

Nordic overview of national support initiatives in urban planning

NORDREGIO POLICY BRIEF 2022:7



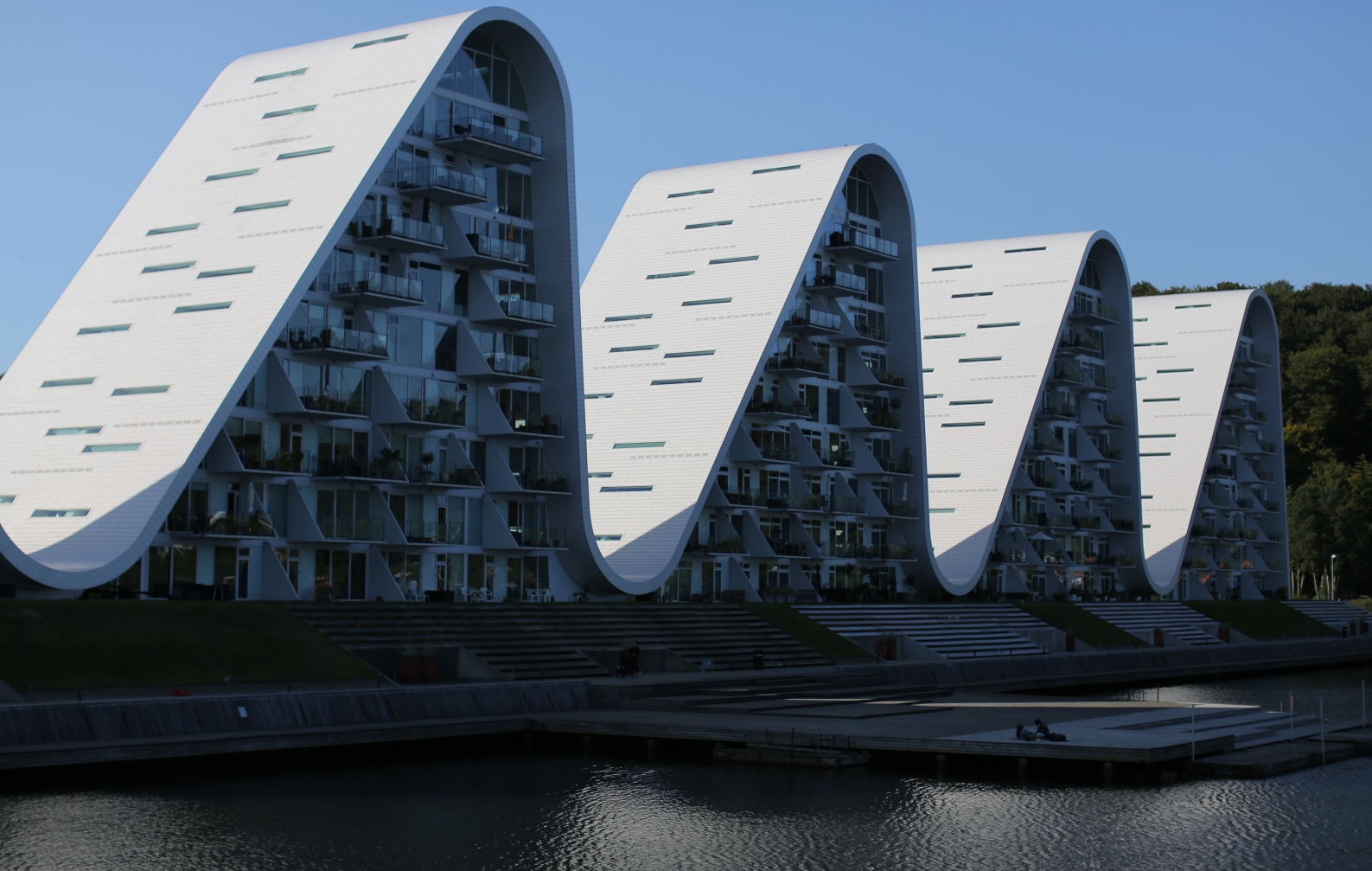


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The Nordic countries share many cross-sectoral targets at the national level to meet ambitious environmental, social, sustainable, and innovative development goals and targets. These require action to be taken in city regions and urban areas. However, in the context of spatial planning, central governments in the Nordic countries often have limited ability to influence local and regional level priorities. Especially when it comes to regulating land-use and accelerating policy uptake for sustainable urban development.

