

20 years of urban policy at OECD





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This document was produced for the 20th anniversary of the
OECD Regional Development Policy Committee and the OECD Working Party on Urban Policy.



How does the OECD work on cities?



Statistics & data

Over the last decade, the OECD Working Party on Urban Policy and the OECD Working Party on Territorial Indicators have considerably expanded and upgraded the availability, quality and use of economic, social, environmental, and institutional data on cities and metropolitan areas, particularly by:

- Developing a unique methodology to gauge cities beyond their administrative boundaries by delineating [Functional Urban Areas \(FUAs\)](#) in a comparable way across countries, and assessing their performances on a set of economic, social, environmental and institutional indicators;
- Creating the [OECD Metropolitan Database](#), which offers a unique set of statistics that compare the performance of 649 OECD metropolitan areas (FUAs with over 500 000 inhabitants) over time.
- Carrying out an OECD Metropolitan Governance Survey (2014 and 2016) and quantitative analysis of the positive relationship between metropolitan governance and productivity.



Reviews & thematic analysis



The OECD has supported urban policymakers at all levels of government by carrying out policy dialogues and peer reviews on 30+ cities/metropolitan areas (*Territorial Reviews*, commonly called *Metropolitan Reviews*) and on national urban policy in close to 10 countries (*National Urban Policy Reviews*).



Going beyond city- and country-specific reviews, the OECD has also spearheaded cross-country, thematic work on various aspects of urban policy, such as: metropolitan governance, climate change, compact cities, water governance, inclusive growth, ageing, migration, resilience, and many other themes through 20+ reports.



Metropolitan Reviews	Year
OECD Territorial Reviews: The Megaregion of Western Scandinavia, Norway/Sweden	2018
OECD Territorial Reviews: The Metropolitan Region of Rotterdam-The Hague, Netherlands	2016
OECD Territorial Reviews: Valle de México, Mexico	2015
OECD Territorial Reviews: Puebla-Tlaxcala, Mexico	2013
OECD Territorial Reviews: Skåne, Sweden	2012
OECD Territorial Reviews: The Chicago Tri-State Metropolitan Area, United States	2012
OECD Territorial Reviews: The Gauteng City-Region, South Africa	2011
OECD Territorial Reviews: Venice, Italy	2010
OECD Territorial Reviews: Guangdong, China	2010
OECD Territorial Reviews: Copenhagen, Denmark	2009
OECD Territorial Reviews: Toronto, Canada	2009
OECD Territorial Reviews: Istanbul, Turkey	2008
OECD Territorial Reviews: Cape Town, South Africa	2008
OECD Territorial Reviews: Randstad Holland, Netherlands	2007
OECD Territorial Reviews: Madrid, Spain	2007
OECD Territorial Reviews: Stockholm, Sweden	2006
OECD Territorial Reviews: Milan, Italy	2006
OECD Territorial Reviews: Newcastle in the North East, United Kingdom	2006
OECD Territorial Reviews: Seoul, Korea	2005
OECD Territorial Reviews: Montreal, Canada	2004
OECD Territorial Reviews: Athens, Greece	2004
OECD Territorial Reviews: Mexico City, Mexico	2004
OECD Territorial Reviews: Busan, Korea	2004
OECD Territorial Reviews: Helsinki, Finland	2003
OECD Territorial Reviews: Öresund, Denmark/Sweden	2003
OECD Territorial Reviews: Vienna-Bratislava, Austria/ Slovak Republic	2003
OECD Territorial Reviews: The Metropolitan Region of Melbourne, Australia	2003

Urban Renaissance Reviews	Year
Urban Renaissance Berlin: Towards an Integrated Strategy for Social Cohesion and Economic Development	2003
Urban Renaissance: Glasgow Lessons for Innovation and Implementation	2002
Urban Renaissance: Canberra A Sustainable Future	2002
Urban Renaissance: Belfast's Lessons for Policy and Partnership	2000

National Urban Policy Reviews	Year
OECD Urban Policy Reviews: Viet Nam	2018
OECD Urban Policy Reviews: Kazakhstan	2017
OECD Urban Policy Reviews: China	2015
OECD Urban Policy Reviews: Mexico	2015
OECD Urban Policy Reviews: Chile	2013
OECD Urban Policy Reviews: Korea	2012
OECD Urban Policy Reviews: Poland	2011

Thematic reports	Year
Building Resilient Cities	2018
Divided Cities: Understanding Intra-Urban Inequalities	2018
Global State of National Urban Policy	2018
The Governance of Land Use in OECD Countries: Policy Analysis and Recommendations	2017
Making Cities Work for All: Data and Actions for Inclusive Growth	2016
Water Governance in Cities	2016
Ageing in Cities	2015
Governing The City	2015
The Metropolitan Century: Understanding Urbanisation and its Consequences	2015
The Competitiveness of Global Port Cities	2014
Green Growth in Cities	2013
Compact City Policies: A Comparative Assessment	2012
Redefining "Urban": A New Way to Measure Metropolitan Areas	2012
Cities and Climate Change	2010
Competitive Cities in the Global Economy	2006
Cities for Citizens: Improving Metropolitan Governance	2001

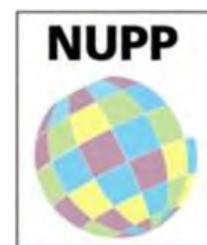


Policy networks

The Roundtable of Mayors and Ministers was established in 2007 as the only global platform convening both mayors and ministers to discuss the pressing challenges in urban development and share innovative policy solutions.



The OECD has worked hand in hand with UN-Habitat and Cities Alliance to launch the National Urban Policy Programme at the Habitat III Conference in Quito, Ecuador in 2016. The OECD/UN-Habitat framework for National Urban Policies is a key pillar for the implementation of the New Urban Agenda.



As part of the OECD Inclusive Growth Initiative, the Champion Mayors for Inclusive Growth Initiative was created in 2016 to provide mayors with a unique platform in the debate on inequality, elevating their voices in national debates and global agendas; and to facilitate exchanges among city leaders, sharing concrete solutions to address inequality in cities.





