



XXIII Yasin (April) International Academic Conference  
on Economic and Social Development  
Session Ga-8-3 *Prospects for Regional Development  
and Urbanization*

# Managing the Development of Urban Agglomerations in Modern Russia

A.Puzanov, R.Popov  
The Institute for Urban Economics

April 8, 2021

ИНСТИТУТ  
ЭКОНОМИКИ  
ГОРОДА

# Challenges of managing urban agglomerations

## Typical big cities' problems enhanced in agglomerations

- ✓ The growth of transport, environmental and other burdens on the metropolitan area core
- ✓ Urban sprawl resulting in decline of the urban environment quality in the agglomeration periphery
- ✓ Strengthening of spatial imbalances in the socio-economic development of territories within the agglomeration
- ✓ Risks of social conflicts

## Specific agglomeration problems

- ✓ Difficulty in using the services of the nearest educational or healthcare institutions, if they are located in another municipality
- ✓ Disconnection of passenger transport routes and services, "confined" within municipal boundaries, which does not allow passengers to choose optimal travel strategies
- ✓ Inconsistency in the placement of solid waste landfills and other environmentally harmful facilities

# Agglomerations in Russia: contradictory situation

No legal definition of the urban agglomeration concept at the federal level

**BUT**

Widespread use of the urban agglomeration concept in planning documents of the federal and regional levels and in regional laws

No generally accepted methodology for delineating agglomerations and assessing their development

**BUT**

The Government of the Russian Federation has formed a list of 41 priority agglomerations. Regional governments fix boundaries of 'local' agglomerations in their planning documents

# Models for managing the development of urban agglomerations

Unitary model (agglomeration as a single municipality)



Tempting, but doesn't really work

Two-tier model



Unsuitable in Russia according to legislation

One-tier (inter-municipal agreement-based) model



Suitable, but...

State-driven model



Actually prevailing in Russia



# What makes the model work?

Optimal delineation of powers (responsibilities) of public bodies



- ✓ Since 2003 municipal powers have been continuously reduced
- ✓ More than 200 amendments have been made to the Law No. 131-FZ in 2003-2021
- ✓ In some regions redistribution of municipal powers to the state is formally justified by the need to develop agglomerations

Adequate regulation of inter-municipal cooperation



- ✓ Law No. 131-FZ established a relatively wide scope of powers for municipalities to cooperate
- ✓ The exercise of powers is hampered by barriers in civil legislation and other legislative documents

# What municipal competences are re-distributed to the region within agglomerations?

Municipal competence	Nizhny Novgorod region	Primorsky krai	Novosibirsk region
Development and adoption of territorial planning documents (except public hearings competence)	for all kinds of municipalities	for all kinds of municipalities	for settlements only
Development and adoption of land use and development rules (except public hearings competence)	for all kinds of municipalities	for all kinds of municipalities	for settlements only
Adoption of area planning design documentation	for all kinds of municipalities	-	for settlements only
Adoption of local norms for urban designing	-	for all kinds of municipalities	
Disposal of land plots (with few exceptions)	for all kinds of municipalities	for all kinds of municipalities	for settlements only
Issuing construction and commissioning permits (except individual housing)	for all kinds of municipalities	-	-
Decisions on complex development of territories	for all kinds of municipalities	for all kinds of municipalities	-
Adoption of water supply and sewerage schemes	-	for all kinds of municipalities	-
Transfer of private lands to a different category of lands	-	for all kinds of municipalities	-



# Issues of the current legislation in the field of inter-municipal cooperation in Russia

- ✓ Legislative barriers in the areas of regulation of the contract system, the use of municipal property, the disposal of land and budgetary resources
- ✓ Lack of legal possibilities for the creation of special economic agents to which financial and material resources are delegated from the municipal and regional levels
- ✓ Absence of the subject for inter-municipal cooperation due to a high degree of centralization of traditionally municipal powers in some spheres of urban economy
- ✓ New development: institutionalizing horizontal fiscal grants between municipalities

