



La gestion publique du développement économique : quand la croissance des régions fonde la croissance des nations

*CNIS, ATTRACTIVITÉ ET DYNAMIQUES ÉCONOMIQUES DES
TERRITOIRES: QUELS NOUVEAUX BESOINS DE CONNAISSANCE*

STATISTIQUE ? 27 JUIN 2013

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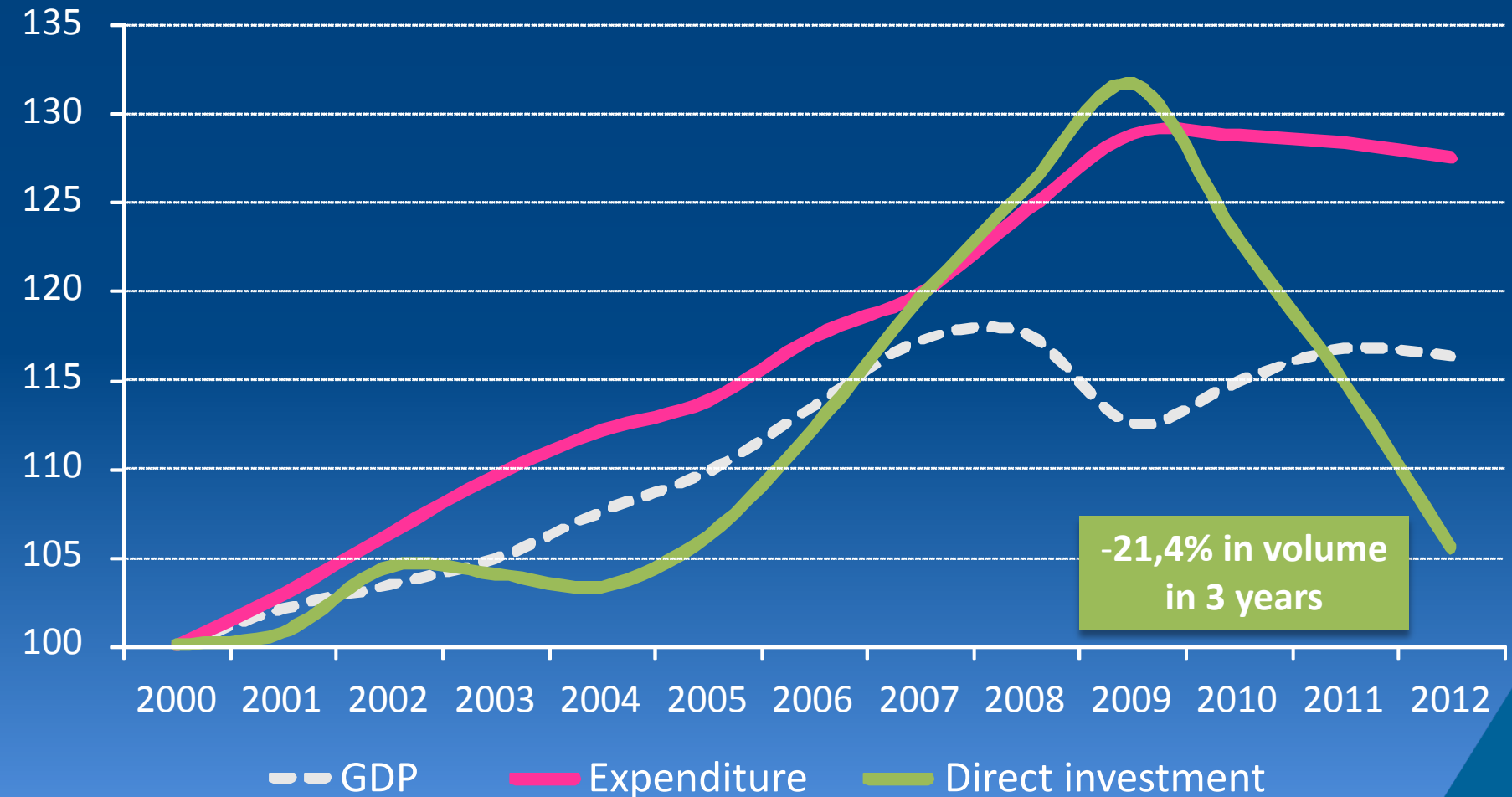
Search for coordinated action on public investment