As the Nordic region seeks a greener, more competitive, and socially sustainable future, understanding the diversity of ongoing national interventions and mechanisms in local and regional land use and spatial planning is needed. The focus on Nordic national support initiatives is therefore to understand both the regulative and national support aspects (top-down) and the actual needs (bottom-up) to achieve national cross-sectoral targets as these relate to green and inclusive urban development. This policy brief presents a mapping of the relevant initiatives across the Nordic countries (Denmark, Finland, Iceland, Norway and Sweden).

What are National Support Initiatives?

For the purposes of this Nordic initiative, national support initiatives are broadly defined as:

“Initiatives that support sustainable urban development efforts through funding mechanisms from a nationwide stakeholder (e.g. ministries, foundations, agencies) to local level stakeholders, such as municipalities. The funding may encourage or lead to partnership networks and multilevel collaboration that enhances local level efforts in achieving national sustainable urban development targets.”

Why are national support initiatives relevant to Nordic people, places, and planning? Research has observed that strategic shifts in recent decades have led to the introduction of planning instruments that complement the formal spatial planning system structures. These can include investment-oriented and agreement-based policies. The Nordic countries strive for implementation of this with varying degrees of success as these emerging planning approaches sometimes limit or challenge conventional development processes or other local urban priorities.

Additional national-level initiatives have therefore been considered necessary to influence and support Nordic municipalities and regions toward green and a more socially inclusive urban development. In the Nordic countries, this happens either through other sector policies at the national level, such as transportation, or through other initiatives and funding programmes, even though these can alter the conditions for local-level planning. Broadly speaking, there are three ways where the national level influences local-level spatial planning, namely through legislation, financial mechanisms, and recommendations/guidelines (Figure 1). Many of the implementation responsibilities lie with municipalities, who have decision-making power on a range of local development issues.



Figure 1. *The three ways the national level influence urban development.*



Photo: Nick Night, unsplash.com

What did we do?

This policy brief is the outcome of the first mapping phase of different national support initiatives in each Nordic country which primarily target sustainable urban development. The selected initiatives do not reflect a comprehensive list as such, but each contains a description of scope, objectives and actors involved. The selection was guided by the following questions:

- How are the issues, objectives and goals related to sustainable urban development emphasised in the national support initiatives?
- How are the national support initiatives potentially complementing and/or colliding with municipal and regional spatial planning?
- What are the key comparative aspects across the national support initiatives from which all the Nordic countries can learn and draw inspiration?

The initiatives that were identified have been collected in a listed table (see annex) for the purposes of being analysed and considered for further case study work in the coming phases of the project.

What did we find?

So far, we can draw the following lessons from our Nordic national support initiatives mapping:

Integrated spatial planning is key to sustainable urban development...

Planning for green and inclusive urban development in the Nordic countries is increasingly a cross-sectoral effort, but spatial planning often remains at the core when plans are implemented in regions and cities. This can be a source of tension when stakeholder interests overlap, but also a potential unifying driver to meet national and regional planning objectives. To reach the national ambitions and objectives for inclusive and green sustainable development in the Nordics, whether they are specific to a sector, or thematically cross-cutting, involvement of the spatial planning and land-use systems remains pivotal.