Roundtable of Mayors and Ministers



National Urban Policy International Conference



Champion Mayors for Inclusive Growth Meeting



2007

2008

2009

2010

2011

2012

2013

2014

2015

2016

2017

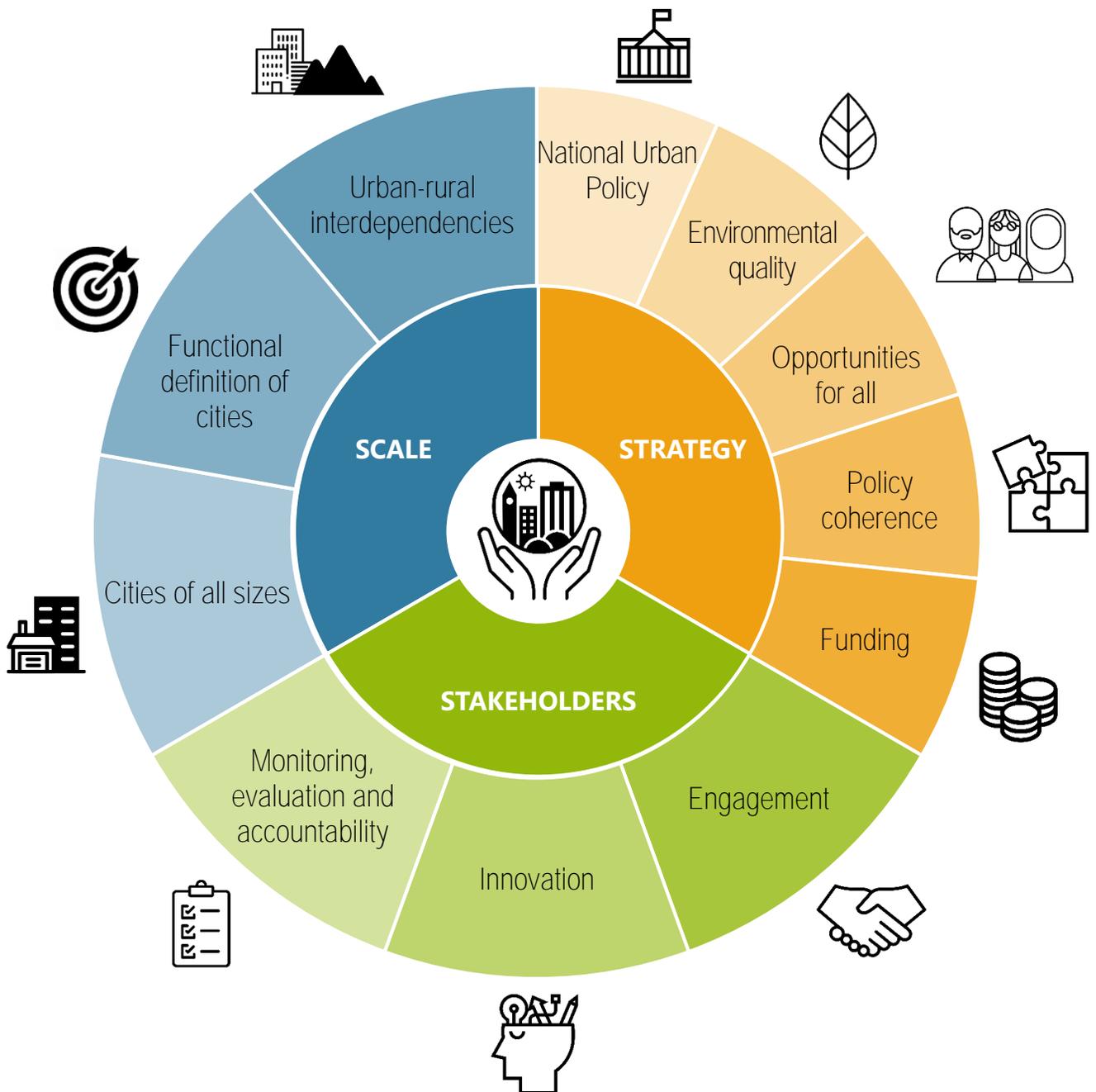
2018

2019



Policy standards

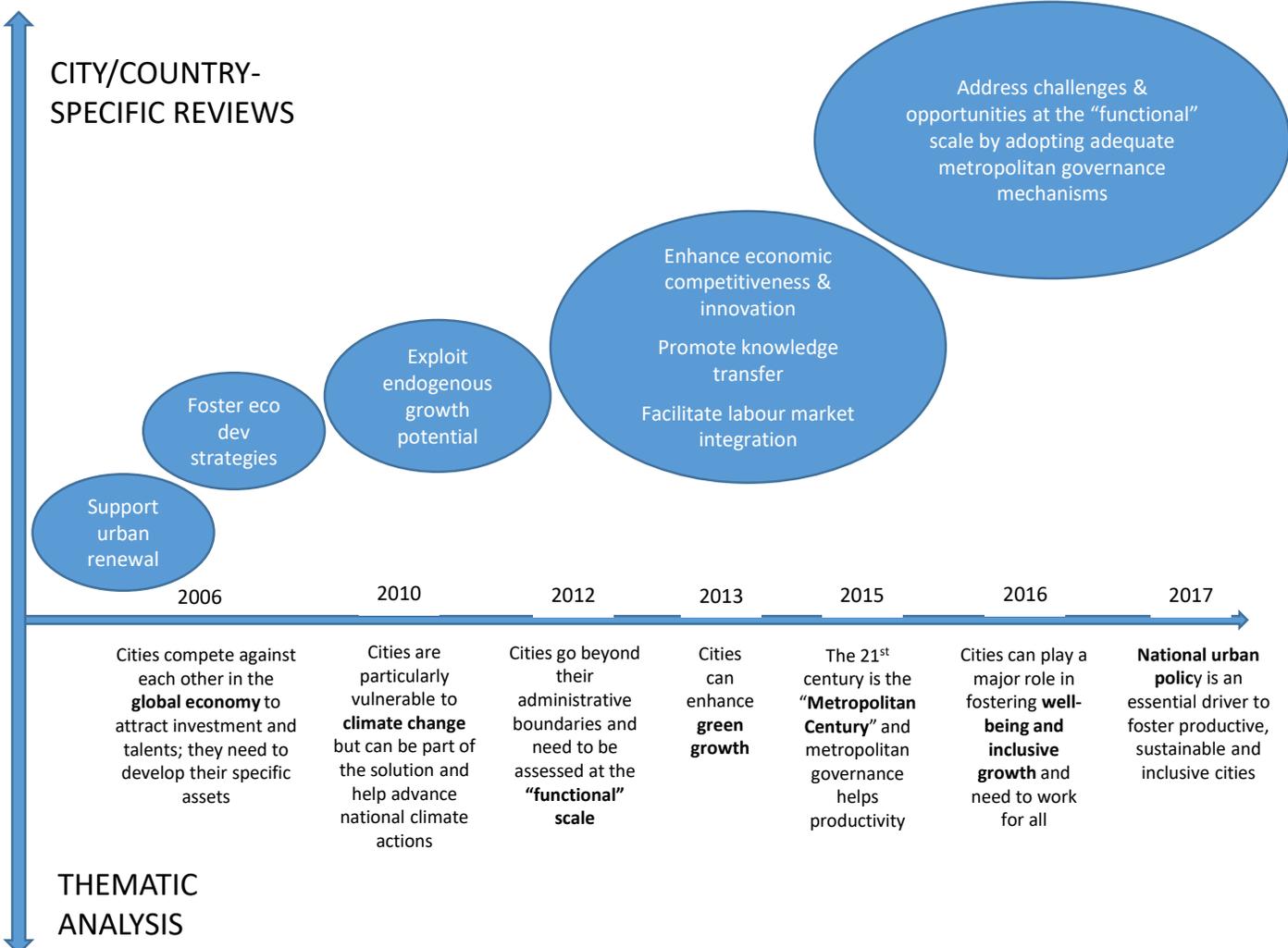
OECD Principles on Urban Policy



The OECD Principles on Urban Policy consolidate the lessons from the past 20+ years of OECD work to guide policymakers in building smart, sustainable and inclusive cities.

The full text of the Principles is available at [oe.cd/urban-principles](https://www.oecd.org/urban-principles/).

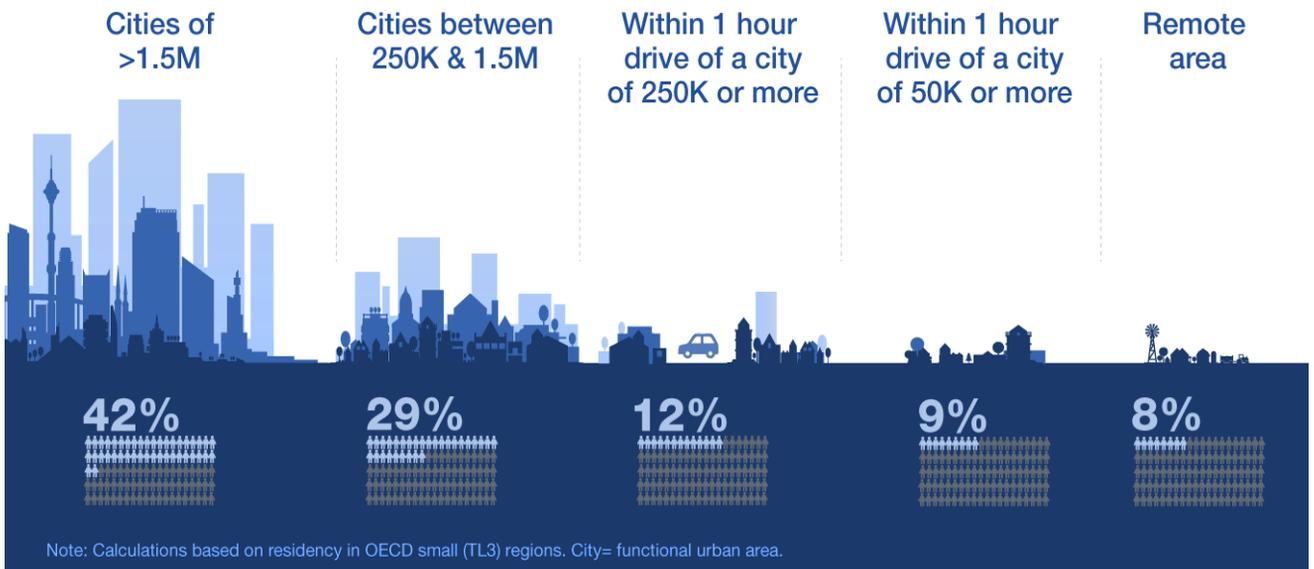
Key messages from OECD reports on cities



Key facts on cities



Where do people live across OECD regions?



Big cities keep getting bigger. Cities of 250,000 people or more have grown by 13% since 2000.

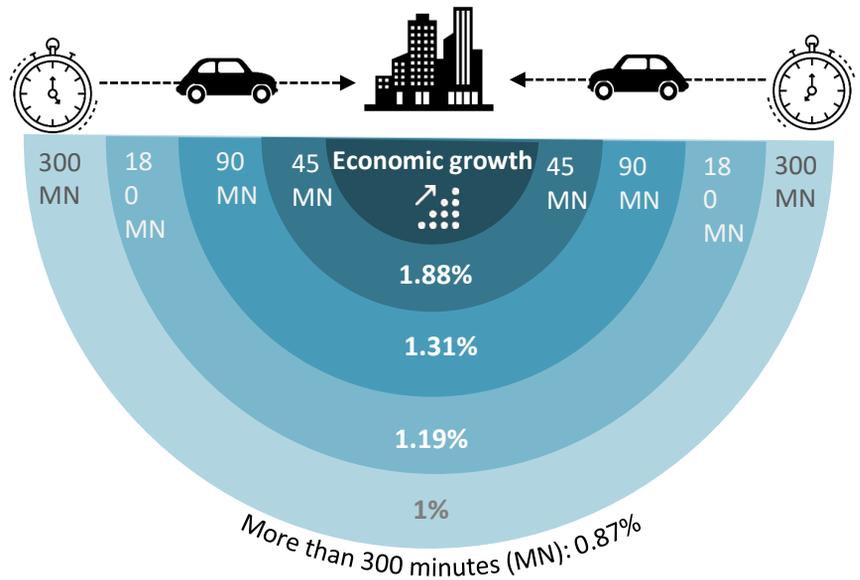
But almost 1 in 4 cities – mainly smaller ones – lost population since 2000.



Cities work and “**function**” beyond their administrative boundaries. Developed in 2012, the OECD-EU methodology of Functional Urban Areas (FUAs) offers a statistical tool to capture the economic geography of the **population’s** daily commuting patterns by identifying densely populated cities and their commuting zones (through travel-to-work journeys). As of 2019, this methodology has allowed for the identification of 1,191 FUAs – also called urban agglomerations – in 34 countries.

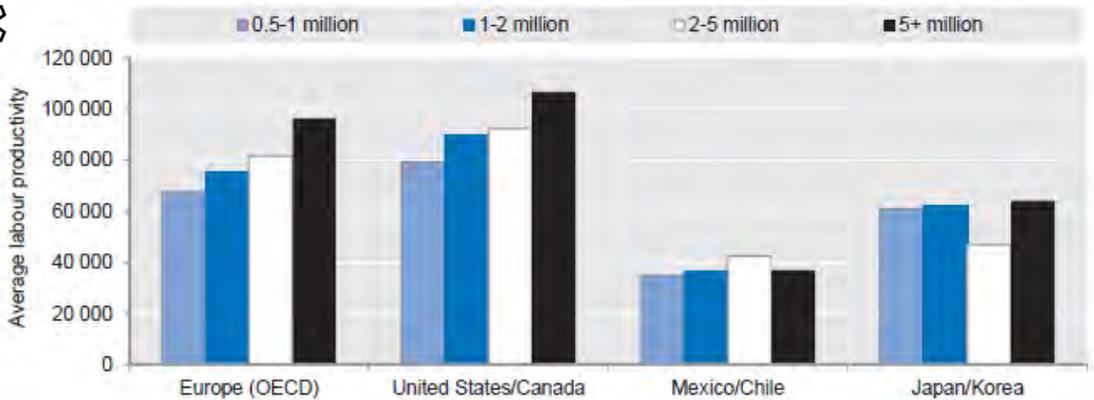
Proximity to a large city is associated with stronger growth in the surrounding regions.

(Driving time to closest city and annual growth in GDP per capita)



Cities can benefit their residents, regions and countries...

Larger metropolitan areas are more productive than smaller ones.



Across the OECD, people living in metropolitan areas earn on average 21% more than those living elsewhere. On average across the OECD, metropolitan areas have accounted for around 60% of total GDP, 59% of employment, and 51% of annual GDP per capita growth between 2000 and 2016.



Income inequality is higher in metropolitan areas than in the rest of their respective country.