# Inter-municipal cooperation agreements within agglomerations

Concluded in about 20% regions

## Type 1: framework agreements on cooperation for the development of agglomerations

- ✓ usually signed by all municipalities within the agglomeration (sometimes also by a subject of the Russian Federation)
- ✓ define the spheres and directions of inter-municipal cooperation in a general form ("declaration of intent")

## Type 2: bilateral agreements on cooperation on specific issues between municipalities

- ✓ concluded between the urban district (the agglomeration core) and the neighbouring municipal district
- ✓ determine specific areas of interaction, mostly via coordination of management actions

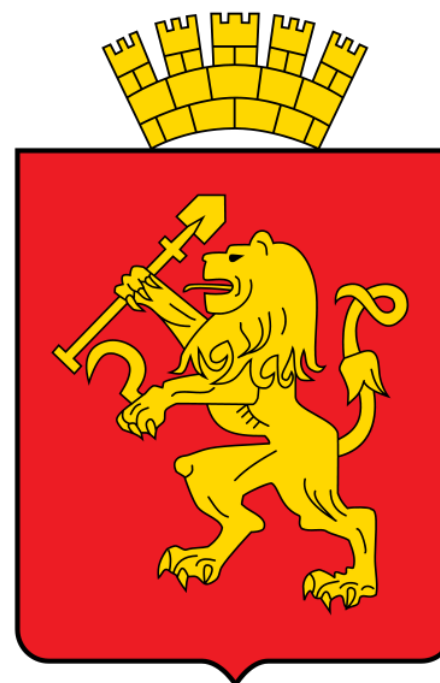
Both types do not involve the formation of inter-municipal organizations (beside advisory and coordinating bodies) and financial obligations of the parties



# Inter-municipality non-profit organizations

## With state leading role (prevailing)

- ✓ Directorate of the Chelyabinsk agglomeration founded by:
  - ✓ the Government of the Chelyabinsk Region
  - ✓ Coordinating Council of Municipalities of the Chelyabinsk Agglomeration
- ✓ JSC Corporation Krasnoyarsk - 2020
  - ✓ 100% participation of the Government of the Krasnoyarsk Kray



## Without state participation (rare)

- ✓ Association “Barnaul agglomeration of integrative development of territories”
  - ✓ The co-founders (members) are municipalities within the agglomeration
  - ✓ Management bodies of the Association
    - ✓ Inter-Municipal Council of the Association
    - ✓ Directorate of the Association, Executive Director of the Association
    - ✓ Audit Commission
  - ✓ Directorate of the Association are financed from the budgets of the member municipalities



# Coordinating council (CC) for agglomeration development: the most popular form

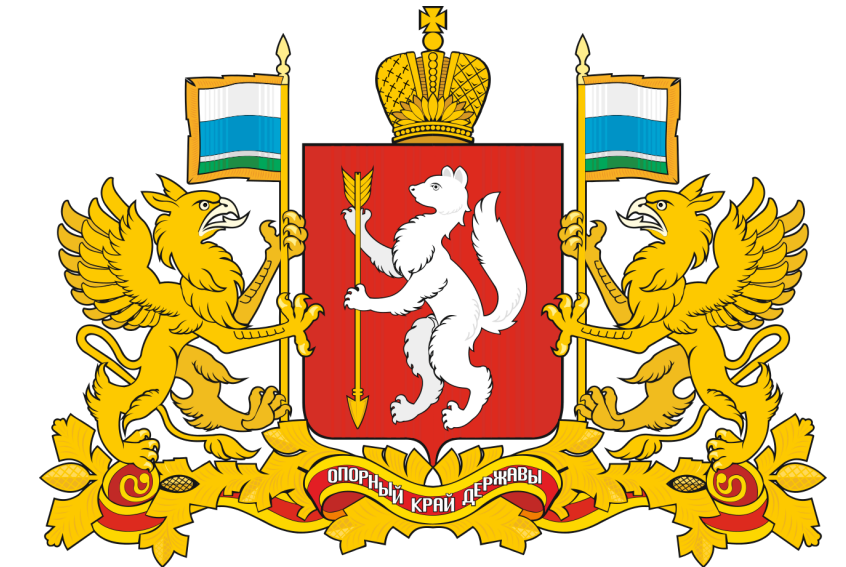
- ✓ De facto are created under the head of the subject of the Russian Federation
- ✓ Most council members are representatives of the state authorities of the subject of the Russian Federation
- ✓ Most functions concern coordination of urban planning activities

