urbanization can be bought by a land bank, and leased back to farmers.
- Zoning, to keep agricultural land agricultural.

The concern for green space / agriculture is not unique to The Hague region. Amsterdam Metropolitan Area has a project 'Food corridor', stimulating the urban residents to consume products from the region.

In the case of Randstad, various themes come together: polycentricity, protection of green areas to create a liveable region, rural-urban relationships and collaboration in metropolitan regions. In fact the same holds for the German case that we will describe in the next section. In integrated planning tradition, all these aspects play a role.

#### **4) New understanding of urban – rural linkages**

In this section we will give some background of the notion and renewed interest in rural-urban linkages and partnerships. We will look at projects at various levels: the German metropolitan regional planning, where urban-rural is an important element, and the work done in various EU supported projects on rural-urban partnerships.

About the *concept* of rural – urban relationships, OECD (2013, 15) suggests: "Traditionally, the economic and territorial development of rural and urban areas has been considered separate topics in both research and policy. This has been reinforced by a sense that differences in economic, cultural and spatial circumstances lead to differences in economic, cultural and social interests. However, urban and rural areas are increasingly integrated both physically and functionally, and because of their distinct and complementary endowments, closer integration can bring benefits to both." Indeed, old thinking was: rural and urban are different spheres – the countryside for food and labour supply and the cities for economic development and services. Or, rural areas as residuals between dynamic urban growth nodes. This thinking is changing: rural is now seen as a complementary entity. Moreover, 'rural areas' is not synonymous with agriculture anymore and rural does not mean 'decline' and backward..

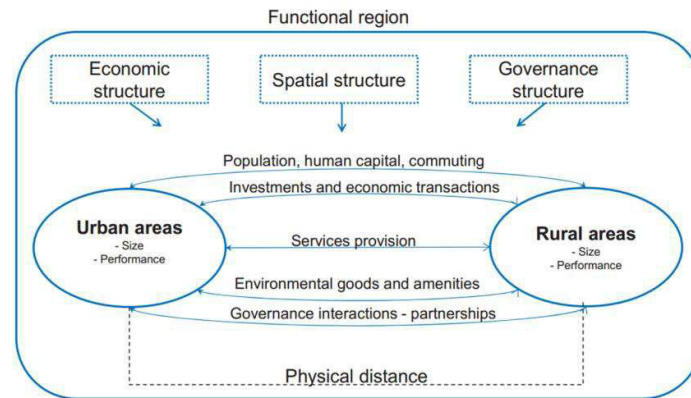
Rural-urban applies to a variety of situations. A simple classification is:

- rural areas in metropolitan regions (main challenge: peri-urban zone);
- polycentric regions with networks of small and medium-sized cities (main challenge: promoting complementarity between urban centres);
- predominantly rural with sparsely populated areas with market towns (main challenge: service provision).

In the remainder of this paper, attention goes to the first category, the rural (in fact intermediate) areas in metropolitan regions.

OECD (2013, 22-23) suggests that urban and rural areas are interconnected through different functions, - demographic linkages, - economic transactions and innovation activity, delivery of public services, exchange in amenities and environmental goods, - multi-level governance interactions, as shown in the next figure.

Figure 1.1. Urban-rural relationships within functional regions



Following the OECD model, Copus (2013) illustrates the scope and complexity of urban-rural relationships. In annex 1 we give his elaboration, and in annex 2 follows a table with a focus on focus on key partners in rural-urban co-operation.

Urban rural relationships and urban rural partnerships are different concepts. Artman *et al.* (2011, 6) give a description of rural – urban partnership. Rural-urban relationships are seen as the basis for a partnership. “A partnership requires a certain form of organization, ranging from communication to shared visions, agendas or even involving regional funds to promote sustainability and to care for mutual benefit.” (cf. OECD, 2013, 34-5). In the document *Urban-rural narratives and spatial trends in Europe: the State of the Question*, Uljed (*et al.*, 2010) give a useful summary of the political and scientific debates in Europe leading to the urban / rural concept. Rural urban linkages and rural urban partnerships are *difficult concepts*, because they are broad, apply to a variety of aspects, differ in various countries and regions, etc.

Often, the term urban – rural relationships is connected to the functional area of metropolitan regions. In the following case of German metropolitan regional planning, some concepts will be illustrated.

