Challenges and opportunities for the BSR in global perspective

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Looking towards 2030
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.
• 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 divided 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 \textit{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