

EXPLORING THE FUNCTIONAL AREA APPROACH IN EU URBAN STRATEGIES

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Abstract

A vast literature has investigated processes of spatial reconfiguration, contributing to the emergence of a 'new urban question' that not only reframes traditional urban issues but also challenges our understanding of what cities are today. Be that as it may, the 'European city model' still remains current, particularly with regards to the institutional role of cities as they are increasingly considered to be relevant policy actors. This urban paradox gives new emphasis to the urban regional scale and urgently calls for the two dimensions to be connected both in terms of territorial dynamics and policy formulation. This paper addresses the topic by focusing on the functional area approach promoted by the European Union regional policy discourse, and by discussing how it shapes and legitimates new spatial configurations, with implications for urban analysis and policy approaches. The paper is based on the analysis of a database which gathers nearly 1000 strategies for Sustainable Urban Development funded by the EU between 2014-2020, and features a significant number of functional areas. The analysis reveals that the functional area approach does not only apply to metropolitan areas, big cities, or Functional Urban Areas, but can also be used for different types of territories, beyond metropolitan areas. It also underscores the need for more extensive research on what spatialities and territorial arrangements emerge from this process.

Keywords

EU urban policy, sustainable urban development, FUAs, strategic planning

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1. Introduction

Since the 1990s, European urban discourse has been characterised by the upsurge of urban regionalisation. The focus has shifted from urban (inner) areas to city regions and functional areas (Davoudi, 2008). These concepts are useful to describe emerging spatial configurations, where the boundaries between urban and rural, and urban and suburban blur (Soja, 2011, 2017). City regions and functional areas are not characterised by specific spatial forms, but conversely by functional relations and spatial interactions. According to the literature, functional regions and functional areas are primarily determined by economic interactions, and secondarily by social cultural and environmental flows (Drobne, 2017). The importance of functional regions and areas is not purely analytical and they are increasingly seen as relevant for policy implementation (Davoudi, 2008; Morgan, 2014).

This paper explores the concept of Functional Urban Areas (FUAs) at a pan European level because they are considered as relevant spatial units to tackle emerging urban challenges. More importantly, the aim of the paper is to disentangle the role of the European Union (EU) in promoting FUAs as key strategic spaces for sustainable urban development.

The paper is organised as follows. Firstly, it clarifies the concept of FUA, its usage from statistical and analytical viewpoints, and its potential as a policy construct. Secondly, it looks into the policy discourse established by the European Commission on FUAs, in particular within the urban dimension of the EU's Cohesion Policy. Finally, it analyses the concrete uptake of that approach at national and local levels.

The analysis is the outcome of a research project called URBADEV "Support knowledge management of EU measures in Integrated Urban and Territorial development" run in 2017-2019 by the Joint Research Centre (JRC) and entrusted to DG for Regional and Urban Policy (DG REGIO) of the European Commission. The project had the following objectives:

- To build a knowledge base on the concrete implementation of the EU integrated approach to urban and territorial development under Cohesion Policy 2014-2020
- To develop methodological guidance to support the current and future implementation of strategies of Sustainable Urban Development (SUD)¹.

The project resulted in two outputs. The first output is an interactive webtool called STRAT-Board², which provides a visual overview of urban and territorial development strategies supported by EU Cohesion Policy in 2014-2020.³ The second output is the Handbook of Sustainable Urban Development Strategies⁴ (Fioretti et al., 2020), which supports policy-makers and practitioners in tackling the most critical and recurrent issues in the process of designing and implementing strategies during the current and future programming period.

The paper is based on the mixed methodology of the URBADEV project. This methodology entails a review of academic literature and grey literature on urban regionalisation and on the urban dimension of EU policy, as well as quantitative analysis of the STRAT-Board database, and qualitative analysis.

The quantitative analysis of the STRAT-Board database offers a unique pan-European understanding of the integrated approach to SUD as supported by Cohesion Policy, through data on more than 900 strategies implemented between 2014-2020 in 28 countries. The data was collected as follows. First, the STRAT-Board

1 Sustainable Urban Development as defined in Article 7 of Regulation (EU) No 1301/2013 of the European Parliament and of the Council of 17 December 2013 on the European Regional Development Fund and on specific provisions concerning the Investment for growth and jobs goal and repealing Regulation (EC) No 1080/2006.

2 <https://urban.jrc.ec.europa.eu/strat-board/>

3 It includes strategies of Sustainable Urban Development (SUD), Integrated Territorial Investment (ITI) and Community-led Local Development (CLLD).

4 <https://urban.jrc.ec.europa.eu/urbanstrategies>

knowledge base was built upon the DG REGIO study Integrated Territorial and Urban Strategies; -how are ESIF adding value in 2014-2020? (Van der Zwet et al., 2017). Then, between February and December 2018 JRC ran a survey of 119 Managing Authorities responsible for SUD, which included around 35 structured questions,⁵ in order to update, complement, and verify the available data.

The survey contained two key pieces of information by which to specifically analyse strategies in FUAs. The first concerned the territorial focus of the strategies: neighbourhoods, cities, networks of cities or FUAs. The second was the territorial coverage of the strategies as regards the definition of the location and perimeter of each strategy according to territorial units used for statistics (NUTS classification). Territorial focus and territorial coverage were cross-analysed against other attributes such as the size of the targeted population, thematic focus, funding arrangements, and governance structure.

Additionally, qualitative analysis was carried out through a defined number of case studies. In particular, cases were selected to guarantee a wide geographical coverage, and encompass a variety of strategy typologies and policy actors⁶. Cases were analysed with respect to methodological challenges tackled by policy-makers during the design and implementation stages of strategies. Case studies were built using secondary and primary sources such as literature reviews, and interviews and workshops with policy-makers, experts, and relevant stakeholders (the Urban Development Network peer-review workshops and two URBADEV workshops).

2. Emerging Spatial Forms: Main Narratives

A vast literature has investigated processes of spatial reconfiguration affecting urban areas in the past 30 years (Amin and Thrift, 2002; Soureli and Youn, 2009; Brenner, 2014; Soja, 2017). Due to the model of the nineteenth century, as described by the Chicago School, having become outdated, scholars have looked for narratives and terms able to describe the new spatial forms that urbanisation has assumed: global cities, (global) city-regions, mega cities, mega city-regions, polycentric regions, functional urban regions, regional urbanisation (Sassen, 2001; Scott, 2001; Hall and Pain, 2006; Cheshire and Hay, 1989; Soja, 2011). More specifically, starting from the 1990s the concept of city-regions has gained prominence in the economic geography debate (Rodríguez-Pose, 2008), supported by seminal studies on the transition from Fordism to flexible accumulation (Scott, 2001; Harvey, 2001), and the rise of a globalised network society (Castells, 1996; Sassen, 2001).