...Yet national support initiatives are increasingly comprehensive and cross-cutting

Many of the national support initiatives identified in this study contain partnership networks. Some national support initiatives are directly linked to spatial planning, whilst others are more complementary in order to ensure different sustainability targets across the Nordic countries. As a result, many national support initiatives can be said to operate alongside the respective national spatial planning systems.

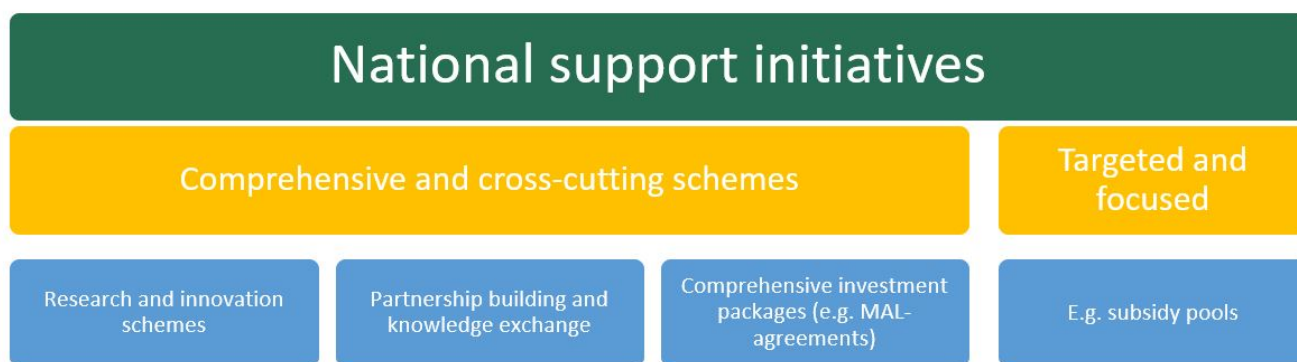


Figure 2. *Sub-categories of what national support initiatives in the Nordics can consist of.*

The local level would benefit from increased support for capacity building and policy uptake

There are many ways the Nordic planning systems provide for green and sustainable development, but when it comes to the spatial planning systems today, the objectives put forth in national support initiatives overlap. It often boils down to different resources and capacities of municipalities across the Nordic countries to govern and regulate just and sustainable urban development futures. Even if all municipal planning frameworks must outline how national and regional goals have been considered, it is often up to individual planning authorities to assess how

this will be done in each development project. This can be a challenging task and sometimes hard to fulfil without further support from other planning or national-level authorities. The number of national support initiatives are nevertheless emerging, and it is increasingly important that planning authorities and practitioners are able to deal with the complexities of sustainable urban development.

The Nordic national support initiatives contribute to Our Vision 2030 expectations and requirement

The Nordic Region has a vision to become the most integrated and sustainable in the world by 2030. Efforts toward this vision are largely reflected in the various national support initiatives across the Nordic countries....

... But more research and analysis are needed

The linkages between spatial planning systems and how well-integrated these national support initiatives are with the local project work and the local spatial planning practices, are still underexplored. There is a further need to examine the varied planning work that originates from national support initiatives in the Nordic countries. This will be further explored in the coming phases of this project.

Webinar: Multilevel governance for green and inclusive urban development in the Nordic Region

One of the first initiatives of the programme period was a Nordregio webinar focusing on two projects funded by the Nordic Thematic Group on Green and Inclusive Urban Development. The event brought together national, regional, and local representatives to exchange knowledge about ongoing initiatives, practices, and discuss how multilevel governance cooperation can be enhanced within and across the Nordic region. All of the five countries were represented with keynote speakers and panelists.

During the programme, participants had the opportunity to learn more about some of the national and local initiatives that are addressed in this policy brief but also other national programmes. These included, Klimasats by the Norwegian Environment Agency, DK2020 by Concito/Realdania, Borgarlína, Transport for the Capital Area, Iceland, Lähiöohjelma, Finnish Ministry of the Environment, as well as the Area-based initiatives by Ministry of Local Government and Regional Development and Prosjekt tettstedspakke by the Norwegian Centre for Transport Research (TØI) in Norway.

