

# **Metropolitan Governance Expert Group**

# 2.1 Fundamental key elements of each metropolitan area MOSCOW METROPOLITAN AREA

### **Description of the experience**

- Territorial settings
- Administrative framework
- Essential financial issues
- Available tools and models of governance at a metropolitan level and challenges
- Cultural and social identity aspects
- · Challenges and competences of the metropolitan area
- Conclusions
- 5 Top strenghts and 5 top warning of Moscow metropolitan area

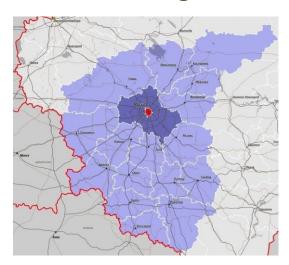
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# **Moscow region and Moscow Metropolitan area**



### **Territorial setting**



The Moscow metropolitan region = CFD



The Moscow metropolitan area



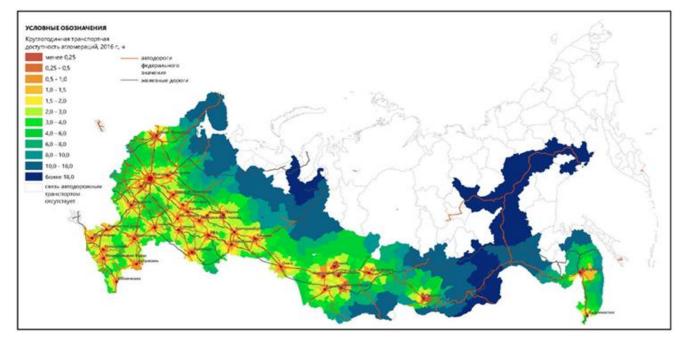
The City of Moscow

The Moscow metropolitan region includes three territorial entities - the city of Moscow, the Moscow Oblast and the Central Federal District, which form a Large Moscow agglomeration, within which stable social and economic ties have been formed, having different intensity with distance from Moscow.

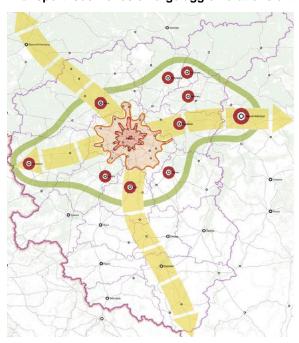
The Central Federal District (CFD) covers 652,800 km² (3.8 percent of the territory of the Russian Federation). The number of resident population on January 1, 2018 was 39 311 413 people (26.8% of the Russian Federation), 80.9 percent are urban dwellers. The average population density is 60.2 people per 1 square. kilometer. CFD consists of 18 regions - Subjects of the Russian Federation.

For the Central Federal District, in general, flat terrain is typical, due to the peculiarities of the geological structure. This territory is tectonically part of the vast Russian platform. The Central Federal District lies within the Atlantic-Continental climatic region of the temperate zone. In all seasons, westerly winds dominate, bringing air of Atlantic origin. The lowest temperatures are observed in January: on average from -8 in the west to -12 in the east of the region. In summer, differences within the region are much smaller than in winter: from +18 in the north-west to +20 in the south-east. Surface water sources are represented by an extensive river network belonging to the basins of the Caspian, Black and Baltic Seas. The largest rivers are the Volga with its tributaries, the Dnieper with the Desna, the Western Dvina, the Don. The forested area of the CFD is 40% of its territory.

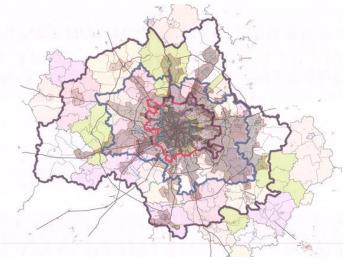
The Moscow metropolitan area. The most intensive agglomeration links operating in the 30-kilometer belt around Moscow, covering more than 8,000 square kilometers, covering more than 17 million people or 43% of the population of the Central Federal District. The zone of intensive agglomeration ties of Moscow, taken within the administrative boundaries of the municipal formations of the Moscow oblast, up to 40% of whose labor resources carry out pendulum migrations to Moscow. At the same time, for the convenience of spatial planning, the combined territory of the city of Moscow and the Moscow Oblast, also called the Moscow Region, is taken as the Moscow metropolitan area. The territory of the Moscow Oblast is divided into 67 municipalities, with a total area of 44,329 sq. km. with a population of 7,596,336 people (2019). The territory of Moscow is divided into 12 administrative districts, 125 municipalities, 2 urban districts, 19 settlements with a total area of 2,561.5 km<sup>2</sup> and a population of 12,630,289 people (2019). Thus, MMA is 46,890 sq. km with a total population of 20. 226 million people.



