

Article

# Formal and Informal Governance Arrangements to Boost Sustainable and Inclusive Rural-Urban Synergies: An Analysis of the Metropolitan Area of Styria

Theresia Oedl-Wieser <sup>1,\*</sup>, Kerstin Hausegger-Nestelberger <sup>2</sup>, Thomas Dax <sup>1</sup>   
and Lisa Bauchinger <sup>1</sup>

<sup>1</sup> Federal Institute of Agricultural Economics, Rural and Mountain Research, 1030 Vienna, Austria; thomas.dax@bab.gv.at (T.D.); lisa.bauchinger@bab.gv.at (L.B.)

<sup>2</sup> Regional Management Agency of the Metropolitan Area of Styria, 8010 Graz, Austria; hausegger-nestelberger@zentralraum-stmk.at

\* Correspondence: theresia.oedl-wieser@bab.gv.at; Tel.: +43-1-711-0063-7518

Received: 30 September 2020; Accepted: 15 December 2020; Published: 19 December 2020



**Abstract:** In the past, the contrasts between rural and urban regions were the primary feature of analysis, while today, spatial dynamics are realized by the interactions between spaces and focus on the dependencies of rural-urban areas. This implies that boundaries are not anymore perceived as fixed but as flexible and fluid. With rising spatial interrelations, the concept of the “city-region” has been increasingly regarded as a meaningful concept for the implementation of development policies. Governance arrangements working at the rural-urban interface are often highly complex. They are characterized by horizontal and vertical coordination of numerous institutional public and private actors. In general, they provide opportunities to reap benefits and try to ameliorate negative outcomes but, due to asymmetric power relations, rural areas are often challenged to make their voice heard within city-region governance structures which can too easily become focused on the needs of the urban areas. This paper addresses these issues of rural-urban partnerships through the case of the Metropolitan Area of Styria. It presents analyses on the core issue of how to recognize the structure and driving challenges for regional co-operation and inter-communal collaboration in this city-region. Data were collected through workshops with regional stakeholders and interviews with mayors. Although the Metropolitan Area of Styria occupies an increased reference in policy discourses, the city-region has not grown to a uniform region and there are still major differences in terms of economic performance, the distribution of decision-making power, accessibility and development opportunities. If there should be established a stronger material and imagined cohesion in the city-region, it requires enhanced assistance for municipalities with less financial and personal resources, and tangible good practices of inter-municipal co-operation. The ability to act at a city-regional level depends highly on the commitment for co-operation in the formal and informal governance arrangement, and on the willingness for political compromises as well as on the formulation of common future goals.

**Keywords:** rural-urban linkages; city-regions; rural-urban partnerships; relational space; living labs; regional development agency

---

## 1. Introduction and Theoretical Framework

The changing nature of spatial dynamics have turned the attention of analysts and policy-makers on viewing city boundaries not as strict demarcation lines, but as primarily administrative units that are

closely linked in their functional relationships to each other and surrounding spaces. Changes of rural and urban regions emphasize the urgency to control processes of settlement concentration and spatial cohesion by means of joint strategies and actions. While cities have been assessed in an era of urbanization as “basic motors of global economy” [1], at the end of the last century, the perspective of city-regions gained more and more scholarly and political interest [2]. However, focusing on this rearrangement and rescaling of spatial order is referring just to the general aspect of competitiveness and falls short of capturing increasing spatial disparities and uneven development, as well as increasing social exclusionary trends and polarization within these regions. These problems are related to the “shortcoming of the neoliberal model of city-regional competitiveness, [ ... ] multiple rounds of market failure, government failure, government-induced market failure, and market-induced government failure” [1]. Even if city-regions have expanded over the last decades in population and area, they “are replete with severe social and economic problems, including stubborn class divisions that always threaten to break out into open social disturbances” [3]. The primary focus on cities as the engine in the functional regions reflects a paralysis in the discourse of city-region policy-making [4]. Realizing the internal spatial disparities and the neglect of the rural parts in a city-region’s discourse, a more comprehensive recognition of urban and rural contributions to interaction processes and specific underpinning of rural impact was advocated [5]. While the increased interaction frequency is acknowledged by recent studies, policy strategies and programs, regional organization structures adapted only gradually so far. The debate is therefore visibly oriented towards recognizing rural-urban interrelationships and advocating strategies to support a synergistic development of this exchange. Innovative rural-urban efforts are sought to address the issues of governance, collaboration, regional imbalances and inequities [6].

The ongoing spatial dynamics emphasize the urgency to control processes of settlement concentration and spatial cohesion by means of joint strategies and actions. These changes are particularly experienced in the interrelation between rural and urban regions, and often affect the interim areas as zones of crossover, comprising elements of both spatial categories and/or altering their particular place characteristics at an accelerated pace. Strategies are therefore sought to increasingly harness the adaptation potential and synergies at this juncture between rural and urban regions [7]. Intense relationships and interactions in the economic, social and cultural fields are an indicator of development potentials and common synergies. However, in the past, often the dichotomies of rural and urban regions were selected as the primary feature of analysis. For a long time, population decline in numerous (peripheral) rural regions, ongoing urbanization trends, as well as the steady increase of the importance of productivity and knowledge generation in urban regions, have led to a stereotyped assessment [8] that rural areas have only low development potential and existing disparities are inevitable and must be accepted [9].

Nowadays, this dichotomous thinking is losing credibility and spatial dynamics and interactions of rural and urban regions are coming to the fore. This implies that boundaries are not anymore perceived as fixed but as flexible and fluid. The multiple forms of relations between rural and urban areas may be viewed through the prisms of absolute, relative and relational space [7]. Jones and Woods [10] distinguish three categories in their analysis of the relationships and interactions between rural and urban regions: (i) absolute space with fixed boundaries, (ii) relative space that is intertwined with other spaces, and (iii) relational space that is not limited, but fluid and dynamic. Spaces are thus seen as networks, nodes and entanglements in economic, political, social and cultural relationships. As Heley and Jones [11] point out, the relational approach has a significant impact on the conceptualization of rural regions, as they are no longer subordinate to urban areas. The three spatial categories presented by Jones and Woods [10] might coexist in many of our rural-urban spaces and are particularly relevant in terms of providing frameworks for sustainable and inclusive municipalities.

It is particularly environmental problems that are in the forefront of rural-urban considerations. With the policy, remit for a transition towards sustainable societies’ spatial units cannot be dealt with separately. Hence rural-urban interlinkages are core to both the contemporary, pressing challenges and have to be acknowledged and taken into account in policy design. As previous case studies applying

such processes reveal, an integrative approach addressing long-term ecological concerns also implies positive socio-economic effects [12]. Global pressures for sustainable development and action to curb inequality can be assessed as megatrends to be considered in regional strategies and community action. Aiming at a more useful narrative, global actors support such strategies by speaking of a “geography of opportunities” when conceiving rural well-being concepts [13]. The need to address the embeddedness in socio-spatial structures is particularly relevant when assessing sustainable pathways at functional scales, i.e., rural-urban spaces. Understanding and analyzing the impact of socio-technical change in its path dependency, and influences of institutional contexts [14], point to the need to integrate the whole spatial system, comprising urban and rural parts in analyses and policies, fostering sustainable and inclusive approaches.

### *1.1. The Concept of City-Regions*

With the rising spatial interrelations, the concept of the “city-region” was increasingly regarded as the “adequate” scale and meaningful concept for the implementation of development policies and found widespread use at global, European, national and regional levels [2,15]. It addressed the need to consider not just challenges of the urban core, but also referred to peri-urban and rural “hinterland” linked by functional ties. City-regions have characteristics that are similar in many regions of the world like metropolitan centers which are spreading far outwards into hinterlands and mixes of suburban settlements, miscellaneous industrial and commercial spaces, local service centers and agricultural land [3]. This illustrates that the boundaries between rural, peri-urban and urban regions are increasingly fluid and the regions themselves are integrated, looking at population and labor market flows, mobility and transport networks, public service provision or environmental services. City-region approaches are recognizing agglomeration processes which call for the adjustment of development strategies. Woods and Heley [7] argue that an effective governance of rural-urban relations requires approaches that are grounded in the democratic legitimacy which can be provided by the association of governance institutions with territorial space. However, these governance arrangements should also be able to engage with relational flows and interactions between the rural and the urban. Governance arrangements working at the rural-urban interface are often highly complex. They are characterized by horizontal and vertical coordination of numerous institutional public and private actors. Furthermore, within such structures, we realize significant potential of experimentation with bottom-up and participatory policy-making [2]. In general, rural areas provide opportunities to reap benefits, trying to ameliorate negative outcomes; but, due to asymmetric power relations, rural areas are often challenged to make their voice heard within city-region governance structures which can too easily become focused on the needs of the urban areas [16].

### *1.2. Rural-Urban Partnerships*

Not only in sciences but also in politics, attention has shifted towards the interdependency of rural, peri-urban and urban regions [17,18]. In many places, the urbanization process is ongoing, conflicts over land use arise and the commitment to sustainability and climate goals increase the need to act and to take concrete measures to improve and promote rural-urban co-operation. The synergies that are created through such co-operations depend, to a large extent, on well-designed (multi-level) governance systems that address resource challenges through new orientations towards renewable resources and circular economy pathways, strategies to avoid waste and systemic assessment of sustainability features in rural-urban regions. Moreover, beyond shaping an appropriate institutional framework, capacities and awareness of actors have to be elaborated so that actors exhibit open-minded attitudes in these complex governance processes [15]. As intermediary institutions, regional management agencies (RMA) play a key role at the interface between planning, politics, management and regional steering of participatory processes. They operate in a political and institutional multi-level system between top-down requirements and bottom-up networking, and are able to engage with relational flows and interactions between different spaces [19,20]. The synergy effects of co-operation between rural,

peri-urban and urban regions are also of great importance for the EU 2020 strategy, which promotes intelligent, sustainable and integrative growth [21–23], and will be important for the implementation of EU’s Green Deal strategic conception as well. The OECD [23] identifies, in the report on “Rural-Urban Partnerships”, five areas as relevant categories to link rural, peri-urban and urban areas:

- Demographic linkages,
- Economic transactions and innovation activities,
- Delivery of public services,
- Exchange in amenities and environmental goods and,
- Multi-level governance interactions.