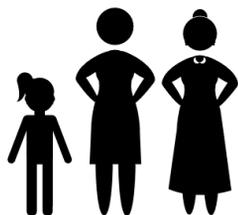
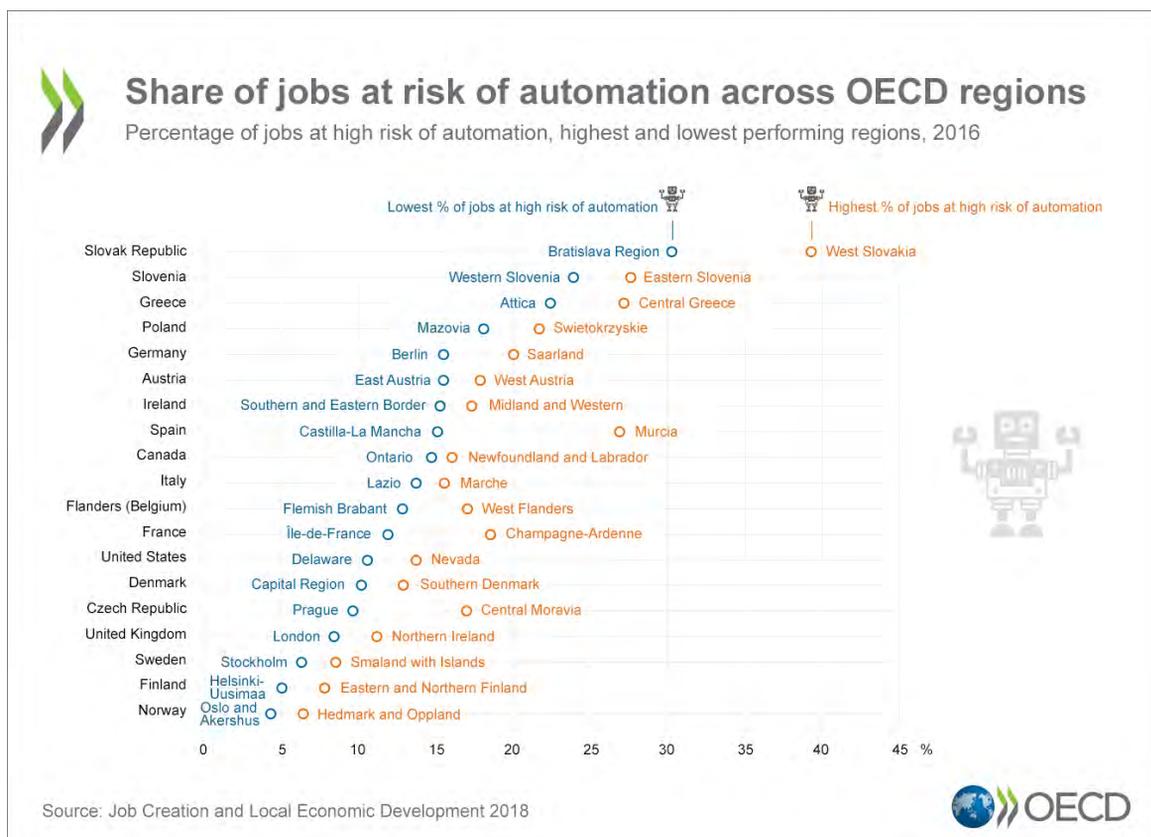
Individuals who grew up in the poorest neighbourhoods earn 5-6% less than those who grew up in the most affluent.



... but cities are also facing increasingly complex challenges.



The next production revolution and digital innovation will continue to change fundamentally the way cities operate, bringing both huge opportunities and risks/trade-offs. One in ten jobs across the OECD area is at high risk of automation. Yet, efficiency and sustainability gains from digital innovation can provide new ways to deliver public services and optimise the use of idle or surplus resources in cities (e.g. cars through Uber; apartments through Airbnb; etc.).



Cities will need to adapt quickly to anticipate and make the most of demographic changes underway, such as population ageing and migration. While indicating tremendous progress in life expectancy, ageing is also threatening to result in a smaller workforce, reduced economic growth potential, and new pressure on public services to accommodate the shift in lifestyle and consumption patterns. Cities will need to adapt and make sure that urban residents can enjoy healthy, successful ageing. Migrants often settle in cities and are bringing new labour force and contributing to the diversity of urban societies. But ensuring successful integration requires all levels of government to work together.

Cities are both part of the problem and the solution in terms of *climate change mitigation and adaptation*:

- Cities contribute over 70% of global GHG emissions and are responsible for around two-thirds of global energy consumption.
- In OECD countries, only around one-third (31%) of the population lives in cities that respected the World Health Organization's level of **PM2.5 emissions in 2015**.
- Despite recent progress, between 2000 and 2015 air pollution started to rise again in cities.



Cities and regions are responsible for 55% of spending and 64% of investment in selected sectors that have a direct implication for climate change over the period 2000-2016 in 30 OECD countries for which data are available.



OECD Impact Assessment Survey

In view of the 20th anniversary of the WPURB and the elaboration of the *OECD Principles on Urban Policy*, the OECD surveyed all cities, metropolitan areas and countries that went through an urban review over the past 20 years. The survey was administered between July and October 2018. The purpose **of the survey was to document to what extent the OECD's recommendations have been implemented and help chart the way forward to improve both the policy relevance of the OECD's work and internal working methods.** The survey yielded a response rate of 53% (with responses from 16 cities and 3 countries).



Legend

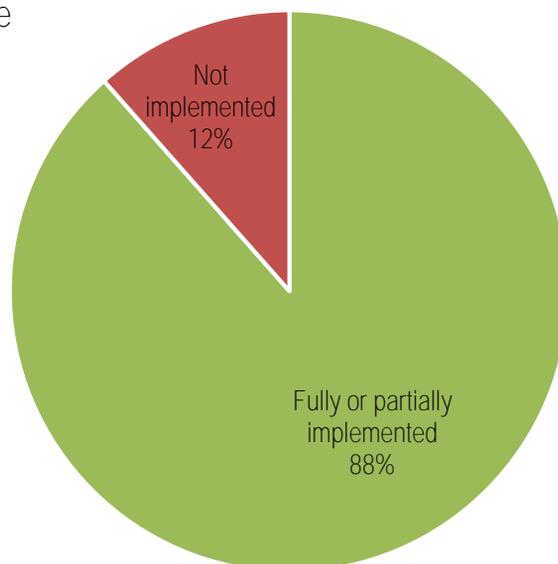
- Metropolitan Review: pending
- Metropolitan Review: reply received
- Urban Renaissance Review: reply received
- ▨ National Urban Policy Review: reply received
- ▨ National Urban Policy Review: pending

On average, respondents rated the relevance of OECD recommendations 8.5 on a scale from 1 (least relevant) to 10 (most relevant).

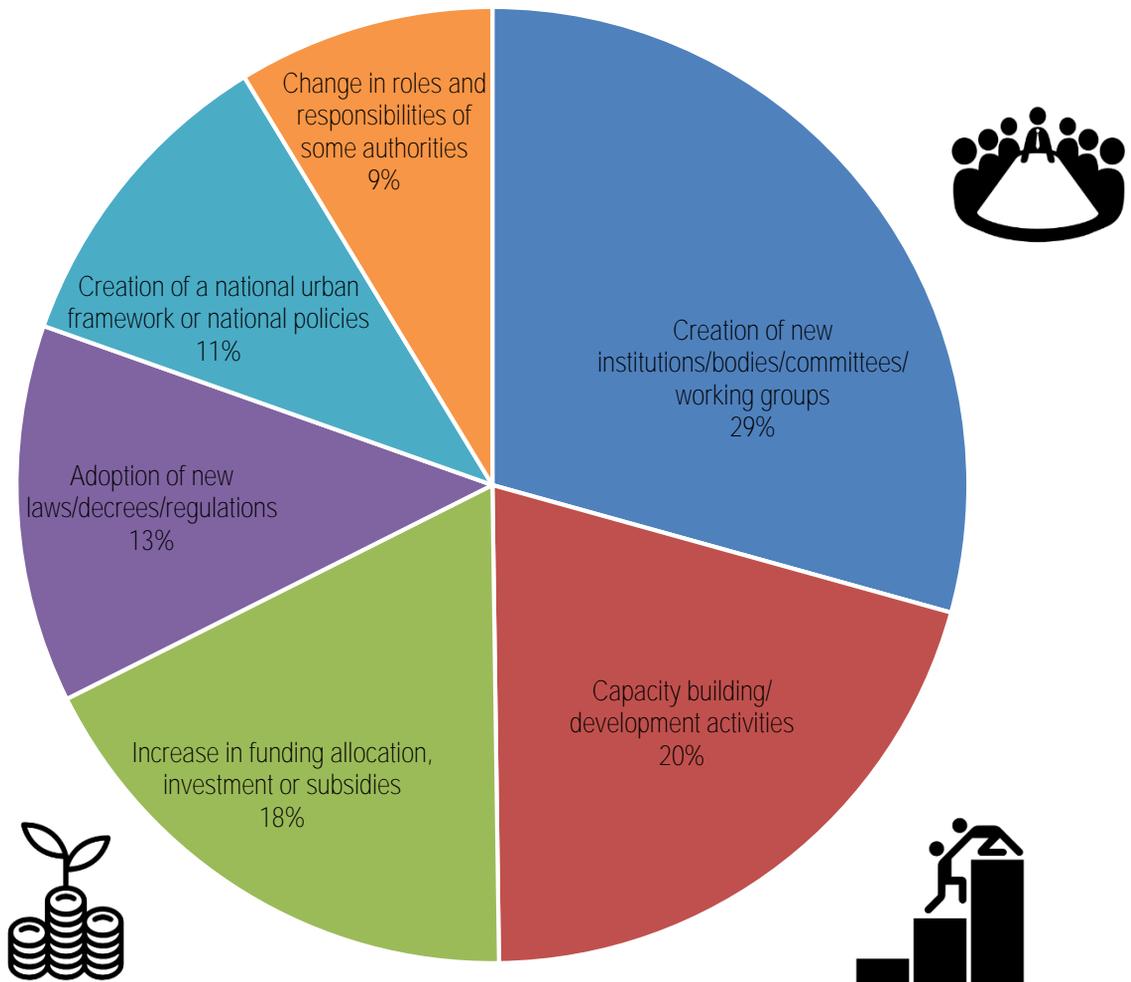
OECD policy recommendations covered a large variety of policy sectors:



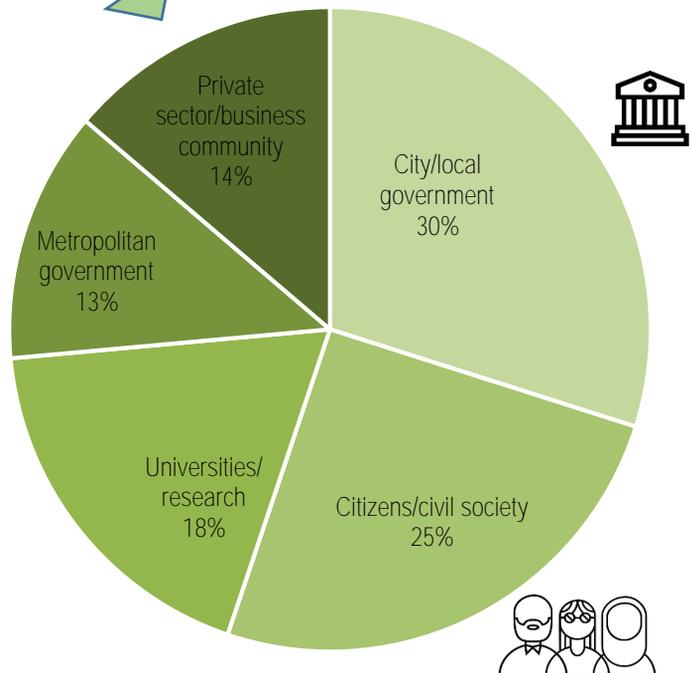
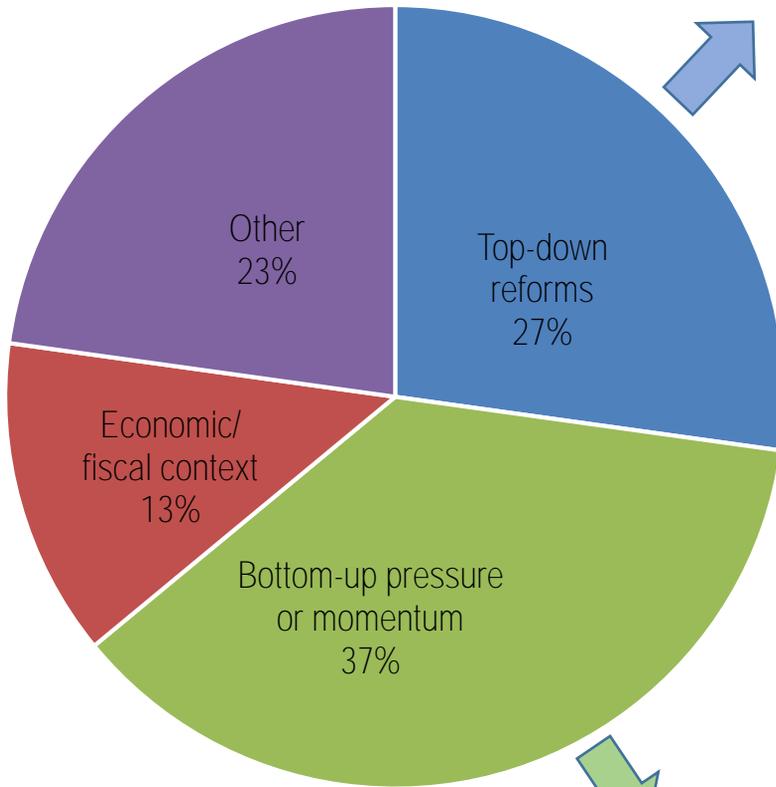
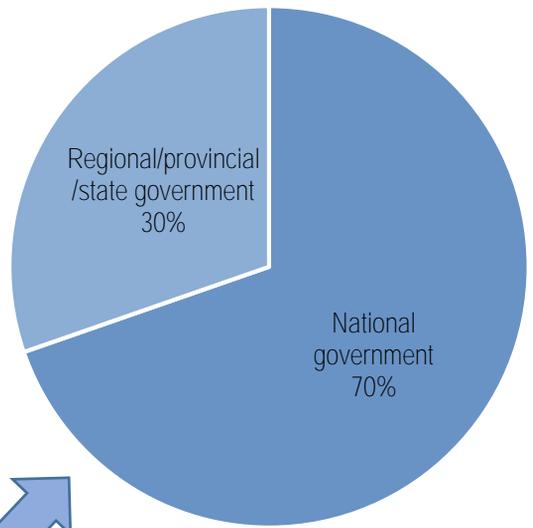
88% of recommendations made by the OECD were reported as fully or partially implemented.



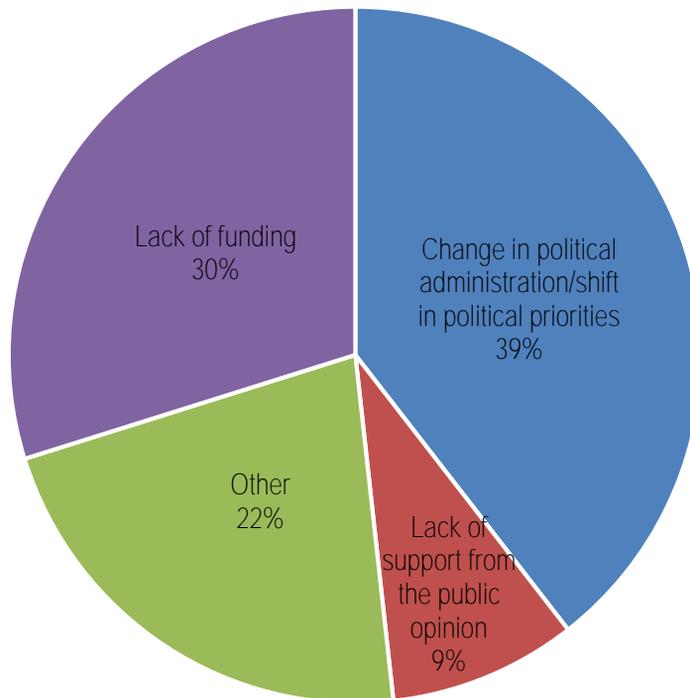
OECD policy recommendations were implemented through:



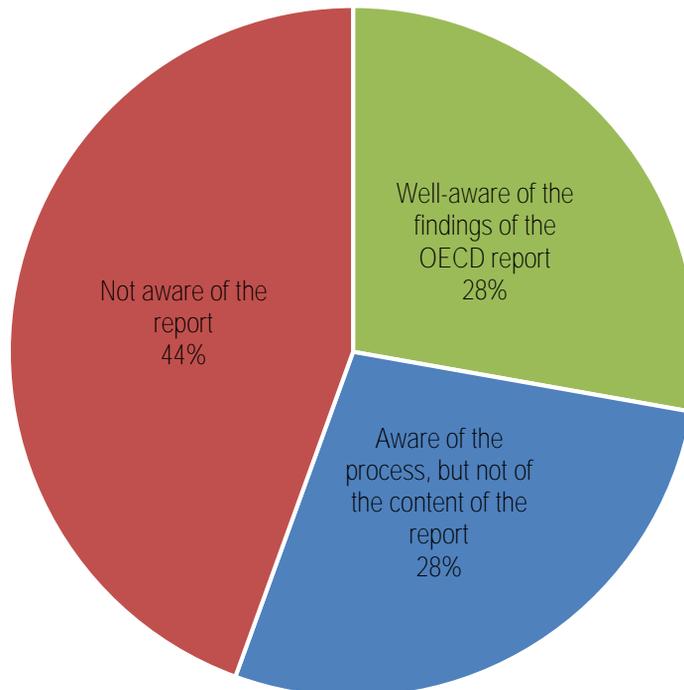
Policy change was driven by:



Barriers to the implementation of OECD policy recommendations were due to:



Respondents reported that stakeholders in their own country were:



The OECD Working Party on Urban Policy seen “from the inside”

Vincent Fouchier
Chair of the OECD Working Party on Urban Policy
(2011 - to date)



This short text, as an introduction to this document that takes stock of 20 years of urban policy at the OECD, proposes to share an experience lived from the inside, to describe the 10 years spent as a delegate and then as the Chair - since 2011 - of the Working Party on Urban Policy (WPURB) of the Organisation for Economic Co-operation and Development (OECD).

Peer validation

The sessions of the Working Party on Urban Policy, like those of the other OECD Working Parties and Committees, call for the “**validation**” of documents, a formal outcome of the working process: delegates are asked to vote so that the documents can officially receive the “**OECD label**”.

Peer review is a prerequisite for validation, combined with input from experts and members of the Secretariat: it is also an excellent way to valorise the knowledge of delegates and to engage them in reflecting about countries other than their own. This is how the neutrality of OECD productions is shaped, based on high-level argumentation, without complacency but with a real desire to contribute with concrete proposals: to enlighten to help guide policy.

Evidence-based demonstrations

“**Demonstration** by proof” notably includes the analysis of statistical data. One of the strengths of the OECD consists in having patiently set up an exceptional database of more than 600 functional urban areas and cities around the world. The knowledge provided by such a database, constantly updated by the Working Party on Territorial Indicators, guarantees solid comparability. This allows us to move from intuition to knowledge... **Let's** take an emblematic example: it has been shown that the functional urban areas covered spatially by an institution integrating economic development, planning and transport competencies registered higher performance than other functional urban areas, particularly in terms of economic growth, employment and the limitation of space consumption. When a territory seeks to gain some growth points, especially in low growth contexts, we find here a powerful argument for adapting local governance!

The marathon sessions

At first, one is both flattered and a little surprised to find oneself sitting around a large oval table, among representatives of over thirty countries with the name of their country in front of them. The architecture of the headquarters of the OECD, located in the district of La Muette in the 16th arrondissement of Paris, add to the symbolism. The “virus” of international dialogue inevitably produces its stimulating effect!

A typical WPURB session is usually a marathon, especially for members of the Bureau (Chair and Vice-Chairs). Sessions start at 9 am, but they are preceded by a preparatory meeting of the Bureau with the team of the Secretariat: either a working dinner the day before, or breakfast at dawn. Then follows a non-stop sequence of speeches, presentations and discussions until the evening, often concluded by a cocktail at the “**Château**”. Even lunch is often occupied by a working session. Overall, the day of a working party session lasts nearly 15 hours... and extends to the next day through the participation in the Regional Development Policy Committee (RDPC) session. In many cases, to maximise the crossover between thematic groups, joint sessions are organised with the Working Party on Territorial Indicators and the Working Party on Rural Policy.

As Chair of the WPURB, I wanted to set up a systematic “*tour de table*” on current developments, whereby each delegate is invited to share what is happening in his or her country regarding urban and metropolitan issues. It has now become a staple of our meetings, a sequence teeming with ideas, which allows for sharing the international “**best-of**” of specialised news!