For more information and recording of the webinar:

<https://nordregio.org/events/webinar-multilevel-governance-for-green-and-inclusive-urban-development-in-the-nordic-region/>



Photo: Artūras Zelenkauskas

What are the next steps for Nordic cooperation on national support initiatives in local urban planning?

In the next phase, the project will address the key challenges and knowledge gaps between national targets and objectives for local planning. The selected national support initiatives will cover a thematic range, which means that a variety of different cases will be selected rather than similar initiatives from all countries. Further, it will also be important to consider the ways in which these initiatives may affect spatial planning at the local level. Attention will therefore be placed on this area, e.g. through questions such as how has land-use been thought through, or if consultation with local level planners has taken place before the funding programmes were initiated.

The overall objective is to enhance knowledge for and of the relevant Nordic actors, to share lessons learned across the countries and how these may serve as inspirational practices and approaches to adopt, either at the national or the local level.

The selection of case studies in the project's upcoming phase are based on the following criteria:

- A variety of different types of national support initiatives, to provide Nordic added value through learning examples
- Project funding that encourages multi-level governance and multi-level cooperation, in local spatial planning and/or local sustainable urban development
- Funding: must include national-level involvement, but can be a joint initiative with other stakeholders
- Clear aim targeting green sustainable urban development (but not initiatives more relevant for other Nordic thematic group projects)
- Organisational model: what type of collaboration and constellation of stakeholders are involved? (Related to the criteria above, consider models that have worked well)
- Conflict of interests: Are the selected national support initiative complementing or challenging the spatial planning system at the local level?
- Methods/uptake: Stories demonstrating obstacles and successes at the national and local level

We propose to investigate the following initiatives in each Nordic country:

Country	Proposed case studies	Themes
Norway	<u>Futurebuilt</u>	Multistakeholder involvement, spatial planning, building sector, circular economy, partnership network
Denmark	<u>Tættere på II: Byer med plads til alle</u>	Multistakeholder involvement, housing, social mixing, inclusive cities
Iceland	<u>Borgalina (and its connection to the Green Steps and 20-minute neighbourhood)</u>	Spatial planning, transport planning, climate mitigation, sustainable development
Finland	<u>Sustainable City Programme</u>	Sustainable urban focus, spatial planning
Sweden	<u>Or Visions: in the North</u>	Sustainable urban focus, multistakeholder involvement

Table 1. Initiatives proposed for project case studies

About this policy brief

Nordic overview of national support initiatives in urban planning

This policy brief, published in December 2022, is part of the project Comparative review of national support initiatives for local urban project development and based on its Discussion Paper "[Nordic overview of national support initiatives in urban planning](#)" (December 2022). The project runs during the 2021-24 programme period for the Nordic Thematic Group for Green and Inclusive Urban Development (TGA). TGA has been formed by the Nordic Committee of Senior Officials for Regional Policy (EK-R), under the Nordic Council of Ministers for Sustainable Growth. Members consist of representatives from relevant ministries, national, regional and local authorities as well as cross-border cooperation committees.

The project aims to provide a better understanding of how green and inclusive sustainable urban development are governed, supported, and regulated through national support initiatives in the different Nordic countries. These diverse initiatives have direct effect on the relations between planning actors at all levels, especially on governing and collaborative efforts and funding mechanisms, aspects which are examined in the project and from which the Nordic countries can exchange knowledge and practices.

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Nordic co-operation

Nordic co-operation is one of the world's most extensive forms of regional collaboration, involving Denmark, Finland, Iceland, Norway, Sweden, the Faroe Islands, Greenland, and Åland. Nordic co-operation has firm traditions in politics, the economy, and culture. It plays an important role in European and international collaboration, and aims at creating a strong Nordic community in a strong Europe. Nordic co-operation seeks to safeguard Nordic and regional interests and principles in the global community. Shared Nordic values help the region solidify its position as one of the world's most innovative and competitive.

