



A New Generation of Urban Policies

Exploring approaches to support policy coherence & integration

The purpose of this input paper is to provide participants of the EUKN Policy Lab for Portugal on 15 April 2021 with 'food for thought' around the question whether there is a need for a new generation of urban policies. Participants are invited to continue this discussion during the Policy Lab.

This paper outlines why a new generation of urban policies might be needed, what its key features could be, and in what way Circular Economy initiatives like the Portuguese InC2 can be understood as demonstrations of coherent and integrated urban policies.

The Need for a New Generation of Urban Policies

Urban policymakers in Europe recognise the diversity and complexity of their policy field, as well as the importance of urban matters for contemporary environmental and societal challenges. In Europe, with its largely urbanised population, urban policies play a crucial role in mitigating the negative impacts of current development models and urbanisation patterns on the environment, climate, and social well-being.¹ Urban policies represent an opportunity to reframe human needs within planetary ecological boundaries, thus transitioning towards sustainability.

It has been stated that currently, urban policy design is heavily centred on the achievement of short-term objectives, which is insufficient to accomplish the long-term, structural change required for a desirable shift towards sustainability.² Leveraging such change is a highly complex task for decision-makers.³ At the same time, acknowledging this complexity can be understood as an advantage rather than an obstacle. Embracing the full scope of this task requires combining and integrating problems and solutions, and broadening the variety of actors involved.⁴



Consequently, a new generation of urban policies is needed. These new urban policies should acknowledge the complexity of a transition to sustainability and embrace its wide scope and systemic nature to generate long-term, structural changes.

¹ European Commission, 'Commission Staff Working Document. Leading the Way to a Global Circular Economy: State of Play and Outlook', 3 November 2020, 4.

² João Mourato et al., 'Framing the Alternative: Socio-Political Dynamics toward Sustainability', in *Changing Societies: Legacies and Challenges. The Diverse Worlds of Sustainability*, ed. Ana Delicado, Nuno Domingos, and Luís De Sousa (Imprensa de Ciências Sociais, 2018), 92, <https://doi.org/10.31447/ics9789726715054.03>.

³ Mourato et al., 91.

⁴ Hans Joosse and Geert Teisman, 'Employing Complexity: Complexification Management for Locked Issues', *Public Management Review*, 7 January 2020, 5, <https://doi.org/10.1080/14719037.2019.1708435>.



Policy Coherence and Integration: Desirable & Attainable?

Cross-sectoral and cross-cutting policy coherence and integration are desirable features of a new generation of urban policies. Pursuing policy coherence means mitigating trade-offs and strengthening synergies within and across policies of various sectors. Policy integration, on the other hand, brings together existing, seemingly unrelated or contradicting policies, and addresses their underlying problem in a holistic way.⁵

Urban policies can act as a strategic linking platform for other policy areas. By strengthening synergies and mitigating conflicts between policy fields, they can support policymakers in taking advantage of the complexity of the issues at stake, the processes to adopt, and the variety of actors to involve. In this line of thought, 'complexification' has been suggested as a promising approach to creating better policy outcomes.⁶

Multi-level governance solutions are key in designing coherent and integrated urban policies. This concept relates to the consistency of various policy fields, instruments and goals defined in common frameworks, as well as to the vertical collaboration among stakeholders from the local, national and European level. Not only do local governments require sufficient institutional capacity to exercise their vital role in urban policymaking; national governments also need to commit to urban policies that empower cities in shifting towards sustainability.⁷ Not to forget, civil society actors and social movements are significant drivers of societal change which governments should acknowledge in the design of urban policies.⁸ Cooperation between and at all levels is therefore fundamental to pursue a transition towards sustainability.



If we identify policy coherence and integration as desirable features of a new generation of urban policies, the 'how' question arises. Given the key role of the national level in setting policy frameworks: how can Member States design urban policies in a (more) coherent and integrated way?

⁵ Guillermo M. Cejudo and Cynthia L. Michel, 'Addressing Fragmented Government Action: Coordination, Coherence, and Integration', *Policy Sciences* 50, no. 4 (December 2017): 758, <https://doi.org/10.1007/s11077-017-9281-5>; Chrysaida-Aliki Papadopoulou et al., 'Towards a Low-Carbon Economy: A Nexus-Oriented Policy Coherence Analysis in Greece', *Sustainability* 12, no. 1 (2 January 2020): 4, <https://doi.org/10.3390/su12010373>.

⁶ Joosse and Teisman, 'Employing Complexity', 5.

⁷ Nuno F. da Cruz, Philipp Rode, and Michael McQuarrie, 'New Urban Governance: A Review of Current Themes and Future Priorities', *Journal of Urban Affairs* 41, no. 1 (2 January 2019): 10, <https://doi.org/10.1080/07352166.2018.1499416>.

⁸ João Morais Mourato and Alexandra Bussler, 'Community-Based Initiatives and the Politicization Gap in Socio-Ecological Transitions: Lessons from Portugal', *Environmental Innovation and Societal Transitions* 33 (1 November 2019): 268, 277.



The Circular Economy as a Transition Challenge

The commitment to a Circular Economy represents a systemic shift to an economy that creates lasting resilience and societal, environmental and economic benefits. As such, it is not limited to reconsidering, reorganising and remodelling the economy. It should also target and connect other policy fields and their objectives by addressing transboundary challenges and collaborating with stakeholders at multiple levels and from different sectors.⁹ In other words, the Circular Economy is a concrete undertaking of applying policy coherence and integration.

Urban policies addressing the Circular Economy are therefore confronted with the challenge not to view this concept as an independent aspect of economic policymaking but to use the Circular Economy as a link between other policies in a complementary, coherent and collaborative way.¹⁰

This notwithstanding, urban policies have the potential to act as a frontrunner in applying the Circular Economy, which is illustrated by [Portugal's 'National Circular Cities Initiative'](#) (InC2) promoted by the Directorate-General for Territory of the Portuguese Ministry of Environment and Climate Action. InC2 aims to support and empower municipalities and their communities in the transition to a Circular Economy. It constitutes a capacity-building strategy that aims to improve the conditions for local sustainability governance. Overall, InC2 assists municipalities in pursuing national circular economy policy objectives through cooperation at multiple levels.¹¹ The added value of this initiative is its wide geographical distribution throughout the country: it reaches municipalities that usually risk 'slipping through the net' in terms of existing EU or national urban funding schemes, like smaller cities and the island regions of Portugal. It does so by applying the URBACT method for action planning to the specific Portuguese context. InC2 also operates in accordance with territorial cohesion principles and addresses cross-cutting issues considered relevant by cities and regions.¹²



Can the pursuit of a Circular Economy support the rise of new policy design, targeting more coherent and integrated urban policies? What can be learnt from the Portuguese 'National Circular Cities Initiative' (InC2) in this regard?

⁹ Ellen MacArthur Foundation, *The Circular Economy: A Transformative Covid-19 Recovery Strategy: How Policymakers Can Pave the Way to a Low Carbon, Prosperous Future*, 2020, 4, 7, 11-12.

¹⁰ Ellen MacArthur Foundation, 10-11.

¹¹ República Portuguesa, Ambiente e Ação Climática, Direção-Geral do Território, and Fundo Ambiental, 'InC2 Iniciativa Nacional Cidades Circulares. Programme', 2019, 4.

¹² Division of Territorial Development and Urban Policy: Directorate-General for Territory, 'InC2 Iniciativa Nacional Cidades Circulares. National Initiative for Circular Cities', 7.