Relevant to the aim of this paper is that, in spite of the fact that a commonly accepted definition is missing, city-regions focus on the economic and social articulation of relatively large cities or systems of medium-sized cities in close geographical proximity, with their suburban, peri-urban, and rural hinterlands. This implies that first, the boundaries of a city-region do not necessarily correspond to the administrative boundaries of a city, and second, that the concept of a city-region marks a departure from the morphological definition of the urban physical structure by focusing on relational dynamics (Robson et al., 2006), mainly defined as economic interactions (Drobne, 2017).

In spite of these novelties, some authors underline an enduring urban-centric view of city-region, with more emphasis on the relationship between the city and the region rather than on the city-region itself (Gonzales et al., 2006; Davoudi, 2008; Coombes, 2014). Soja (2011) recognises this, noting that a sort of inertia has prevented contemporary urban scholars from going beyond a traditional division between (dense) urban and (low-density) suburban. In Soja's opinion the contemporary urban form is characterised by an erosion of the boundary between urban and suburban, with a convergence in the density levels, and the upsurge of an 'expansive, polynucleated, densely networked, information-intensive, and increasingly globalized city region' (Soja, 2011, p.7). This process of regional urbanisation is characterised by:

5 A second survey to update the data has been launched in November 2020.

6 For the entire URBADEV project 25 cases were analysed.

- the mixing between forms of urban and suburban;
- processes of decentralisation and recentralisation, leading to the emergence of new unstable “inner cities”, with the expulsion of some urban functions towards a peri-urban context capable of generating new centres;
- increasingly dense and demographically as well as economically differentiated suburbs, presenting new and heterogeneous ways of life, more like those previously typical of urban centres, and growing conflicts generated by processes of exclusion of some social segments and attraction of desired populations and activities.

Regional urbanisation can be seen as a powerful narrative which spans beyond spatial disciplines such as planning or urban studies. Morgan (2014) warns of the risks of adopting a narrow frame for this narrative, and of seeing city-regions purely as vehicles for economic growth. Instead, it is suggested that a broader perspective on regional urbanisation would lead to addressing city-regions as strategic planning spaces. This would require a deep revision of the city-region concept to take into account issues of governance, social equity, and sustainability (Ward and Jonas, 2004; Harding, 2007; Harrison, 2007; Beel et al., 2016; Axinte et al., 2019). From a spatial point of view, this would also require defining appropriate methods and categories to spatially represent and map ongoing processes of regional urbanisation, focusing no longer on cities as static entities with clear and detectable borders, but rather on functional urban regions. In fact, ‘when the regional dimension is not taken into consideration, problems, conflicts and processes cannot be recognised as they should be to understand and include them in a new public agenda’ (Balducci et al., 2017, p.309).

2.1. Mapping Functional Urban Areas in the European Union

In order to map ongoing processes of regional urbanisation, many efforts have been made over decades to identify urban regions according to functional relations instead of administrative or morphological criteria. Functional relations are usually defined in terms of economic interactions, e.g. labour markets (Berry, 1968; Coombes et al., 1982; Cheshire and Hay, 1989; Veneri, 2013), but attempts to include other types of flows, such as journeys to services, have also been acknowledged (Coombes and Wymer, 2001).

As a consequence of the upsurge of new urban forms, the need to find new statistical definitions of what can be considered ‘a city’, as well as new ways of classifying urban areas, also emerged at EU level. In 2018, Eurostat adopted a legislative initiative called ‘Tercet’ which aimed to integrate the classification of territorial units for statistics based on population thresholds known as NUTS (Regulation (EC) No 1059/2003) with a classification based on territorial typologies which better qualify the nature of territorial areas.

Specifically, at local level the definition of a city (Dijkstra and Poelman, 2012) is based on the method developed by the EC and OECD and called Degree of Urbanisation (DEGURBA). This method is computed using maps of built-up areas and population density obtained from satellite images and national censuses. It introduced the typology of Functional Urban Area (FUA) which identifies densely populated urban areas (cities) and adjacent municipalities with high levels (at least 15% of the employed population) of commuting towards the densely populated centres (commuting zones) (Figure 1). This classification has been applied across the European Union to map FUAs and to develop comparative analysis (Kompil et al., 2015). In addition, the Urban Data Platform managed by the Joint Research Centre allows the exploration of different sets of data aggregated at the FUA scale⁷.

If NUTS classification primarily mirrors the administrative structure of the Member States, then the territorial typologies introduced with the Tercet regulation are purely based on density and on a functional understanding of cities, allowing for individuating urban areas across administrative boundaries.

7 <https://urban.jrc.ec.europa.eu>

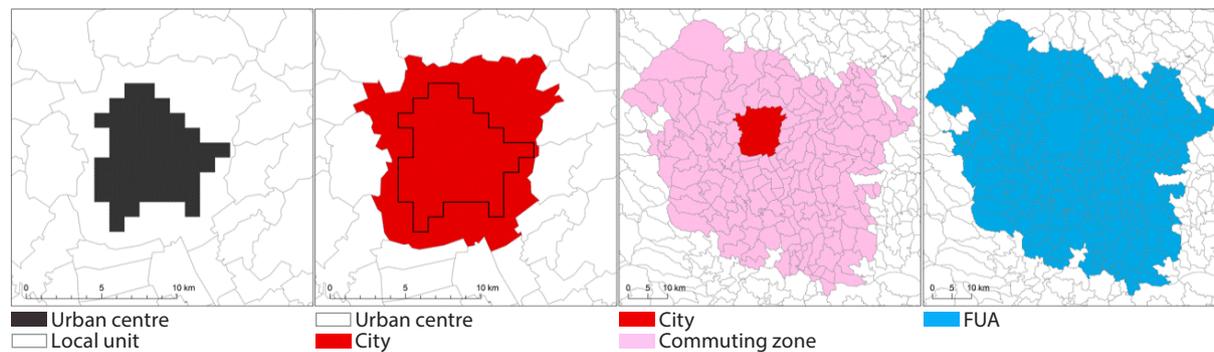


Figure 1 - From left to right: Urban centre, city, commuting zone and FUA.

Source: JRC, DG REGIO

<https://ghsl.jrc.ec.europa.eu/ucdb2018Overview.php>

The OECD/EU methodology used to define FUA (Dijkstra et al., 2019) is not exempt from the same critique that has been made of the concept of city-regions (Davoudi, 2008), being still city-centric and economically driven. However, it marks a significant move to embrace the new scale of contemporary urban processes. The importance of FUAs can be illustrated by the size of the ‘spatial mismatch’: a substantially larger number of people live in the FUAs of European cities than in the core of cities (European Commission and UN-HABITAT, 2016, Lavalley et al., 2017). In the case of Milan, the Urban Centre, which corresponds to the municipality of Milan, has 1,242,123 inhabitants (2011 national census), whereas the City has 3,139,394 inhabitants and the FUA counts 4,138,424 inhabitants. This means that the population living outside the municipal boundaries of Milan but still within the FUA, is 133 percent larger than that living in the core urban area.