Demographic linkages include commuting and migration patterns, and service provision is another core functional dimension of rural-urban linkages. Among these services, transport is particularly relevant, since it has an impact on social cohesion and on how people can access goods and services. Amenities and environmental goods are further central dimensions of rural-urban linkages because rural residents need urban amenities such as complex consumption or cultural events, while urban residents’ value rural amenities such as the quality of environment and biodiversity, less congested living arrangements and closer social relationships [24]. Furthermore, the “Urban Agenda for the EU” states that most urban challenges such as mobility, land use or energy are felt across city-regions. Such functional links between the core areas and its surroundings serve as territorial ‘hinges’ between rural and urban strategies, and solutions to many common challenges require thinking and co-operating beyond municipal boundaries [22].

Improving rural-urban linkages enhances the development of both urban and rural populations and fosters synergies. A successful rural-urban partnership is depending on an established and well-functioning multi-level governance arrangement and on the willingness for co-operation of all relevant partners. These socially constructed, functional networks of reciprocity and interdependence demand horizontal coordination. Depending on the purposes of the partnership, the actors involved are varying from public sector representatives and politicians, interest groups’ local stakeholders to NGOs [6]. Therefore, an effective co-operation within a rural-urban partnership needs [2,24]:

- An awareness of the interdependency of rural and urban areas in a given space (functional region),
- A membership mix that includes the relevant rural and urban representatives,
- A framework for action or objectives that represents mutual interests (rural and urban),
- Initiatives aimed at yielding collective benefits to urban and rural partners,
- An organizational form that is fit for the purpose to help to realize the partnership’s objectives.

Great expectations on partnerships in collaborating in multi-level governance frameworks often encounter disappointing results, usually attributed to complex contexts, contested positions and spatially divergent aspirations. Yet, failures tend to rely also on actors refraining from being involved in formal relations. This means that informal institutional development and collaboration is decisive in achieving desired outcomes in regional development implementation [25]. Both formal and informal governance arrangements are therefore fundamental parts in shaping and negotiating an effective framework for future proceedings and synergies in this territorial context. The intensity of rural-urban linkages might depend, to a large extent, on physical proximity which has impact on the availability and accessibility to jobs, goods, services and other amenities.

### 1.3. Drivers and Obstacles in Rural-Urban Co-Operation

For the implementation of development strategies in city-regions, formal and informal governance arrangements are required to achieve horizontal and vertical coordination, especially aiming at the promotion of rural-urban co-operation. Such governance arrangements offer, beyond the horizontal coordination between the public and the private sectors, many advantages, like the involvement and reception of local interests, an enhanced interaction among different stakeholders, the empowerment of

local civic groups and the population in general [2]. Therefore, it is one of the prime preconditions for rural-urban partnerships to accomplish a sufficient level of trustful relationships, to get a hold of actors that strive for material and imagined cohesion, to nurture chances for stable, long-term relationships, and establish collaborations on which a regional identity can be built up [6,10]. Often, identity formation goes hand in hand with positive experience and tangible project results. Furthermore, existing friction between peripheral municipalities, and the urban pole caused by persistent historical resentment and mistrust due to power imbalances, should be reflected and, at the best, overcome in rural-urban partnerships [26].

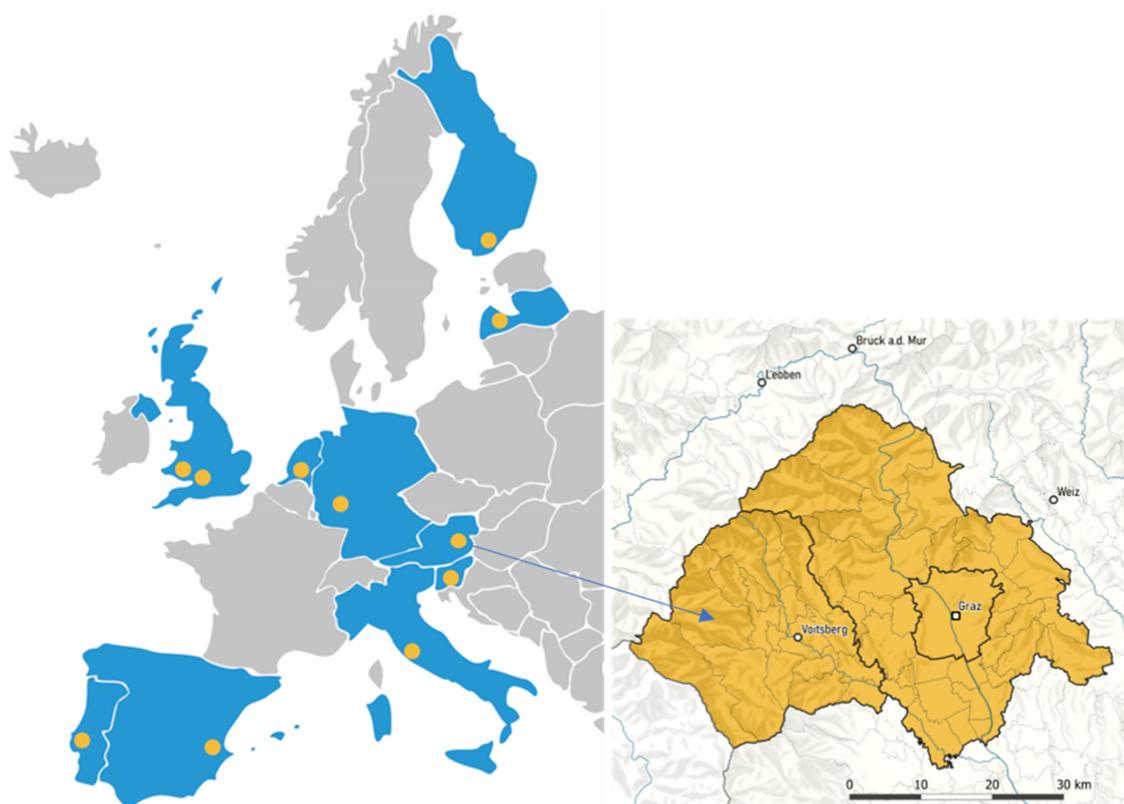
If a city-region, composed of a core area, surrounding municipalities and rural hinterland, engages in building up an innovative and dynamic image, then well-functioning governance arrangements are required which, in addition to their formal tasks, also seek for informal exchange. They should also include the capacity to negotiate compromises between the often very diverse partners in the sub-regions regarding size, economic performance, resources and location. It needs a united effort by politics and administration, a distinct self-perception against the outside world, but also the backing of the region itself by residents who live in the city-region and identify with it. The ability to act at the city-regional level depends on the degree of commitment to co-operation in the formal and informal governance arrangement, and on the willingness for political compromises as well as on the formulation of common goals [6]. Unfortunately, inadequate financing and capacity constraints with regard to personal and time resources often sets limits to successful implementation of rural-urban partnerships [2]. A further challenge is to find a balance between collective action and local autonomy, especially for the rural and smaller municipalities [16]. They often have limited resources in development strategies of city-regions. These circumstances have to be recognized by the “stronger” and more influential partners so that remote, less represented municipalities are not left behind or “cheated” by the others. An important step has been taken when one’s own community is not anymore the prime reference but is replaced by thinking in regional contexts. Especially in times of climate change, high traffic load, large land consumption and loss of biodiversity, a common approach to solving these problems in city-regions is essential. Improving rural-urban partnerships enhances the development of both urban and rural populations and fosters linkages and synergies.

This paper addresses these issues of rural-urban partnerships through the case of the rural-urban interactions experienced in the Metropolitan Area of Styria and the overall research question is: What is the role of the Regional Management Agency in the Metropolitan Area of Styria and how does it promote inter-municipal co-operation and rural-urban partnership? The paper presents analyses on the core issue of how to recognize, structure and assess the driving challenges for regional co-operation and inter-communal collaboration in this region. The long-term question arises from continuous preoccupation with regional development policies and appropriate institutional and governance structures, and efforts for a strong regional support network. It is particularly important that the achievements and obstacles in previous approaches are reflected and a common assessment is used for coping with future challenges. Acknowledging intensive resource use, shifts in contemporary organization of settlement, labor and skills’ allocation, transport and mobility, as well as service provision and well-being factors are pivotal to enhancing sustainable development pathways.

The following section starts by presenting the methodological approach, making use of empirical analysis in a comparative EU research project. It then focuses on the key challenges in the case study region of the Metropolitan Area of Styria (MAS). The next section discusses the original contribution of the Regional Management Agency (RMA) as intermediary institution to enhance regional collaboration and, above all, instigate inter-municipal co-operation. Of course, this is an ongoing process and deficiencies and shortcomings of the process are highlighted as well. The discussion section summarizes findings and relates them to the general discourse on improving governance frameworks for rural-urban interrelations.

## 2. Materials and Methods

In the EU-project ROBUST—“Rural-Urban Outlooks: Unlocking Synergies”—within the Horizon 2020 program, the concepts of “Living Labs” and “Community of Practice” are the main approaches to explore region-specific aspects and governance structures, as well as planning instruments. The main intention is to exchange knowledge among regional actors of the Living Labs as well as to elaborate a shared repertoire [27]. Living Labs are to be understood as platforms in which different actors work together in the development and testing of new political instruments, services, planning instruments and forms of organization. They can be perceived as an experimental form of governance [28,29]. In 11 Living Labs (see Figure 1), 24 European institutions worked together from June 2017 to November 2021 in national teams, each formed by a scientific and a practice partner. Both partners are involved in the conception and implementation of investigations within the Living Lab. The interdisciplinary and transdisciplinary orientation of the content is reflected both in the representatives of the international scientific consortium from the fields of spatial sciences, geography, agricultural economics, environmental sciences, sociology and anthropology, as well as through the practice partners and stakeholders in the region.