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Annex

Mapping of National Support Initiatives for sustainable urban development in the Nordics

Country	Name of initiative	Purpose	Responsible authority or organisation	Sector areas
Norway	Urban Growth Agreements (Byvekstavtaler, belønningsordningen, og bymiljøavtaler)	To support municipalities/city-regions to achieve the zero-growth goal, by promoting the development of smarter and greener cities through the reallocation of road space to uses other than driving and parking private cars. Supported measures must be solutions that ensure better accessibility and facilitate the use of transport modes other than private cars.	Ministry of Transport	Transport infrastructure Mobility Environment Climate
Norway	Klimasats	Financially supporting municipalities with cutting greenhouse gas emissions and engage in the transition to a low-emission society	Norwegian Environment Agency (Miljødirektoratet)	Environment
Norway	Area-based initiatives (Områdesatsinger)	Improve local services and the quality of life in communities where it is needed the most.	Ministry of Local Government and Regional Development (KDD)	Social urban development (inclusion, integration, and segregation)
Norway	FutureBuilt	Focused on circular and green transitions in the building industry, by supporting pilot projects out as a strategy for changing the way buildings and urban areas are developed.	Local multistakeholder coordination in partnership with the Ministry of Local Government and Regional Development (KDD) and other national agencies	Circular economy Building sector

Norway	Gnist	Complement, reinforce and realize existing initiatives and plans in the municipalities, but also implement new development projects. The starting point is local needs, advantages and premises. A key part is the exchange of knowledge and experience in innovative local and business development across municipalities and regions.	DOGA (Design and architecture Norway)	Innovation Economic growth Built environment
Norway	Cultural heritage	Funding to support preservation monuments and cultural environments in private ownership; ensuring restoration is being done in accordance with antiquarian guidelines	Directorate for Cultural Heritage	Cultural heritage
Denmark	Partnership for living city centers (Partnerskab for levende bymidter)	A partnership with the aim to find solutions to the widespread challenges facing many town centres in small- and medium sized cities	Ministry of Finance, Business and Financial Affairs Realdania Danish Housing and Planning Authority	Economic growth Retail Development Planning
Denmark	Closer to II: Cities with spaces for everyone (Tættere på II: Byer med plads til alle)	Aims to support more affordable housing in Denmark, allocated for example through mixed-cities fund.	Ministry of Interior and Housing	Housing
Denmark	Housing- and Planning agency subsidy pools Bolig- og plansstyrelsen tilskudspuljer (Byfornyelsespuljer, områdefornyelse, landdistriktspulje, nedrivningspulje)	In Denmark, several subsidy pools exist that support various sustainable local development initiatives. Under the Ministry of the Interior and Housing, the Danish Housing and Planning Authority oversees many of the funding pools targeting sustainable local development. Public and private actors can apply for project funding under specified criteria	The Danish Housing and Planning Authority (Bolig- og plansstyrelsen)	Cross-cutting

Denmark	DK2020	Supports a multistakeholder network with national reach and participation at local level. It targets local climate sustainability transitions. It has contributed to a commitment among the participating municipalities to develop climate action plans.	Realdania	Environment Climate
Iceland	Transport agreement between the state and municipalities in the capital area	A contract between municipalities and state on development of transport infrastructure and public transport in the capital area. The aim is to increase safety, improve transport for all modes of transport and reduce delays, greatly increase public transport and reduce pollution caused by particulate matter and greenhouse gas emissions by promoting a carbon-free society to meet the climate goals of governments and municipalities.	Association of municipalities in the Capital area Icelandic Road Administration (State) Ministry of infrastructure	Environment Climate Transport Planning Mobility
Iceland	Equity Loans	A form of aid for those who need assistance to be able to enter the real estate property market. One of the justifications for introducing the remedy was also to contribute to a more socially sustainable urban development.	The Housing and Construction Authority (state)	Housing
Iceland	Public housing support (Stofnframlög fyrir almennar íbúðir)	The state and local authorities are allowed to provide initial contributions for the construction and purchase of affordable rental apartments. The goal is to contribute to a more sustainable urban development, contribute to less segregated neighbourhoods and assist municipalities in securing a balanced socioeconomic mix in their neighbourhoods.	Reykjavik City Connected to BTR Borgarlína	Housing
Iceland	Green Steps	The Green Plan is Reykjavik City's strategy which sets the scene for finance, investments and green key projects for the next 10 years. It summarizes in one place the main key projects and green investments in the city and is based on sustainable thinking and a clear vision of a carbon-neutral urban society.	Reykjavik City Connected to BRT Borgarlína	Climate Transport