A marked decline of sub-national public investment for in the EU

Change in subnational public sector direct investment in the EU27, 2000-12

In volume, base year 2000 = 100

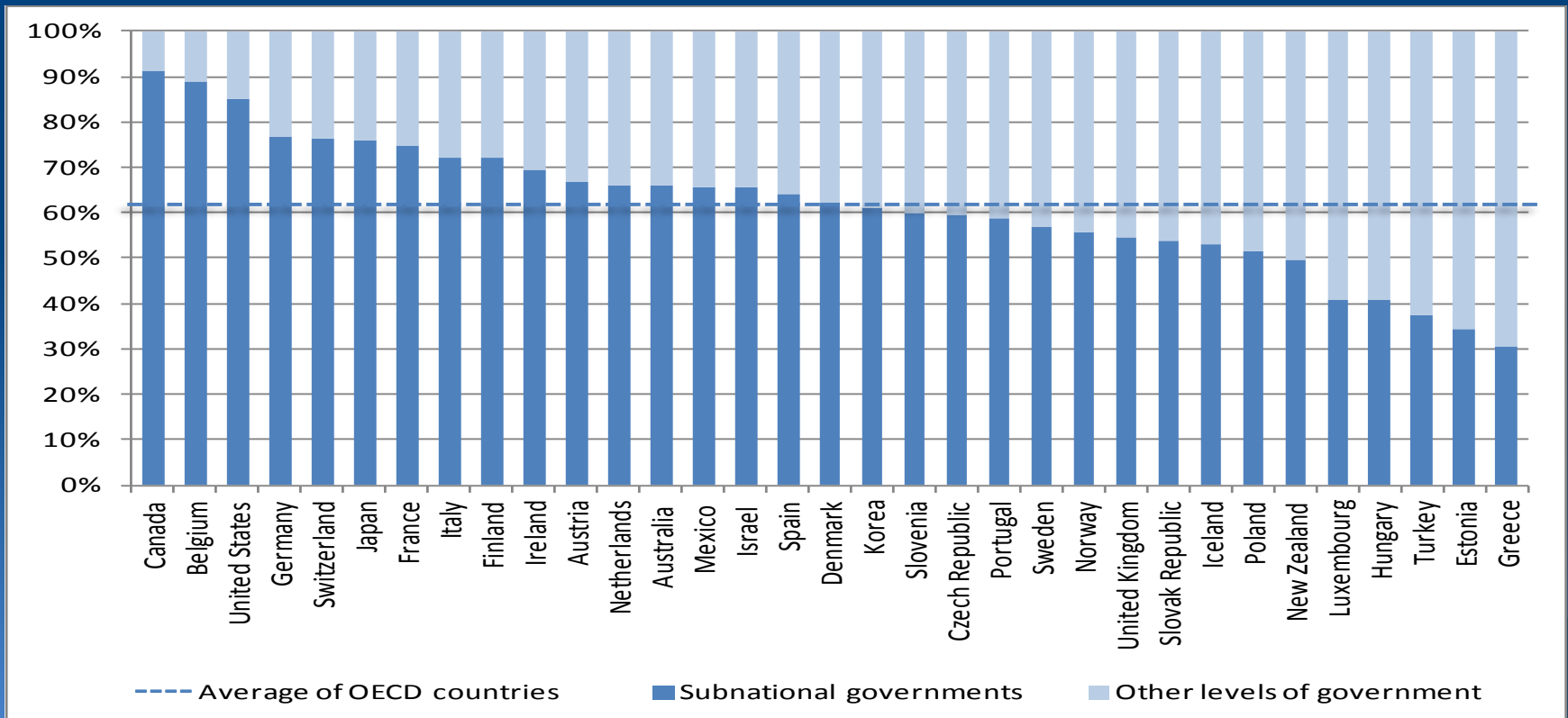




Public investment is a shared responsibility across levels of government

- OECD countries spend over USD 1.2 trillion in public investment (2.7% of GDP and 15% of Total investment). On average, 62% of public investment occurs at the sub-national level in OECD countries (2% of OECD GDP), with a higher share in federal countries & less in historically centralised ones

Sub-national government shares of public investment (2012)





OECD Principles for the Governance of Public Investment

12 draft principles for public investment
across levels of government

Pillar 1
Coordinate
across governments
and policy areas

1. Coordinate among levels of government and policies
2. Adopt effective co-ordination instruments across national and sub-national governments
3. Co-ordinate across sub-national governments to invest at the relevant scale

Pillar 2
Strengthen capacities
for public investment
and promote policy
learning across levels
of government