**Figure 1.** Location of 11 Living Labs in the framework of the ROBUST (Rural-Urban Outlooks: Unlocking Synergies) project and the Living Lab Metropolitan Area of Styria. Source: ROBUST 2018; Statistik Austria 2019.

In Austria, the Metropolitan Area of Styria (MAS) was chosen as a Living Lab. The main topics are focusing on new business models and labor markets, public infrastructure and social services as well as cultural connections. In these thematic fields, existing and future interactions between urban, suburban and rural regions should be made visible, co-operations are to be established, and further collaboration explored in order to promote sustainable regional development in the MAS.

A number of methods are applied and experimented with, which do justice to the complexity of the content-related orientation of ROBUST [27]. A multitude of quantitative and qualitative methods are used to map the diversity of rural-urban linkages and to support regional actors in their co-operation efforts in the Living Labs. At the beginning of the ROBUST project, a systematic literature review was

carried out, including an evaluation of earlier projects, regional studies and the analysis of spatially differentiated data. Therefore, in each Living Lab, rapid appraisals were elaborated which provided a first screening of policy frameworks, governance systems, instruments and practices that are in place in the MAS [30,31]. Within these Rapid Appraisals, existing studies and available data were used, and governance arrangements as well as planning instruments were analyzed with reference to the three topics of assessing new localities, smart development and network governance. This could provide insights into the relationships between urban, peri-urban and rural localities in the Living Labs. Elaborating Rapid Appraisals, MAS dealt with topics such as cultural networks, mobility and transport arrangements as well as the development and scope of the 'Law on Planning and Development of the Province of Styria and its Regions', which promotes inter-communal co-operation by implementing a regional budget. Hereby, the types of stakeholders and the most important formal and informal processes were analyzed, and drivers of regional development identified [30,31].

The Living Lab team also conducted a series of regional workshop events in which perceptions and strategies of local and regional actors were investigated, according to a comparable workshop structure of the ROBUST project. Two stakeholder workshops, a Regional Workshop and a Multi-Stakeholder Workshop, were held in order to include relevant stakeholders of the urban, peri-urban and rural parts of the MAS in the process of the project. The Regional Workshop with representatives from the province of Styria, the city of Graz and the LEADER (Liaison entre actions de développement de l'économie rurale) management associations of the districts of Graz Surroundings and Voitsberg took place in May 2018 in Graz. The purpose of the workshop was to discuss with the participants the identity of the residents with the city-region, material and imagined cohesion in MAS as well as to translate abstract terms like counter-/urbanization, soft space, functional city-region or governance into more grounded and accessible ideas that can be adopted and employed by practitioners and policy-makers in the regions [32].

Good functioning multi-level governance arrangements, with a broad range of various stakeholders are a precondition for rural-urban partnerships. The Multi-Stakeholder Workshop was therefore preceded by Stakeholder Mapping, in order to identify additional stakeholders, especially in the field of culture and new business models. As a consequence, 67 stakeholders from the field of new business models and labor market (18 existing, 11 new ones), public infrastructure and social services (22 existing, 7 new ones) and cultural connections (3 existing, 6 new ones) were invited to participate at the Multi-Stakeholder Workshop in September 2019 in Stübing near Graz; 16 stakeholders accepted the invitation. The participants were asked to discuss the success factors and framework conditions of inter-municipal co-operation, potential shared economy projects, and important developments and challenges in the city-region alongside the three topics of new business models and labor markets, public infrastructure and social services, and cultural connections.

The aim was to find out how different stakeholders could use their skills and knowledge to jointly tackle those challenges through co-operations and initiatives. To spark the conversation among the members of each group, the attendants were presented with three specific visions for each of the three main topics. To further foster the exchange of cross-sectoral knowledge, participants were asked to switch tables after 30 min of discussion to work on the two remaining topics [33]. The workshop enabled the integration of new stakeholder groups in the process, which yielded a multi-perspective approach to the three topics. Furthermore, rural-urban linkages with potential for future development could be identified by the participants from administration bodies, intermediary institutions and NGOs in the field of economy, culture, infrastructure, transport, and food system.

Due to the fact that the 52 municipalities of the polycentric city-region MAS differ greatly in size, economic performance and location, the Living Lab team conducted a survey with the mayors of the MAS. It was explored, to which extent and which kind of inter-municipal co-operation already exists, if mayors have experience with governance structures like Local Action Groups of LEADER or small regions' associations, and which problems, obstacles and drivers they identify. Circumstances like asymmetric power relations—ranging from co-operation to rivalry, socio-cultural contrasts between

municipalities, dominant core cities and a lack of interest of how rural spaces are conceptualized, governed and represented in the city-region debate, make it necessary to consult the mayors and give them a voice [4,16,26,34]. All mayors were approached by E-Mail and further by telephone to participate and 38 mayors agreed to be interviewed. The questionnaire was semi-structured with seven guiding questions. The telephone interviews were conducted between July–November 2019, transcribed and coded using the software Maxqda. Within the survey, it should be explored if the mayors participated in inter-municipal co-operation and which positive and negative experiences they made, how their tasks have changed over time, if they see a potential of new business models through shared economy concepts in their municipalities, and if they are interested in enlarging a cultural rural-urban network and increased cultural offers within the city-region. To get insight into the evolution and role of the Regional Management Agency of the MAS, an expert interview with the Regional Manager was conducted. It offers an assessment of the development and challenges in the MAS over the years from the view of the Regional Manager and helps to identify the promoting and inhibiting factors of rural-urban linkages. The results of the workshops and the interviews are exchanged and presented in the Community of Practice and will be disseminated in the city-region.

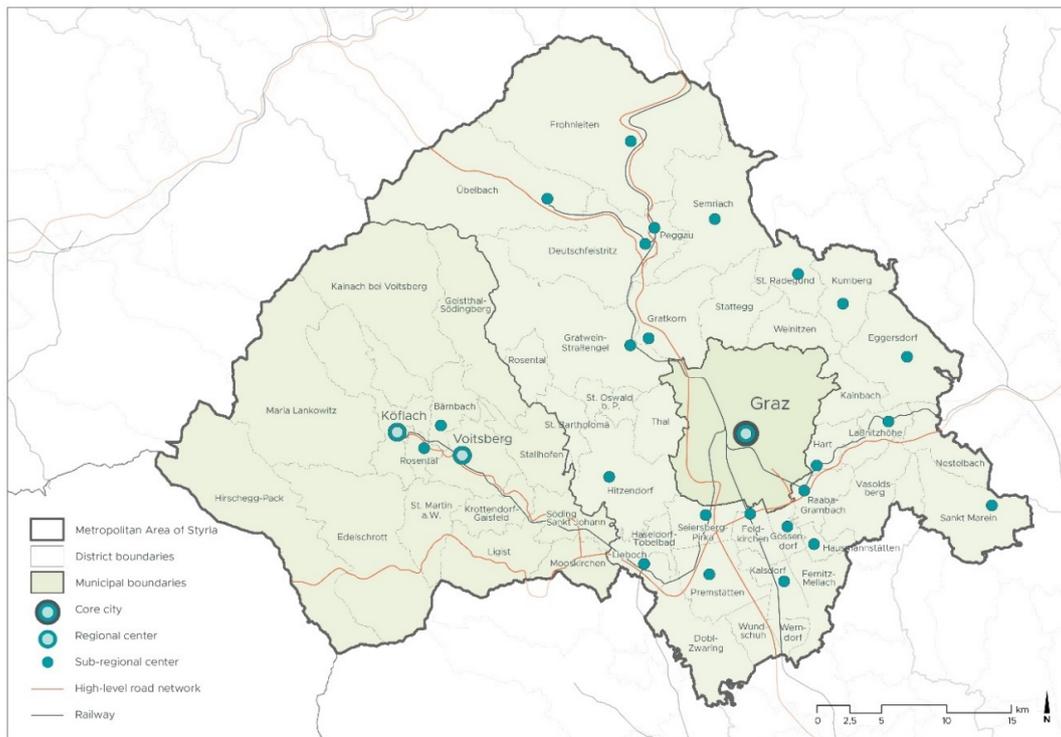
### 3. Living Lab Metropolitan Area of Styria

The Austrian Living Lab “Metropolitan Area of Styria” is one of seven regional administrative units in the province of Styria (Austria is a federation with three tiers of government: The nation state and the nine federal states are equipped with legislative powers, while the 2100 municipalities are handling administrative tasks on behalf of the federal states and issues of local concern as independent administrative bodies [35]) and connects Graz, the second largest city of Austria, with 51 municipalities of the districts of Graz Surroundings and Voitsberg. The number of total population amounts to 498,186 inhabitants [36] and is with 37.6% of the most populated region in Styria [37]. The region is located in the south-eastern Alpine foreland and it covers 1.890 km<sup>2</sup>. The relatively abrupt change from urban to rural areas, especially along the northern, eastern and western transition zone of the city to its hilly surroundings, have also a strong impact on climate, air exchange and pollution, but also in terms of settlement and mobility development (see Figure 2). The region is characterized by a prosperous economic situation, with the dynamic core city of Graz merging increasingly with its surrounding peri-urban environment and inter-related rural municipalities with recreational areas. Another urban center of smaller scale can be located around the district town of Voitsberg. All other municipalities can be subsumed under “rural areas around centers” and “rural areas” [38].