In the case of many urban areas across the EU, SUD would need to be coordinated across the whole functional area, although, in many cases cooperation between municipalities is weak or non-existent (Tosics, 2014). This is why the concept of FUA, beyond its statistical significance, also started entering EU policy discourses.

2.2. Functional Areas to Govern the New Urban Question

Regional urbanisation as a narrative for SUD requires a critical interpretation of the generative force of regional development and recognition of the negative externalities of urbanisation processes. In fact, higher population densities in city regions mean more strain on public services, a worsening of environmental and health conditions, and increasing social polarisation as well as spatial inequalities. All those externalities together cannot be seen as a simple extension of the metropolitan model, but must be reframed as a new urban question.

Historically, radical changes in the structure of economy and society have led to the emergence of new urban questions, and this can also be said for the current growing urbanisation and spatial redistribution of the world’s population. According to Secchi (2010) the challenges that we presently face entail issues of climate change, mobility rights, and increasing economic, cultural and spatial polarisation. In relation to all these aspects, Secchi underlines the role of space and of spatial relations, and he also emphasises the relevance of spatial capital next to economic, social, and institutional variables. In other words, each urban question needs the appropriate territorial base, large enough to deal with the above-mentioned externalities. FUAs seem to represent the relevant scale to intervene at with an integrated policy approach to face the new urban questions (Tosics, 2014).

Drawing on the Italian tradition of territorial political economy, Le Galès (2018) argues that contemporary urbanisation processes can be explained only in relation to social and political transformation. He argues that although we are witnessing some dramatic changes in the nature of cities we should not generalise trends at global level, nor identify macro-economic forces as the only factors at risk. In fact, and with specific reference to European cities, when looking at the impact of a major economic phenomenon such as the large-scale economic crises of 2008, EU metro-regions⁸ appear to be in a favourable position. Compared to states, they

8 Metro-regions as applied to the European context, including also medium-sized cities and their hinterlands.

seem well placed to face current challenges because, through urban policies, they can tackle social problems, face issues of sustainable development and climate change, and also foster national economic growth.

In his analysis of European cities in the 1990s, Le Galès (2002) demonstrated how the political dimension was paramount to the prosperity of middle-sized metropolises. Urban development strategies were collective projects where urban elites sustained the representation of cities themselves as major actors. Furthermore, those transformative projects were also supported by the unifying role played by the EU. If the current spatial pattern of European urban areas is changing under the pressure of regionalising trends, then we need to assess the capacity to govern new urban configurations. This raises questions such as what form should strategic planning take today, and what role might the European Union play therein?

3. New Spatialities in the EU Urban Discourse

Traditionally two separate discourses have been developed within EU policy frameworks and regulations (Atkinson, 2001). One is the urban policy discourse which, since the early Urban Communications of the 1990s, focused on reversing the internal decay of cities and specifically on the issue of deprived neighbourhoods. The other is the spatial or territorial policy discourse which was developed through the European Spatial Development Perspective (ESDP) during the same years. The latter had its roots in traditional regional development policy and aimed to achieve a balanced and polycentric development of European urban areas within a framework of competition and cooperation (Informal Council of Ministers responsible for Spatial Planning, 1999).

The urban discourse was more centred on social cohesion and had as its main operational counterparts area-based initiatives (e.g. the URBAN Community Initiative) which were intended to be integrated responses to the decline of districts within cities. This approach, the so-called integrated, holistic, and participative one, has characterised the EU approach to urban policy, and is otherwise known as the *Acquis Urbain* (European Commission, 2009).

Meanwhile, the ESDP assigned priority to market processes and set the basis for a spatial agenda. Its basic goals were economic and social cohesion, sustainable development, and balanced competitiveness of the European territory (Atkinson, 2001). The ESDP also emphasised the need for a new relationship between urban and rural areas.

In the first decade of this century these two separate discourses started to converge, especially in the informal Meeting of Ministers of 2007 responsible for Urban Development and Territorial Cohesion which was held in Leipzig, Germany. Two important documents were approved during this meeting. The first was the Leipzig Charter, setting common principles and strategies for urban development policy throughout the European Union (Informal Meeting of Ministers responsible for Urban Policy, 2007). The second was the Territorial Agenda, which sought to provide strategic orientations for a polycentric and balanced territorial development in the European Union (Informal Meeting of Ministers responsible for Urban Development and Territorial Cohesion, 2007). According to González Medina and Fedeli (2015), the launch of the two agendas side by side demonstrated a growing link between the urban and the territorial dimension of EU policies in the framework of the Cohesion Policy. It was in fact in these same years that the EU supported urban actions were mainstreamed in the EU regional policy and ceased to be separate Community Initiatives, but rather started to be part of the Operational Programmes funded through the European Investment and Structural Funds (ESIF). As a result, in 2012, DG REGIO changed its name and became explicitly the Directorate General of the European Commission for both Regional and Urban Policy. This happened in line with the Toledo Declaration of 2010 (Informal Meeting of Ministers of Housing and Urban Development, 2010) which stated that urban development should be an integral part of the concept of territorial cohesion (González Medina and Fedeli, 2015).

The converging of these two perspectives influenced the understanding of the urban dimensions of EU policy, and growing attention was paid to the spatial and territorial development of EU cities and city-regions. The EU urban discourse shifted from focusing only on the regeneration of neighbourhoods, to embracing more

broadly the objective of sustainable urban development. Deprived neighbourhoods were included into wider territorial frameworks and strategies were encouraged to cross administrative borders.

The discourse on functional areas subsequently started permeating programmatic documents. The Territorial Agenda 2020 (Informal Meeting of Ministers responsible for Spatial Planning and Territorial Development, 2011, p.6) states that

the cooperation and networking of cities could contribute to smart development of city regions at varying scales in the long run. Cities should, where appropriate look beyond their administrative borders and focus on functional regions, including their peri-urban neighbourhoods (added emphasis).

At the same time, the Urban Agenda for the EU (Informal Meeting of EU Ministers Responsible for Urban Matters, 2016, p.4):

acknowledges the polycentric structure of Europe and the diversity (social, economic, territorial, cultural and historical) of Urban Areas across the EU. (...)

A growing number of urban challenges are of a local nature, but require a wider territorial solution (including urban-rural linkages) and cooperation within FUAs. At the same time, urban solutions have the potential to lead to wider territorial benefits. Urban Authorities therefore need to cooperate within their functional areas and with their surrounding regions, connecting and reinforcing territorial and urban policies (added emphases).

Moreover, the new versions of the Leipzig Charter and of the Territorial Agenda, both launched in 2020, cross-reference each other and stress the importance of cooperation between and across spatial levels (Territorial Agenda 2030, Draft version, July 2020, p.15):

Cooperation and networking within and between cities, towns and their surrounding areas in the same functional region create development perspectives for all places. Such functional regions often break with existing administrative delineations, differ according to functional character and interconnection, are highly dynamic and can shift over time. Decision-makers in cities and towns looking beyond their administrative borders at functional regions and cooperating with their surrounding areas can help their places serve as motors for intra-regional growth (added emphases).