4. Assess upfront long-term impact and risks of public investment
5. Encourage stakeholder involvement in investment strategy development
6. Mobilise private actors and financing institutions to diversify sources of funding
7. Reinforce the expertise of people and institutions throughout the investment cycle
8. Focus on results and promote learning

Pillar 3
Ensure sound
framework conditions
at all levels

9. Develop a fiscal framework adapted to the investment objectives pursued
10. Require sound, transparent financial management at all levels of government
11. Promote integrity and transparency in public procurement at all levels of government
12. Pursue high-quality and coherent regulation across levels of government

This will be the **first** OECD Instrument in the area of regional policy and where sub-national governments are explicitly recognised (expected date Q1:2014)



Data requirements on quality of investment choices and sound implementation

- Territorialisation of public investments
- Geo-coded information of location of infrastructure and services (started in November 2012)
- Internationally comparable measures **of** regional business demography and guidelines on the evaluation of economic impact in investment choices (to be launched in April 2014 – WPTI)



In search for efficiency: Territorial reforms



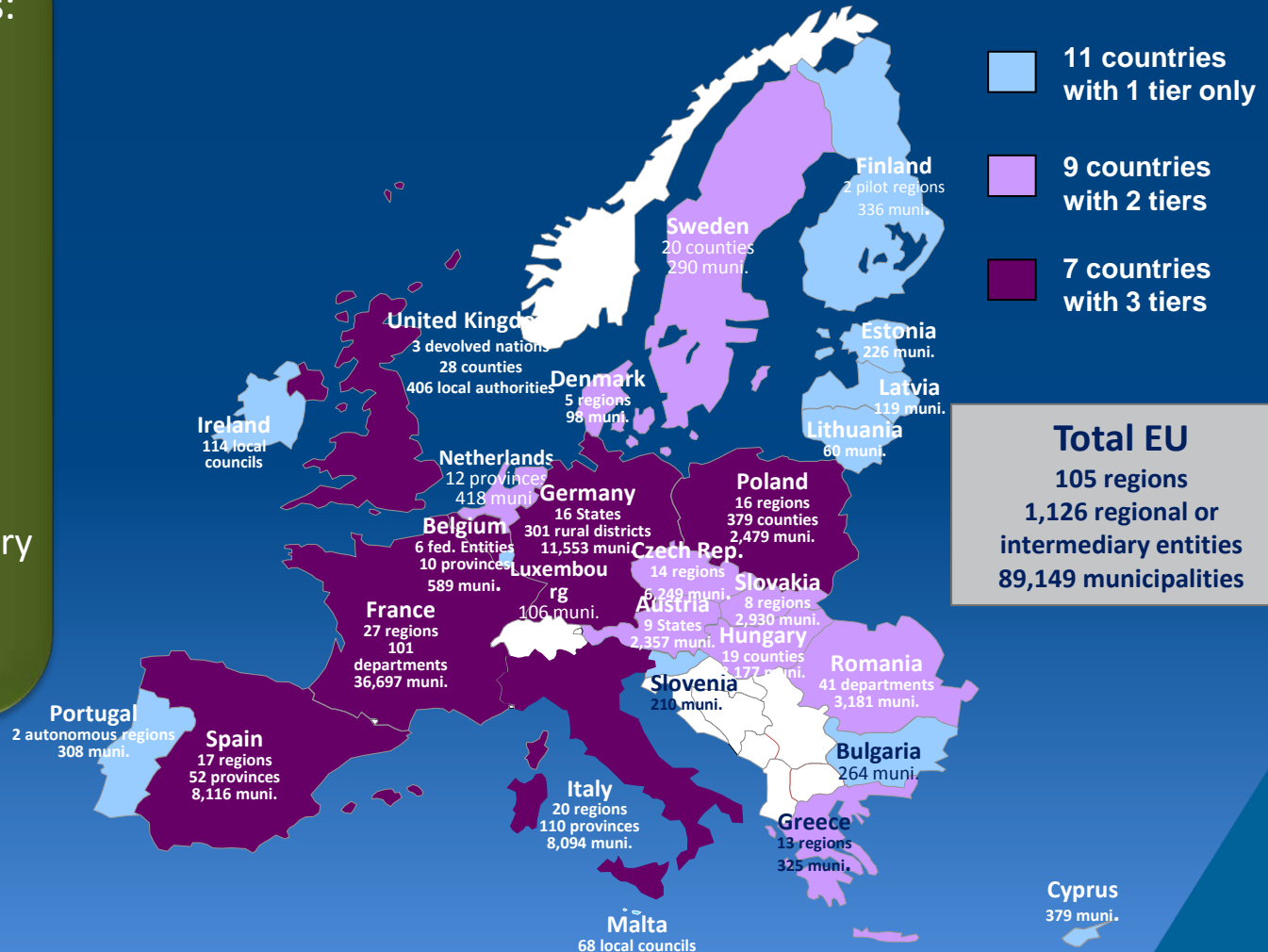
Reforms of Institutional and Territorial Landscape in the EU