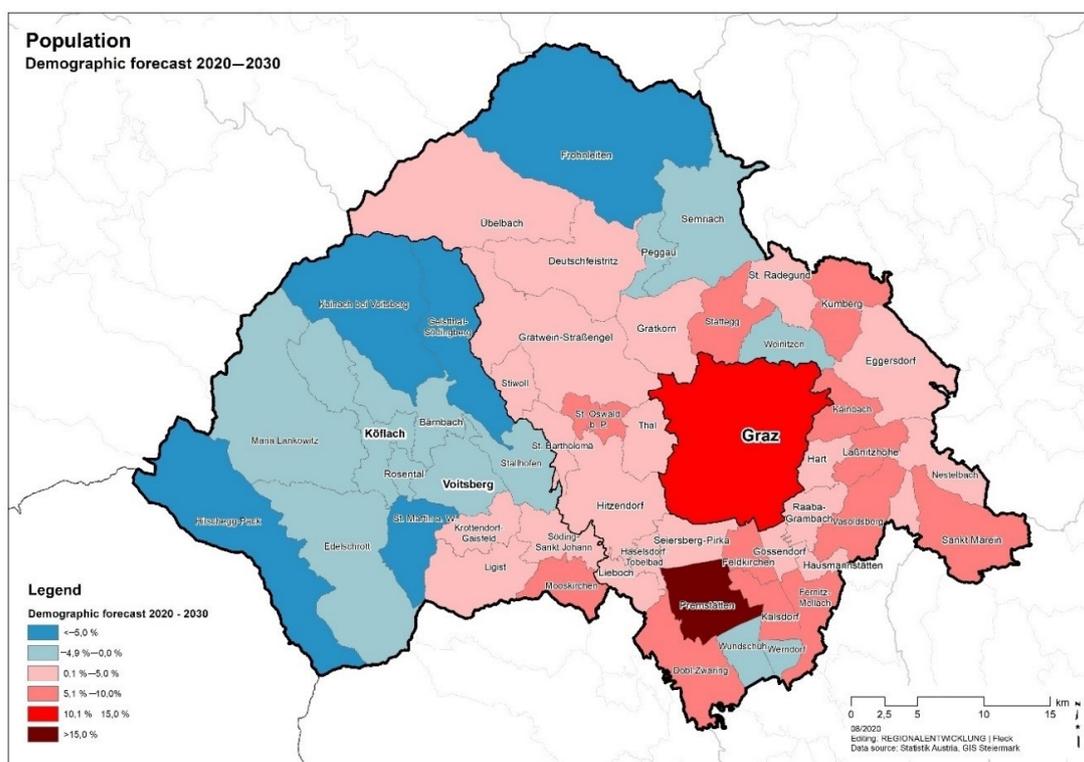
The economic structure of the metropolitan area is characterized by the secondary and tertiary sector. The western part of the city-region (Köflach and Voitsberg) looks back on a tradition of mining, where, nowadays, the manufacturing industry for metal, paper and glass is located. Due to the former industry, these sites are well connected to the city of Graz by railway infrastructure. In municipalities south of Graz, the “ACStyria Autocluster” plays an important role. Further south, the land use changes and agricultural production is predominating. As one of the old, crisis-ridden industrial areas of Styria, the MAS managed to transform into a modern region of technology. In the meantime, an institutionalized co-operation between science and industry has been established and the high research quota leads to numerous innovations and a dynamic economic development of the city-region. The plurality of renowned research institutions encourages co-operation with industry. The MAS plays an important role within the five clusters located in Styria—automotive cluster, Human Technology, Green Tech, creative industries and Silicon Alps. Additionally, eight “Competence Centers for Excellent Technologies” are based in Graz.

The heterogeneity of the MAS is also clearly reflected in the population structure, which is to be considered in a differentiated manner. While Graz, as well as some neighboring municipalities, is constantly growing in population, the district of Voitsberg reports a negative population balance. The future population development of the total region paints a positive picture (see Figure 3), although the regional demographic development is heterogeneous. Graz, which is the capital of Styria,

is one of Austria’s dynamic cities with 291,072 inhabitants. Due to its high level of economic dynamism, the city benefits greatly from increased migration (population change 2012–2020: +11%).



**Figure 2.** Map of the Metropolitan Area of Styria. Source: Editing: REGIONALENTWICKLUNG Fleck. Data source: Statistic Austria, GIS Steiermark.



**Figure 3.** Forecast for the development of the population in the MAS between 2020–2030.

The municipalities in the district of Graz Surroundings, especially those in the vicinity of the urban core as well as those along important traffic corridors, are affected by the suburbanization process and are gaining in population. In addition, Graz Surroundings is the second largest employer district in Styria after the city of Graz. The western and northern parts of the region, on the other hand, are characterized by less dynamism. The main challenges of the district of Voitsberg are the negative demographic development and the ongoing aging of the population. From 2012 to 2020, the district has experienced a population decline of 1.8%. Furthermore, increasing commuter flows from rural to urban areas and the other way around can be observed. Since commuting within the MAS is predominantly focused on the motorized individual transport, a high level of traffic is the result.

Overall, the MAS can be designated as a diverse region where the requirements and needs of urban, peri-urban and rural citizens have to be combined and supported in order to boost the integrated and sustainable regional development. In the last years, the MAS has undertaken an administrative restructuring due to a structural reform of administrative units [39]. Beyond those institutional changes, an intensification of functional relationships between rural and urban parts of the MAS can be observed, as well as social changes, shifts in settlement structure and leisure activities of people. In light of these general conditions and developments, co-operation between the core region and the peri-urban and rural areas become increasingly important, with regard to the overall regional development. This includes funding of urban-rural development measures, further integration into transnational programs and strategic networking on national and international levels. The Regional Manager of the MAS describes the future development of the city-region as following:

*“The region is booming. The population increase will be around 15% over the next 10 years, which means we will grow from 500,000 to around 650,000. There is so much to reconstruct in infrastructure, that other topics, like a financial equalization [mechanism between municipalities] is not the highest priority at the time. Co-operation more in the direction of mobility, and now also in the direction of climate change adaptation are increasing because these can no longer be controlled through money alone, and we are also very strongly committed to invest.” (E 1)*

#### 4. Results

In times of rapid economic change and increasing social challenges, new pathways should be explored to strengthen the linkages between rural and urban regions and to achieve sustainable and inclusive regional development. Both formal and informal governance arrangements are decisive in shaping and negotiating an effective framework for future proceedings and synergies in this territorial context. In the following, we present first the Living Lab MAS and its multi-level governance arrangement and we analyze the evolution and the role of the Regional Management Agency (RMA) to implement forward-looking strategies for this intensively inter-linked city-region. Second, we illuminate the needs of the regional stakeholders for inter-communal co-operation and their assessment of future issues of regional governance and inter-communal collaboration in MAS. The results of the two stakeholder workshops and the interviews with the mayors are used to illustrate their needs and requirements for a sustainable and inclusive development of the city-region.

##### 4.1. Facilitation of Intra-Regional and Rural-Urban Co-Operation

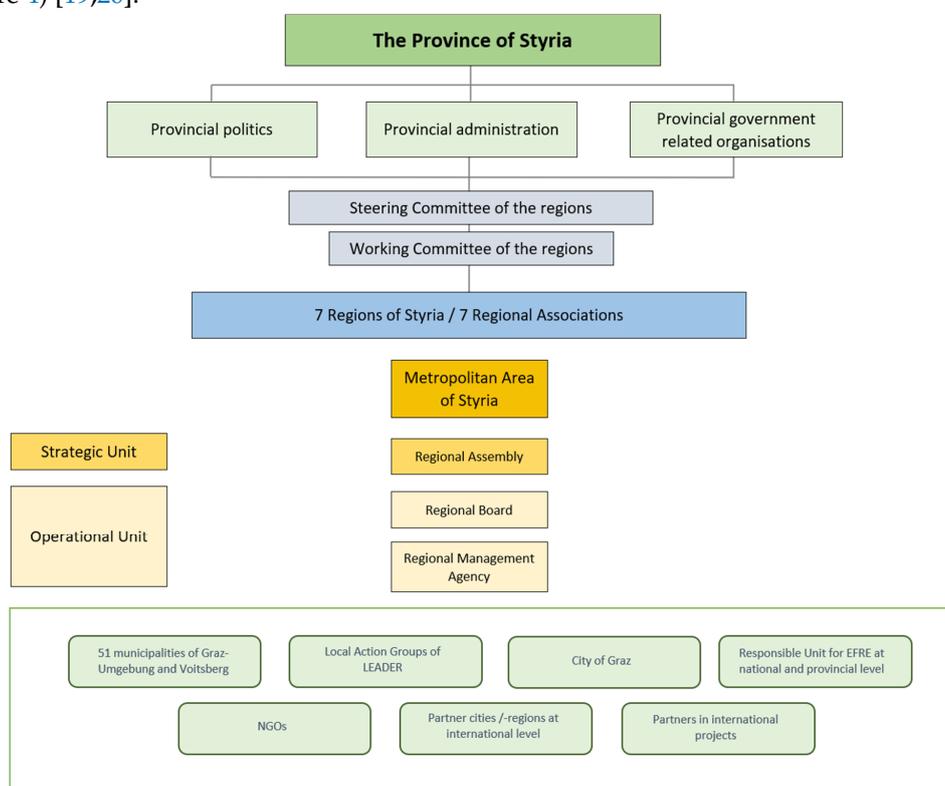
In the Living Lab, the RMA acts as an anchor point for sector-specific topics; it accompanies the development of the Regional Strategies of MAS, also with the intention to strengthen city-regional identity and to assist various inter-communal projects. The fields of activity are manifold, reaching from the elaboration of future-oriented mobility solutions, to projects in the area of social participation or to the mediation of establishing a rural-urban recreational area near the river Mur. In the following, the evolution of the MAS will be elucidated, which found its starting point with the EU accession of Austria. Afterwards, the most important key activities of the RMA will be described and reflected on critically.

