



Challenges and opportunities for the BSR in global perspective

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Preparing the Baltic Sea Region for the future

Changing demo-graphic pressure

- Ageing
- Migration
- Brain drain

Renewing industries and innovation

- Globalisation and new value chains
- 4th industrial revolution
- Blue growth, green growth and clean tech

Deepening environmental conversation

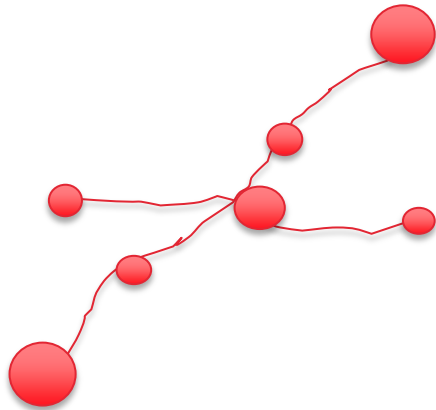
- Climate change (implemented in all policies)
- Cross-sectoral policies
- Network-based approach

Changing democratic decision making

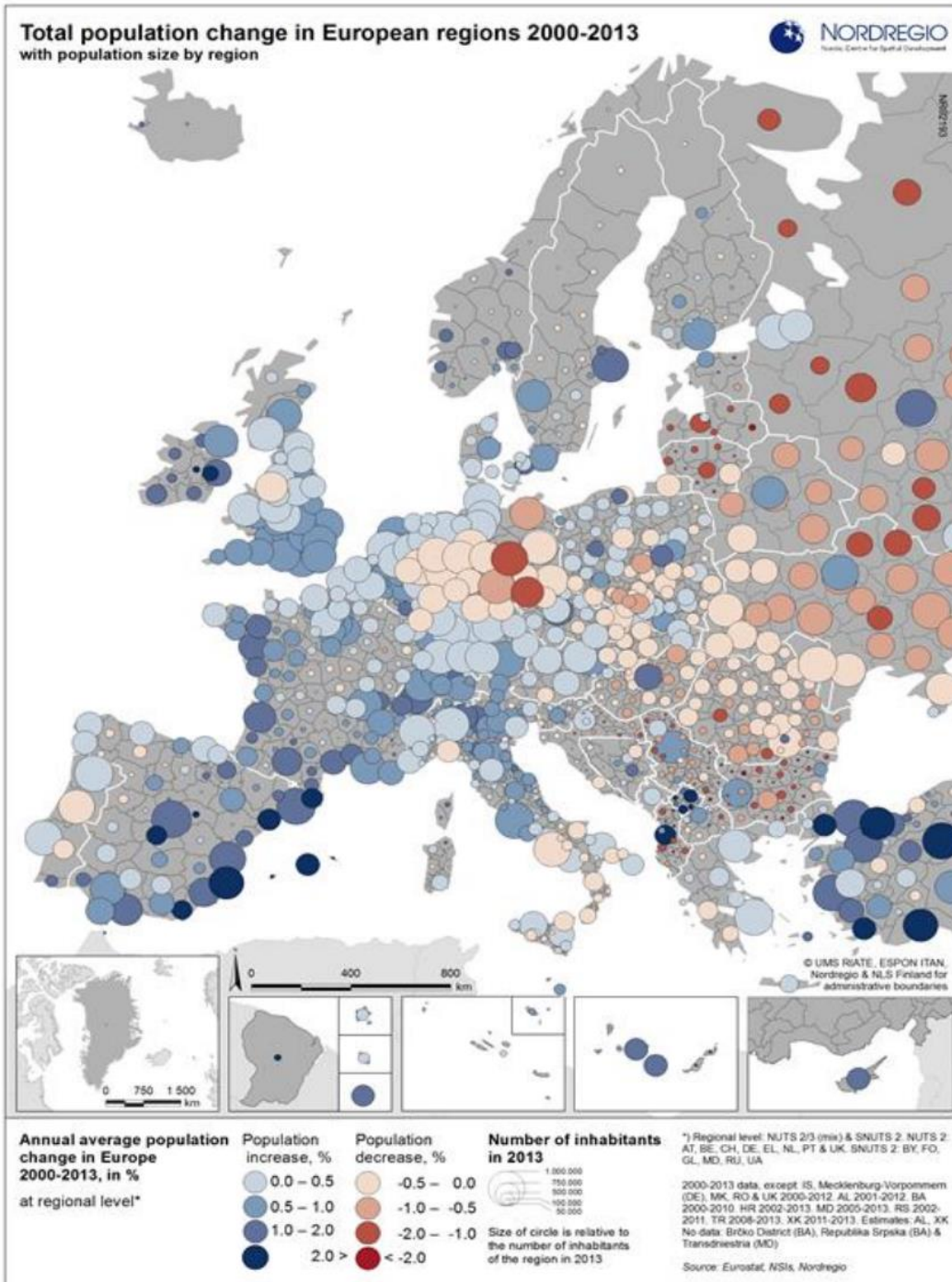
- Raise of inward national policies
- Underlining the importance of shared visions with shared values
- New forms of participation (4th sector), PPPP

