Governance approaches to rural-urban partnerships: a functional perspective to policy making

web page: www.oecd.org/regional/rurban

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Warsaw, 24 April 2013
Why are we interested in urban-rural partnerships?

✓ Rural and urban areas are **interconnected** through different linkages (commuting, provision of amenities, transportation, economic transactions etc.)
✓ The way these linkages are **governed** has an impact on the economic development and people’s wellbeing both in urban and rural communities

✓ Better understanding of interdependencies (unit of analysis = self-contained space of relationship, **functional regions**)
✓ Better understanding of **challenges and benefits** of rural-urban partnerships
✓ Design **governance solutions** to facilitate an integrated approach that improves the outcome of the rural-urban partnerships
1. Beyond ‘urban’ and ‘rural’: an integrated approach
2. Towards functional regions: concept and identification
3. The geography of urban-rural relationships: a more complex picture
4. Governance approaches and challenges to rural-urban partnerships
5. Wrap-up
1 – Beyond ‘urban’ and ‘rural’: an integrated approach
Deep territorial transformations in the last decades

- Economic development / structural changes
- Improved ICT and transport
- Mass diffusion of cars
- Increased urbanization

New patterns of territorial organization

- Larger distances daily travelled by individuals
- Increased integration of places before more independent
- New concept of cities and rural areas
- Larger functional regions
The traditional concepts of cities and rural areas, based on administrative boundaries, are not anymore coherent with the actual economic and social organization of the territory.

From a socio-economic point of view, territory is organized in functional regions.
Functional regions are geographical spaces where the bulk of local economic processes take place. They are increasingly different from administrative regions.

How it can be identified?

- Commuting (labour market)
- Services
- Partnerships
- Transport networks
- Supply chains
- Etc.
A functional approach makes it possible to highlight two main discrepancies between the administrative structure and the actual organization of the territory.

1) Core cities (cities de facto) vs. administrative cities

2) Functional regions (e.g. metropolitan areas) vs. administrative regions
Towards functional regions: concept and identification

OECD functional urban areas

Under the guidance of the OECD Working Party on Territorial Indicators, and carried out jointly with the EC and Eurostat

1. OECD has identified functional urban areas beyond city boundaries, as integrated labour market areas (using population density and travel-to-work flows).

2. 1 175 functional urban areas have been identified across 29 OECD countries.

3. It allows comparisons among the different forms that urbanisation takes.

Website: www.oecd.org/gov/regional/measuringurban
3 – The geography of rural-urban interactions: a more complex picture

✓ Urban, peri-urban and rural areas are integrated through a broad set of linkages
✓ Different functions may be associated with different boundaries

High complexity of Urban-rural relationships

High variability of spatial boundaries
Urban-rural relationships may extend well beyond labour markets

Example: **Nuremberg Metropolitan Region (NMR)**

E.g. The boundary of NMR covers a much wider region than a conventional functional area defined in terms of labour market self-containment. Its territory encompasses four different functional metropolitan areas and a wide rural territory in their surroundings. Land-based economic complementarities, innovation, public transport network and common territorial identity are the functions underlying the current boundaries of NMR as a space of cooperation.
3 – The geography of rural-urban interactions: a more complex picture

- and partnerships may involve other linkages, which can be related with soft factors (e.g. territorial identity), natural resources (e.g. water), etc.

- partnerships may also be related with potential relationships

Example: **Forli-Cesena, Italy**

**Labour market areas (LLSs)**

**Tourism and water**: the area of Romagna (territorial identity – soft factor)

In Forli-Cesena there are at least two different labour market areas but all the observed partnerships observed encompass a much wider territory. Partnerships on water and tourism are based on natural geography characteristics (e.g. extension of water basin) and territorial identity, respectively.
physical proximity still has a crucial role in defining the geography of R-U partnerships

Face-to-face interaction is easier within a low travel-time distance (e.g. Geelong, Australia)

Example: Brabanstad, Netherlands

Brabant partnership involves five non-contiguous areas (mainly cities). Despite the lack of contiguity, these areas all close by and all within the same provincial boundaries, where the Province is also a member of the partnership.
3 – The geography of rural-urban interactions: a more complex picture

✓ flexibility of the partnership’s boundaries may change on the basis of some key characteristics of the partnerships:

- single purpose vs. multiple purpose
- project oriented vs. management oriented
- bottom-up vs. top-down approach

Example: Rennes, France

*Rennes Métropole* is a formal partnership with management oriented competences. Its boundaries are smaller than those of labour market area. The planning activity is carried out at wider spatial scale (*Pays de Rennes*)

![Map showing Rennes, France with different regions colored in blue and grey](image-url)
4 – Governance approaches and challenges to rural-urban partnerships

Challenges in using functional regions for policy purposes

a) Institutional fragmentation
   - Potential conflicts with other existing government levels
   - Different political and economic weight of different partners

b) Reforms and stability
   - Combining efficiency with legitimacy
   - Financial sustainability of the operational budget
   - Risks of not involving the most relevant actors or losing partners
   - Overdependence on volunteering

c) Transaction costs and human resources costs
   - Potential additional administrative burden

d) Accountability towards citizens
   - Galvanise actors towards clear, relevant and measurable objectives
   - Data challenge
Governance approaches to rural-urban co-operation

**Intentional approach**

*rural-urban partnerships is the explicit aim*

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- Nuremberg (DE)
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- Extremadura (ES)
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- Beira Interior Sul (PT)

**Unintentional approach**

*general focus on co-operation to reach a common local development objective*

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To wrap up

a) Understanding the spatial relationships is relevant in fostering co-operation

b) Labour markets represent a benchmark geography for territorial co-operation, but urban-rural partnerships can extend on a wider geography than that of labour markets areas (based on other relevant linkages)

c) Partnership’s boundaries may change on the basis of some key characteristics of the partnerships

d) There are several challenges in applying a functional perspective to rural-urban partnerships. These challenges are dealt with differently with four different governance approaches that have been identified