

# Stronger together

Cities and central government  
creating a sustainable future



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## A. Foreword

Urbanisation is a worldwide phenomenon that is likely to continue also in Finland in light of the latest demographic projections. Growing urbanisation will increase the importance of cities as living environments, platforms for business and commerce, trendsetters in matters of local government, engines for the national economy, and as international actors.

The Government Programme of Prime Minister Sanna Marin's Government includes the drafting of a national urban strategy. The National Urban Strategy 2020–2030 defines the partnership between cities and the central government. It seeks to create a shared mindset and give direction to the practical work conducted in the partnership, as well as define how to strengthen the prerequisites of cities in providing the best possible living and operating environment for residents and communities. The strategy expands on the national urban policy and responds to the opportunities and challenges of urbanisation, taking into account the broad goals of the [UN's New Urban Agenda](#).

Drafting of the strategy begun as a co-operation between cities and the central government in late 2019. It soon became clear that the strategy process and its premises would be influenced

by an unexpected factor, the COVID-19 pandemic, whose effects on health, business and the economy were felt strongest in cities. In drafting the strategy, cities and the central government have agreed not to over-emphasise the impact of the pandemic when deciding on strategic focus areas over the span of the next decade. Despite this, the effects of the pandemic are taken into account in the description of the operating environment and the direction of strategic measures.

The National Urban Strategy is a shared vision of the Government and cities on the importance of socially sustainable, climate-smart and vibrant cities. The strategy has been prepared jointly by cities and the central government. In the urban strategy, cities are seen as communities that comprise both the city's administration and its residents, businesses and other local operators. The process is a joint effort by representatives from 36 cities and eight ministries and is in itself an example of effective partnership. The strategy process has reinforced the parties' conviction that issues affecting cities that require joint decision-making must be prepared in partnership between cities and the central government.

## B. Vision



# Stronger together

– cities and central government creating a sustainable future

# C. Mission

Together, cities and the central government can

**Lead the way in climate-smart, sustainable development in Finland and worldwide.**

**Act as nationwide engines of wellbeing, expertise and new growth in a changing world.**

**Identify the different roles and challenges of cities and strengthen the partnership.**



## D. Partnership

Collaboration between cities and the central government has increased, but there is a need to further deepen the partnership and expand it to new areas. Partnership is gaining strength as an operating practice between cities and the central government. It is most effective in co-operation between cities and urban areas of different sizes, from the setting of goals to their implementation.

Maintaining a shared understanding of the status quo of cities, facilitates a timely response to issues and helps identify necessary measures. Effective partnership is beneficial to both the central government and cities, and calls for reciprocity and openness from all parties.

New, jointly developed operating models reduce overlap and improve the productivity of public administration. Partnership also means increased interaction and direct dialogue. The partnership model must be updated and its forms defined more precisely.

We recognise partnership as an activity that involves both collaboration and a division of duties, as well as the freedom to discover different routes to shared objectives. In conjunction with the partnership, the institutional role of cities as key participants in society must be gradually reinforced.



## E. Operating environment

Finnish cities are growing more distinct and diversified, with some cities rapidly becoming more international. Solving the specific challenges faced by cities and taking advantage of the pioneering actions of cities are important for the success of Finland as a whole. It is in the interests of both cities and the central government to base urban policy on equal partnership. Cities differ from one another in terms of size as well as geography and functionality, as illustrated by the Government Programme's concepts metropolitan area; growing urban areas; large cities with a population of more than 100,000, also university towns; medium-sized urban areas in regional centres; and regional cities. In addition to a shared urban strategy, separate urban policies have been drafted for various cities, including the metropolitan area policy and the regional cities programme.

Cities have a key responsibility in reducing inequality in education, employment and wellbeing between regions and demographic groups. In order to improve social sustainability, cities and the central government need a shared knowledge base in order to incorporate data on residents' wellbeing into decision-making, in addition to directing efforts and monitoring their impact. This also necessitates reinforcing societal participation and a feeling of social solidarity. Cities have a great need for services and measures that serve the needs of

a variety of demographics and residents throughout the life course. The COVID-19 pandemic impacts peoples' wellbeing, health, safety, education, expertise and employment. In order to minimise intergenerational impacts, urban strategy measures must also address issues faced by young people.

Cities are platforms for expertise, research, development and business. Raising the level of expertise and facilitating an attractive labour market and top-level research improve the competitiveness of both cities and all of Finland. The sustainability gap of public finances and the increasing scarcity of public resources as a result of the COVID-19 crisis pose challenges to improving the vitality of cities and ensuring the production of high-quality services for wellbeing. Ongoing changes, such as the growing use of artificial intelligence and robotics, and increased citizen participation, will bring about significant change and open up possibilities for service providers. Cities must also make use of their creative talent and cultural heritage in a cross-sectoral way to promote new business.



