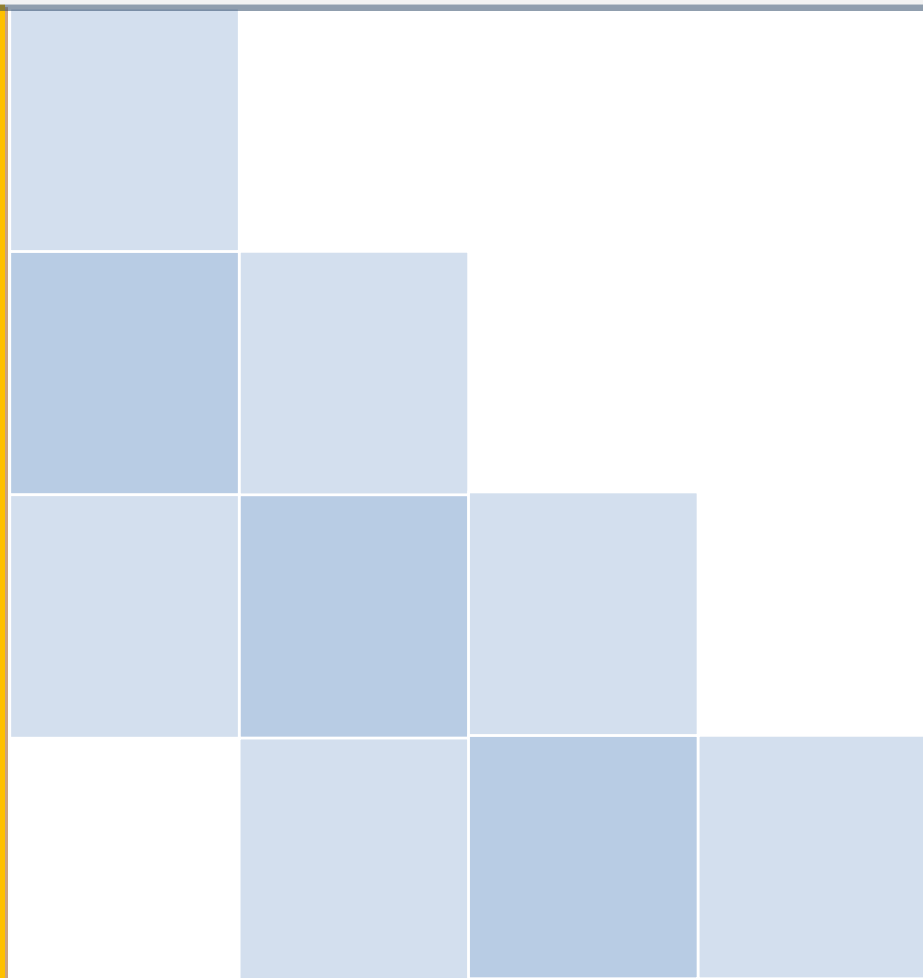




LOMBARDY REGION

Rural-urban development in Milan
Metropolitan Area



Profile Lombardy Region

Functions and territorial coverage

Lombardy Region is a regional public administration with competences and responsibilities for territorial governance and spatial planning. It issues laws and regulations, develops plans and programmes, and promotes sustainable development of the territory by setting indications on environmental, social and economic matters. In recent years, Lombardy Region focused its governance attention on rural-urban areas. Together with other local public organizations and the Rural Districts, it elaborated an official Agreement for local development named "Milano Metropoli Rurale". The Agreement aims at reinforcing the rural matrix of the metropolitan territory of Milan.

Policy instrument

ERDF Regional Operational Programme (ROP) for the Region of Lombardy 2014-2020

Territorial Context and Major Challenges for the Region

The territorial target area of the RUMORE project is the **Metropolitan City of Milan**. It is located at the heart of Lombardy Region and is one of the "4 engines of Europe". Bordered to the **east by Adda river** and to the **west by Ticino river**, the area has also an important hydrographic system. In the past, the well-established hydraulic network triggered the development of agriculture, particularly in the flat part of the territory. Today this area is defined by the **South Milan Agricultural Park**. The park covers a territory of 47k ha and is one of the largest parks in Europe, and the

agricultural heart of the Milan metropolitan system.