Themes with spatial connotations that were previously discussed strictly in the territorial discourse, have also entered the urban one. This implies acknowledgement of the emergence of new spatialities in the EU, of the erosion of the line between urban and rural, and of the growth of urban areas across administrative boundaries as defined by density and functional relations.

From an operational point of view, this turn was reflected in the 2014-2020 framework for urban policy. During this programming period, the mainstreaming of urban policy within EU regional policy was further consolidated and investment in urban areas through integrated strategies for SUD became compulsory (5% of European Regional and Development Fund (ERDF) earmarked for SUD in each Member State). Additionally, special emphasis was placed on the importance of urban-rural linkages, on and the functional area approach, whilst new tools such as integrated territorial investment (ITI) to implement strategies on the level of FUAs were promoted.

This correspondence between political orientation and policy praxis stresses even more the FUA concept, which is not only seen as a spatial category, but has also become a strategic one. In fact, in the 2014-2020 framework, urban areas targeted by SUD are not defined by administrative boundaries, but by strategies themselves (Balducci, 2014). Paraphrasing Morgan (2014), the EU emphasis on FUAs seems to legitimate these new spatial configurations as strategic planning spaces to address SUD.

How this new opportunity has been received by Member States remains to be explored. Particularly, the analysis of SUD strategies addressing functional areas will help to disentangle the implications of this approach in terms of policymaking.

4. Analysis of SUD Strategies Addressing Functional Areas in 2014-2020

This section presents an analysis of the SUD strategies addressing functional areas supported by Cohesion Policy during the 2014-2020 programming period. The STRAT-Board database provides an overview of the territorial focus⁹ of 849 SUD strategies.

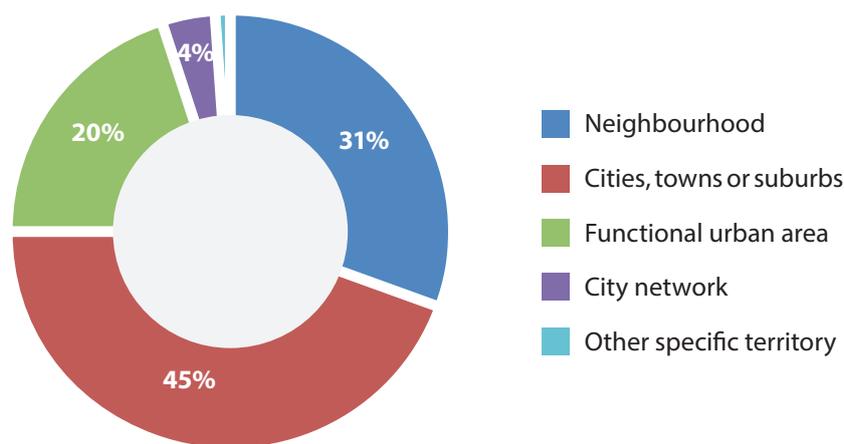


Figure 2 - Distribution of strategies per territorial focus (n = 849)

Figure 2 shows that the majority of SUD strategies focus on cities (45%), followed by neighbourhoods (31%), FUAs or metropolitan areas (20%), a network of cities (4%), and a portion of territory with specific features such as a park, an archaeological zone, or an island (0.4%). This means that even if cities and neighbourhoods represent the most common territorial foci, attention to spatialities across administrative boundaries can also be witnessed at the same time, implying the adoption of a functional area approach for SUD strategies. It follows, that the functional area approach identifies a space – different from an administrative entity – in which a specific territorial interdependence (or function) occurs which may need to be governed in its entirety. Adopting this broad definition of a functional area, the latter three categories of territorial focus¹⁰, although smaller in respect to the other two, become relevant.

Figure 3 displays the territorial focus per Member State. It shows that the functional area approach can be found throughout all macro-regions, with the exception of a few countries. However, some differentiations emerge when looking in more detail. In some countries such as the Czech Republic, Estonia, Croatia, Poland, and Slovakia, strategies focus exclusively on FUAs. In other countries including Austria, Belgium, Greece, France, Italy, Sweden and the UK, the focus on FUAs is relevant but not exclusive, and coexists with other territorial foci.

9 The territorial focus refers to the specific area the strategy focuses on. Here, five different types of territorial focus are considered. 1) Neighbourhood: indicating that the strategy focuses single or multiple district/neighbourhood of a single or multiple cities or towns. 2) Cities, towns or suburbs: indicating that the strategy addresses the entire administrative unit of a city, town, village, suburb. 3) FUA: indicating that the strategy addresses multiple cities/towns, including FUAs and metropolitan areas. 4) City network: indicating that the strategy targets multiple cities/towns, not necessarily geographically or functionally connected, on the basis of cooperation purposes. 5) Other specific territory: indicating that the strategy focuses on a portion of territory identified on the basis of its specific features (e.g. coastal area, natural park, economic development zone, etc.).

10 For most analyses that follow, the three latter categories of territorial focus are merged into one called "functional area (multiple municipalities)".