#### **Project: Germany metropolitan regional planning<sup>8</sup>**

Metrex, (2011, 6-7) introduces the topic as follows. “New approach to cohesion. In an official three year pilot project on spatial development (MORO) of the Federal Ministry of Transport, Building and Urban Affairs as well as the Federal Institute for Research on Building, Urban Affairs and Spatial Development, a number of German Metropolitan Regions have systematically explored a cooperation of Metropolitan Regions with their surrounding hinterlands (by resolution of the Ministerial Conference on Spatial Planning (MCSP) on April 28, 2005, the MCSP recognized 11 European Metropolitan Regions in April 2005). This pilot project of spatial planning resulted from a serious debate at national level in Germany about how to give support to Metropolitan Regions in order to enhance their competitiveness while at the same time ensuring regional cohesion. The aim of the pilot project therefore was to enquire into the possibility of metropolitan and rural areas closing ranks and joining forces through project-oriented cooperation on the basis of mutual benefit. This new approach to cohesion politics and the establishment of so-called “urban-rural partnerships” have proved to be successful.”

The MORO (= Modellvorhaben der Raumordnung) ‘Supraregional Partnerships’ project, initiated in 2007, is a good example of foresting rural-urban linkages in Germany. This project aims at expanding regional and local co-operation beyond the rural and urban areas, including every area, whether it is central or peripheral or economically weak or strong. It aims at strengthening partnerships among all local actors, tend to lead to an increased use of locally produced food (reinforcement of the rural economy), to enlarge the governance structure of the metropolitan region of central Germany and to include local, rural voices. The assignment was firstly formulated by the Standing Conference on Ministers responsible for Spatial

<sup>8</sup> Based on Metrex (2012), Artmann *et al.* (2012), Knieling and Obersteg (2012), BVBS (2012) and [www.urma-project.eu](http://www.urma-project.eu) (project Urban-rural partnerships in metropolitan areas).

Planning. It actually started with a call for interest by the Federal Ministry for Transport, Building and Urban Development to all German regions, central and peripheral. About sixty regions applied with their specific plans, but only seven were finally chosen and subsidized.

The following regions were chosen (Knieling & Obersteg, 2012):

- Supra-Regional partnership in northern Germany/Hamburg Metropolitan region
- Cooperation and networking in the north-east
- Central German Metropolitan Region (Saxon Triangle)
- WKI supra-regional partnership (Frankfurt)
- Nuremberg Metropolitan Region
- European Metropolitan Region Stuttgart
- European Integrated Area Lake Constance

The project is managed by the Federal Institute for Research on Building, Urban Affairs and Spatial Development within the Federal Office for Building and Regional Planning, Hamburg. "The main objectives of the project were to test the possibilities of an urban-rural partnership as a project-oriented cooperation with different partners working together on equal terms. The cooperation should create mutual benefit for the participating partners and as an effect should make a substantial contribution to the competitiveness of all partners and to regional cohesion in general. Regional cohesion should be achieved by different ways: by supporting spill-over effects from the economically stronger core of Hamburg Metropolitan Region including the City of Hamburg towards peripheral areas; by supporting growth potentials within peripheral areas, this by using their special potentials and without equalizing the different characters of regions; by improving interconnections - especially public transport between urban and rural areas. The process started during the application phase for the demonstration project. During several regional conferences possible topics of cooperation were gathered with the participation of representatives from all levels of government, associations, chambers of commerce and industry. These projects constitute the central part of the partnership; they cover different fields like clusters, science, qualification, transport and infrastructure. During the process these different projects were subsequently managed in a decentralized way by public or private institutions." (Knieling and Obersteg, 2012).



Abb. 5: Die Modellregionen

Source: BVBS (2012, 31)

### Key Features

More projects work with three main concepts: 1 Growth and Innovation, 2 Ensuring services of public interest, 3 Conservation of resources; shaping of cultural landscapes, and elaborated a number of topics, such as

- Joint regional development strategies /spatial planning with a special focus on the needs of the rural areas (depopulation, lack of skilled workers, ageing)
- Future strategies of the partnership, cross-border co-operation, governance
- Innovation and specific regional and local economic potentials, regional chains of added value, networking and clusters
- Transport and accessibility
- Broadband and better communication (including long distance learning)
- Tourism and cultural heritage
- Health (telemedicine/ambulance service)
- Ecology (waste treatment, water courses, green areas, natural parks) and renewable energy

The organization of the metropolitan region is based on a constellation of steering group, project groups, thematic groups, etc. The following is the example of the Nuremberg metropolitan region