#### 4.1.1. Founding of the Regional Management Agency of the MAS

After joining the EU in 1995, RMAs have been established all over Austria. They are intermediary institutions between administrative, market and regional interests, and interact in a political multi-level system with the claim to take on regional steering and coordinating tasks. It depends on the framework conditions to what extent RMAs can be considered as carriers of regional governance and thus contribute to new forms of communication, coordination and co-operation at the regional level [40]. The RMA was established in 1999. In the beginning, the RMA covered the area of Graz and the district of Graz Surroundings, but over the years, the included area in the MAS was extended and the RMA team’s tasks were extended. To get insight into the founding process and information about the further development of the RMA, an expert interview (code E 1) with the Regional Manager was conducted. In the initial phase, it was important to consolidate the structure of the RMA in terms of financial resources, and the strategic orientation to start with the implementation of projects in the region.

*“The city of Graz and its surrounding municipalities supported me as founder of the RMA with a small financial contribution but the rest of the money, I had to rise on my own [Regional Manager]. The structure was growing with different projects, also, because we started working on transnational projects. We applied for EU programs and our work load just gradually expanded and enlarged the Regional Management Agency.” (E 1)*

In general, an RMA is a service-oriented, intermediary organization that acts as an idea generator, an advisor, a moderator and a promoter of regional development processes. It has a cross-sectional function with a view to different sector policies. At the same time, it is implementation-oriented in connection with the management of development projects. RMAs play a key role at the interface between planning, politics, management and regional steering of participatory processes. The RMA operates, therefore, in a political and institutional multi-level system and acquires funding from provincial, national and EU levels for the implementation of regional and inter-/national projects (see Figure 4) [19,20].



**Figure 4.** Multi-level governance arrangement of the Metropolitan Area of Styria. Source: Own graph (BAB 2020).

The structure of the city-region MAS, consisting of a large city and its surrounding area as well as dispersed settlement areas, confronted the RMA with various challenges. In the initial phase, the many partners in the city-region should get to know each other, find space for joint discussions and start to build trust.

*“The situation at the beginning was that representatives of the city and the surrounding municipalities wouldn’t even look at each other. So, the situation was extremely challenging, because the willingness to co-operate was equal [to] zero.” (E 1)*

Today, the RMA is an anchored and successful partner, because it builds on trust gained through several years of intensive co-operation and communications on an equal footing. Secondly, during the period 2000–2012, the RMA started to implement a self-determined regional development process with the involved municipalities. In order to strengthen the position of the surrounding municipalities in relation to the city of Graz, so-called “small regions”, which represented an institutionalized co-operation of several municipalities, were developed.

*“At the beginning, the co-operation with the municipalities was actually very intensive, because one of the attempts as a Regional Manager was to form small co-operations in the surrounding municipalities. So, we developed eight “small regions” around Graz in order to get a bit of a better counterpart to the city, since the criticism was always that it’s an imbalance between the city and the surrounding municipalities” (E 1)*

Most of these “small regions” existed until 2015. However, after a municipal structural reform, which mainly comprised merging of small-scaled municipalities, these units were not functioning anymore. Thirdly, in order to be able to act as a key player in a highly complex multi-level governance system, it is necessary to show open-mindedness that yields new and innovative ideas, to foster the participation in transnational projects and to be interested in a permanent knowledge exchange with partner regions in Europe and abroad. Therefore, the RMA was, from the beginning, interested to acquire Structural Funds projects from the EFRE (European Regional Development Fund), Interreg, Central Europe, Urbact or Alpine Space programs and to participate in international partnerships, e.g., World Cities, IUC (International Urban Cooperation) Latin America.

*“From the beginning onwards, my task was to bring funding into the region, and to bring an added value for the region with these resources. One way was to apply for transnational programs and projects. These programs, in forms of transnational exchange and certain piloting, could help us build up regional development in the metropolitan area. And, of course, I have made great efforts to participate in urban regional or city programs such as Urbact, but also Central Europe Programs or Alpine Space.” (E 1)*

#### 4.1.2. Evolution of the Metropolitan Area of Styria

In 2010, the new planning region “Metropolitan Area of Styria” consisting of Graz and the urban and rural municipalities in the districts of Graz Surroundings and Voitsberg, was formed, next to six other “major regions” in Styria. In the same year, the Styrian reform partnership began, which also included a municipal structural reform. The aim was to create economic, efficient and professional-led municipalities. The basis for this was the Styrian Municipal Structural Reform Act (StGsrG), which was passed in 2013. In 2015, this reform was implemented, which also had an impact on the MAS. Overall, the number of municipalities in Styria was reduced from 542 to 287. In the MAS, the number of municipalities decreased in the district of Graz Surroundings from 57 to 36, and in the district of Voitsberg, from 25 to 15.

#### 4.1.3. Important Key Activities of the RMA

The RMA was commissioned to accompany the development processes in the city-region and has been acting for many years as a regional mediator between the individual stakeholders in the city and

the suburban and rural municipalities. In this context, numerous regional concepts and initiatives were elaborated under the leadership of the RMA as important bases for decision-making. The Regional Development Strategy of the MAS is the central instrument of regional policy. It defines the future strategic orientation of the region and includes working plans and flagship projects which hold a guiding function in reaching common regional objectives. The challenge is to coordinate the different needs of the sub-regions and to initiate and moderate development processes. While the focus was previously on the formation of so called “small regions” in the MAS, the municipal structural reform as well as the expansion of the region with the district of Voitsberg disrupted common working strategies, because the administrative units changed in many cases. Thus, the RMA had reflected on previous strategies, and finally elaborated in a participative process with regional stakeholders since 2014 with two documents on Regional Development Strategies (2014–2019 and 2020–2025).

During the implementation of the first strategy, a new regional development law was drawn up, which came into force in January 2018. Through this law, the provision was made that all seven major regions in Styria have their own regional budget to implement inter-communal projects. Within an annual work program, these projects are formulated, agreed on by the Regional Board and financed. With the “Law on Planning and Development of the Province of Styria and its Regions”, Styria is the first province in Austria providing a legal foundation for regional development budgets. The law defines the tasks and the scope for inter-communal projects to be financed by the regions. In total, the seven regions of Styria dispose of a budget of 12 million Euros per year for regional development projects, which is drawn from provincial and municipal resources. This new organization of inter-communal co-operation enhances regional autonomy and competitiveness of the Styrian regions. The autonomous use of these financial resources allows RMAs to pay attention to the development of the whole province, and at the same time, focus on individual challenges and potentials of their region [30].

The recently completed Regional Development Strategy 2020+ was elaborated in a participatory process in which four central themes for the future development of the MAS were developed. The main themes are (i) “Designing high-quality living space and integrated quality locations”, (ii) “Social participation and promoting lifelong learning” (iii) “Ensure careful use of the environment, landscape and resources”, and (iv) “Mobility based on needs and enable intelligent traffic solutions” [41]. In the following, the process of the development of the Region Development Strategy 2020+ is elaborated by the Regional Manager.

*“With the Regional Development Law, we have to define yearly working programs with various topics. In the course of a participatory process, current thematic priorities have been developed with the stakeholders in the region. We communicated the results with the municipalities and the mayors. Anyway, it is to be discussed by the Regional Board and decided upon in the Regional Assembly.” (E 1)*

The participation of MAS in international programs brought manifold incentives into the region, and the exchange of know-how and good practices was very helpful in the development of new solutions for regional challenges. These experiences influenced also the work of the RMA to orient towards more innovative regional approaches. For instance, in recent years, pilot projects for innovative mobility concepts in Graz and the surrounding area have been launched as part of the two Interreg projects “RURBANANCE” and “Peripheral Access”: the GUSTmobil shared hailed taxi and the multimodal nodes of REGIOtim.

*“We have had partnerships with Munich, Zurich and other cities. It was very helpful and instructive for us to see how other developments take place in metropolitan areas and how we can implement them in our region. So, crucial programs were Urbact, Central Europe, Alpine Space and Interreg programs. For instance, we intensified the relation between Graz and Maribor [Slovenia], which is also a cohesive economic area. We set up a relatively large number of projects together, in the economic sector, in tourism, in the mobility sector, and that was an opportunity for us to do something for the region through transnational or bilateral funding.” (E 1)*

#### 4.2. Main Findings of ROBUST Research in the Living Lab of the MAS

Within the ROBUST project, the research work, analyses and participatory activities carried out so far in the Living Lab of the MAS, especially the workshops with regional actors, underline the development opportunities and the interest of the involved institutions in the mutual exchange between rural, suburban and urban areas. In the following, the results of two regional stakeholder workshops and of the interviews with 38 out of 52 mayors (code I #) of the MAS will be presented [32,33,42]. For the RMA, it is decisive to realize the needs, divergent interests and challenges of the municipalities. Therefore, the surveys carried out bring important insights for place-based and inclusive regional development processes. In order to strengthen inter-communal co-operations, it is necessary to explore which kind of projects already exist and which topics will gain importance in the near future to guarantee the quality of life in the MAS.

##### 4.2.1. The Regional Management Agency as Anchor Point in the MAS

The RMA of the MAS has the key function as driver and mediator of the multi-level governance arrangement in the region. The challenge is to coordinate the different needs of the city of Graz, the peri-urban and rural municipalities, and to initiate and moderate development processes.

*“The difficult part in the metropolitan area is that we have to combine the needs of the city with the needs of the smaller municipalities. There are certainly different conditions in these sub-areas. In my opinion, that makes it a lot harder to pursue a common goal.” (I 24)*

*“In many situations, the regional management can bring in an overarching perspective, can act as a mediator and also knows the worries and needs of both sides. That is certainly important and a success factor within our region.” (I 52)*

The region has developed great trust in the long-standing head of the RMA, as the next statements shows. This promise of trust is essential in order to balance the polarity between Graz and the surrounding municipalities, to remove uncertainties of the stakeholders and to create a common vision for the MAS with the participation of all municipalities.