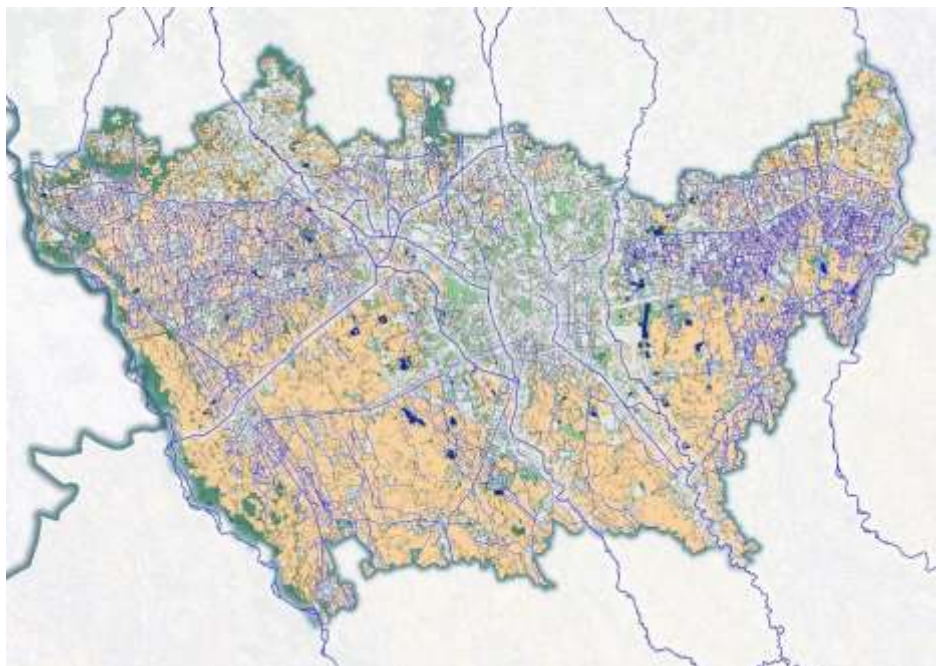
The Metropolitan area of Milan, which includes the Municipality of Milan, is characterized by territorial complexity, land use diversification and **coexistence of urban density and rural territories**. It consists of 41% urbanized and 59% non-urbanized territories (mostly rural territories and small semi-natural areas/water bodies' coverage). In this context, the two main challenges for the area are 1) **how to manage the complexity of the urban-rural territory in the metropolitan region**, and 2) **how to promote innovation and economic compe-**

tetiveness in the peripheral rural areas.

Presently, many SMEs in the peripheral zones of the Milan Metropolitan Area do not efficiently exploit the full potential of innovation that derives from their proximity to urban areas. A **better rural-urban cooperation** between rural SMEs, urban high tech clusters and research and development institutions will lead to **improved competitiveness and innovation** of the rural SMEs – especially in the fields of energy environment and in the agro-food sector. It will support and stimulate the economic development of the local SMEs and in the long term will preserve and create jobs in the rural and peripheral areas where unemployment is higher compared to the urban cores. The **strengthening of the economy** in the rural and peripheral areas **will furthermore help** to prevent the

excessive use of land and will limit the processes of urban sprawl. The sprawl has been and is still a result of the relative weakness of the peri-urban economy. Up until today many enterprises do not have an economic perspective and therefore sell their land, as there is high demand caused by the real estate expansion.

Fostering the competitiveness of SMEs in peripheral areas through innovation and diversification will therefore improve the spatial situation of the settlements and will positively affect the future economic development of the area. On the one hand, it will contribute to preserving the unbuilt land as the economic basis for food, tourism and recreational economies. On the other hand, it will concentrate settlement and economic development in areas and zones, where the development makes best sense.



Territorial Context of Milan Metropolitan City

© Lombardy Region



Policy Landscape in the Field of Spatial Planning and Added Value of Rural-urban Partnerships

To counteract the processes of urbanisation and the related **strong pressure of settlement and infrastructure development** Lombardy Region elaborated in 2014 the so called "Land take Law" (31/2014). In line with this law, the Metropolitan City of Milan is **to consume no more (agricultural) soil and to strengthen the rural-urban governance system**. This should be achieved through improvement of the mutual exchanges between the urban cores, a main seat of the regional innovation clusters, and the rural areas. Through the support of the agricultural entrepreneurs in rural areas, other types of companies should find advantages in innovation chains related to the agro-food sector.

In this context, the most important challenge for the Lombardy Region is contained in the **2030 UN Agenda**, in particular within **Target 11.a**: "Support positive economic, social and environmental **links between urban, peri-urban and rural areas** by strengthening national and regional development planning".

An important role in the governance process of rural-urban territories is played by the Official Agreement for local development "Milano Metropoli Rurale". This formal Agreement was

signed in 2015 by local stakeholders representing public and private interests. It focuses on the reinforcement of the rural matrix of the Milan Metropolitan Area and aims to define new sustainable modalities to balance urban and rural development. Within the Agreement, public administrations (the Municipality of Milan, the Metropolitan authority, the regional authority) and **Rural Districts** (clusters of local enterprises acknowledged by Lombardy Region) worked together to define thematic and territorial objectives and to develop a shared action plan. The plan serves as an operative instrument for implementation of the goals set in the Agreement.