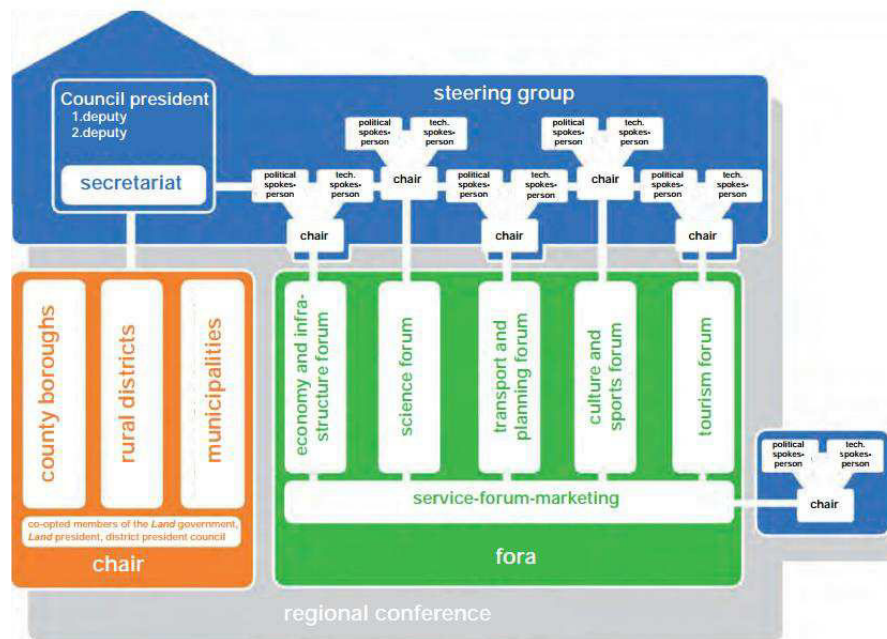


Figure 13: Organisational structure of the Nuremberg Metropolitan Region (Secretariat Nuremberg Metropolitan Region)

Annex 3 presents a list with a number of projects done in the MORO North project (Hamburg). The budget for the project was 1.7 mio €, with EU co-finance. This limited amount is to facilitate meetings and project costs, and is of course not sufficient for any physical investment.

German Metropolitan Regions have the ambition to enhance their competitiveness while at the same time ensuring territorial regional cohesion. The parties involved say that it works. A similar approach is followed in other European metropolitan regions too. This means that a balanced and sustainable approach to planning in large urban areas is viable, when new partnership arrangements are instituted to implement the joint ambitions. Interestingly, the Nurnberg Region has as objective “Strength through Polycentrism - We want to make polycentrism and cooperation our unique characteristic” (Standecker, 2014, 13)

Urban – rural linkages fit well into the EU approach of territorial cohesion - the approach to achieve marmonized development. Territorial cohesion is a means of transforming diversity into an asset that attributes to sustainable development of the entire. In Annex 4 this concept of territorial cohesion is explained in more detail. The EU has supported a range of (research) projects that addressed urban-rural linkages: SURF, Plurel, Rurban, Purple, Urma, to mention important ones. They are all well documented on internet. In the list of references of this paper, a number of URL’s is given.

OECD (2013, 48 ff.) reviewed a number of urban-rural partnership projects, and classified the purposes for co-operation, into four:

- 1) economic development (exploit complementarities in regional development, like tourism and agriculture)
- 2) natural asset management (preservation natural resources, environmental policies, land management, biodiversity, etc.)
- 3) service provision (transportation, joint provision of health, social care, solid waste, etc.)
- 4) political relevance and access to funds (increase political visibility, lobbying).

In the Dutch and German cases, all purposes are taken up in an integrated approach. Annex 3 provides an example.



## 5) Models of urbanization and urban rural linkages

In the two preceding section, we discussed polycentric development, sprawl and urban - rural partnerships in metropolitan areas. Can we draw solid conclusions from this discussion? We will explain that this is difficult. First we check whether national planning systems play a role.

Reimer *et al.* (eds., 2014) distinguish four basic types of national planning systems:

1. comprehensive / integrated (Netherlands<sup>9</sup>, Denmark, Finland, Germany);
2. regional-economic (France, Germany);
3. urbanism, i.e. based on structure plans (Greece, Italy);
4. land-use planning (Belgium/Flanders, UK).