*“The Regional Manager always acts as an icebreaker when it comes to inter-municipal co-operation.” (I 1)*

The spatial structure of the MAS is diverse within the city of Graz, in which almost 60% of the entire population in the region lives in peri-urban areas that are becoming more and more urbanized and are already perceived as suburbs of the city, as well as rural and remote municipalities with declining populations. Many smaller municipalities feel disadvantaged compared to their larger neighbor. The fear of not being heard or of not being able to assert one's own interests is often deeply anchored in these municipalities. These fears and uncertainties can be countered by a neutral regional body like the RMA.

*“These uncertainties have not to be treated at a personal level. I think we can then come to a meaningful professional co-operation and discussion. [ . . . ] Such a regional development depends a lot on individual personalities and characters who are open-minded and who also represent and propagate the principle of inter-municipal co-operation. And of course, they act as influencers within the region.” (I 52)*

RMAs act as contact point, coordinator and enabler of funding. They assist with the project ideas, to find partners and to co-ordinate the implementation of the projects. The municipalities, so far, used to focus on their own development, but start to perceive inter-communal co-operation as promising for the future. It is important to accompany these new approaches and thus to strengthen institutional learning in the municipalities and to preserve resources.

*“We intensively work with the city of Graz if there is a special regional need, for example, the cycle path network. But also, the power plants of the Mur [river] and the development of the Mur itself were coordinated by the Regional Management Agency, so EU funding could be obtained.” (I 47)*

*“There was a joint project through the Regional Management Agency: NAMUR (Local Recreation Area Murauen). There was a needs-assessment conducted in a first step and then, the project was implemented with local companies. Each municipality has made contributions, e.g., to obtain permits, etc.” (I 45)*

*“What works relatively well is the Regional Management Agency, the Regional Assemblies in the MAS, the co-operation works well. But all other voluntary municipal co-operations, at least that’s my impression, got a bit lost in the course of the municipal structural reform. So many municipalities have been very busy with their own development in the last four or five years.” (I 20)*

#### 4.2.2. Need for Inter-Communal Co-Operation in the MAS

Inter-communal co-operation already exists in the MAS in the field of businesses, public infrastructure and social services as well as in the collaboration in cultural concerns via tourism boards. In general, inter-communal co-operation has positive connotations for the surveyed stakeholders. Through the regional budget of the MAS, inter-communal co-operation can be strengthened in the future. The needs, especially for child and elderly care, sustainable mobility solutions or waste management, do not end at the municipal boundary.

*“The “parochial thinking” is no longer there anyway. We will have to work together even more in the GU-Süd [small region in the south of Graz], also across the Mur, because the traffic crosses the municipal boundaries, just like the water, and the co-operation must be large-scale. The thinking that every municipality needs a secondary school and a huge event center has changed. We have good communication between the municipalities, for example, when it comes to schools. But of course, there is still room for improvement.” (I 17)*

Inter-communal co-operation is described as necessary in the area of mobility, although it immediately becomes clear that external incentives, such as those provided by the Regional Management Agency help to ensure that mobility solutions are being worked on across municipalities. The expansion of the cycling infrastructure, of public transport and Park & Ride facilities for commuters are named as future inter-communal issues.

*“We are also trying to work more closely with the city of Graz because the city has a very big problem with traffic caused by intensive commuter flows. And we would practically have the opportunity to expand the Park & Ride facilities.” (I 18)*

*“For the most part, the inter-communal projects focus on solving the traffic problem. A main road goes right through our town, and at the same time, the highway goes past the municipality border, we have a lot of noise as a result. Therefore, we want to expand the bus routes. We already managed to plan new bus routes, which will be built across the municipal boundaries in the next few years.” (I 17)*

The continued provision of public transport solutions in the region as an alternative to private transport is mentioned as a central topic, both in the interviews and in the workshops with regional stakeholders. This shows that there is a need and demand for projects such as demand responsive transport, like GUSTmobil or approaches that promote multi-modal mobility, like REGIOtim, which are currently being worked on in the MAS. In addition, Park & Ride offers, in particular, are described as essential, and cycle path concepts are named as future inter-communal projects, as the following quote shows as an example:

*“We have a common cycle path concept, but also all public transport must be planned with the other municipalities. It is about reducing motorized individual traffic and creating attractive alternatives. Of course, it is also intended for recreational traffic, but the primary focus is on daily mobility needs. It is also intended for commuters to Graz to make cycling more attractive.” (I 42)*

Beyond the topic of transport infrastructure, the provision of social infrastructure for children and elderly people in the municipalities is a central goal. Everyday practices show that municipality boundaries are not relevant for citizens, but that the solutions offered are practicable. Since the creation of social infrastructure is very cost-intensive, co-operation between municipalities is required to provide attractive public services solutions. Especially during the long summer holidays, offers for child care are not very well developed in some municipalities of the MAS.

*“We have children from other municipalities in our childcare facilities, but without a general contractual relationship. We have a day care center and a kindergarten and there are also children from other municipalities.” (I 20)*

*“It depends on the projects, if they are suitable for the collaboration with other municipalities. In our inter-municipal co-operation, we discuss the topic of childcare during the summer holidays. We are currently trying to sort out whether we can develop a joint offer for the core area of Voitsberg. Furthermore, child care is certainly also an issue for inter-municipal co-operation.” (I 1)*

*“Day care for senior citizens is a major challenge. This is being asked more and more and it will be an important topic of the coming years. [ . . . ]. Currently, we have the care system of assisted living, where elderly people can stay at home, which is very popular.” (I 24)*

Another important infrastructural issue is the waste management centers in the MAS. In Graz and Graz Surroundings, seven cross-municipal waste collection centers instead of 26 individual ones will be developed in the following years. A co-operation between the city of Graz and Graz Surroundings is intended to create synergies for joint structures in the metropolitan area. Inter-communal waste collection centers can save resources and offer service advantages such as longer opening hours for the inhabitants of the region, thus ensuring an optimized recycling rate through a high frequency of use.

*“The joint projects take place with communities in the MAS or in the district GU [Graz Surroundings]. Concerning waste collection centers or resource parks, we are planning a co-operation with the city of Graz. How exactly this will be organized is not clear yet, but basically there is an idea that instead of the existing 26 waste material collection centers, we are building seven waste material collection centers in GU and use them together.” (I 20)*

#### 4.2.3. Negative Experiences and Obstacles with Rural-Urban Co-Operation

The tasks of the municipalities of the city-region have changed over the years and the burden for the mayors and their teams has increased quite a lot. The demands on the administration have grown, on the one hand, through intensified administrative tasks and, on the other hand, often through citizens' strong claims and demands addressing the municipality. In the following, challenges and potentials in rural-urban co-operation in the city-region will be presented.

*“The areas of responsibility of municipalities have changed tremendously. The tasks are becoming more, as well as the provisions and requirements. In this respect, there is no reduction of bureaucracy. [ . . . ] For almost every project there are numerous approvals. The workload and correspondence have become enormous.” (I 52)*

*“I have been mayor for 20 years. Yes, the tasks have changed dramatically in recent years. The state and the district level are handing over more and more responsibilities to the municipalities under the title ‘independence’ [ . . . ]. But we have the main work and we also lack the resources. The main factor is the staff, that is the most expensive. We can only afford 2.5 people in the municipal office. We have to deal with all the administrative work, from bookkeeping to the post office.” (I 25)*

Especially for smaller municipalities, which have often very limited personal and financial resources, it is difficult to participate in collaborative actions in the city-region because they are busy

dealing with their regular tasks. However, they often feel disadvantaged compared to their larger neighbor municipalities and the core city. There is a fear of not being heard or of not being able to assert one's own interests in the city-region.

*“There is this gap, that as a small municipality, you always have to fight to get public money, for example, when expanding the provincial road. As a small municipality, it is harder to get public money than as a big municipality.” (I 48)*

However, there can also be tensions between the city and the surrounding municipalities, as in the case of shopping centers, which draw purchasing power from the city and generate high income from local taxes.

*“There is also the brutal competition between the city and surrounding communities, where the shopping malls attract customers and gain local taxes. Here, the question arises of how it works with all the customer flows including the traffic. I believe that we will not solve this the way we are working right now. We can only solve that tension when we reflect, as a society or as a region, how to redistribute these immense local taxes more fairly.” (I 20)*

Another challenge mentioned is that decision-making processes currently take more time because coordination is required in the city-region and decisions cannot be made independently due to the reorganization of regional development based on the “Law on Planning and Development of the Province of Styria and its Regions” (2018). While, in general, co-operation is welcomed in many municipalities, others see a loss of autonomy and an increase in time spent.

*“I see the disadvantage, that you are no longer self-determined in a co-operation; here, I need the approval of the other municipalities. So, you have to make compromises and find a broader consensus and that is, of course, the challenge from time to time.” (I 21)*

*“The new structure of allocating the regional budget involves a lot of money and time. It is very difficult for us mayors, since we have to go to additional meetings, even though we already have a packed agenda.” (I 51)*

In the case of some municipalities, it turns out that they are currently unable to tackle and submit inter-municipal projects due to a lack of financial and human resources. If there is an opportunity to join other municipalities, some of them are definitely interested in such inter-municipal projects which are financed by the regional budget of the city-region.

*“No, we don't have the resources for that. There would certainly be interesting things that could be implemented. But with the few staff we have, we don't have the time.” (I 25)*

*“[ . . . ] It is difficult to say, why we currently do not have any intercommunal projects. We, especially [ . . . ] are larger municipalities and each municipality has to struggle with its own problems and is busy with its own activities. Therefore, we haven't yet thought more intensively about the extent to which it is possible to go in the direction of co-operation.” (I 48)*

## 5. Discussion

The MAS is a very dynamic and an internationally networked region which represents a relational space with diverse interactions and linkages. In the economic and political practice, the administrative boundaries of the city of Graz and the districts of Graz Surroundings and Voitsberg are increasingly fluid and dynamic. The inter-relatedness is expressed in terms of commuter flows, the movement of goods and services and the exchange of leisure as well as cultural goods in both directions. With the political instrument of the “Law on Planning and Development of the Province of Styria and its Regions” (2018), co-operation across municipal and district boundaries can be promoted and the

RMA is coordinating these efforts. The current assessment of rural-urban linkages, in the stakeholder workshops in the Living Lab of the MAS, suggests that although there was noticeable progress in the last years, the political practice shows that inter-municipal co-operation is still hesitant in many areas due to the focus on individual municipal interests.