Iceland	20-minute neighbourhood	The plan describes the 20-minute neighbourhood so that within it there is a good supply of diverse housing options and all the main services. It will be assumed that residents will have no further access to the central core than a 20-minute walk. Local services are spread so that the residents of each district have access to the most necessary services such as kindergartens, primary schools, sports and leisure activities and a grocery store within a 5–10-minute walk. The focus of the town's 20 minutes reduces the need for travel and should enable as many people as possible to go on their errands on foot or by bicycle.	The Housing and Construction Authority (state) Ministry for Social affairs Ministry of infrastructure	Climate Transport Planning Health
Finland	Sustainable City Programme (Kestävä kaupunki – ohjelma)	Aim to increase and deepen the cooperation between municipal developers by applying pilot projects to solve common urban sustainability challenges and spread best practices to be incorporated into city management.	Ministry of the Environment	Low-carbon/Climate IoT Health Environment Social Sustainability
Finland	Regional land use development tool (Alueidenkäytön kehityskuva)	The Regional land use development tool is meant to be used continuously in various public sectors to enable better planning and decision making. It produces information about the current state and future of Finnish regional and community structures (i.e. the location of housing, services and traffic). The tool is also used to gather scattered information on the state of the built environment in one place to make it more accessible for users. This tool differs from many other national support initiatives, since they do not consist of available funding, but they are developed by state funding in order to support local and regional planning authorities with SUD efforts.	Ministry of the Environment	Land use planning Transportation Climate Energy Service networks Housing
Finland	Project 'Ryhti' (Ryhti-hanke)	The Ryhti database aims to gather information such as detailed plans, and permits for building, demolition and environmental measures. It targets users such as property owners, the residents, the business sector, researchers, and decision makers.	Ministry of the Environment Finnish Environment Institute SYKE	Buildings Planning Real estates Built environment

Finland	Suburban programme (Lähiöohjelma)	The suburban programme aims to reinforce the comprehensive development of suburban areas and prevent segregation in the largest Finnish cities. The main objective is to facilitate the well-being of residents and promote the vitality of these areas by positive, long-term development.	Ministry of the Environment	Social inclusion/integration Segregation
Finland	Municipal Climate Change Solutions Programme (Kuntien ilmatoratkaisut - ohjelma)	The programme aims to encourage and speed up the local and regional work with reducing greenhouse gas emissions in the most cost-efficient ways possible. This is done through enhanced partnership and cooperation between the state and municipalities on environmental initiatives, funding of local and regional environmentally friendly solutions and spreading of best practices.	Ministry of the Environment	Cross-sectoral environment and climate cooperation Low-carbon transport Energy efficiency
Finland	Ecosystem agreements (Ekosysteemisopimukset)	Agreements on the strategic allocation of public and private financing to local research and innovation programs in 16 university cities were signed in 2021 to promote competitive ecosystems. The working programme is founded on the main themes of low-carbon, digital technology, and welfare and health. The objective of the agreements is to build innovation ecosystems, in other words, to intensify cooperation within networks, strengthen key competences and increase effectiveness.	Ministry of Economic Affairs and Employment	Nature environment Nature Protection Biodiversity Environment Climate