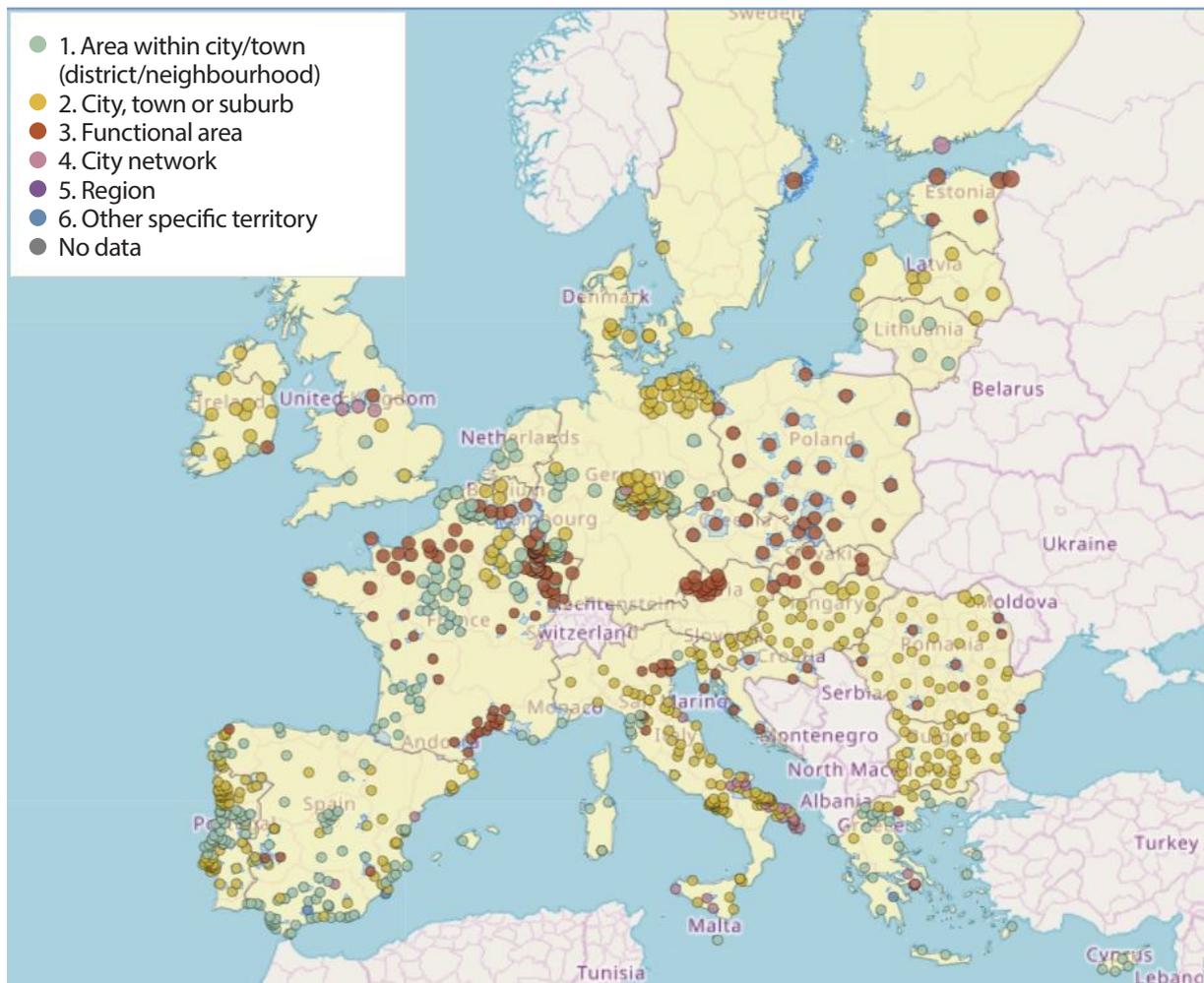


Figure 3 - Map of SUD strategies in Europe per territorial focus.
Source: STRAT-Board

The importance of the functional area approach becomes evident when looking at funding. Overall, the largest share of ESIF funding is invested into FUAs; they absorb 51.1 percent of the total funding (corresponding to 8.3 billion EUR). Cities are the second highest category and account for 35.2 percent of ESIF investment (5.6 billion EUR), while neighbourhoods receive 13.3 percent of it (2.1 billion EUR).

As Figure 4 shows, the majority of the investment in functional areas is in less developed regions, as defined by ERDF categorisation¹¹, where the share of EU funding is the highest (70%). This is interesting because it shows that this type of territorial focus - although applied to a lower number of strategies - is the one which receives most ESIF.

¹¹ The European Commission groups NUTS 2 regions into three categories depending on their share of GDP per capita in respect to EU-27 average: less developed (GDP/head < 75% of EU-27 average), transition (GDP/head between 75% and 90% of EU-27 average) and more developed (GDP/head >= 90% of EU-27 average). ERDF allocation depends on the category of region.

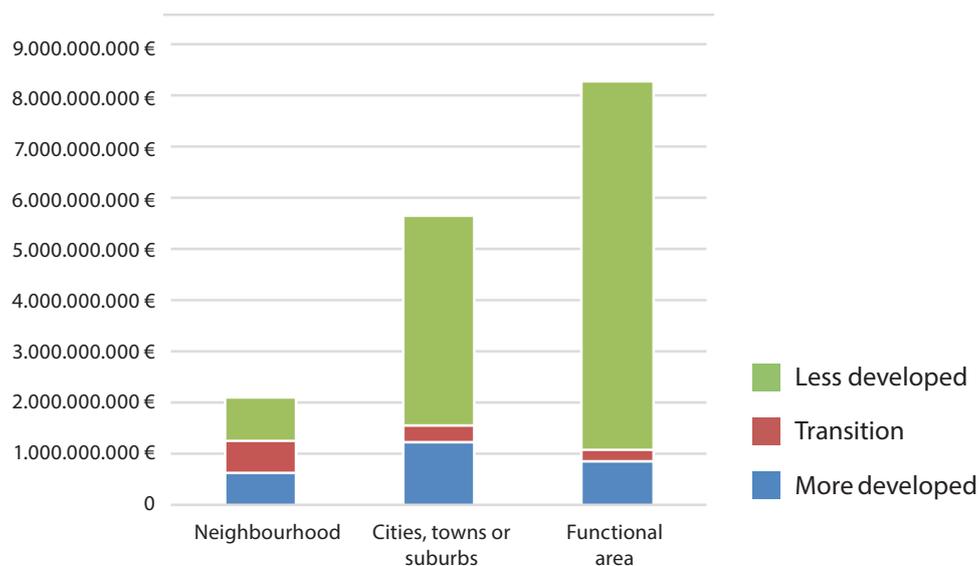


Figure 4 - Distribution of ESIF funding per territorial focus and type of region

In fact, strategies with the largest ESIF budgets (more than 100 million EUR) targeting functional areas are exclusively located in less developed regions of EU13 countries (Poland, Czech Republic, Croatia). On the other hand, in EU15 countries there are quite a relevant number of strategies addressing functional areas with small ESIF budgets (Figure 5). For example, in France, 50 percent of the strategies with an ESIF budget of less than 5 Million EUR address a functional area, while in Italy the figure is 33 percent.

It can be additionally noted that in France and Italy, many strategies target functional territories formed by conurbations or networks of small towns with a population of a few thousand inhabitants. In these cases, the functional link is often thematic, such as a common strategy for tourism. By pooling resources and establishing inter-municipal cooperation, these small towns are able to form a critical mass. The existence of such scenarios sheds light on the nature of the “functional area” category used for SUD policy, and makes clear that the functional area approach can be used for different types of territories, beyond metropolitan areas.