Agglomeration	CC members in total	State authorities of the region	Local governance	Other members
Saratov	19	10	5	4
Rostov	22	12	9	1
Novosibirsk	22	10	11	1
Belgorod	15	8	3	4
Stary Oskol - Gubkin	19	8	4	7
Vladivostok	13	7	6	0



# Implementation of specific projects within the framework of agglomeration development

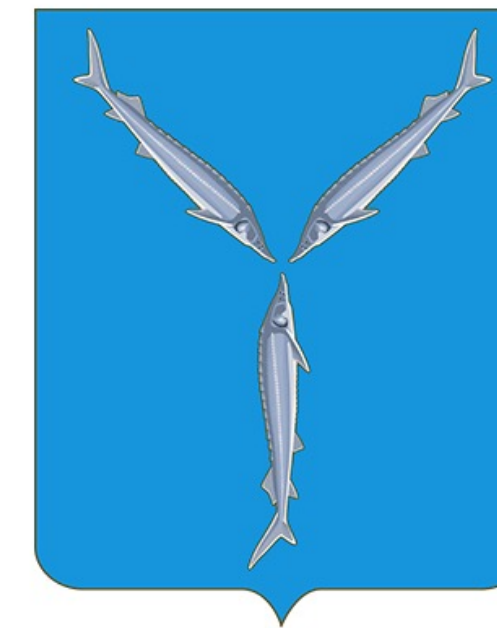
## Yekaterinburg agglomeration



- ✓ 14 municipalities participate
- ✓ The project coordinator is the Ministry of Economy and Territorial Development of the Sverdlovsk Region
- ✓ 3 stages of institutional development
  - Agreement on the interaction of local self-government bodies within the framework of the development of the Yekaterinburg agglomeration
  - Coordinating Council of the Yekaterinburg agglomeration
  - List of inter-municipal agglomeration projects of infrastructure development and housing construction within the framework of the development of the Yekaterinburg agglomeration
- ✓ Two inter-municipal projects have been implemented
  - School Bus project
  - Sports Complex in Verkhneye Dubrovo
- ✓ Road maps of other projects are prepared
  - transport and logistics center in Sedelnikovo
  - circular suburban railway (in cooperation with RZhD)
  - "smart agglomeration" (smart city technologies in all areas of the agglomeration)