The role and position of cities as part of urban areas, their international standing as well as their role in Finland's internal networks of cities all necessitate good accessibility. Finland's economy is dependent on exports, and for this reason, the central government, cities and the private sector must work together to improve the accessibility of cities and develop the competitive logistics of goods.

Climate change is the greatest threat to humanity. However, the mitigation of climate change and adapting to its effects are also opening up opportunities for Finland to create vitality, sustainable growth, jobs and prosperity. Finland aims to become the first welfare state in the world to reach carbon neutrality by 2035. The transition to a carbon-neutral society must take place in a socially, economically and regionally fair and sustainable manner.

Co-operation between cities and the central government plays an important role in successful climate work. Achieving carbon neutrality requires that each participant makes uniform decisions on the mutually chosen path. Cities serve as platforms for the expertise and research necessary for climate solutions. Combatting the effects of climate change and preparing for its unavoidable impacts are part of the effort to increase Finland's national resilience. At the same time,

measures taken to mitigate climate change can promote the development of healthier urban environments.

While cities have taken important climate actions, the transition to sustainable transport and energy production in particular still requires effort. In order for the measures taken to mitigate climate change to succeed, cities and the central government must work together to allocate available resources in the right areas. Cities looking to achieve carbon neutrality must also look after their carbon sinks and ensure the preservation of pleasant, ecologically diverse and healthy natural environments. The importance of nature, particularly urban nature, has increased in recent times. Sound planning practices play a key role in ensuring the environmental and social sustainability of cities.





# F. Priority areas of the strategy

**Wellbeing for everyone**



The icon depicts a city skyline with various buildings, including a church with a steeple, a house, and trees. Below the skyline, three stylized human figures (two men and one woman) are shown in a row, representing a diverse community.

**Well-functioning connections**



The icon illustrates a smart city with a bus and a car on a road. Buildings are shown with wireless signals emanating from them, and a satellite is in the sky, representing digital connectivity and infrastructure.

**The vibrant city**



The icon shows a person carrying a briefcase and climbing a set of stairs. In the background, there is a city skyline under a sun, symbolizing economic growth and upward mobility.

**The climate-smart city**



The icon depicts a sustainable city with solar panels on a building, a wind turbine, trees, and two people riding a bicycle. This represents environmental friendliness and sustainable living.



Cities serve as natural platforms for expertise, research & innovation, and business

Public service production and collaboration structures support skills development and employment

## The vibrant city

Collaboration between the private businesses, research institutions and the public sector is concretely visible in cities. By their nature, cities serve as platforms for the development of expertise, innovation activities and business. In a globalised world that is recovering from the effects of the COVID-19 pandemic, new competitive situations call for advanced digitalisation, and local supply and manufacturing chains are emphasised. Sustainable growth is facilitated by investments that emphasise green recovery, such as the EU recovery fund.

Together with universities, research institutions and the private sector, cities and the central government create the prerequisite for world-class clusters of expertise and innovation environments. They will improve Finland's attractiveness to businesses and international talent and investments. Cities and the central government work together with secondary education providers and universities to respond to the skills needed for increasingly diverse careers from the perspective of both employees and employers. By developing capabilities over the

long term and renewing our competence basis, we can support world-class R&D&I activities as well as ensure a solid foundation for cities to help them cope with national and global changes. Education, skills and creative activities strengthen the capacity of vibrant cities for recovery and reform.

In order to ensure that the green transition is realised in practice, we will support the adoption of innovations that combine new technologies and sustainable solutions to improve the attractiveness and functionality of cities. Effective use of public resources and widescale adoption of digital tools will facilitate the development of new structural innovations in services. Digitalisation, data and artificial intelligence may open up cost-effective opportunities for this, but they also require investments. We will involve businesses and residents in the innovative process of designing public service production and structures. We will promote sustainable public procurement. Innovations of the creative economy and the use of creative skills in various sectors strengthen new business and add value.



Preconditions for wellbeing are improved and transferred from generation to another

Basic public services are designed to improve the wellbeing of residents

## Wellbeing for everyone

Cities and the central government must stand together to address increasing social, demographic and regional inequality together with their resulting polarization. Sound urban planning can help increase inclusion, reduce social inequality and promote equality. Cities and the central government secure the quality and effectiveness of basic public services by ensuring that the services are up-to-date, inclusive and human-centred. This also reinforces social sustainability and everyday safety. Diversity, community spirit and unity will be supported in decision-making and in the measures taken.

Civic engagement, resident activity and co-operation reinforce local identities and a sense of belonging. Together with associations and the civil society, we will reinforce a culture of caring and different forms of participation. We will promote diverse and effective opportunities for participation for young people and other demographics through both direct and citizen-centred democracy.