Small and medium-sized cities in the BSR

- Maintaining polycentric structure, potential for growth and importance in cohesion
- 'Acceptability valves' for international corridor development



- Increasingly important platforms for international competence networks



Map source:
Nordregio

VASAB 2030 – Long-term Plan

- Cities are **economic drivers** and **social hubs**, but **different functions are required from different types of city** (based on size and capacity to integrate into the global system – though ‘size’ here is nationally interpreted).
- Rather than a one-size-fits-all approach or a concentration on only the global ‘players’, the **BSR needs to foster an approach to balanced development** across the region which addresses the need of different types of areas and spreads **prosperity** (growth) while maintaining **cohesion**.
- **Congruence with the EU policy framework** is also a key element here.

VASAB 2030 – Long-term Plan

- This spatial planning task has five elements themed around the basic issue of ‘competitiveness-raising in an enhanced polycentric system’
 1. making the already powerful metropolitan regions stronger at the international scale
 2. promoting ‘catch up’ in the less dynamic major cities
 - 3. strengthening small and medium-sized ‘secondary’ cities as future growth engines**
 - 4. connect these secondary cities more closely to their adjacent rural areas – promoting better urban-rural partnerships**
 5. promoting cross-border partnerships

VASAB 2030 – Long-term Plan

- The strategic goal is to reduce the East-West divide in terms of innovation performance through the creation of a **stronger network** between the global cities of the region and the stimulation of **more cluster development in the more peripheral areas** (also small and medium-sized cities) in an attempt to overcome the urban-rural divide through enhanced cooperation and partnership and the championing of local capacities for change.
- **Small and medium-sized cities have a key role to play in stitching together the urban fabric of the BSR** (and addressing the growing asymmetry between urban/rural areas more generally) by ensuring the sustainability and territorial cohesion of the BSR.

National level responses in the BSR to the promotion of the role of small and medium-sized cities

- National planning systems, spatial plans and urban programmes are necessarily different across the countries of the BSR reflecting past histories and current institutional and political issues, there is however clearly a **common focus** on the issues **of balanced development** and **urban-rural relations** as well as an appreciation of the challenges and opportunities associated with promoting the role of small and medium-sized cities.
- *(NB no information about Lithuania and Russia)*

Belarus

- The national spatial planning system classifies a national hierarchy of settlements and functions in the National Spatial Development Plan and adopts a BSR-standard classification for its National Settlement System which groups settlements into European, National, Regional and Local importance – based on size and function.
- Focus is primarily on **industrial orientation** to external markets and on **improving the urban environment**.
- Small and medium-sized cities are tasked with balancing development and environmental issues while providing efficient **service provision** but there appears to be **no specific policy programme** dealing with their role in terms of challenges and opportunities

Denmark

- Denmark has **no explicit national urban policy** although it does have a focus on Urban Renewal, while the Danish Planning Act is its primary Spatial Planning document.
- The urban system is addressed primarily in the context of '**Smart Cities**', scaled at the Global, national and local levels and where '**connectivity**' plays a key role.
- The existing strength of municipalities – both in governance and fiscal terms – is likely a primary factor explaining the lack of an explicit national-level urban policy focus though the '**connectivity**' focus appears to act as a proxy for the **VASAB-related focus on small and medium-sized cities**.

Estonia

- Estonia's national urban policy is addressed in the context of its Regional Development Strategy 2014-20 while spatial planning is dealt with in its National Spatial Plan Estonia 2030+. The RDS responds to urban issues such as population concentration and the weakening of secondary cities through **regional shrinkage**.
- **Small and medium-sized cities and 'connectivity' thus feature heavily in planning documents and goals.** The primary themes are highly concurrent with the VASAB approach – promoting global level competition abilities through **innovation, regional specialisation, opportunities for smaller urban centres and promoting cooperation** and increasing connectivity.
- There is clearly a greater emphasis now on both **connectivity** and the promotion of small and medium-sized centres as the **engines of development** for their wider hinterland areas, focusing on better jobs and services

Finland

- Finland does not have an official national urban policy, but it does have national programmes and **urban growth agreements** that contribute to urban development, which could be considered the main elements of a national urban framework. The thematic scope of the growth agreements covers **competitiveness** and **resilience, land use, housing and transportation**, and, to some extent, **social sustainability**.
- Mainly targeted to **major urban regions**, but 'Bridge Agreements' have been formed also with **small and medium-sized cities suffering from structural change**.
- Two major corridor development processes (Growth corridor and Northern Growth Zones)
- Until 2012 there has been explicit urban programmes - perhaps introduced again in governmental period 2019-2023 with focus on small and medium-sized cities (new governmental programme was published 3rd June, focus is also on small and medium-sized cities)?