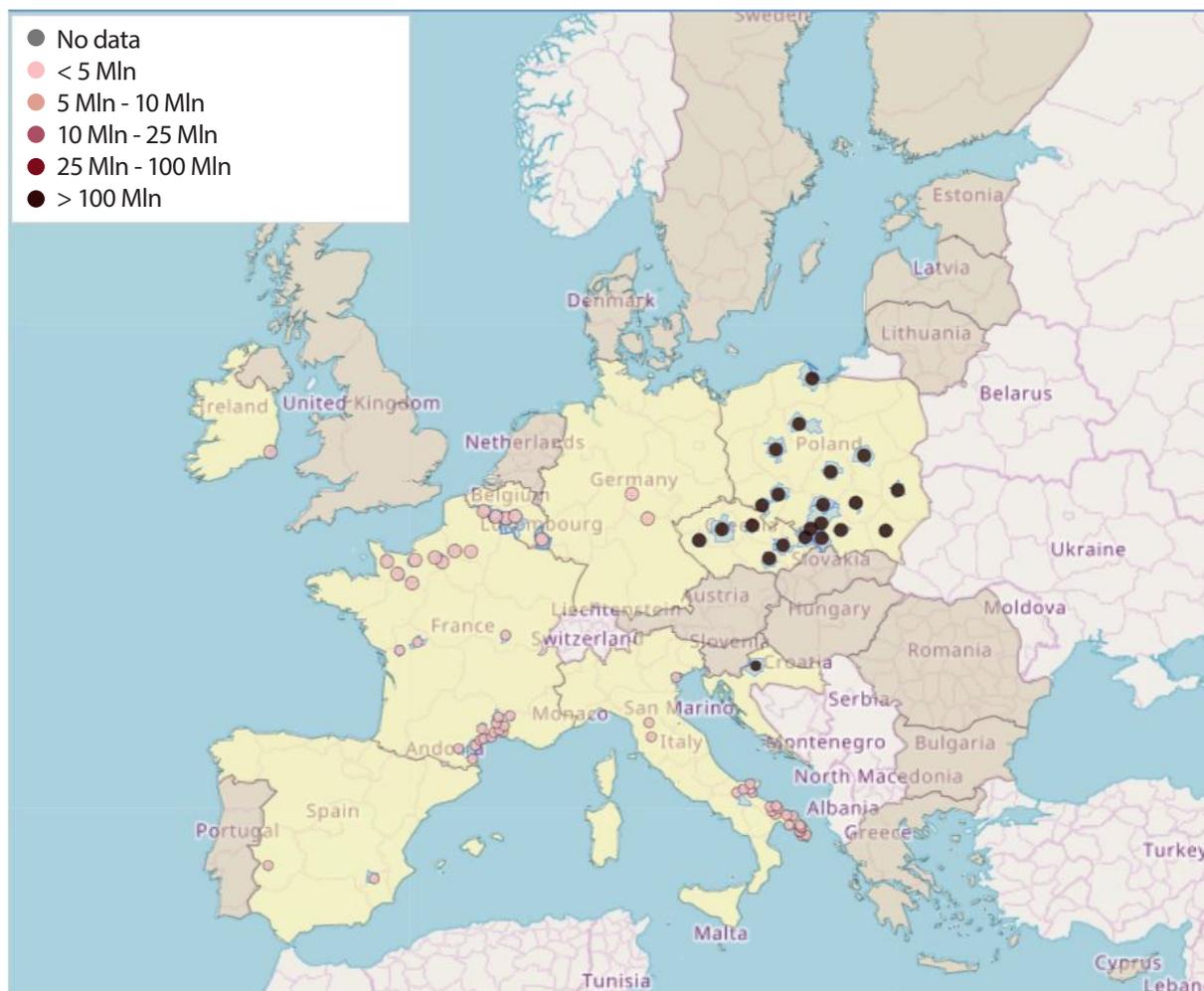


Figure 5 - Map of strategies targeting functional areas with largest and smallest ESIF contribution.
Source: STRAT-Board

To unveil the thematic focus of strategies, the STRAT-Board database collected information on the thematic objectives (TO)¹² supported by ESIF in each strategy. In addition, in the survey, Managing Authorities were asked to identify all the key words¹³ that could qualitatively describe each strategy.

The data shows that strategies targeting FUAs used more TO4, 'Supporting the shift towards a low-carbon economy in all sectors' while strategies targeting neighbourhoods used largely TO9 'Promoting social inclusion, combating poverty and any discrimination' (respectively 209 and 217 out of 266). Moreover, a focus on transport (TO7) was almost exclusively directed to FUAs as opposed to other territorial foci.

These thematic priorities are confirmed when looking at key words characterising strategies. Notably, the first two key words for FUAs are "mobility" (76% of the sample) and "energy" (52%). Even if "spatial planning" is not frequently selected, there are other key words concerning spatial issues which often recurred, for example,

12 In the 2014-2020 programming period, the European Structural and Investment Funds, in particular the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund, support 11 investment priorities, also known as thematic objectives. More information on thematic objectives can be found here: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R1303&from=EN>. Sustainable Urban Development strategies must address at least two TOs.

13 The survey provided a list of 29 key words: Social inclusion; Air quality; Housing; Circular economy; Digital transition; Mobility; Jobs and skills; Energy; Climate adaptation; Urban-rural linkages; Nature based solutions; Governance; Entrepreneurship and SMEs; Health; Ageing; Migrants; Research and innovation; Abandoned spaces; Culture and heritage; Youth; Low carbon; Education; Social innovation; Disadvantaged neighbourhoods; Gender equality; Participation; Public spaces; City management; Spatial planning.

“public spaces” (43%), and “abandoned spaces” (39%). Social issues (social inclusion, housing, disadvantaged neighbourhoods) were still important for functional areas, but less than in the overall sample of strategies, while “entrepreneurship” and “jobs and skills” were both especially aimed towards FUAs.

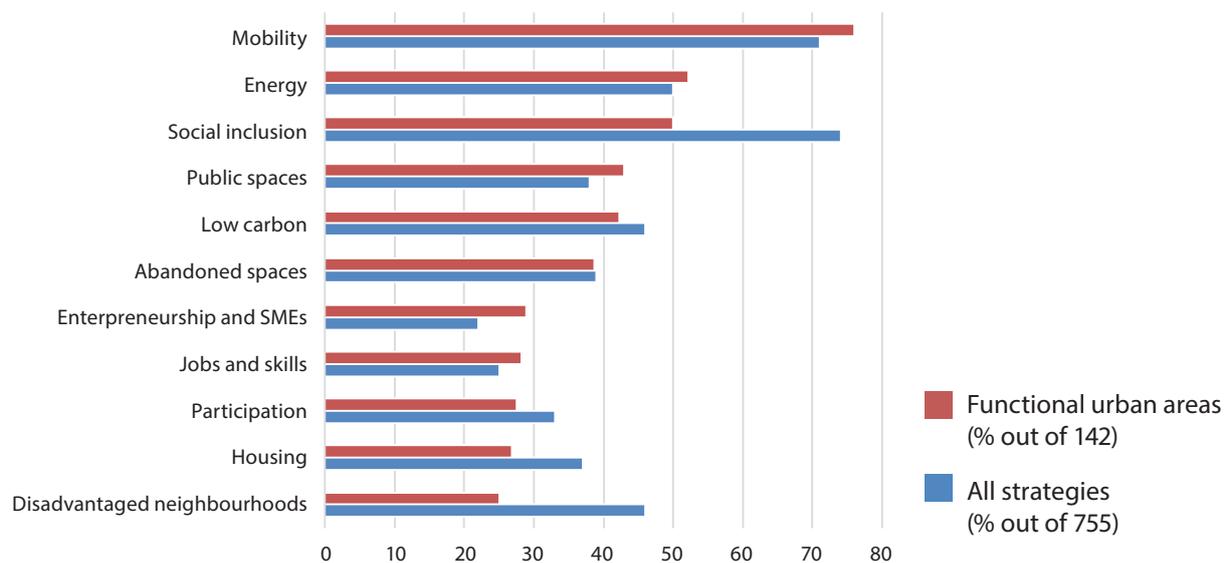


Figure 6 - First 11 key words for FUAs, with percentage of use for FUAs strategies, and for all strategies.