Finland	MAL-agreements: Land use, housing and transport agreements	The intentions with the MAL-agreements are to facilitate cooperation between the municipalities in a city-region, but also cooperation between the state and the municipalities. Each agreement sets concrete objectives and connects measures, in order to develop housing under the coming years, as well as to improve the functioning and competitiveness of urban regions	Ministry of the Environment Ministry of Transport and Communications Ministry of Economic Affairs and Employment Ministry of Finance the Housing Finance and Development Centre of Finland (ARA) Finnish Transport Infrastructure Agency Finnish Transport and Communications Agency Traficom Regional Centres for Economic Development, Transport and the Environment	Land use Housing Transportation
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Sweden	The Strategic innovation programmes (SIP)	The Strategic innovation programmes (SIP) is a joint initiative between Vinnova, the Swedish Energy Agency and Formas. It consists of seventeen programmes, divided thematically, and aims to support sustainable solutions to societal challenges that have been identified as strategically important for Sweden, in alignment with the 17 SDGs The major initiative in this programme is Climate Neutral Cities 2030 with the objective to achieve climate neutrality and good life for all in cities within planetary boundaries. The initiative includes 23 Swedish municipalities, that together account for 40% of Sweden's population, and five partnering government agencies.	Vinnova Formas Swedish Energy Agency	Bioeconomy Transport infrastructure information and communication technology process industry (i.e. metal industries) health and medical technology Built environment power electronics mining
Sweden	Urban environment agreements (UEA), Stadsmiljöavtal	Municipalities and regional authorities can apply for a government grant for initiatives that aim to increase the usability and use of regional and local public transport and/or biking as well as more sustainable freight transport or increase of housing construction. The initiatives should also lead to more energy effective solutions in public transport and/or biking, streamlining of freight transport and good built environments.	Swedish Transport Administration	Public transport systems infrastructure
Sweden	Support Programme for Renovations and Energy Efficiency Measures in certain areas	Developers and property owners could apply for a grant aimed at reducing rent in apartments buildings where renovations and energy efficiency efforts have been made. Aimed at particularly vulnerable urban areas, the initiative allocated SEK 800 million per year. This was divided into two parts, one part was dedicated to grants for renovations and the other part for energy efficiency measures. The grant to energy efficiency measures was provided to the property owner if the renovation contributed to at least a 20 percent increase of energy efficiency of the building.	Swedish National Board of Housing, Building and Planning Swedish Energy Agency	Housing Energy

Sweden	Climate Leap	The Climate Leap, (Klimatklivet), is a funding scheme for local and regional initiatives to enable reducing emissions of hazardous climate and greenhouse gases. It is estimated that the initiatives will contribute to an additional reduction of 1.9 million tons of CO2 per year over a 16 years period	County Administrative Boards The Swedish Environmental Protection Agency	Transport infrastructure industry housing other buildings
Sweden	Green and safe societies	The aim of this initiative is to develop outdoor public spaces such as parks, squares and walking trails in vulnerable areas into more health-promoting and verdant spaces as well as to shape outdoor environments into secure, pleasant and inclusive spaces. This includes the conversion of hard-made surfaces into more verdant greenery, by planting trees and bushes.	Swedish National Board of Housing, Building and Planning	Environment Ecosystem services urban greenery social urban development
Sweden	Visions: in the North	The project Visions: in the north was initiated by the Council for Sustainable Cities (Rådet för hållbara städer) with the aim of investigating new ways forward in the creation of sustainable social development. The main aim of the project Visions: in the North, is to bring together several creative professions to look at the question: How can we create beautiful, inclusive and sustainable communities that we can all be proud of for generations?	Council for Sustainable Cities Swedish National Board of Housing, Building and Planning ArkDes Swedish Energy Agency Formas Vinnova Involved municipalities	Housing Architecture Environment Infrastructure Climate