Germany

- Urban policy is outlined in the context of the National Urban Development Policy which is a joint initiative of the federal, state and local governments. This document covers, for instance, issues of spatial structure.
- In reference to the VASAB goals on small and medium-sized cities, it does promote a territorial approach, in particular, **urban-rural linkages** and directly addresses the issue of **connectivity** in terms of urban systems.

Latvia

- Latvia does not have an explicit urban policy. Instead, urban policy is carried out as part of a comprehensive national regional policy defined by the **3 main planning documents**: the Sustainable Development Strategy of Latvia until 2030 - which is the main long-term territorial development planning document; the National Development Plan 2014-20 – which has a medium term focus relating to territorial development, and; the current Regional Policy Guidelines (renewed in 2019) – dealing with medium-term planning.
- National Regional Policy **defines the network of development centres** – 9 cities or other development centres of national importance and 21 of regional importance which function as key elements in the connectivity of urban-rural municipalities providing the backbone of the **polycentric settlement structure**.
- The primary target is to **reduce existing negative disparities** and **provide for balanced and sustainable regional development**. The Sustainable Development strategy includes reference to the promotion of the territorial approach and addresses the urban systems issue of connectivity and small and medium-sized cities. It is therefore closely aligned with the VASAB goals.

Poland

- Poland has an explicit national urban policy – National Urban Policy 2023 – which is also part of the implementation of its regional policy approach.
- The policy sets out urban policy-related activities within the context of the medium-term National Development Strategy and the National Strategy for Regional Development.
- The explicit goal of the NDS is to **strengthen the capacity of cities** and urbanised areas to engage in **sustainable development** and **job creation** as well as **improving the quality of life** of the residents of these areas.
- Five specific objectives were formed on urban policy with all policy actions in this field complying with these objectives: cities must be – efficient, compact, sustainable, coherent and competitive. In relation to the spatial structure, the themes of promoting a territorial approach – focusing on urban-rural linkages – and addressing connectivity in urban systems – focusing on the role of medium and small-size cities.
- As such, Poland is congruent with the VASAB goals of **connectivity** and **polycentricity**.

Sweden

- Sweden has no national urban policy but does have a National Platform for Sustainable Urban Development which aims to **increase cooperation, coordination and the sharing of experiences among stakeholders across sectors** and levels as regards **sustainable** urban development.
- Efforts to promote sustainable urban development are supported within the regional Structural Funds programmes. In regional policy terms, the National Strategy for Sustainable Regional Growth and Attractiveness is used as a framework to guide investment, providing a policy framework for the development of all regions and utilising a **place-based approach** advocating stronger local and regional competitiveness.
- The VASAB goals are implicitly rather than explicitly addressed.

Challenges and opportunities

How do small and medium-sized cities fit into the urban fabric of the BSR? What is their role and what challenges do they face?

- Challenges:
 - ageing,
 - shrinking regions,
 - out/in-migration,
 - service provision,
 - urban renewal and
 - sprawl/sub-urbanisation/densification questions
- Opportunities:
 - balanced territorial development (in co-op with globalised metro-centres),
 - good quality liveable spaces,
 - regional attractiveness and competitiveness,
 - service centres for rural areas,
 - blur urban-rural divide

Future steps

- Increasing role of small and medium-sized cities in both growth and cohesion in BSR and in all countries
- International growth corridors?
- Networks and alliances of these cities, based on competences and profiles?

10 general steps of 'pooled regional' development

1. Form **network** (alliance), PPPP
2. Create informal **dialogue forum**, 'club'
3. Create **vision, clear communication**, marketing
4. Plan and build platform, **formal place** to share vision
5. Find **leader** ('flag carrier') & phone number
6. Pool **lobbying power**, political support, remember supportive connections
7. Create **strategy / action plan**
8. **Operationalise task forces**, take care of resources
9. Build strong **information basis**, find information on impact, monitor development
10. Use **best practises** – peer development is the strongest driving force



Thank you

Main references

- National Urban Policy in the OECD Countries (2017): OECD, Paris
- Development of Cities in the BSR (2017): VASAB
- Urban Revitalisation in the BSR (2016): VASAB