➤ Institutional reforms:

- Federalisation
- Decentralisation
- Recentralisation

➤ Territorial reforms:

- Municipal mergers
- Inter-municipal cooperation
- Metropolitan governance
- Reform of intermediary levels
- The reinforcement of the regional level

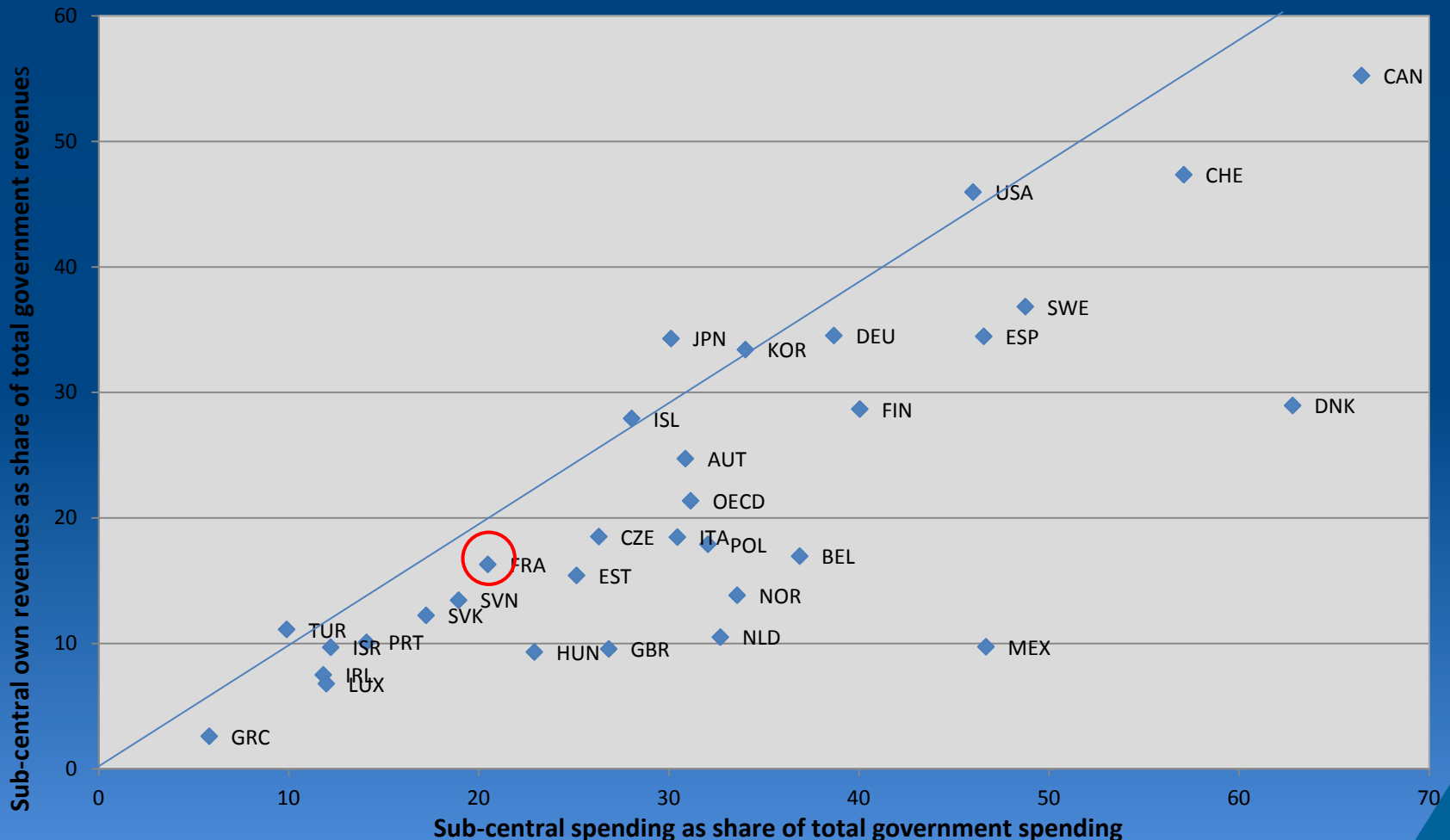


Source: Dexia – CEMR - 2012



Levels of budget decentralisation vary widely across OECD countries

Fiscal decentralisation: sub-central government's share in general government revenues and expenditures (2011) (NB: no data for Chile or New Zealand)