# Conflicting policies in agglomeration development (case 1)

## Saratov agglomeration



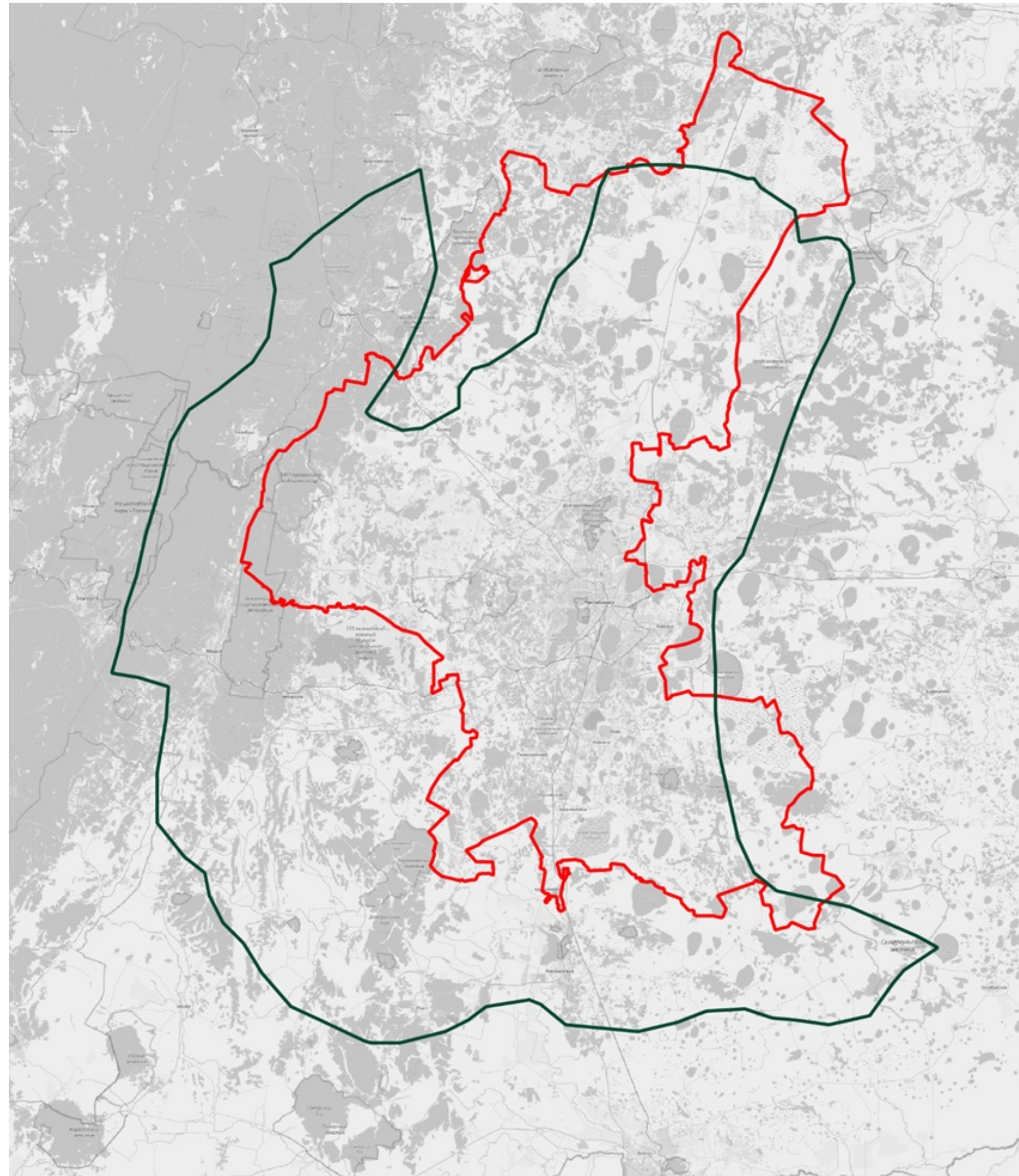
Finalizing of the strategy  
for socio-economic  
development of the  
Saratov agglomeration