As a response to the decline in employment rates and livelihood, cities and the central government will work together with associations and other actors to provide services and opportunities that support functioning and working ability, in addition to promoting the wellbeing and inclusion of diverse demographics. We will build effective service chains and varied opportunities and environments for physical exercise. Education, expertise and creative activities promote wellbeing and the prerequisites for sustainable development. We will support and make use of cities' cultural organisations, services and expertise as strategic factors that promote wellbeing and vibrancy.

Well-functioning urban environments promote sustainable lifestyles and mental wellbeing. We will ensure that all urban areas of cities are pleasant, healthy, safe and accessible. We acknowledge the diverse needs arising from an increasingly multicultural demographic and reserve spaces for interaction and spontaneous activities. Cities and the central government work together to facilitate affordable housing and diverse housing opportunities, including multi-location living.



People and goods move smoothly and sustainably

A full-scale digital and data leap is possible with well-functioning communications connections and interfaces

Accessibility between and within cities is a key factor to nation-wide success

## Well-functioning connections

Central government, cities and businesses work together to develop sustainable global connections and competitive logistics of goods. We will promote the digitalisation of transports, the creation of new technologies and the adoption of climate-friendly solutions.

We will improve data networks as well as the availability and compatibility of information to accelerate knowledge-based management, automation and robotisation. We will use the experiences gained from the digital leap taken in the spring of 2020 in the future development of digital work and service environments. The development of public digital services will take accessibility and the prevention of digital inequality into consideration.

Cities each have their own specific challenges with accessibility. The ability of urban regions to compete and maintain their international standing and position within the Finnish network of

cities is tied to accessibility. The sustainable transport system must be seen and developed as a whole. This requires maintaining a common understanding of the big picture and the development of shared tools for foresight and impact assessment.

We will promote effective commuting areas and the accessibility of urban regions through, for example, rail transport. We will develop public transport and facilitate pedestrian and bicycle traffic. We will ensure that mobility services and travel chains work in a user-friendly way, and that sustainable modes of transport will be the most attractive option for mobility. We will anticipate the changes in transport needs in developing the urban form. The greatest benefits are achieved when both central government and cities deploy their own tools in joint effort. We will develop partnerships and agreement-based approaches with cities in order to develop low-carbon urban structures and transport systems.



It's good to move around the city in a sustainable way

Cities warm up with renewable energy and produce renewable electricity in many ways

Each city is a biodiverse nature city

## The climate-smart city

Finland's ambitious goal to reach carbon neutrality by 2035 requires a shared effort. The central government recognises the important role of cities in climate work and encourages the sustainability transition by means of legislation and incentives. Through systematic climate work, Finland can find and benefit from the competitive edge afforded by the low-carbon economy and also boost its own international competitiveness. Biodiversity and the wellbeing of natural ecosystems form the foundation of all life, and their conservation and recovery requires concrete action. Carbon-neutral cities that preserve and appreciate nature and cultural environments are pleasant and healthy places to live.

Key areas in which cities and the central government can work together to achieve carbon neutrality include energy production, transport, land use planning, the circular economy and public procurement. Cities have made great leaps in

many of the areas of carbon neutrality, but challenges remain particularly in the transitions to sustainable mobility and energy production. Alongside energy production, the central government and cities must look at the energy system as a whole. Environmentally sound solutions, the circular economy, energy efficiency, the transition to renewable energy, and their related research and development work will create new jobs and export opportunities for Finland. Cities are making long-term investments in these areas in order to allow Finland to be at the forefront of climate action. In achieving carbon neutrality, we will work together with private businesses to make use of the opportunities afforded by land use, urban planning and sustainable urban structure, as well as the circular economy solutions developed in cities. We will support cities as innovative platforms and facilitators of local and regional climate work.

## G. Implementation of the strategy

The National Urban Strategy will be implemented in development programmes and agreements between the central government and cities, and in legislative initiatives that address the strategy's priority areas. Cities and ministries are responsible for observing the urban strategy in the implementation of programmes and projects, in particular the partnership principle between cities and the central government.

The strategy's priority areas compose the framework for implementation. A key issue in the detailed planning of implementation is recovery from the COVID-19 pandemic and the identification and prevention of its long-term impacts. Recovery plans and targeted relief measures will be planned in interaction with cities and take into account their needs.

The Urban Policy Committee and its secretariat will work together with cities to prepare an implementation plan for the urban strategy during autumn 2020. The implementation plan will be approved by a political management group for public administration reform, which will be appointed in autumn 2020.





MINISTRY  
OF FINANCE

## In collaboration:

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The Ministry of Employment and the Economy

The Ministry of the Environment

The Ministry of Transport and Communications

The Ministry of Education and Culture

The Ministry of Social Affairs and Health

The Ministry of the Interior

The Prime Minister's Office

and a large number of representatives of cities of different sizes, from large and smaller towns, university towns, regional centres and regional cities.

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