Alternatively, the key word “urban-rural linkages” was selected in only 8 percent of the cases despite the fact it would be ideally suited for wider territorial scopes. It is also true that, although supported by EU policy orientations and regulations, it remains a difficult theme for urban strategies to handle. Two important key terms which characterise the new urban question in the literature as well as in EU policy documents; “climate adaptation” and “migration”, were hardly ever found across FUAs strategies (respectively in 11% and 0% of cases).

In conclusion, it seems that the functional area approach is currently used to address more traditional physical or infrastructural issues as well as economic/job related issues. Social themes traditionally associated with core cities/districts, such as social inclusion, housing or deprived neighbourhood are also entering the discourse relating to FUAs to a greater or lesser extent. Most up-to-date themes, which probably require more innovative solutions, struggle to enter the mainstream policymaking.

5. Challenges in the Implementation of the Functional Area Approach

Considering the relative novelty of the functional area approach, it is no surprise that putting it in place can be challenging for those bodies in charge of designing and implementing SUD strategies. When designing a strategy, the first challenge relates to the fact that, in many cases, the perimeter of the specific functional area is not given in advance, but is established specifically for the development of the SUD strategy. According to the SPIMA project (ESPON, 2018) instead of the OECD/EC definition of FUAs, local stakeholders tend to use different approaches to delineate their functional areas. In the case of SUD, the establishment of the perimeter should be based on data evidence, but it depends not only on the territorial characteristics of the area, but also on the objective of the strategy, as well as the relationships that exist among local actors (Davoudi, 2008).

This is why the perimeter of the strategic functional areas in SUD seldom corresponds to the statistical FUAs defined by OECD/EC methodology. This becomes evident through spatial analysis. When superposing and comparing the two types of areas, it becomes clear that only in half of the cases is there a significant overlap between the two (defined as more than 66% of the strategic functional area overlapping with the statistical FUA). The perimeter hardly ever fits perfectly, but in the majority of cases (for example in France, Italy, Poland, and the Czech Republic) the strategic area is smaller than the statistical one. Only in a few cases (in Croatia, Belgium, and the United Kingdom) the strategic area is larger than the statistical. Furthermore, there are many

cases (for example in Greece, Spain, Austria, and France) where the strategic functional areas do not correspond at all with the individual country's statistical FUAs.

Functional areas in SUD can be defined through criteria that are decided at national, regional, or local levels. Arguably, to ensure optimal strategic planning, when the perimeter is decided at a national or regional level (in compliance or not with existing frameworks) some adaptability is required to allow better adjustment to local circumstances.

An example of this can be found in Poland where the territorial scope of the SUD strategies is defined on the basis of national guidelines that set socio-economic criteria to delimit functional areas around regional capital cities. However, there is some flexibility as shown by the fact that whilst the Lublin SUD strategy follows the same criteria, these were revised locally to include other municipalities on the basis of their important functional relations with the regional capital city. Another example is that of the Italian Region of Veneto (Figure 7) where the regional Managing Authority defined five eligible FUAs following an adapted version of the OECD/EC methodology, but allowed local administrations to define the specific target areas for the SUD strategies with more flexibility¹⁴.

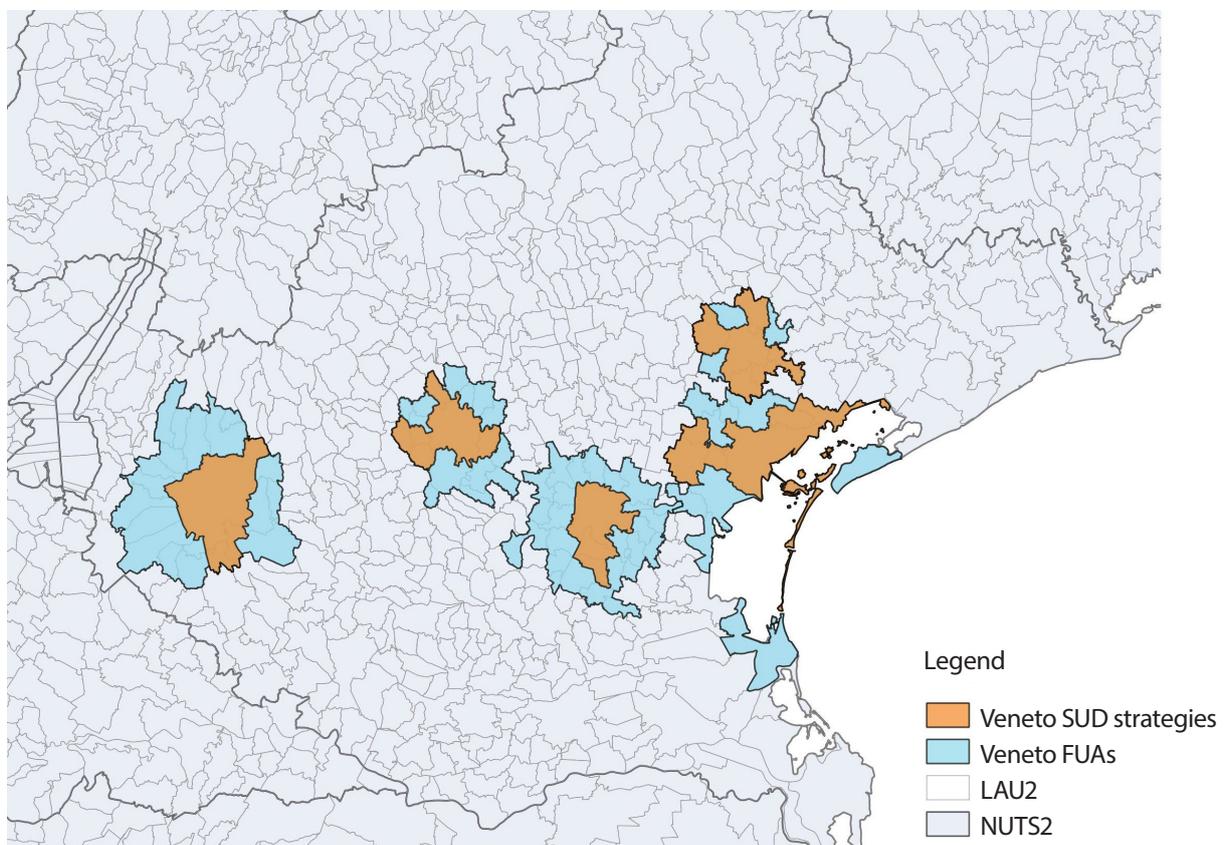


Figure 7 - Areas targeted by five strategies in Veneto compared to the FUAs

Key to a successful delineation of boundaries is to have access to data that allows appropriate indicators and criteria upon which areas will be defined, to be determined. This is especially important when the functional area is explicitly or uniquely defined by the strategy. It is difficult to retrieve comparable and homogeneous data across multiple municipalities and, accordingly, being able to identify the appropriate indicators is not only important with regards to the delineation of functional areas, but also extremely relevant in the phase of designing and monitoring strategies. In order to collect and harmonize this data, administrations need to establish partnerships with local universities and/or research institutes. An example of where this has