An opening to outside the governmental sphere

National governments are not the only ones that work on cities (this is a truism). My predecessors understood this very early and the Working Party on Urban Policy opened itself to various actors invited to participate in its reflections:

- First, there are other intergovernmental organisations, such as the European Union (which actually funds a large part of the work of the RDPC), the United Nations Economic Commission for Europe, or UN-Habitat, with whom the OECD has developed targeted analysis of national urban policies (notably within the framework of the World Urban Fora).
- There are also international associations representing local authorities, such as United Cities and Local Government (UCLG) or Eurocities.
- Finally, extra-governmental actors can also take the form of associative or private representatives: the Lincoln Institute of Land Policy, the Rockefeller Foundation, ISOCARP, and many others, like the Club of Madrid (a club of former Presidents or Prime Ministers).

Cohesion within the group

Over the years, despite the frequent turnover of representatives, friendships blossom between delegates and between members of the Bureau of the Working Party. We see each other infrequently but regularly, and always in a spirit of immense benevolence and in the interest of mutual listening. We must also commend the motivation of the delegates, who have a professional activity on top of which episodic participation in the work of the OECD is added... without any financial compensation.

Special events also bring the delegates closer together. For example, how could you not remember the meeting of the Working Party just after the Fukushima disaster?

A group is obviously a synergy, but it is also made up of individualities and personalities. What passionate and captivating delegates, what knowledge gathered!

A wealth of productions

The list of reports produced or co-produced by the WPURB is impressive. It suffices to illustrate the extent of the themes addressed and the diversity of geographies scrutinised. It also reflects the variety of approaches and the evolution of the issues introduced by the Working Party or by public or private sponsors.

We can distinguish five main categories of outputs, all of them concluded by recommendations that complement and feed into each other:

- Metropolitan Reviews: in-depth explorations of local realities, key issues and projects, and institutional arrangements.
- National Urban Policy Reviews: an immersion in national governments to grasp how they deal with urban issues.
- Thematic reports (for example on governance, compact cities, climate change, green growth, ports, water, resilience, etc.): capitalising on urban, metropolitan or national trends, as well as on the achievements of comparative databases, these thematic reports shed light on emerging issues. Ahead of the political decision or in evaluating policies, these reports provide an international picture of experiences, successes or failures.
- Co-operation: The OECD is sometimes called upon in partnership agreements to accompany the implementation of new policies.
- High-level conferences, meetings of Ambassadors, Ministerial meetings or Roundtables of Mayors and Ministers: These offer real visibility to the work and are major vehicles for the dissemination of results to key decision-makers.

Finally, it is the progress achieved on substance that matters. In particular, I can highlight four dimensions of progress:

- Not so long ago, Gross Domestic Product (GDP) was the main prism of OECD analysis. It is noteworthy that now people seek less to territorialise GDP than to supplement it with qualitative dimensions (well-being index, greenhouse effect, governance, limits to urban sprawl, etc.) and to measure the spatial dimension of public and private decisions.
- Space matters! And this is the essential point shared by the delegates of the Working Party: space must be taken into account to better guide policy. The Working Party on Urban Policy, like the other Working Parties of the RDPC, keeps breaking thematic silos, encourages partnerships and horizontal work.
- Multiple scales must be tackled together: big and small! This is why national policies cannot be separated from local policies. This is why, too, the Working Party has progressively expanded its work spatially: first at the urban scale, logically, then the urban-rural relationship, then the metropolitan area, and now the mega-region, too. In 2015, the Roundtable of Mayors and Ministers in Mexico City (Mexico) was entitled “**The Metropolitan Century**”, evidencing the progress achieved over a few years.

Sharing international experience is therefore a great help and a safeguard for future urban policies. As such, we can only wish for more media coverage of all this work, especially since there are still many topics to explore. ■

Takayuki Hara

Former Chair of the OECD Working Party on Urban Policy
(2003-2007)



I served as the Chair of the WPURB from October 2003 to November 2007. After working at the Ministry of Construction, I took on the role of senior managing director in charge of overseas operations at Mitsubishi Estate Co., Ltd., the largest Japanese real estate development company. There, I directed the **company's** own redevelopment project at the Paternoster Square in London (UK), together with the real estate development and management departments of the Rockefeller Group International, Inc. I believed I could contribute to improving urban policies of OECD member countries with my unique experience of leading both public and private sectors of urban development.

In 2003, when I was elected Chair of the WPURB, the Territorial Development Policy Committee (former name of the Regional Development Policy Committee) held its first high-level meeting in Martigny (Switzerland) in July, which Mr. Barca led as the first Chair of the Committee. It was the beginning of the evolution of the RDPC.

In the meantime, after the collapse of the bubble economy, **Japan's** policy goals, including those in urban policy, shifted from achieving economic growth in real terms to developing appropriate practices for diversifying needs toward better environment and culture in the face of economic and social globalisation.

The 2000 OECD Recommendations for Japanese Urban Policy pointed out that one of the challenges in Japanese urban policy was **"securing** socially cohesive cities (either in response to widening income disparities or to demographic changes such as ageing) as well as such related phenomena as an increase in immigration, currently rather small, but potentially a greater problem in the future."

These problems were already clearly recognised in Europe and in the United States at that time. In the globalised world economy, where people, goods, and money move freely across national borders, every nation had to achieve two difficult goals: attracting excellent human resources to support research and development, which are the basis of national economic competitiveness, and at the same time, achieving social solidarity and cohesion in cities through integration of immigrants and poor youth into society. For example, while in 2002 the City of London granted voting rights to foreign companies whose offices were in the city according to the number of local employees, riots against globalisation occurred in the suburbs of Paris and widely spread across France in October 2005. These events illustrated the emergence of both positive and negative aspects of globalisation.

The WPURB discussed these issues actively and held international conferences on **"City Competitiveness"** in Santa Cruz de Tenerife (Spain) in March 2005, on **"City Attractiveness"** in Nagoya (Japan) in June 2005, and on **"Competitive cities and social cohesion"** in Montreal (Canada) in October 2005. Through the events, the WPURB addressed urban sustainability and competitiveness from the perspectives of industrial, urban, and social policies.

In particular, the OECD International Symposium in Nagoya, held in conjunction with the 2005 World Exposition in Aichi (Japan), was joined by plenty of delegates from OECD member countries, including Ms. Odile Sallard, the then Director of Territorial Development Service, and Dr. Vincent Fouchier, the present Chair of the WPURB, around the theme of **"Enhancing City Attractiveness for the Future"**. In addition, the WPURB in Bilbao (Spain) in 2006 covered **"City Attractiveness"** from the viewpoints of various fields such as living, culture, and arts.

The challenges in building social solidarity and cohesion discussed in the WPURB at that time have not yet been solved, but have become even more serious against the backdrop of flowing refugees from the Middle East and Africa into Europe, as well as rapidly ageing population in developed countries like Japan, which was reflected in the main topic of the OECD Ministerial Council Meeting of last year: **"Inclusive Growth"**.

Since any problems are now mutually entangled, complicated, and difficult to solve, the WPURB, which is expected to take a comprehensive approach to each policy issue, plays a much more important role than before. By sharing expertise of each OECD member country and seeking better policies, the WPURB can contribute to the sustainable development of economies and societies around the world, including not only OECD members but also emerging countries, which will face similar problems in the future.

In this respect, I expect the RDPC Ministerial Meeting of March 2019 to lead us to further advancement of the Committee and the WPURB through reviews of their experiences and manifestation of their commitment to sustainable urban and regional development of the member countries.

Finally, beyond my position as former Chair of the WPURB, I, as a Japanese elderly person, sincerely hope that the activities of the Working Party bring to the member countries progress of urban policy, helping them to build a society where all people can lead independent lives of excellent quality with human dignity. ■



Selected testimonies from OECD countries*

* Submitted by Delegates of OECD Working Party on Urban Policy

a) How has urban policy changed in your country over the past 20 years?



Czech Republic

Urban policy is a conceptual and systematic activity by a public authority (e.g. an EU institution or government) aimed at the development of cities. Its objectives are derived from the identification of major urban development problems and from their status and functions in the national settlement and regional structure. Urban development must be based on principles of sustainable development, which allows economic, social and environmental objectives to be interlinked.

In the Czech Republic, the settlement structure and its hierarchy are very distinct from those of other EU countries, as they is highly fragmented. There are more than 6,250 municipalities, and the majority of them have a population of less than 500 inhabitants.

Several new trends emerged in the Czech Republic's settlement patterns after 1990. The country's modest natural growth changed into a steady population decline, in addition to changes in regional migration balances and the size classes of municipalities. Some of the previously industrial areas became very unattractive and started losing inhabitants as the population migrated away, while significant migration gains were reported in Central Bohemia and other districts and municipalities on the outskirts of big cities that had previously suffered from a migration deficit.

The dynamics of urban development, current challenges for a sustainable lifestyle, the volume of investment from European regional and urban programmes, and preparations for the next Cohesion Policy programming period require the production of a supra-departmental framework for urban policy, summarising and co-ordinating the main areas, problems and approaches to support their further development.

The need for a conceptual framework for the implementation of urban policy is also in line with European trends in urban policy. The principles of urban policy are based on strategic documents adopted at European and national level. Key European documents include the European Spatial Development Perspective, the EU Territorial Agenda, the Leipzig Charter on Sustainable European Cities, and the Renewed EU Sustainable Development Strategy.

At national level, significant documents are the Strategic Framework of the Czech Republic 2030, the National Strategic Reference Framework, Principles of Urban Policy of the Czech Republic (2010) and the Regional Development Strategy of the Czech Republic 2014-2020 that emphasise functional regions-influential metropolitan areas and their surroundings.

“ Urban development must be based on principles of sustainable development, which allows economic, social and environmental objectives to be interlinked. ”

“ We have taken bold steps to create smart cities; the regulatory environment provided the base to uniform interpretation, and a handbook and best practices examples have been prepared to support the cities. ”

Hungary

1997-2007

At the turn of the millennium, urban development was part of regional development. An Urban Development Concept was defined in 1997 and clarified in 2006. According to the new definition, the Urban Development Concept is an urban policy document elaborated in accordance with natural specificities and structures, taking into account the key factors of economic, social and environmental aspects, as well as the institutional system of the settlement concerned. The significance of elaborating a concept has increased; consultations about a concept are now at the same level as consulting on settlement spatial plans.

Hungary joined the European Union in 2004. The international policy role of urban development was strengthened at that time; regional and urban development co-ordinated in a uniform manner and had an independent international department.

2007-2013

In the first complete development term after joining the EU, urban development was implemented mainly through EU funds. The most successful programme was the programme of Integrated (social) Urban Regeneration Developments.