Although the MAS occupies an increased reference in policy discourses, the city-region has not grown to a uniform region and there are still major differences in terms of economic performance, the distribution of decision-making power, accessibility and development opportunities. Smaller communities do not want to give up their autonomy, but also do not want to be left behind by the other partners in the urban region. It is important to work on finding common solutions to these problems. A special obstacle for participating to a greater extent in rural-urban partnerships is, for many municipalities, the staff shortage. If there should be established a stronger material and imagined cohesion in the city-region, it requires enhanced assistance for municipalities with less financial and personal resources, tangible good practices of inter-municipal co-operation and also the communication about successful projects in the city-region. The ability to act at a city-regional level depends highly on the commitment for co-operation in the formal and informal governance arrangement and on the willingness for political compromises as well as on the formulation of common future goals.

How could a potential increase of synergies of rural, peri-urban and urban regions be achieved within the MAS, or which hidden rural-urban synergies might unfold in the future? In the discourse with regional stakeholders and from the interviews with the mayors, it became apparent that there are many starting points for intensifying the rural-urban partnership in the MAS. For the RMA, it is important to expand the stakeholder network and include representatives from various fields of activities in the communication and planning processes. To strengthen rural-urban linkages in the future, the activities in the MAS should consider manifold new linkages between sectors and topics.

Beyond the representatives from the field of new business models and labor markets, public infrastructure and social services as well as cultural connection, stakeholders from future relevant areas such as regional food supply or creative industries should be involved, to a greater extent, in the regional development discourses and processes. Further, bringing together different stakeholders in the various workshops has produced cross-sectoral interlinkages that will have a lot of potential in future regional development. Examples are linkages between labor market and social services, as well as new business models, cultural connection and sustainable food systems. Further intersections of public infrastructure and sustainable food systems as well as cultural connections are relevant for a sustainable and integrated development of rural-urban synergies. This is not just about “optimizing” projects and organization of economic adaptation, but largely involves an assessment of resource use, referring particularly to natural resource shortages. Shifts in transport modes and focusing on action enhancing public transport shares are crucial to changing still dominant choices and policy solutions.

In a highly complex multi-level governance arrangement, coordination among a wide set of involved institutions and careful steering of the implementation is an ongoing process. In this process, key requirements are an open-mindedness that yields new and innovative ideas, the participation in transnational projects as well as permanent exchange with other territorial intermediaries like Local Action Groups of LEADER, partner cities and regions in Europe and abroad. The RMA of the MAS acts hereby as an anchor point for sector-specific topics, development strategies and inter-municipal projects. To further strengthen the rural-urban partnership, it is decisive that all involved public and private partners are in constant discourse and exchange to question current unsustainable behavior and policy performance, find common objectives that represent mutual interests [10] and address long-term sustainable goals. Working in a multi-level governance arrangement is often challenging, but it offers also the opportunity for informal exchange and to work on viable solutions. Activities in the MAS aim at yielding collective benefits to all, the rural, peri-urban and urban regions, and to improve the quality of life for people in the region.

## 6. Conclusions

The recent dynamic economic development in the region is exemplary for many city-regions in Europe and beyond. The ongoing urbanization process has strengthened the attractiveness of core centers, but at the same time, put pressures on ecological performance and inclusion of citizens. Extensions of functions and interactions with an ever-increasing spatial reference area called for taking pleas for rural-urban inter-linkages and co-operation needs, more serious than so far conceded. Integrating wider areas in city-regions also implied the examination of diverse types of administrative units, its changing administrative basis, tasks and functions, and exploring ways to enhance governance arrangements for the whole region. Assessment of the governance experience, as analyzed in the ROBUST project, has to extend to the complete regional scale, with dynamic boundaries, and quite frequently, a reduced relevance of those “limits”, revealing a blurred notion of the rural-urban distinctions.

The case of MAS quite impressively underpins that “parochial thinking” is over, or should be seen as an outdated model or guideline for municipal action. Yet, we face considerable obstacles in realizing this paradigm shift towards inter-municipal co-operation. The results of the studies and workshops confirm that those restricting perceptions are shrinking among mayors of the region and that they recognize the necessity for an increased inter-municipal co-operation. The topics are manifold, such as establishing social and care infrastructure, and advocating spatial justice with regard to local taxes to fulfill the increasingly complex tasks in the municipalities.

In these socio-cultural changes, the RMA acquires a crucial role as a trustworthy partner for local and regional institutions, administration, policy-makers, and stakeholders and citizens within the region and beyond. As an intermediary institution, it advocates processes for developing suitable spatial, place-based solutions for this area, together with the wide set of local and regional actors. Their initial functions of “smoothing” up-take of policy programs had to enlarge to an array of wide-ranging tasks and flexible support styles, including support in shaping discussion, knowledge acquisition, awareness and capacity building, and an iterative perception of the implementation process.

One of the main open questions is related to the process of achieving new knowledge and inspiration, particularly in remote places, including the rural parts of the observed city-region. The concept of smart specialization strategies (S3) has referred to this aspect and put a strong emphasis on trans-regional exchange and learning processes [43]. This is a decisive element also for rural-urban spaces.

However, the study also indicates aspects beyond the economic and procedural realm. It seems particularly crucial to enhance cohesion among the different types of municipalities—rural and urban; small and large; central and remote; with different economic structure and other distinctions. The diverse groups, and each individual municipality, would contribute specific aspects and provide important functions, even at different scales to the region. This is less of an issue of “quantifying” contributions and balancing them, but more on addressing the emotional dimensions involved in the interaction (or non-interaction). Place-based policy concepts [44] have underpinned the relevance of this factor in order to overcome spatial gaps, and thrifths between various small-scaled areas. For the rural-urban space, the aspect of fine geographical differences, expressed through locational qualities and indicators [45] is particularly pertinent.

While discussions on rural-urban interaction used to start on material “flows” between different parts of the regions, and thus involve, at first instance, socio-economic decisions of employment, housing, transport and related issues, all these are tightly interwoven with ecological performance trends. The increasing pressures from climate change adaptation requirements and societal consequences of rising inequality recall a thorough investigation of the implications of spatial decisions. As these issues are hardly tackled explicitly in regional development processes of rural-urban spaces, or are separated in different thematic “silos”, we need to take account of the relevant impacts. In numerous policy fields, action is inspired by the need to target action and changes towards Sustainable Development Goals and inclusion objectives. Spatial interaction, decisions on resource allocation and activities as

well as organization of flows are decisive in this respect. They are hence directly affecting participation and inclusion aspects, as well as the sustainability of future societies of the rural-urban space.

**Author Contributions:** Conceptualization, T.O.-W. and T.D.; methodology, L.B., K.H.-N. and T.O.-W.; writing—T.O.-W., T.D., L.B. and K.H.-N. All authors have read and agreed to the published version of the manuscript.

**Funding:** This research was funded by the European Union’s Horizon 2020 research and innovation program under grant agreement number 727988. The content of this publication does not reflect the official opinion of the European Union. Responsibility for the information and views expressed therein lies entirely with the authors.

**Conflicts of Interest:** The authors declare no conflict of interest.

## References

1. Etherington, D.; Jones, M. City-Regions: New Geographies of Uneven development and Inequality. *Reg. Stud.* **2009**, *43*, 247–265. [CrossRef]
2. Rodríguez-Pose, A. The Rise of the “City-region” Concept and its Development Policy Implications. *Eur. Plan. Stud.* **2008**, *16*, 1025–1046. [CrossRef]
3. Scott, A.J. City-Regions reconsidered. *Econ. Space* **2019**, *51*, 554–580. [CrossRef]
4. Harrison, J.; Heley, J. Governing beyond the metropolis: Placing the rural in city-region development. *Urban. Stud.* **2015**, *52*, 1113–1133. [CrossRef]
5. Copus, A. Urban-Rural relationships in the new Century: Clarifying and updating the intervention logic. In Proceedings of the Conference Effective Instruments Supporting Territorial Development; Under the Polish EU-Presidency, Warsaw, Poland, 18–19 October 2012.
6. Dabson, B. Regional Solutions for Rural and Urban Challenges. *State Local Govern. Rev.* **2019**, *51*, 283–291. [CrossRef]
7. Woods, M.; Heley, J. *Conceptualisation of Rural-Urban. Relations and Synergies*; Aberystwyth University: Aberystwyth, UK, 2017.
8. Dax, T. A new rationale for rural cohesion policy: Overcoming spatial stereotypes by addressing inter-relations and opportunities. In *Innovation and Modernising the Rural Economy*; OECD, Ed.; OECD Publishing: Paris, France, 2014; pp. 79–93. [CrossRef]
9. Mießner, M.; Naumann, M. *Kritische Geographien Ländlicher Entwicklung. Globale Transformationen und Lokale Herausforderungen. Zur Einleitung*; Westfälisches Dampfboot: Münster, Germany, 2019; pp. 9–26.
10. Jones, M.; Woods, M. New Localities. *Reg. Stud.* **2013**, *47*, 29–42. [CrossRef]
11. Heley, J.; Jones, L. Relational rurals: Some thoughts on relating things and theory in rural studies. *J. Rural Stud.* **2012**, *28*, 208–217. [CrossRef]
12. Dunmade, I. Sustainability Issues in Rural-Urban Partnerships: A Study on Regional and Inter-municipal Collaborations between some Southern Alberta Municipalities. *Environ. Ecol. Res.* **2014**, *2*, 1–7. [CrossRef]
13. OECD. *Rural Well-Being: Geography of Opportunities*; OECD Rural Studies; OECD Publishing: Paris, France, 2020. [CrossRef]
14. Fastenrath, S.; Braun, B. Lost in Transition? Directions for an Economic Geography of Urban Sustainability Transitions. *Sustainability* **2018**, *10*, 2434. [CrossRef]
15. Caffyn, A.; Dahlstrom, M. Urban-rural Interdependencies: Joining up Policy in Practice. *Reg. Stud.* **2005**, *39*, 283–296. [CrossRef]
16. Copus, A. *New Relationships between Rural and Urban Areas in EU Countries*, 2015. Available online: [http://www.esponontheroad.eu/dane/web\\_espon\\_library\\_files/1070/copus\\_urban-rural\\_relationships\\_in\\_the\\_new\\_century.pdf](http://www.esponontheroad.eu/dane/web_espon_library_files/1070/copus_urban-rural_relationships_in_the_new_century.pdf) (accessed on 17 December 2020). [CrossRef]
17. Hedberg, C.; do Carmo, R.M. *Translocal Ruralism, Mobility and Connectivity in European Rural Spaces*; Springer: Dordrecht, The Netherlands; Heidelberg, Germany; London, UK; New York, NY, USA, 2012.
18. West, S.L.; Haider, J.; Sanna Ståhlhammar, S.; Woroniecki, S. A relational turn for sustainability science? Relational thinking, leverage points and transformations. *Ecosyst. People* **2020**, *16*, 304–325. [CrossRef]
19. Heintel, M. Regionalentwicklung. In *Akademie für Raumforschung und Landesplanung (Hrsg.): Handwörterbuch der Stadt- und Raumentwicklung*; ARL: Hannover, Germany, 2018; pp. 2007–2016.
20. Sotarauta, M. Regional development and regional networks: The role of regional development officers in Finland. *Eur. Urban Reg. Stud.* **2010**, *17*, 387. [CrossRef]