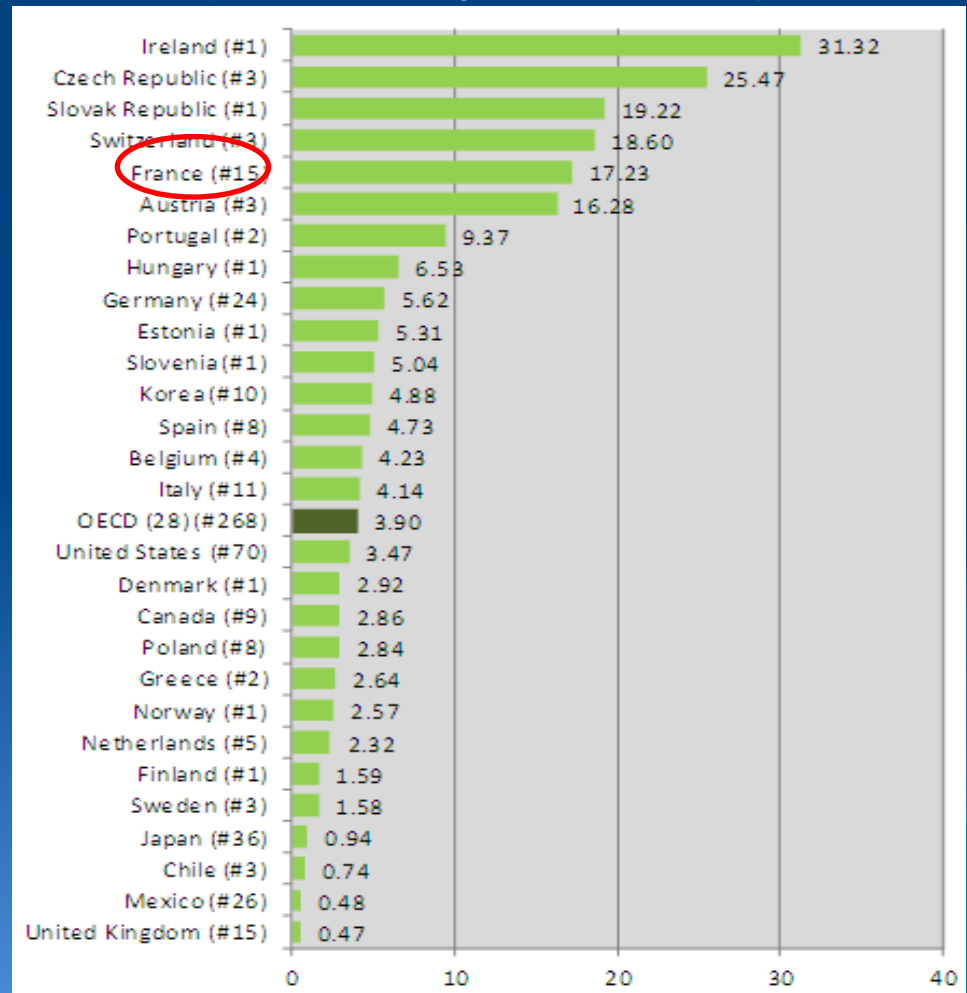


Urbanisation (and sub-urbanisation) create fragmented & moving policy targets

- **Urbanisation and sub-urbanisation automatically increase the number of local governments in large metropolitan areas** – currently around 1400 in Paris and 1700 in Chicago
- **The expansion of metropolitan areas is dynamic over time** → economic areas often neither fit into long-established administrative boundaries, nor necessarily remain for long within the boundaries of newly established metropolitan structures

Number of local governments per 100,000 inhabitants in OECD functional urban areas

(Source: OECD Regions at a Glance 2013)





Whatever the type of system – federal, regionalised, unitary – the crisis has revealed a strong need of coordination across levels of government