In countries with the same planning systems, we find different urban models, and vice versa. In countries with a long planning tradition and comprehensive planning systems, like Germany, Denmark and the Netherlands, problems of managing urban sprawl exist (Reimer *et al.*, 2014, 279). Many factors influence this process, like EEA (2006) showed in its discussion of drivers of urban sprawl (see section 2). From the European urbanization models, no clear conclusions can be drawn which model is more or less successful with regards to economic, social and environmental development.

Turning to the relation between polycentric development and big city problems, EMI (2012, 38-39) concludes in a recent study: "Polycentric spatial settlement patterns are assumed to be a remedy to either sprawl related problems or the typical big city problems. The first includes the lack of support for amenities, including transit or the consumption of open, green areas, while the latter refer to, amongst others, congestion, lack of housing affordability and concentration of pollution. Perhaps polycentric spatial forms do provide a remedy towards these problems, but the truth is that this is little more than an educated guess."

There is limited evidence that polycentricity is a more environmentally sustainable model. Evidence suggests that polycentric development does not imply longer travel times.

This is a remarkable conclusion: the polycentric pattern receives much support in Europe but there is no serious evidence for its claimed virtues of efficiency and effectiveness. Just as remarkable is that this point is not very significant for officials. Our interpretation is that polycentrism is embraced not because of scientific reasons, but for other reasons: - it is a confirmation of the existing situation that will not change much anymore; - it is a cultural interpretation (a narrative, a policy discourse); - mixed urban rural areas contribute to the perceived quality of life.

OECD studied the relationship between *the compact city* model and urban sustainability and Green Growth (Matsumoto, 2011; OECD 2012). OECD argues that the compact city model is a better urbanization model for various reasons: - it can shorten intra-urban travel distances, - it reduces automobile dependency, - compact cities will consume less energy, - they will increase efficiency of infrastructure investments, and – they will better sustain local services. The arguments used are quite similar to the arguments used against urban sprawl, that projects like Plurel have studied in detail.

A problem for OECD is measurement, definitions and scientific evidence. Yet, OECD states that "Overall, even though potential negative outcomes [congestion, housing-affordability, quality-of-life, urban heat islands and high energy demands, PN] needs to be considered carefully, it can be concluded that compact city's potential is not to be neglected. More quantitative studies for better understanding of the policy outcomes are necessary, so that strong policy commitment and decision-making can be made by policymakers based on hard data." (Matsumoto, 2011, 7) But Matsumoto also has to admit that "Despite of these potential benefits of compact city, not all of them have been supported by clear evidence." (ibid., 6)

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<sup>9</sup> Netherlands planning systems change. The system moves to a regional-economic system, with a focus on competitiveness of urban regions. See Zonneveld and Evers (2014)

Westerink (*et al.*, 2012) write: “From the vast amount of literature on the compact city, no clear conclusion can be drawn about its sustainability. Rather, a picture arises of dilemmas and contradictions. The compact city is not an implementable blueprint: therefore planners need to develop more detailed and tailor-made strategies for sustainable development of their own region.”

We can conclude that ‘policy logic’ of the compact city and polycentric models, is quite different from ‘scientific logic’.<sup>10</sup> Academic researcher Westerink (*et al.*, 2012) about this point: “Even though the compact city may not be fully applicable to contemporary cities, we see that variants of the concept are widely used in the planning of European city regions. Our sample regions [Leipzig-Halle, Rotterdam-The Hague, Montpellier, Manchester, PN] illustrate that the use of compact city thinking is diverse and is expressed in various forms. This is not surprising, since our sample regions are in different development stages and have a diverse planning history. We may conclude that the compact city concept is sufficiently vague and adaptable to allow for variety in interpretation and implementation.”

#### *Models of urbanization and rural-urban partnerships*

In all types of regions of Western European and Nordic countries, EU has supported projects with rural-urban partnerships<sup>11</sup>. The range of projects in the field of urban-rural partnerships also does not depend on the model of urbanization, and not on the national spatial planning systems. We have referred to the case of Copenhagen, a clear example of a primate city (like other Nordic capital regions). In polycentric regions, with several cities, like in Germany and the Netherlands, urban-rural issues exist too. Again, it depends on many factors, what the urban issues are.

The EU supported projects under Plurel, are basically research projects. EU supported projects under Rurban, and Surf (and before under the international projects of Interreg) are basically partnership projects. They facilitate partnerships of public and private organisations in an area with urban-rural issues. The EU contribution is modest, overhead and project costs to facilitate project management and certain costs. Sabrina Lucatelli, DG REGIO of the EU Directorate for Policy Conception and Coordination, presented the Rurban initiative (Lucatelli, 2011, cf. Lucatelli and De Matteis, 2013), with a focus on partnership development.

