



THE STATE OF NATIONAL URBAN POLICY IN FINLAND

Name of national urban policy	<i>Urban Growth Agreements</i>
Date of national urban policy	2016-2018
Explicit or partial	Partial
Legal status (e.g. act of the legislature, executive order, administrative guidance, etc.)	Contracts between national and local governments
Previous/secondary policies	Launching regional innovations and experimentations; <i>Neighbourhood Programme (Lähiöohjelma)</i> (2008-2011); <i>Metropolitan Policy</i> (2007)
Stage of development	Implementation/evaluation and monitoring
How developed (e.g. through a participatory/stakeholder process, or act of parliament, etc.)	No information available
Implementing body	Ministry of Economic Affairs and Employment
Government system	Centralised
Type of national urban agency	General national planning authority
Implementation mechanism (e.g. committee, involvement of multiple agencies, national-local co-ordination)	No information available

Current and previous national urban policy

Finland does not have an official national urban policy, but it does have national programmes that contribute to urban development, which could be considered the main elements of a national urban framework. Chief among these are the urban growth agreements. These contract-based agreements, between national and local governments, aim to foster economic growth and increase the competitiveness of participating cities. Originally implemented in 2011-15, the newest round covers the period of 2016-18. The thematic scope of the growth agreements covers competitiveness and resilience, land use, housing and transportation, and, to some extent, social sustainability. Cities are expected to focus on a few strategic themes. At the national level, the growth agreements are led by the Ministry of Economic Affairs and Employment, which co-finances the agreements with the regions of Helsinki, Tampere, Turku and Oulu made by the Ministry of the Environment and the Ministry of Transport and Communications (Finnish Ministry of Economic Affairs and Employment, 2016a; OECD, 2015).

A second national policy that fosters urban development is the *Innovative Cities Programme (INKA)* (2014-2017). Its aim is to generate new business and new companies to create more jobs. The programme is underpinned by close local co-operation and pooling of resources between science, education, businesses and the government. The methods used will include new development environments, creating pioneering markets, and national and international co-operation in leveraging expertise (OECD, 2015).

The *INKA – Programme* will be closed at the end of 2017, but substantial funds will continue to be allocated around the themes of the *Innovative Cities Programme* and the *Six City Strategy*, targeted at Finnish businesses that are planning to expand into, or that are in

the process of entering, international markets. The call also applies to businesses outside the six biggest cities (Helsinki, Espoo, Vantaa, Tampere, Turku and Oulu).

Parts of the *Regional Innovations and Experimentations (AIKO) Programme* (2016-18) are also of particular relevance for urban development. AIKO involves three tools:

1. measures for anticipated structural change (ERM);
2. growth agreements between the state and selected cities; and
3. methods for establishing nationally important growth zones.

The growth agreements are particularly relevant to cities. Their aim is to promote growth and competitiveness of enterprises by focusing on a small number of strategic key projects. Agreements were concluded on 9 June 2016 with the six cities that submitted the best proposals. The growth agreement concluded with the Helsinki Region is part of the metropolitan policy.

Urban policy is overseen by the Urban Policy Committee. Originally established in 2007, a new Urban Policy Committee was appointed in May 2016. Its objective is to strengthen national-local partnerships and promote urban regeneration, competitiveness, social sustainability and response to climate change. It is responsible for co-ordinating ministries' urban-related policies, fostering co-operation between the national government and urban regions, and promoting an exchange of experiences among urban regions within and outside Finland. The Urban Policy Committee is chaired by the Minister of Economic Affairs and represents a majority of national ministries, 14 cities and the Association of Finnish Local and Regional Authorities (Finnish Ministry of Economic Affairs and Employment, 2016b).

Previous national urban policy and developments

From 2008-11, the *Lähiöohjelma* or *Neighbourhood Programme* was in effect. This national programme partnered with local governments to revitalise urban districts (Housing Finance and Development Center of Finland, 2013; UN-Habitat, 2015). The *Metropolitan Policy (Metropolipolitiikka)* launched in 2007 and housed in the Ministry of the Environment, specifically addresses urban development in the Helsinki region (Finland Ministry of the Environment, 2016; UN-Habitat, 2015). Its goal is to promote the region's competitiveness and co-operation in land-use, housing and transport issues. It is featured in the national government's 2014-2019 *Projects to Improve Competitiveness*, headed by the Minister of Economic Affairs (Finland Ministry of the Environment, 2016).

Areas covered by current urban policy

Sector	Sectoral representation in the <i>Urban Growth Agreements</i>
Economic development	Extensive
Spatial structure	Low
Human development	Moderate
Environmental sustainability	Moderate
Climate resilience	Low

Specific issues covered by current national urban policy

The Finnish *Urban Growth Agreements* include the following characteristics:

Criteria for national urban policies	Appears in the policy
Responds to population dynamics	
Promotes a territorial approach (in particular urban-rural linkages)	X
Addresses the urban systems (from large to medium and small cities) and the connectivity among cities	X
Prepares for infrastructure and services in cities (including public space)	X
Promotes urban land-use efficiency	
Enhances environmental sustainability and resilience to climate change	
Develops effective urban governance systems (horizontal co-ordination and vertical alignment)	X
Promotes effective municipal finance systems	
Supports partnership and co-operation between urban actors	X
Safeguards inclusiveness and participation in the process and outcomes (inequity, segregation, safety, etc.)	X
Ensures robust and comparable urban scale data	

Bibliography

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