Basic principles of the Leipzig Charter (2007) defining the urban development policy of European countries were applied at a rapid pace. The so-called Integrated Urban Development Strategy (IUDS) was introduced to the planning practice of the cities with the assistance of the Ministry responsible for urban development. In 2009, the Construction Act defined it as a separate part of the Urban Development Concept.

Following the so-called Urban Development Handbook, a large part of IUDSs were elaborated in a short time - typically between 2008 and 2010 - for calls for proposals (urban regeneration for adding functionalities and of social purposes). The 2010 Amendment of the Construction Act clarified the place of Integrated Urban Development Strategy; it was defined as a document serving the implementation of the Urban Development Concept which is to be elaborated in case of cities and in case if more settlements make their plans jointly.

After the 2011 reform of the municipal system, at the turn of 2012-2013, there were significant conceptual changes, namely that the regulatory environment covering the urban development in its entirety was established. The Construction Act treats urban development as an independent subject area, and the separate regulation of urban development and urban planning also appeared on the level of Decrees. As from 2010, regional development and urban development were organisationally separated. In 2011, under the EU Presidency, emphasis was placed on climate protection, urban safety and demographic challenges. Thereafter the international participation decreased.

2014-2018

After 2014, the independent organisational unit for urban development was closed. In several fields, the policy was determined by direct decisions adopted on the level of senior management. However, emphasis was placed on the international profile of this field, matching to the European and global trends and developments.

Integrated planning remained to be an important goal. In order to provide better foundation for the improvements by means of plans, in 2013-2014 in the context of an EU project, the Concepts and Integrated Urban Development Strategies (IUDSs) for the cities with county rights were elaborated from central EU funds in accordance with the new regulations.

In 2015, planning of small and medium-sized district towns and of the capital districts was completed, also financed from EU funds. In addition, in 2015, targeting the disadvantaged settlements was also renewed, which has a role in the territorial differentiation of development resources

In 2016, the Hungarian Government launched the Modern Cities Program, dividing the responsibilities between the Ministries. The purpose of the Program is to implement a complex urban development in the largest rural towns. The Government grants significant funds for investments that cannot be financed from EU support in accordance with the needs of the towns. Thus, large towns might become drivers of their areas.

Both the facilitation of the authorisation procedures for constructions and the financial support provided to families for house-building purposes - a programme was launched in 2016 for the latter - support urban development. This programme is implemented through co-operation among several Ministries.

The government launched a cross-cutting digitalisation program called “3D Hungary” which affects urban development, too. Digital harmonisation of development plans and spatial plans at various levels has also been launched. We have taken bold steps to create smart cities; the regulatory environment provided the base to uniform interpretation, and a handbook and best practices examples have been prepared to support the cities.



Sweden

“ To ensure long-term sustainable growth and development, all parts of a country need to contribute, both rural and urban. In a sustainable society, urban and rural areas benefit from each other and should be seen as interconnected regions. ”

Looking back - some examples of urban policy and programmes from the past

The Swedish government has been working with urban development for a long time. The goal of the policies has shifted over the years. The responsibility for urban policy has also shifted. Since 2016, it is the Minister of Environment, and before that, it was the Minister for housing. Since 2002, cities have been part of regional growth policy in Sweden. Regional growth policy covers both urban and rural perspectives. Since 2014, the Minister of Rural Affairs is responsible for regional growth policy, and before that, the Minister of Enterprise had this responsibility.

In 1998-2006, the government had a metropolitan policy with two goals:

- (i) a social goal to improve integration and fight segregation, which focused on collaboration with municipalities to improve areas with socioeconomic challenges, and
- (ii) an economic goal, which mainly focused on promoting growth in local development work (for example, streamlining the matching process between job seekers and employers).

In 2006, the national agency for regional and economic growth (*Nutek*, later *Tillväxtverket*) launched the metropolitan programme “*Storstadsprogrammet, 2006-2009*” for analysing and highlighting metropolitan development and growth challenges. The programme was part of regional growth policy and had its foundation in research on what drives development and growth in an increasing global competition, and the role big cities are playing in this context. The agency identified four Swedish metropolitan regions to be included in the programme: Stockholm, Gothenburg, Malmö and the twin city Linköping – Norrköping. The programme had two main aims: on the one hand, to analyse and highlight conditions and opportunities of the cities, and on the other hand, to actively stimulate growth efforts in the four metropolitan regions.

In 2008–2012, the Delegation for sustainable cities (*Delegationen för hållbara städer*) worked on behalf of the government's mission to promote sustainable urban and residential development. Within its mission, the delegation was responsible for allocating financial support to urban development projects. Following the end of the Delegation for Sustainable Cities, the government worked for sustainable urban development through a government-wide platform for sustainable urban development issues. In December 2017, the government decided to replace the Sustainable Cities Platform with a Sustainable Cities Council.

Innovation Partnership Programme for smart cities

In 2016, the government launched five major so-called ‘**Innovation Partnership Programmes**’ (*Samverkansprogram*). These programmes are a concerted effort to find innovative solutions to a number of major challenges facing society today with the aim of spurring innovation through collaboration between industry, research, authorities, NGOs and the government.

One of the programme deals with smart cities. Currently, the smart city program focuses on eight different areas: Nationally open (and shared) data; A digitized planning process; More effective use of existing building stock through the use of ICT; Green business models and models for sharing economy in relation to mobility, surfaces and consumption of goods; Development of an information model, Smart streets, Digitalization for social cohesion in cities; and Housing for all.

Regional growth policy – development based on specific regional conditions

The Swedish government is pursuing an active regional growth policy for the entire country, which is focused on giving regions the opportunity to grow and develop based on their own specific regional conditions, in both urban and rural areas. Sweden has a national strategy for sustainable regional growth and attractiveness 2015-2020, which highlights the importance of multilevel cooperation, including cross-sectoral perspectives for regional development.

National Strategy for Sustainable Urban Development

In April 2018, the Swedish government presented a new strategy for Sustainable Urban Development – Liveable cities. This strategy presents the government's new policy for sustainable urban development. The strategy includes overall goals for sustainable cities and new milestones in the environmental objectives system, together with priorities and new initiatives with a focus on environmentally sustainable urban development.

The strategy contributes to the national environmental goals as well as to national goals in other policy areas. The strategy will be part of the national implementation of the United Nations New Urban Agenda and the Sustainable Development Goals (SDG) and Agenda 2030.

Through this strategy, the Government also wishes to strengthen the municipalities' prerequisites for developing green, healthy and safe cities where people meet and innovate. Cities need to develop with regard to all dimensions of sustainable development - the environmental, economic and social.

The strategy is the first Swedish strategy on sustainable urban policy. That does not mean that it is a new issue in a Swedish context. Sweden has had several different policies, goals and initiatives to support sustainable urban development. The Swedish government has taken many initiatives to promote urban development during the years – the initiatives also promote regional development and the whole nation.

Looking ahead

We would like to stress the importance of applying a broad view on sustainable development. We would especially like to highlight the importance of including and developing insights on social inclusion as well as climate change adaptation and mitigation in future work on cities.

The future is also in “**smart cities**”. The digitisation and the development of technology gives better opportunities to build cities that are sustainable in an ecological, social

and economic perspective. In a global context, Sweden is a small country and the metropolitan urban areas are also rather small, as is the norm in many European countries. More knowledge in relation to the development of small and medium-sized cities is therefore of great interest for the development of relevant policy.

There is also a need to see and explore urban-rural links and not to discuss cities as isolated phenomena. This is important not least from a sustainability perspective, and perhaps particularly important for a country like Sweden that has large sparsely populated areas, but at the same time many residents in cities.

To ensure long-term sustainable growth and development, all parts of a country need to contribute, both rural and urban. In a sustainable society, urban and rural areas benefit from each other and should be seen as interconnected regions.

Some reflections on main achievements of the Working Party on Urban Policy

Through a comparative approach, the OECD offers knowledge of high quality on relevant policy issues. The work is based on solid methods and data and this is of utmost importance for producing results of high quality and use for its members.

The importance of the knowledge produced by WPURB for policy development in Sweden can be exemplified by Territorial Reviews. During the last 20 years, actors in Sweden, as well as neighbouring countries, have participated in several territorial reviews. Sweden has participated in four Territorial Reviews (Öresund 2003, Stockholm 2006, Skåne 2012, Megaregion of Western Scandinavia 2017). Through the Territorial Reviews, we have experienced that not only the final report is important for developing knowledge, but also that the whole working process, including data collection and analysis, workshops and peer reviewing, are essential steps for developing knowledge and ensuring that the knowledge produced is applied through policy.





UK

“ Strong local city leadership can help strike the right balance between competitiveness, cohesion and environmental sustainability and create a positive image for places. ”

In the UK context, ‘urban policy’ in its broadest sense encompasses three main elements:

- ‘Explicit’ urban policies as defined by the totality of policies or programmes that the UK (or devolved) governments have labelled as ‘urban’ and/or have targeted specifically at urban areas over the years;
- The urban implications of nominally ‘space blind,’ mainstream sectoral policies whose design rarely takes their spatial implications into consideration but whose impacts by their very nature are geographically uneven and thus affect cities and urban areas differently; and
- The role that ‘urban,’ as variously defined for administrative purposes, has played in the delivery of public policies and services at a sub national level.

Any definition of UK urban policy needs to bear these three categories in mind, as they offer a comprehensive way of assessing how public policy decisions and programmes of administrative reform have affected UK cities in totality over time. As a unitary state, it is the UK national government that establishes the policies and institutional arrangements that govern their delivery at a sub national level, though bottom up pressures by cities, including the Core Cities Group, have made an important contribution too.

Explicit urban policy

Most studies of UK urban policy have tended to focus on the first of these three categories by looking at national government policies and programmes specifically targeted (or intended to be targeted) at urban areas, or parts of such areas. That said, they have also made reference to other (national) policies from which cities, along with other places, derive benefit, and to changes in sub national policies or institutional structures through which those policies are delivered that are seen as beneficial to cities.

Since the 1960s, there have been considerable changes in the national **government’s** approach on how to deliver explicit urban policies at the sub national level and who should lead on this:

In the 1960s, urban policy has a strong social welfare focus with the **government’s** Urban Programme, launched in 1968, deliberately targeting areas of deprivation in cities and large towns with high Commonwealth immigration.

By the 1970s, there was a greater recognition of the need to address wider structural economic change as well as social and environmental issues. The 1977 White Paper ‘**Policy for the Inner Cities**’ called for integrated, area-based, economic, environmental and social initiatives to address the problems of inner urban areas.