Altogether five Rural Districts have been acknowledged by Lombardy Region: Milan Agricultural District (DAM); Rice and Frogs District; District of three Milan waterways (DINAMO); Olona Valley District (DAVO); Adda-Martesana Agricultural District (DAMA). The proximity of the Rural Districts to the city of Milan exposes the rural fabric to **strong urban and infrastructural pressures**, but at the same time offers opportunities for farmers to **build a mutually beneficial dialogue between rural and urban areas**. In this framework, many

farmers have developed a **multi-functional attitude**, interacting with the civil society through

cultural and environmental associations to develop projects focused on rural cultural heritage.



Policy Landscape in the Field of Regional Innovation

Lombardy Region intends to promote innovation in the rural-urban metropolitan area by stimulating closer cooperation between the technological clusters, established in the framework of the regional **Smart Specialisation Strategy (RIS3)**, and the Rural Districts.

The RIS3 of Lombardy Region identifies the policies and range of public support at regional level. These look to accelerate specific specialisation areas in the region, to help businesses invest in innovation, to establish a territorial development path through targeted support of research and innovation and to develop investments and industries in the selected fields of innovation.

In the RIS3 Strategy the urban-rural territories are not considered solely as a productive asset for development of agriculture, but also as a land for green investments and service provider for the urban centres. In this sense, the RIS3 Strategy supports the testing of new territorial development paths and the **creation of bridges and concrete connections between regional territories through pro-**

motion of multifunctional agricultural projects.

Lombardy Region has seven key areas of regional smart specialisation: 1) *Aerospace*, 2) *Agrofood*, 3) *Green Chemistry*, 4) *Creative and Cultural industries*, 5) *Health industries*, 6) *Advanced manufacturing*, and 7) *Sustainable mobility*.

The implementation and coordination of the seven specialisation areas is managed by nine thematic Clusters, which consist of local enterprises, research centres and relevant public and private organisations. The Clusters with biggest importance for the fostering of innovation activities in urban-rural areas are the Lombardy High-Tech Agrofood Cluster (CATAL), which supports the internationalisation, research and innovation in agro-food projects and supply chains, and the Lombardy Green Chemistry Association (LGCA), which is operating in the field of bio-economy and sustainable/circular economy.

An inclusive instrument to bundle innovation actors and stakeholders to face strategic challenges in

Lombardy Region is the **Open Innovation online Platform**. The platform is a collaborative network of the Lombardy Region dedicated to the world of research and innovation. It offers tools to support the creation of innovation ecosystems around strategic fields, identified in the RIS3 Strategy. The platform encourages the daily interaction among innovation actors and

supports them to develop new projects and exchange opportunities. The structure of the platform is open and inclusive, recently updated on a new version "Open 2.0": an open source environment for sharing applications aimed at promoting participation and collaboration in communities, territorial ecosystems and complex projects.

ERDF Regional Operational Programme of Lombardy Region 2014-2020

The ERDF Regional Operational Programme 2014-2020 for the Lombardy Region promotes a **smart, sustainable and inclusive growth** model that is in line with the objectives defined in the Europe 2020 Strategy and the regional development policies. It aims at boosting the productivity and competitiveness of the local enterprises and the entire territorial system.

The Programme focuses on seven **consistent and integrated priority Axes**, consisting of one or more specific objectives, which are directly linked to the activities co-funded by the Programme. The development of the entrepreneurial and research system in Lombardy is covered by Axis I "Strengthening research, technological development and innovation", and Axis III "Promoting the competitiveness of

SMEs". Similarly as the RIS3 Strategy, the ERDF Regional Operation Programme places a **strong emphasis** on **high tech clusters** in the specialisation sectors. The clusters are mainly focusing on urban areas and do not include potential stakeholders located in peripheral areas (e.g. research and education institutes and rural enterprises). At the same time, the **presence of Rural Districts** in peripheral areas provides great new opportunities for innovation. It is hence important to **develop the cluster and innovation strategies in Lombardy Region in the sense of urban-rural partnerships** in order to foster the competitiveness of the peri-urban economy. The cooperation is furthermore an important policy against the consumption of land since a more innovative, diversified and resilient rural economy is the first protection

against real estate expansion and urban sprawl. **Rural Districts and** innovative start-ups in economic fields different from the agricultural one (e.g. tourism, education, culture and creativity, welfare, ecology and energy). This could strengthen the **establishment of synergies between the clusters** and could encourage the creation of new partnerships in peripheral areas.

In this framework, the focus of Lombardy Region in the project RUMORE is the **optimisation of the ERDF ROP resources** in order to create better rural-urban gover-

high tech clusters could benefit from grants to develop new services and new models and tools for the innovative development of SMEs located in the peripheral areas. **To face the development complexity** rural-urban metropolitan areas need **a specific territorial policy**, such as the *National Strategy for Internal Areas* for example. The latter runs in the framework of the Lombardy ERDF ROP under a specific implementation axis identifying pilot territories, which test the strategy.