¹⁴ To these five strategies another one was added which does not target any of Veneto's FUA, and covers the area of Asolano-Castellana-Montebellunese.

happened in Brno, where collaboration with the local university led to the development of an evidence-based method to delimit the targeted area. The delimitation was based on an analysis of spatial arrangements and the intensity of spatial (functional) relations, and used five main indicators: commuting to work; commuting to school; migration flows; public transport accessibility; and individual transport accessibility. As a result, the Brno Metropolitan Area (BMA) is rather similar to the one established by the OECD-EC definition of FUA. The BMA has become a relevant scale for territorial analysis since 2014. Since then, several studies processes have covered the wider territorial area.

The implementation of the SUD strategy also served as an important trigger for the establishment of inter-municipal cooperation where this was previously lacking. It was a test case for implementing organisational integration in terms of a common coordinated approach to the engagement of territorial stakeholders based on the partnership principle. The process was not exempt from challenges that could hinder cooperation (scale imbalances among municipalities, contradictory priorities emerging from diverse territories, conflicts among decision makers); nonetheless, it seems particularly relevant that the functional area approach has been internalised by other processes, and has become a catalyst for innovative institutional metropolitan cooperation (Feřtrova, 2018).

As the case of Brno highlights, when there is a lack of a common institutional framework, consensus and cooperation among different public administrations become not only more crucial, but also more challenging. Territorial integration requires the creation of governance systems that enable policy coherence in spatially and economically homogenous, but politically fragmented, areas. The choice of how to proceed can be different according to the previous experience in terms of territorial cooperation. Referring more specifically to metropolitan governance, OECD (2015) identified four types of possible arrangements:

- informal/soft co-ordination, lightly institutionalised platforms for information and sharing;
- inter-municipal authorities, that can be single purpose in order to share costs and responsibilities, or multipurpose, embracing a defined range of key policies for urban development;
- supra-municipal authorities, in terms of an additional layer above municipalities through an elected or non-elected government structure;
- special status "metropolitan cities", for cities that exceed a certain population threshold, to gain broader competences.

In the framework of SUD strategies there is a wide variety of different cooperation arrangements, with these being more or less stringent from the institutional viewpoint. In Poland, for example, central government guidance stipulated two possible models for cooperation: to form an association of municipalities, or to reach formal agreement between municipalities. Some smaller municipalities that have limited experience of working together have opted for formal agreements, whereas some larger municipalities that already possess experience with similar initiatives have opted for the association model. Governance arrangements become even more complex when strategies involve actions on multiple scales. In many cases in France, even when the strategy has covered a metropolitan area, or a large agglomeration, interventions have targeted neighbourhoods within the given area.

In addition, there can be problems of political legitimation and responsibility with respect to new territorial dimensions (OECD, 2015). These can be even more substantial in cases where power imbalances exist among the municipalities that constitute the functional area. In order to promote and support territorial integration, new bodies have emerged in a number of Member States, or existing bodies have taken on new roles. These bodies may facilitate collaboration between different localities, take on responsibilities for management and implementation, or act in an advisory capacity. It seems therefore, that a coherent functional area planning approach requires the establishment of a shared governance process that enables dynamic interaction across spatial scales, policy issues, land-use functions, and a wide range of stakeholders.

6. Conclusion

Cities in Europe have changed and trends towards urban regionalization have raised new urban questions. Even if the European city model has been proven to be quite stable (Le Galès, 2018), the capacity to govern new urban configurations cannot be taken for granted (Rodríguez-Pose, 2008).

EU urban policy discourse seems to have acknowledged the emergence of new spatialities. One of the main signs of this is the emphasis that has been put on the new territorial typology of FUAs. Born as a statistical categorisation, the concept has also entered policy discourses, and is today used to indicate strategic planning spaces to promote SUD.

This was also seen in the implementation of SUD strategies during the 2014-2020 Cohesion Policy programming period. The analysis shows, in fact, a growing trend towards developing strategic frameworks for wider territorial areas, across administrative boundaries. Meanwhile the analysis also shows that in those cases it is not correct to talk about strategies applied to FUAs as intended in the statistical definition. The areas targeted by the strategies in the majority of cases do not overlap with FUAs, in some cases they involve conurbations of small-medium sized towns outside metropolitan regions, in some cases twin cities. It follows that it is more appropriate to talk of a functional area approach which identifies spaces – usually different from those defined by administrative boundaries – in which a specific territorial interdependence (or function) occurs which may need to be governed jointly.

There are implications in adopting this new approach to EU supported policy-making. In particular, it entails a need to establish new governance systems, across administrative boundaries and scales which will trigger cooperation processes among municipalities often in the absence of pre-existing institutional frameworks. In such cases, there are various practices which can be observed across the EU. However, the possibility of using these new strategic planning spaces to tackle the most urgent emerging urban questions still seems remote. The questions addressed so far are more related to traditional physical or infrastructural issues as well as economic/job related issues, while more up-to-date themes, perhaps requiring more innovative solutions, remain largely unconsidered.

In conclusion, the analysis shows that the functional area approach could become a new paradigm for EU supported policy making. This will be even more relevant in the upcoming Cohesion Policy programming period 2021-2027, as FUAs will be explicitly identified as a focus for integrated territorial and development strategies (COM/2018/375 final - 2018/0196), and the functional area approach is supported by the new Leipzig Charter, as well as by the Territorial Agenda 2030.

However, it seems that a consolidated common approach for functional areas in strategic terms is still not shared across the EU. While numerous efforts have been made to find a common statistical definition of FUA, clarification is still needed on both the conceptual framework of the functional area approach, and with regards to shared policy methodology.¹⁵ A more profound debate around this topic should be promoted which acknowledges the different interpretations generated in various countries, and defines more clearly the pillars characterising such an approach.

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15 A first attempt was promoted by the Romanian presidency of the Council of European Union in 2019, see Ministry of the Regional Development and Public administration, Romanian Presidency of the Council of the European Union, Functional areas and the role of the FUA for territorial cohesion. Input paper, 2019.

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