<b>Partnership fundamental ingredients</b>	<b>Existing policy obstacles</b>
<ul style="list-style-type: none"> <li>- Common strategy and vision</li> <li>- Cooperation (spontaneous)</li> <li>- Mutual benefits (Recognising what rural areas can offer)</li> <li>- Governance solutions (more or less formal)</li> <li>- Long term (they need time!)</li> <li>- Project based (local shared)</li> <li>- Participation</li> </ul>	<ul style="list-style-type: none"> <li>- Not enough territorial attention and territorial analysis capacities (especially at functional regional level)</li> <li>- Rural policies versus Urban policies ...</li> <li>- Not appropriate policy integration between Regional policy, Rural development policy and other policies</li> <li>- Absence of “higher level” incentives ...</li> <li>- Not appropriate capacity to delegate policy building at local level</li> <li>- Not strongly enough developed « Rural Voice » and rural (not sectoral) partnership/governance (small and not coordinated municipalities).</li> </ul>

The main impact of partnership is to improve local governance by stimulating the uptake of public programmes in a manner consistent with locally shared priorities.

<sup>10</sup> OECD (2012) uses the popular argument that a compact city can shorten travel time for workers and contribute to raising productivity. This argument is popular in the automobile lobby and goes as follows “car drivers lose a lot of time in traffic jams. If we calculate these lost hours, we come to a productivity loss of X billion euro. So the government should construct more highways, improve public transport, .. etc.” The logic sounds acceptable, but it is wrongly assumed that lost hours in traffic jams are converted into productive time at work. Perhaps car drivers will convert lost hours in more leisure time.

<sup>11</sup> Except very large metropolitan areas, like Paris and London.

CERM (2013, 6) suggests that “There is no ‘one size fits all’ when talking about urban-rural cooperation. However, urban-rural partnerships designed as multi-purpose co-operations, dealing with a range of themes, are growing in numbers across Europe. Economic development, the creation of attractive places for investments and trade are the driving forces for setting-up urban-rural partnerships. The governance of such partnerships takes various forms and the degree of complexity depends on the scope of the partnerships and the number of partners.”

Eurocities (2013) adds that metropolitan collaborations come about through strengthening existing cooperation at the functional urban area – as administrative boundaries are outdated. Amongst others, critical success factors include: - strong political will and long term trust; - recognise boundaries and resource issues and deal with them; - ensure balanced government; and - broad involvement and participation; - joining forces rather than changing boundaries.

## **6) Pointers for the Asian debate on urbanization and urban-rural linkages**

In this paper we discussed various urbanization concepts and practices, and aspects of rural-urban relationships. It would be convenient if clear lessons could be drawn or points could be suggested, like x-model of urbanization linked to y-policy on rural-urban linkages, is clearly the most successful in tackling z-types of issues. Alas, this is not the (European) case. Most likely, European metropolitan areas will pragmatically mix the logic of polycentric patterns with the compact city and move on – without conclusive evidence.

In this last section, some pointers for the debate on rural-urban relationships and rural-urban poverty linkages are submitted for discussion: what can we take away from the European experiences.

### Rapid urban development and perspectives on rural-urban relationships

In the EU Plurel project, a Chinese case study was included, on the city of Hangzhou (Yang Jianjun *et al.*, 2011). In comparison with the European case studies, the very rapid urban growth and economic development were distinctive features. Under such circumstances, rural-urban relationships have a different meaning compared to EU. Sprawl in Western European cases are of a different nature. Western European countries have strict environmental guidelines for air and water pollution. In the Hangzhou case, the peri-urban zone is considered foremost as a solution to urban problems and as a source of land for urban expansion (*ibid.*, 42). Results are a loss of farm land and environmental pressure (water pollution).

*Discussion is needed about the perspective of rural-urban relationships. In the Chinese (Asian) case, The rural area is important for a sustainable and liveable urban area. Is this perspective conceivable in Asian countries, taking into account rapid urbanization and pressures on land? Many cities have urban plans, but how can pressures on land be better managed in practice?*

### Rapid urban development and sprawl

In general terms, it can be argued that the motives for sprawl are different in European and Asian countries with rapid urbanization: in European countries sprawl is a matter of preferences of households and firms, and in many Asian countries sprawl is largely the result of necessity of urbanward migrants and a lack of coordinated planning. Freezing urban sprawl comes with a possible risk for low-income groups, namely the prices of land, housing and services. Development control and sufficient supply of land, housing and services should be combined, an arduous task.