21. European Commission. *EUROPA 2020. Eine Strategie für Intelligentes, Nachhaltiges und Integratives Wachstum*; Mitteilung der Kommission KOM (2010) 2020 endgültig; European Commission: Brussels, Belgium, 2010.
22. Naldi, L.; Nilsson, P.; Westlund, H.; Wixe, S. What is smart rural development. *J. Rural Stud.* **2015**, *40*, 90–101. [CrossRef]
23. OECD. *Rural-Urban Partnerships: An Integrated Approach to Economic Development*; OECD Publishing: Paris, France, 2013. [CrossRef]
24. European Commission. *Urban Agenda for the EU. Multi-Level Governance in Action*; European Commission: Brussels, Belgium, 2019.
25. Piattoni, S. Informal governance in structural policy. *Perspect. Eur. Policies Soc.* **2006**, *7*, 56–74. [CrossRef]
26. Urso, G. Metropolisation and the challenge of rural-urban dichotomies. *Urban Geogr.* **2020**. [CrossRef]
27. Maye, D.; Keech, D.; Reed, M. *Methodological Framework for Case Studies*; Routledge: Gloucestershire, UK, 2018.
28. Kobzeva, M.; Knickel, K. “Instead of Just Talking We Are Actually Doing It!” Initial In-Sights into the Use of Living Labs in the EU-Funded ROBUST Project. 2018. Available online: [https://rural-urban.eu/sites/default/files/user\\_uploads/Publications/Living%20Labs%20in%20the%20ROBUST%20project.pdf](https://rural-urban.eu/sites/default/files/user_uploads/Publications/Living%20Labs%20in%20the%20ROBUST%20project.pdf) (accessed on 4 October 2019).
29. ENoLL. What Are Living Labs? European Network of Living Labs (ENoLL). 2016. Available online: <https://enoll.org/about-us/> (accessed on 28 October 2019).
30. Bauchinger, L. *Law on Planning and Development of the Province of Styria and Its Regions, 2018* (‘Landes-und Regionalentwicklungsgesetz’); ROBUST Rapid Appraisal Report, Snapshot: Expressions of Urban—Peri-Urban—Rural Relationships, Metropolitan Area of Styria, Austria; Wien/Graz, Austria, 2018. Available online: <https://rural-urban.eu/sites/default/files/G-GRA1%20Law%20on%20Planning%20and%20Development.pdf> (accessed on 17 December 2020).
31. Bauchinger, L. *Styrian Integrated Transport. Association*; ROBUST Rapid Appraisal Report, Snapshot: Expressions of Urban—Peri-Urban—Rural Relationships, Metropolitan Area of Styria, Austria; Wien/Graz, Austria, 2018. Available online: <https://rural-urban.eu/sites/default/files/G-GRA2%20Styrian%20Integrated%20Transport%20Association.pdf> (accessed on 17 December 2020).
32. Living Lab Metropolitan Area of Styria. *Report on FOCUS GROUP Meeting. WP 1. Conceptualisation of Rural-Urban. Relations and Synergies*; Living Lab Metropolitan Area of Styria: Wien/Graz, Austria, 2018.
33. Living Lab Metropolitan Area of Styria. *Report on Regional Workshop. WP 4 Cross-Sectoral Interaction and Synergies. Task 4.3*; Living Lab Metropolitan Area of Styria: Wien/Graz, Austria, 2019.
34. Cardoso, R.V. Overcoming barriers to institutional integration in European second-tier urban regions. *Eur. Plan. Stud.* **2016**, *24*, 2197–2216. [CrossRef]
35. Purkathofer, E.; Humer, A. City-regional policies in the planning systems of Finland and Austria: National initiatives and European opportunities. *Belgeo* **2019**, *2*. [CrossRef]
36. Statistik Austria. Bevölkerung zu Jahresbeginn ab 2002 (Einheitlicher Gebietsstand 2020) (Q), STATcube—Statistische Datenbank von Statistik Austria. 2020. Available online: <https://statcube.at/statistik.at/ext/statcube/jsf/tableView/tableView.xhtml> (accessed on 17 September 2020).
37. Landesstatistik Steiermark. Steiermark Wohnbevölkerung am 1.1.2019, Wanderungen 2018, 2019. 9. 2019. Available online: [https://www.landesentwicklung.steiermark.at/cms/dokumente/12658765\\_141979497/0e9c0d12/Heft%209-2019%20Wohnbev%C3%B6lkerung-Internet.pdf](https://www.landesentwicklung.steiermark.at/cms/dokumente/12658765_141979497/0e9c0d12/Heft%209-2019%20Wohnbev%C3%B6lkerung-Internet.pdf) (accessed on 11 September 2020).
38. Statistik Austria. Urban-Rural-Typologie Statistik Austria—Paket Bevölkerungsstand 2020. 2020. Available online: [https://statistik.at/web\\_de/klassifikationen/regionale\\_gliederungen/stadt\\_land/index.html#:~:text=Die%20Urban%2DRural%2DTypologie%20wurde,10%20Jahre%20vorgenommen%20worden%20ist.](https://statistik.at/web_de/klassifikationen/regionale_gliederungen/stadt_land/index.html#:~:text=Die%20Urban%2DRural%2DTypologie%20wurde,10%20Jahre%20vorgenommen%20worden%20ist.) (accessed on 7 August 2020).
39. ÖROK (Österreichische Raumordnungskonferenz) Regionext. Neue Strukturen für Regionen und Kleinregionen. ÖREK 2011 Good Practice. ÖROK, Wien. Available online: [https://www.oerok.gv.at/fileadmin/user\\_upload/Bilder/2.Reiter-Raum\\_u\\_Region/1.OEREK/OEREK\\_2011/good\\_practice/Good\\_Practice\\_Regionext.pdf](https://www.oerok.gv.at/fileadmin/user_upload/Bilder/2.Reiter-Raum_u_Region/1.OEREK/OEREK_2011/good_practice/Good_Practice_Regionext.pdf) (accessed on 20 November 2020).
40. Heintel, M. Regionalmanagements in Österreich; Ergänzendes Instrument der Raumordnungs- und Regionalpolitik in einem politischen Mehrebenensystem. In *Österreich in Geschichte und Literatur* (ÖGL); Braumüller: Vienna, Austria, 2005; Volume 49, pp. 373–386.

41. RMSZR. Regionale Entwicklungsstrategie für den Steirischen Zentralraum 2020+. Regionalmanagement Steirischer Zentralraum. 2019. Available online: [https://www.landesentwicklung.steiermark.at/cms/dokumente/12636806\\_142543737/1b52d142/2020\\_RES\\_Endversion\\_RMSZR.pdf](https://www.landesentwicklung.steiermark.at/cms/dokumente/12636806_142543737/1b52d142/2020_RES_Endversion_RMSZR.pdf) (accessed on 11 September 2020).
42. Hausegger-Nestelberger, K.; Oedl-Wieser, T.; Bauchinger, L. *Auswertung Bürgermeisterinterviews. Internal Report*; Maxqda Analysis Interpretation: Wien/Graz, Austria, 2020.
43. Torre, A.; Corsi, S.; Steiner, M.; Wallet, F.; Westlund, H. *Smart Development for Rural Areas*; Routledge: Abingdon, UK, 2020.
44. Beer, A.; McKenzie, F.; Blažek, J.; Sotarauta, M.; Ayres, S. *Every Place Matters: Towards Effective Place-Based Policy*; Taylor & Francis: Abingdon, UK, 2020.
45. De Toni, A.; Di Martino, P.; Dax, T. Location matters. Are science and policy arenas facing the Inner Peripheries challenges in EU? *Land Use Policy* 2020. [[CrossRef](#)]

**Publisher's Note:** MDPI stays neutral with regard to jurisdictional claims in published maps and institutional affiliations.



© 2020 by the authors. Licensee MDPI, Basel, Switzerland. This article is an open access article distributed under the terms and conditions of the Creative Commons Attribution (CC BY) license (<http://creativecommons.org/licenses/by/4.0/>).