Decentralisation does not mean autonomy but mutual dependence

Vertical coordination

- Platforms of coordination** (e.g., Council of Australian Governments)
- Regional structures for horizontal and vertical cooperation** (Switzerland; Canada)
- Contractual arrangements** (Canada, France, future EU partnership agreements)

Horizontal coordination

- generate incentives to cooperate** (Finland, France)
- mergers of municipalities** (Denmark, Greece)



Fitting policies to places

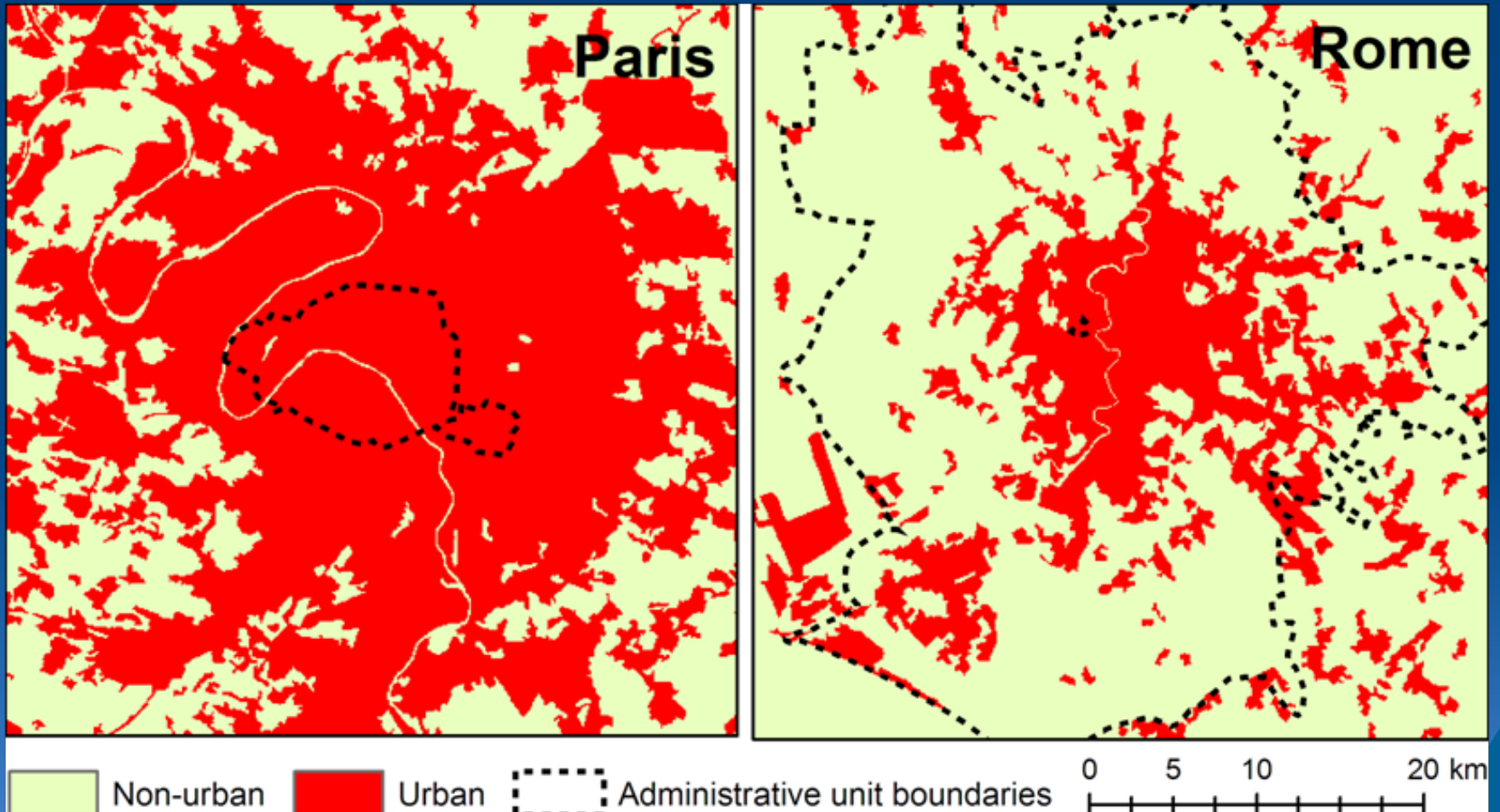


Harmonised definition to identify functional urban areas in OECD countries

- The method uses commuting data and population density calculated for grid spatial units of 1 km² to define urban cores in a way that is robust to cross-country differences in administrative borders.
- **The methodology comprises three main steps:**
 1. identifies contiguous or highly interconnected densely inhabited urban cores
 2. identifies interconnected urban cores that are part of the same functional areas
 3. defines the hinterland (depending on commuting) of the functional urban area
- For more details on the methodology, please see chapter 1 in [“Redefining urban: a new way to measure metropolitan areas”](#), OECD Publishing, 2012