*To manage urban development, integrated planning is needed and unwanted impacts of sprawl should be considered. At the same time, pro-poor policies are required. The narrative of territorial cohesion may help to develop a policy logic for metropolitan governments.*

#### Rural-urban partnerships: concerted actions

Artman et al (2011, p. 8) suggest that “Comparing the EU and less developed countries, the reasons behind promoting rural-urban partnerships are quite similar, e.g. creating synergies, environmental sustainability, establishing governance structures, capacity building, overcoming sectoral approaches and promoting integrated ones or creating added value in rural areas.”

These are motives about contents. A critical point is to create institutional mechanisms to capture these potential values. An important point in Europe has been the recognition of the importance of urban-rural relationships, and a push factor for rural-urban partnerships is the lack of public authority over the functional metropolitan region. Central cities are dependent on their surrounding municipalities and vice versa. Rather than competition over development opportunities, public bodies could get together and try to agree over longer term win-win arrangements. This is of course not an easy process. It takes time, leadership, and partners that are capable of accepting short term small loose-loose components (that inevitably go with win-win situations) for the sake of overall best results.

*European regions have positive experiences with partnership arrangements – both formal and informal, on a project and program basis and for longer term collaborations. Such collaborations are a way out of institutional inertia. These partnerships arrangements have been well documented and could be a source of encouragement for Asian urban regions.*

#### Superordinate facilitator

“Urban development has a lot of positive effects as a locomotive for economic development, but it can also have serious negative social and environmental consequences, for example, through urban sprawl. A better balanced and sustainable development requires more policy attention at the regional level and on the urban-rural interface. The EU can promote an integrated rural-urban development by targeting its policies and funding towards peri-urban areas.” write Piore et al. (2011, 9)

Europe has the European Union, who supports urban-rural partnerships projects. With modest budgets, important experiments are carried out, that prove to be sustainable. Participants pay the costs, the EU supports advisory roles, costs of exchange, connections to a European network, etc.

This EU role is important (Artmann et al., 2011): - putting rural-urban partnerships on a European agenda could contribute to ensure coherent approaches and a more efficient use of funds, and help urban-rural projects to become mainstream; - Europe as facilitator can contribute to promote the approach all over Europe and to organise a vital dialogue between knowledge-carriers and potential new implementers, e.g. via seminars, brochures, technical help, twinning and promotion of good practice; and - rural-urban partnerships definitely contribute to enhanced territorial solidarity and balance between urban and rural areas as well as a sustainable integration of different territories with disparities and specific development potential (i.e. contribute to territorial cohesion).

*Urban-rural partnerships in Asian countries can benefit from such a facilitating role. This could be placed at national level or international level.*

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**Table 1: Types and sub-types of urban-rural Interaction, based on the OECD classification**