The **government’s** New Towns programme was stopped with a switch to urban housing refurbishment rather than demolition and rebuild. It argued for the bending of mainstream national programmes and policies towards the needs of inner city areas.

In the 1980s, the government of Margaret Thatcher sought to reduce national **government’s** role in urban renewal and radically shift the focus from the public to the private sector. There was an increasing emphasis on land and property-led urban regeneration with a continuing emphasis on inner city areas.

By the early and mid-1990s, whilst the focus on improving economic outcomes and property-led regeneration continued, there was a gradual shift to a more competitive approach to urban regeneration led by central government. Urban local authorities were devoting more resources to economic development with strong support from national government. The introduction of the competitive, bid-led Single Regeneration Budget improved the targeting of urban regeneration funds to mostly inner urban areas to re-establish markets in areas of cities previously blighted by derelict and contaminated land.

The government of Tony Blair from 1997 heralded a major policy shift with the creation of an Urban Task Force resulting in a report “**Towards an Urban Renaissance**” and a subsequent Urban Policy White Paper in 1990 which built on the Task **Force’s** findings. Policy was no longer focused on inner cities but the wider urban area.

The emphasis was on long term policies that addressed economic, social and environment issues together in an integrated way and involved local communities. The creation of a New Deal for Communities programme (area based) was followed by National Strategy for Neighbourhood Renewal focused on narrowing the gap in key social indicators between the most deprived urban neighbourhoods and the rest of the country. There was also a move away from central government (via direct public sector investment) in favour of governance via multi-agency partnerships and negotiated agendas reflecting the priorities of local communities.

Since 2010, there has been a move away from urban towards a more cities-based policy with the effective cessation of the Blair **government’s** urban and neighbourhood-based initiatives. The focus has been on building a strong and balanced economy with every part of the UK fulfilling its potential. Other features have been a renewed focus on devolution with the introduction of City Deals – devolving powers and funding to major city regions/ Combined Authorities to support city competitiveness.

These have evolved into Devolution Deals, which cover city regions as well as local authorities covering both urban and rural areas. They include cross border Devolution Deals between English areas neighbouring Scotland and Wales. Pan regional initiatives like the Northern Powerhouse and the Midlands Engine are helping to promote horizontal cooperation on economic development across neighbouring city regions.

Implicit urban policies

The notion of **'implicit'** urban policy in the UK is important given the wide range of sectoral policies and investments that inevitably have an impact on cities and urban areas, and the differential effects they have on different locations. National policy towards the development of higher education, for example, has differential urban implications by tending to favour some locations over others. Whilst there is recognition of the need to enhance the standing of all universities and other higher education institutions, public investment in research and development continues to be geographically concentrated in the **'golden triangle'** of London, Oxford and Cambridge.

There has been no systematic attempt to measure the distributional and cumulative impacts associated with such sectoral policies on UK urban areas, but it is clear there are wide disparities between urban areas in their spatial impacts. This, in turn, is reflected in the different economic and social outcomes for cities and regions of these policies, with London and the South and East of England benefitting disproportionately from mainstream sectoral policy expenditure in such areas as economic development, transport and infrastructure.

Cities and governance

Recognition of the importance of UK cities and their wider city regions as drivers of economic growth has become increasingly significant since the early 2000s. This has been highlighted by the relatively poor economic performance of UK cities outside London compared with their mainland European counterparts and the need to get national and regional economies **'firing on all cylinders'**. The momentum for greater city regionalism has been carried forward through the introduction of business-led Local Enterprise Partnerships as strategic bodies pursuing economic growth in inter-municipal territories that more closely reflect **'natural economic geography,'** rather than artificial administrative boundaries.

Explicit urban policy initiatives like City Deals and Devolution Deals with elected city-region mayors have contributed to this trend, along with the development of pan-regional strategies like the Northern Powerhouse. This initiative aims to link together and build on the assets of Northern English city-regions to help promote economic rebalancing of the national economy.

Urban policy in the UK involves an interplay between explicit urban policies, potentially stronger **'implicit'** urban policy and the very variable but relatively tight constraints on sub national autonomy at city regional level and the dominance of the London superregion.



Overall reflections for OECD Principles of Urban Policy

In spite of the changes to UK urban policy over the years, there is a general consistency with the recommendations that have emerged from WPURB and RDPC studies. There has been no explicit OECD review of urban policy in the UK, though rural policy has been the subject of separate reviews covering England and Scotland. That said, the Territorial Review of Newcastle in the North East was influential at the time in the recommendations it made for a medium sized city-region. A number of the recommendations have been implemented, in spite of changes in government policy. It was also important in supporting the evidence-base for the growing policy focus on city regions and metropolitan areas which resulted in City Deals and Devolution Deals from 2011 onwards.

One of the greatest strengths of OECD reviews is their individual and cumulative role in offering an independent, rigorous and comprehensive assessment of the evidence that can help verify and confirm policy approaches that may already be under consideration. **It's** important therefore to look at their impact over different timescales in the short, medium and longer term to assess their full impact.

Some lessons from the **UK's** experience for the development of OECD principles of urban policy are:

- Urban policy principles should encompass not only explicit urban policy, but implicit urban policy too and the role of urban governance, however defined, in delivering policies and programmes;
- Recognise that urban policy operates at different spatial scales from the pan regional to the city region/ metropolitan area, city/ local authority area and neighbourhood level. Different policies may be needed at each level, but they should complement and be supportive of each other.
- Different approaches may be needed in different places, so urban policy needs to focus on place rather than programmes with agreed outcomes and programmes designed to tackle issues in a coherent way for each place. An agreed place-based strategy with central government and an integrated delivery plan that commits all partners (public, private sector, local communities) is essential. It also needs to tackle not only economic development but housing, health, employment, skills and growth issues together.

- Central government needs to form long-term strategic partnerships with cities and urban areas, typically 20 years and work to generate certainty for businesses and local residents. There needs to be an evolutionary approach to observe and learn from what has been done to date and to link and evolve strategies to maintain local support and confidence.
- Recognise and support the key urban growth drivers in a locality, including understanding the role that smaller urban centres surrounding larger cities play in relation to the larger centre in order to maximise impact.
- Focus on opportunities and social outcomes as well as leveraging in private sector investment, to help avoid communities feeling left behind or left out and to maximise community involvement and inclusive growth.
- Use public sector urban land and property assets more effectively (including housing) to deliver change in local areas working across the public sector in an integrated way to deliver new jobs, homes and joined up public services.
- Aim to achieve community buy-in so urban policies are owned and shaped by local needs and opportunities so everyone can benefit both now and in the future.
- Ensure that urban policy is aligned with markets so that initiatives support private sector investments but also signal to the markets areas of opportunity that may be under-served by the private sector to encourage commercial investment.
- Underlying all this is the crucial importance of strong local leadership at all levels but particularly at the city and city-region level with clear lines of responsibility and accountability for delivery. Strong local city leadership can help strike the right balance between competitiveness, cohesion and environmental sustainability and create a positive image for places.



b) What has been the impact/influence of OECD work on urban policy in your country?



Canada

Montreal

In 2004, the OECD, through the (then) Territorial Development Policy Committee, produced a Territorial Review for Montreal. In the report, it was mentioned that even if Montreal was a main contributor to the Canadian Economy and an important urban agglomeration in Canada and the US, it is still not well positioned at the international level in terms of its competitiveness.

Several areas for improvements were identified namely, the need to increase the level of productivity, to increase migration inflows (especially the percentage of immigrants with a university degree), to upgrade skills and to increase investment in R&D.

The report also suggested strengthening the export through three objectives: take better advantage of the US market, diversifying **Montreal's** export markets by increasing international trade outside the US and to augment high-technology intensive products, which have higher value-added.

Additionally, the report suggested a radical reform of the metropolitan structure since **Montreal's** territorial fragmentation and lack of regional co-ordination lay at the heart of metropolitan-wide problems.

Since the release of the report, the Montreal Metropolitan Community (CMM), which enables policy coherence across municipal borders, has further strengthened its activities, and the 2017 report on activities highlighted the following outcomes under the economic development section, which reflect the co-ordinated approach of the CMM:

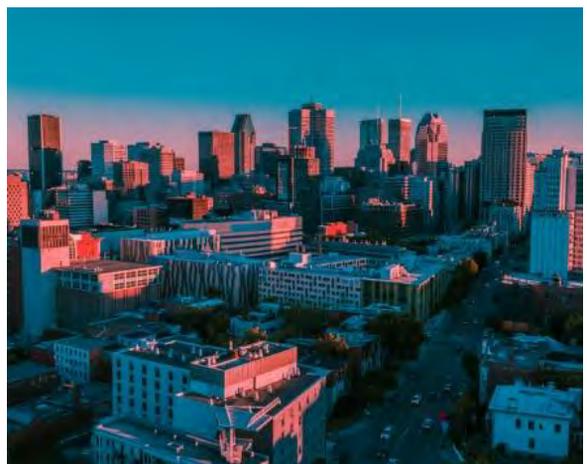
- A new web tool, Zoom Grand Montreal, which showcases economic spaces;
- Renewal of financial support to clusters active in the metropolitan area and which are at the centre of the 2015-2020 Economic Development Metropolitan Plan, and
- Participation of the CMM to several workgroups with the Government of Quebec to implement the Stratégie Maritime and industrial harbours.

After repeated requests from Montréal, Québec City and the Union des municipalités du Québec, the government of Québec announced, in spring 2014, its intention to significantly transform the relationships between Québec and its municipalities. In 2017, the Government of Quebec officially recognised Montreal as having a particular metropolitan status (such as Toronto) and this status allowed the city to use new fiscal powers to remain competitive at the international level.

On the export front, for a number of years, both the federal and the provincial government work jointly to co-finance and establish performance measures of the ORPEX (Organismes régionaux de promotion des exportations), which are regional organisations responsible to promote exports on the Quebec territory.

Finally, Montreal International continues to work with the CMM, the federal and the provincial governments to act as an economic driver for Greater Montreal to attract foreign wealth. In 2016, Montreal International attracted 1.347 billion CAD foreign investments, helped hire 164 experienced skilled workers and assisted 289 other skilled workers with their temporary resident application process and continued to attract international organisations making Montreal the third largest community of international organisation in North America, with a total of 64 international organisations.

Although there is no direct linkage between the above mentioned activities and the 2004 OECD report recommendations, we can note that collaboration between the different levels of governments has increased since 2004, and that many of the weaknesses identified back then are at the centre of the interventions of the different economic development players to ensure Montreal is competitive at the international level.