Functional Urban Agglomerations vs. administrative cities



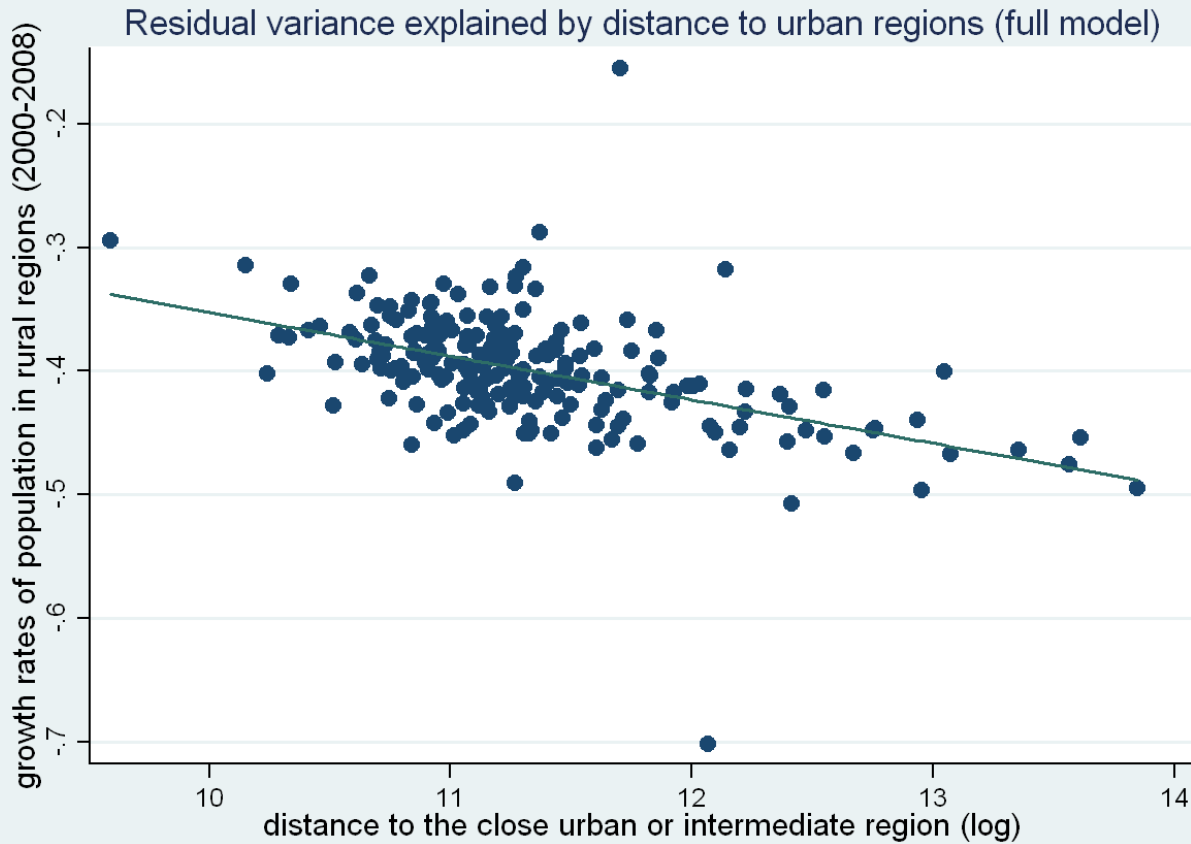


The three-fold aim of OECD National Urban Policy Reviews

- Improve co-ordination of national-level policies that affect urban development
- Increase the coherence between national and sub-national/ city-level policies and correct perverse incentives (e.g. for urban sprawl)
- Provide levers to improve coordination across municipalities within urban areas



Urban and rural areas are increasingly integrated in functional regions



Distance matters between 'urban' and 'rural'

An analysis on 206 small rural TL3 regions show that:

- rural regions grow more the smaller the distance to the closest urban place
- positive spill-overs emerge from growth in close urban regions
- proximity matters also for rural-rural relationships



Governance approaches and challenges to rural-urban partnerships

Intentional approach

rural-urban partnerships is the explicit aim

Formal Multi-purpose Delegated functions	Formal/informal Multi-purpose No delegated functions
<ul style="list-style-type: none">• Rennes Métropole (FR)	<ul style="list-style-type: none">• Geelong (AU)• Nuremberg (DE)• Central Zone (PL)• Brabant (NL)

Unintentional approach

General focus on co-operation to reach a common local development objective

Formal Multi/single purpose Delegated functions	Informal Multi/single purposes No delegated functions
<ul style="list-style-type: none">• Extremadura (ES)• Forli-Cesena (IT)	<ul style="list-style-type: none">• Lexington (US)• Prague (CZ)• Central Finland (FI)• Beira Interior Sul (PT)

Well-being in regions (June 2014)

How's Life? Better Life index (BLI)



How's life in your region?

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How's life in your region?

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Measuring Regional and Local Well-being for Policymaking

The answer to the question "how's life?" may depend on what region you live in. Since factors that determine well-being can vary dramatically across the same country, national averages may not provide the full picture of how life is being lived in all regions. As a result, policies based only on national indicators may not be as effective as originally intended.

Evidence shows that some of the factors that most influence peoples' well-being are local issues, such as employment, access to health services, pollution and security. Therefore policies that take into account regional differences may have a greater impact on improving well-being for the country as a whole.

The OECD is compiling well-being indicators across regions to help improve local and regional policies. This project employs a variety of analytical methods, case studies and workshops with the purpose of:

- Presenting a set of internationally comparable measures of disparities within countries on key aspects of well-being and a critical assessment of the statistical agenda ahead
- Suggesting a methodological framework that reflects how communities in different regions value different dimensions of well-being
- Exploring the implications of the findings for the design of public policies.

The final report (June 2014) will help policy makers to optimise the use of well-being indicators by:

- Enhance the relevance of sub-national measures and analysis for addressing policy issues.
- Identify the key well-being domains where further work could be most usefully focused for regional measures.

Workshops

The workshop will define the conceptual and methodological framework in measuring the inequalities in access to services for the "How's life in your region?" project.

[Measuring Well-being to Enhance Regional Policy, 11 June 2012](#)

This event, being the platform for launching the project "How's life in your region?", presented international experiences of measuring progress and well-being at sub-national level.

[Statistics World Forum, Knowledge and Policy, 16 – 19 October 2012](#)

Assessing the aspects of well-being across countries and the use of new measures of well-being for effective and accountable policy-making.

Regions at a Glance rag.oecd.org

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Regions at a Glance interactive
HOW REGIONS AND CITIES CONTRIBUTE TO INCLUSIVE GROWTH AND WELL-BEING OF SOCIETIES

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Regions at a Glance

SEE IT
Visualise our interactive data stories to see the effects of local differences on national performance and individual well-being.

USE IT
Use maps, histograms and time trends to explore how our region fares on a wide range of topics that matter to your life.

SHARE IT
Share what you see, create your own data stories and post your findings.

Jobs Income GDP Health Innovation
Population Skills Gender Cities Environment



Identifying domains & providing a set of common indicators at regional level

- Domains: Jobs, Income, Health, Education, Environment, Safety, Access to services
- Data needs: measures of social connections, engagement, trust
- Possible solutions: Private providers (Gallup, World Value Survey) but limited regional sampling; Subjective measures carried out by NSOs (ex. UK)?



Regions at a Glance 2013 (Nov 2013)



- Role of regional policy to integrate the objectives of **equity** and **sustainability** along with **efficiency**
 - Read regional economies along three dimensions:
 - ✓ Concentration of resources and contribution to growth/change
 - ✓ Persistence of disparities and mobilisation of unused resources
 - ✓ Characteristics of regions achieving a certain outcome
- +
- Special Section on Functional Urban Areas in OECD countries

Source of information:

[OECD Regional Database](#) provides yearly time series for around 40 indicators of demography, economic accounts, labour market, social and innovation on about 2 000 regions in 34 OECD countries +BRICS.

The [OECD Metropolitan Database](#) provides a set of economic, environmental, social and demographic indicators on the 268 OECD metropolitan areas (functional urban areas with 500 000 or more inhabitants).

<http://rag.oecd.org>





Merci !