Type of Interaction	Sub-type	Key recent trends	Rural Impact	
			(+)	(-)
<b>1. Demographic Linkages</b>	(a) Urbanisation (rural-urban migration).	Still a live issue in extreme N of Europe, some NMS and Mediterranean regions.		Depopulation, demographic ageing and gender imbalance.
	(b) Commuting and Counter-urbanisation	Longer distance commuting. Commuting mixed with home working. Counter urbanisation the dominant trend in Central and W Europe	Commuters revitalise rural communities. Potential revitalisation of accessible rural communities and economies.	Rising rural house prices, decline of rural retailing and services
<b>2. Economic transactions and innovation activity</b>	(a) 'Central place' consumer relationships.	Commuting disrupts CP hierarchy. Increased mobility extends 'range'. Rise of internet shopping.	New purchasing opportunities, especially for car owning households with broadband access.	Decline of traditional local retailing, also loosening of CP relationships with adjacent towns.
	(b) Exchanges of goods and (private) services between rural SMEs and nearby cities	Polarisation between (mainstream) globalisation, translocal networks, increasing food miles and (minority) relocation, short supply chain etc. response. Rise in service sector. Development of hub-based logistics.	Relocalisation, short supply chains, niche, quality etc can increase value added for rural producers. Rise in service sector reduces transport cost disadvantage.	Globalisation, translocal networking etc degrades links with local cities – value added is not retained in rural areas. Logistics hubs rarely rural.
	(c) Diffusion of knowledge and innovation between countryside and nearby cities	Improvements in broadband and other communications.	Access to information via the internet.	Rural areas lack R and D capacity. Inferior access to global sources of information (broadband, transport etc.).
<b>3. Delivery of public services</b>	(a) Delivery of urban-based SGI to rural households and businesses. Also access of rural areas to urban SGI access points	Drive for efficiency and cost effectiveness (associated with privatisation) – but also rise of innovative delivery solutions.	New ICT delivery methods can reduce need for face to face delivery.	Need to achieve economies of scale means centralisation in urban hubs.
	(b) Public transport availability in rural areas.	Drive for efficiency and cost effectiveness (associated with privatisation). General reduction in public transport availability outside urban areas.	Car-owning households and individuals have more flexibility, more employment, retailing and leisure options.	Car-less households and individuals experience low quality of life and exclusion from opportunities.
<b>4. Exchanges in amenities and environmental goods</b>	(a) Access to countryside for leisure and recreational use by urban residents.	Increasing car ownership – increasing short break tourism. Reduction in 'within hinterland' tourism and leisure – main vacation abroad.	Rural economy and labour market benefits from expenditure of urban visitors. Motivates preservation of rural culture and environment.	Degradation of environmental assets if visitor numbers are high.
	(b) Rural areas as sources of water supplies, carbon capture, waste treatment.	Increased interest in carbon capture. Increasing volume of waste together with stricter rules about disposal.	Some rural employment gains from management. Investment in forestry may enhance rural environment.	Environmental risks and losses.
	(c) Rural areas as sources of renewable energy.	Much interest, substantial long term potential, but short term risks due to market fluctuation.	Potential access to cheap energy by rural businesses. Grid improvements. Potential income opportunities for rural land owners. Some local employment opportunities.	Land use conflicts, potential environmental risks. External ownership means few benefits retained locally. Negative impact on tourism and leisure industries.



Annex 2 *Rural Urban Co-operation according to OECD (2013, p. 50)*

Table 2.1. Possible key partners in rural-urban co-operation and role of the private sector by purpose of the partnership

Category of purposes	Key purpose of co-operation	Key possible partners	Role of private sector
Economic development	Territorial promotion	Government authorities (national, regional, local) Chambers of commerce Private businesses Civil society (associations, etc.)	++++
	Supply chain	Government authorities (national, regional, local) Chambers of commerce Private businesses Universities/research centres Civil society (associations, etc.)	++++
	Urban agriculture	Government authorities Farmers Universities/research centres Civil society (associations, etc.)	++++
	Management of water sources	Government authorities (national, regional, local) Chambers of commerce	+++
Natural assets management	Biodiversity	Governmental authorities Universities/research centres Civil society	++
	Land-use management	Local authorities Universities/research centres	++
	Landscape and environmental preservation	Government authorities (national, regional, local) Civil society	++
	Transport	Regional, local authorities Private businesses	++
Service provision	Healthcare, social care, education	Regional, local authorities Private businesses Civil society Universities/research centres	++
	Waste disposal	Regional, local authorities Private businesses	++
Political relevance/ access to funds	Political relevance/visibility	Local authorities	+
	Advocacy for funding	Local authorities	+

Table 2.2. Case-study regions and spatial typology

Case study	Type of region	Most frequently noted issues of co-operation
Nuremberg, Germany	Large metropolitan region	Transport network Housing and spatial planning
Rennes, France		
Prague, Czech Republic		
Brabant, Netherlands	Polycentric network of small- and medium-sized cities	Political relevance Access to funds Economic development (e.g. economic strategy, agro-industry, etc.)
Forlì-Cesena, Italy		
Lexington, United States		
Geelong, Australia		
Central Finland (Jyväskylä and Saarijärvi-Viitasaari), Finland	Sparsely populated areas with market towns	Provision of services (to keep population stable) Access to funds
West Pomeranian, Poland		
Beira Interior Sul, Portugal		
Extremadura, Spain		