Toronto

In 2009, the then Territorial Development Policy Committee (TDPC) and its Working Party on Urban Areas (WPUA) published a Territorial Review of the Toronto region. This review of **Ontario's** capital and **Canada's** largest city identified several areas where the **city's** governance and economic performance could be improved, and provided a comprehensive array of policy recommendations to best support economic growth and deliver a higher quality of life for the people of Toronto.

Looking back, now nine years later, the OECD **team's** policy recommendations have proven timely and insightful, with almost everything the Review recommended now either implemented or in the process of being so, and with signs of positive results. Key recommendations included in the Review are listed below:

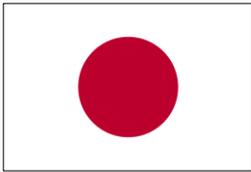
- A sustainable competitiveness agenda focused on innovation, with policies that strengthen the formation of networks between SMEs and universities;
- Improvements to public transit, including greater regional and modal integration to deliver transit that keeps pace with population growth;
- Leveraging diversity, to make the most of **Toronto's** increasingly multicultural society; and,
- Improved regional planning, including the application of a **'green'** lens to policies and industry development.

Since 2010, the Federal Economic Development Agency for Southern Ontario (FedDev) has offered initiatives that directly address the recommendation on the need to strengthen ties between research institutions, universities, and regional businesses. The last decade has also seen major investments by all levels of government in improvements to transit infrastructure.

Alongside better integrated regional transit, the Toronto region is also benefiting from improved regional planning more broadly. In 2017, the Government of Ontario launched an updated regional growth plan for the Greater Golden Horseshoe Area (which includes Toronto). In 2017, Places to Grow was set out as the Ontario government's initiative to plan for growth and development in a way that supports economic prosperity, protects the environment, and helps communities achieve a high quality of life. The plan seeks to improve the economic strengths of the region while also promoting environmental sustainability. The plan also proposes strategies for **'green'** infrastructure investments and low impact development models to ensure development in the region is done with minimal environmental impact.

In 2016, the Government of Ontario introduced the Climate Change Mitigation and Low-carbon Economy Act which sought to reduce carbon emissions in the province by requiring industries to purchase licenses based on their carbon emissions. Also in 2016, in the Ontario Budget, a CAD 17 million endowment was announced for the Toronto Atmospheric Fund to innovate, promote and invest in ways to reduce greenhouse gas pollution and improve air quality in the Greater Toronto Area. Policies to better leverage the benefits of diversity in the region by increasing immigration settlement and retention rates have been successful at the federal, provincial, and municipal level.

The contributions made at the Federal, Provincial, and Municipal levels aimed at addressing the challenges outlined in the **OECD's** Territorial Review have had a significant impact on increasing economic and social outcomes in the Toronto region. A 2016 report by The **Economist's** Intelligence Unit ranked Toronto the most liveable city in the world, ranking it first in terms of stability, healthcare and education, and second in quality of infrastructure.



Japan

The activities conducted by the Working Party for Urban Policy have had a great impact on the urban policy of Japan. 20 years ago, Japanese cities were facing new challenges. In the 80s, Japan was regarded as “No. 1” in the world. But Singapore, Hong Kong and other Asian cities were catching up. When Japanese cities realized the need to start competing with cities in emerging economy, the unprecedented pace of aging cast a shadow on the cities that had been continuously expanding since the Meiji era. Small and fragmented pieces of land and old buildings built on those pieces of land were vulnerable to natural disasters. Development projects were also criticised as being ugly and to blame for the loss of natural and historical landscapes.

At the same time, while the world was excited to see the new millennium and the newcomers in the IT industry were providing new fuel to the economy, Japan was still suffering from the collapse of the bubble.

Real estate prices stayed at a low level due to the cancellation or suspension of development projects planned during the bubble. The falling value of real estates undermined the balance sheets of corporations that used real estates for collaterals, which resulted in the shrinking of capital investments.

At this turning point, WPURB helped Japanese policymakers by providing guidance for the new challenges with the wisdoms from its member countries.

WPURB recommendations to Japan

The most notable work regarding Japan by WPURB was the council recommendation on Japanese Urban Policy in 2000, which was the second review of **Japan's** urban policy by OECD after the 1986 Urban Review. The recommendation, which was released after a series of seminars held in Japanese cities including Kobe, Matsue and Tokyo, highlighted the necessity for:

- i. Revitalising urban centres and controlling urban growth in suburbs
- ii. Avoiding fragmentation of land use and redevelopment of unutilised land
- iii. Restructuring regulations to improve the attractiveness of cities
- iv. Expanding investments in cities and mobilising private finance

government has carried out various initiatives to tackle these issues step by step. The following section provides an overview of the responses from Japanese government.

Policies implemented

i) Expanding investment in cities

The action immediately taken was the revitalization of urban centres. This was intended to boost the Japanese economy by expanding capital investment, as well as improving the competitiveness of Japanese cities. The Headquarter for Urban Regeneration chaired by Prime Minister was established in 2001 and the Special Act for Urban Regeneration was enacted the next year to promote urban regeneration with strong leadership. The act was to be terminated after 10 years, but after several revisions, the act is still utilised as a primary tool for urban policy.

ii) Improving attractiveness of cities

After taking immediate measures to invigorate the Japanese economy, the Japanese government embarked on the task of improving the attractiveness of cities. From an economic point of view, it could partly be achieved by the process of urban revitalisation explained above. But to cope with the diversifying interest of people, this was not enough. In particular, requirements from citizens for a good living environment were increasing, so that some local authorities created local byelaws to ask developers to share the cost of public services, which invited huge opposition. After citizens of environmentally advanced Kunitachi city filed a case against a developer for violating their right to enjoy the unobstructed landscape, the national government enacted the Landscape Act in 2004. Before the act, historical landscapes were protected, so this was the first act that provided legal protection to the landscape in general. It is also notable that the act emphasized the role of local communities in creating the urban landscape. The landscape plans are to be prepared by local authorities through local stakeholder consultation. Currently more than 500 municipalities have developed a landscape plan.

iii) Revitalising urban centers and controlling urban growth in suburbs

The revitalisation of city centres, it was regarded as an issue to be tackled in longer term. In 2006, the Urban Planning Law, the Act on the Revitalisation of City Centers and guidelines under the Act for Controlling Large Scale Retail Stores (called three laws on urban development) were amended to control the location of large-scale supermarkets in the suburban roadsides. These amendments were based on the report of the Urban Planning/ Historic Landscape Division of the National Council for Infrastructure Development in 2006, which called for a change in policy directions from urban expansion to concentration to cope with rapid demographic change.

The decline of cities, however, did not stop and the Japanese government took further action to encourage the concentration of urban functions. In 2014, the Special Act for Urban Regeneration was amended to include the new **“Plan for Optimizing Urban Functions”**. In the plan, local authorities can set **“the Area for Promoting Residential Use”** and **“the Area for Locating Urban Functions”**, and the location of facilities out of designated areas is controlled.

iv) Avoiding fragmentation of land use and redevelopment of unutilised land

After the collapse of the bubble, the issue of fragmentation of land use and unutilised land became an issue of lesser priority. However, as the pace of ageing and population decrease accelerates, this issue has come up to the surface again. The number of unoccupied houses is growing in many cities, undermining the vitality and attractiveness of cities. In order to stop this trend, the Japanese government has been encouraging the public use of unutilised urban spaces and vacant houses. Together with the Special Act for Facilitating the Use of Owner-missing Lands in 2018 and the Special Act on the Vacant Houses in 2017, the compact city initiative is further promoted to maintain the density of the cities.

As explained, Japanese urban policies in these last 20 years are very much in line with the recommendation by the WPURB. The timing of the actions taken depends on the domestic social, economic and political situation. Also, there are other issues, including disaster risk management in cities and the direct impact WPURB had on Japanese cities that participated in OECD seminars and roundtables, which could not be mentioned in this paper. However, it is clear that the WPURB has provided guidance and support for Japanese policymakers. To continue and expand this good relationship, Japan is looking forward to working with WPURB for the next 20 years.



The Netherlands

In the past years, the OECD published two reports that had a major impact on urban matters for The Netherlands: the 2014 Territorial Review of The Netherlands and two years later, in 2016, the Territorial Review of the Metropolitan Region of Rotterdam-The Hague.

The Territorial Review of 2014 for The Netherlands led to the following paragraph in the annual Budget Memorandum of 2015: “**Strengthening** economic strength of urban regions requires room for growth and innovation. The choice of location for living and working primarily lies with citizens and businesses. The government also has a role in preventing institutions and policy developers to impose unnecessary obstacles in the choice of location. In recent studies, national and international advisory bodies indicate that Dutch urban regions lag behind in certain areas. For example, the OECD states that productivity growth in cities in The Netherlands is lower than in comparable cities in other countries (Territorial Review of The Netherlands 2014). Currently not all cities have the optimal size to be able to perform well **economically**”.

For example, land on the outskirts of Amsterdam is much higher priced than land on the edges of Rotterdam. This suggests that, compared to Rotterdam, there is a greater need in Amsterdam for additional urban land, and therefore indicates growth of the city. Room for urban growth will be facilitated, among other things, by simplifying the procedures in the new Environment Act (Omgevingswet) which will be implemented in 2021. In 2015, a National City Agenda (Agenda Stad) was presented with measures to strengthen growth, quality of life and innovation in Dutch cities. In addition, the government has set up a public administration study group with experts, scientists and high-level civil servants. This study group investigated in 2016 how administrative planning can obtain a better fit with social and economic developments.

The 2014 OECD report specifically laid the groundwork for a National City Agenda in the Netherlands, followed by a European Urban Agenda shortly afterwards. Under the National City Agenda, cities, the national government and social partners have committed themselves to fostering growth, liveability and

innovation in cities. The **Agenda’s** main aim is the closing of City Deals on concrete urban transitional challenges. Partners from cities and the public and private sector work with the national government on urban issues, challenging established models and working methods. To date, 19 City Deals have been established. The first City Deal was the Roadmap next Economy. Its purpose was to establish a development strategy to prepare a large urban region for future economic challenges. The Deal benefited substantially from the OECD’s report.

Following the National City Agenda, establishing the Urban Agenda for the EU (UAEU) through the Pact of Amsterdam was one of the mayor achievements of the Dutch Presidency of the EU in 2016. The European level is indispensable for many urban challenges, such as air quality, digital transition, and the inclusion of migrants and refugees. To tackle these issues, European Partnerships were established on 12 (soon 14) urban themes. In these Partnerships, experts from cities, stakeholders and the European Commission work on an equal footing towards better regulation, better funding and better knowledge sharing for cities and regions, often in an experimental way. The working method has much in common with that of the City Deals.



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