**Vs**

Annexation of the  
territory of Saratov  
district by the city of  
Saratov



# Conflicting policies in agglomeration development (case 2)



Chelyabinsk agglomeration boundary according to

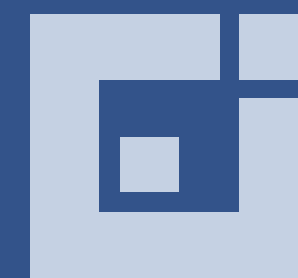
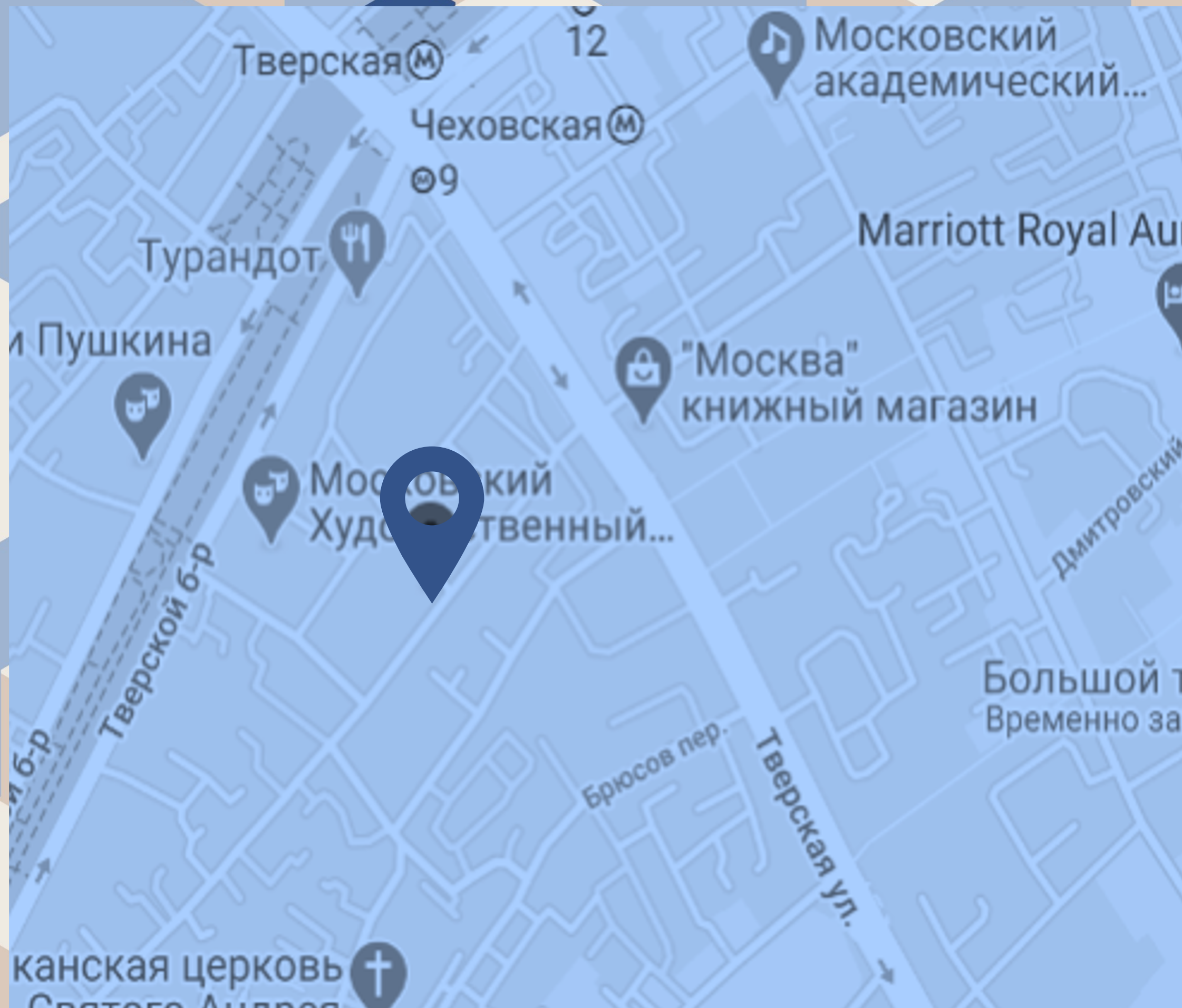
- ✓ the national project *Safe and high-quality highways of Russia* (green)
- ✓ the *Strategy of socio-economic development of the Chelyabinsk region until 2035* (red)



# Key trends of agglomerations' development management in Russia

- ✓ The predominance of the “top down” agglomeration management, the dominant role of the state (regional authorities)
- ✓ Focusing on territorial planning and spatial development of agglomerations in comparison with strategic socio-economic planning
- ✓ The framework nature of regional legislation on the development of agglomerations and the declarative nature of most inter-municipal cooperation agreements
- ✓ The barriers in federal legislation hindering for practical implementation of inter-municipal projects
- ✓ Subjective factors
  - loss of interest in the development of agglomeration after the change of the leadership of the region
  - conflicting approaches to the agglomeration development between involved actors





## THE INSTITUTE FOR URBAN ECONOMICS

21/1, bldg. 1, Leontievsky lane, Moscow 125009

Phone/fax: +7 (495) 363-50-47, +7 (495) 787-45-20

E-mail: [mailbox@urbaneconomics.ru](mailto:mailbox@urbaneconomics.ru)

Web-site: [www.urbaneconomics.ru](http://www.urbaneconomics.ru)