### The MORO North projects

Project title	Description
Campus North	Cooperation among universities and research institutes in Northern Germany.
Qualified Northern Germany	Project to counteract the predicted shortage of skilled workers and enhancing qualification in the technology sector.
Bridging – Fehmarnbelt	Project to analyze possible effects (risks and chances) for the region by the planned tunnel that shall link Hamburg Metropolitan Region and Öresund from 2020.
Maritime economy	Project to improve the cooperation of cluster initiatives / organizations beyond federal state borders.
Supraregional logistics platform	Project to improve the cooperation of cluster initiatives / organizations beyond federal state borders.
Life science	Project to improve the cooperation of cluster initiatives / organizations beyond federal state borders.
From the region - for the region	Project to implement an initiative to support regional food cycles.
Cultural landscapes in Northern Germany cooperation	Project to connect existing cultural routes in Northern Germany and support joint marketing.
Unmistakably Northern German	Project to create a joint marketing initiative between the Northern German federal states.
Moving closer – transport connections between rural and urban areas	Project to improve transport connections between rural and urban areas by analyzing the responsibilities and existing offers and planning in public transport on the levels of the federal states and counties.
Taking a stand – position of rural areas in a supraregional partnership	Project to analyze the needs and objectives especially of rural areas in an urban-rural partnership.
Crafts and trades in Northern Germany	Project to analyze the current and future development of crafts / artisanry in urban and rural areas in Northern Germany.
Belt Food	Project to improve the cooperation of cluster initiatives / organizations in the field of food industries between Northern Germany and the Öresund region.
Strategic development of the MORO North partnership	Project to analyze the demonstration project and to develop a strategy for urban-rural cooperation beyond the model phase.

## Annex 4 EU territorial cohesion and inclusive growth

In 1999 the EU introduced the concept 'territorial cohesion', a concept to promote harmonized development across the European continent. The European Commission actively supports the peripheral regions in the EU in its cohesion policy. It is part of the "EU cohesion policy (...) to promote overall harmonious development of its Member States" (EC, 2014a). Funds are allocated to national and regional bodies which are then responsible for the implementation. Per country of the EU27, a partnership agreement is made. They are made for a period of 7 years, currently this is the term 2014-2020. For that period, 70% of the structural fund resources are concentrated in the poorest regions and countries.

The cohesion policy seeks to strengthen the economic, social and territorial cohesion of the Union (European Commission, 2014b). Current common challenges like climate change, efficient use of natural resources, equal access to public resources, and demographic changes can be tackled easier with cooperation between urban, peri-urban and rural areas. In the territorial agenda (point 7) of the European Union, agreed upon in 2007, the territorial challenges, amongst others, are:

- Regionally diverse impacts of climate change on the EU territory and its neighbours
- Rising energy prices, energy inefficiency and new forms of energy supply
- Accelerating integration of EU regions, including cross-border areas, in global economic competition
- Overexploitation of the ecological and cultural resources and loss of biodiversity, particularly through increasing development sprawl whilst remote areas are facing depopulation
- Territorial effects of demographic change (especially ageing) as well as in and out migration and internal migration on labour markets.

Given these challenges, EU believes that the territorial cohesion of the EU is prerequisite for achieving sustainable economic growth. Noting the increasing territorial influence of community policies, it is stated that EU policy develops a strategic integrated territorial development approach, whereas individual city and regional development strategies should take more account of their national and European contexts.

Therefor in the agenda (point 12) it is stated that the Territorial Agenda builds upon three main aims:

- 1) Development of a balanced and polycentric urban system and a new urban rural partnership;
- 2) Securing parity of access to infrastructure and knowledge;
- 3) Sustainable development, prudent management and protection of nature and cultural heritage.

Especially the first two points are important in motivating the focus on decentralized urbanization and rural-urban linkages.

In 2008, the Commission of European Communities (CEC) presented the Green Paper on Territorial Cohesion; "Territorial cohesion (...) is a means of transforming diversity into an asset that attributes to sustainable development of the entire EU." (p. 3) Features associated with that are promoting globally competitive and sustainable cities, addressing social exclusion in parts of a larger region and in deprived urban neighbourhoods, improving access to education, health care and energy in remote regions, and the difficulties of some regions with specific geographic features. According to CEC, the concept of territorial cohesion builds bridges between economic effectiveness, social cohesion and ecological balance.

### *Inclusive growth and the Europe 2020 strategy*

According to the Europe 2020 Strategy (EC, 2013), inclusive growth is closely related to the other two dimensions – sustainable growth and smart growth. The primary goal of inclusive growth is to ensure high employment which also delivers economic, social and territorial cohesion. This implies raising employment rates, especially for women, young people and older workers, by modernising labour markets and welfare systems and investing in skills and training. A fundamental prerequisite to achieve this goal is the launching of actions against poverty and social exclusion, to reduce disparities within the Member States and between European regions. The importance of the topic stems from the fact that any growth, to be economically, environmentally and socially sustainable, needs to be inclusive in order to reach all parts of society. The main investment areas for EU are: education and health and social infrastructure.