Transport isochrones of large agglomerations of the Russian Federation



Development axes of the Great Moscow agglomeration in the Central Federal District



1-3rd belt of the Moscow agglomeration

As part of the **Spatial Development Strategy of the Russian Federation** until 2025 (N 207-p, dated February 13, 2019), 64 agglomerations were identified as potential metropolises, of which 41 are agglomerations with a population of over 500 thousand inhabitants and 23 agglomerations with a population of less than 500 thousand inhabitants . In 8 federal districts, 12 macroregions are identified as agglomeration associations. Accordingly, two macro-regions are formed in the Central Federal District – "Central", which is closer in configuration to the large Moscow agglomeration and the "Central Chernozem" macro-region.

**Moscow agglomeration** has up to four belts. The first zone is located at a distance of approximately 10 km from the Moscow Ring Road, the fourth - 150-200 km from the Moscow Ring Road. The most significant part of the agglomeration, which has active ties with Moscow, is located within the boundaries of the third the belt - at a distance of 60-80 km.

The share of The **Moscow Metropolitan Region** - the Central Federal District in 2018 accounted for 34.8 percent of the total Gross Regional Product of the Russian Federation. Moscow and the Moscow Oblast (MMA) accounted for 73% or 3/4 of the district GRP (2016),

Compared with other regional economies, Moscow provides the largest share in the total volume of GRP (20.9%) in the Russian Federation in 2018 and 60% in the Central Federal District. The volume of investments in the district amounted to 25.8% of all investments in Russia

The Central Federal District has a developed radial-ring transport system. 11 railroads and 15 highways diverge from Moscow. Three international transport corridors pass through the district - the Trans-Siberian Railway, the North-South and the Pan-European corridor No. 9, 11 international airports operate, including the largest airports in the country - Domodedovo, Sheremetyevo and Vnukovo.

### Administrative framework



**Moscow Region Management Scheme** 

In accordance with the Constitution in the Russian Federation there are three territorial levels of government: federal, regional, and municipal. The Central Federal District implements the federal level; the Moscow Oblast, like the City of Moscow, has a regional and municipal level of government.

The Federal districts of the Russian Federation were created in accordance with the Decree of the President of Russia No. 849 of May 13, 2000. Federal districts are not subjects or another constitutional part of the administrative-territorial division of the Russian Federation. In the districts, administrative centers-cities are defined, in which their leading coordinating bodies are located in the form of the plenipotentiary representative of the President, his staff and departments of federal departments. The main tasks of the authorized representative is the organization in the federal district of work on the implementation by public authorities of the main directions of domestic and foreign policy of the State. By Decree No. 337 of March 24, 2005, Councils were created with plenipotentiary representatives of the President of the Russian Federation in the federal districts. The Council of the Central Federal District consists of heads of regions - governors of the Subjects of the federation. The Council of Legislators of the Central Federal District has also been established, whose members are representatives of legislative bodies of the Subjects of the federation. By order of the Presidential Plenipotentiary in the Central Federal District of December 9, 2011, No. A50-327p, the Public Chamber of the Central Federal District was established as an advisory public body.

The main planning documents of the Central Federal District: The Strategy for Socio-Economic Development of the Central Federal District until 2020 of September 6, 2011 N 1540-p; the Spatial Development Strategy of the Russian Federation until 2025, of February 13, 2019 N 207-p. where priorities of development of territories and economy are determined. The Central Federal District does not develop any territorial planning document, but the Federal government can.

The bodies of state power and officials of **the Moscow Oblast** are: the Moscow Oblast Duma - the legislative (representative) body of state power. The Government of the Moscow Oblast is the highest, permanent, collegial body of executive government. The Governor of the Moscow Oblast is the highest official. The term of office of the governor is 5 years. The Governor is elected by the inhabitants of the region.

Planning documents for the development of the Moscow Oblast are: Strategy of social and economic development of the Moscow Oblast to 2030 from 12.28.2018, No. 1023/45; The scheme of territorial planning of the Moscow oblast dated July 11, 2007 No. 517/23; Scheme of territorial planning of transport service of the Moscow oblast from 25.03.2016 №230 / 8; The state program "Architecture and urban planning of the Moscow oblast for 2017-2021 from 10.25.2016 №791 / 39; Public sector programs.

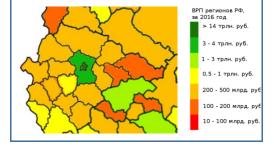
**Executive power in Moscow** is exercised by the Moscow Government, headed by the Mayor, and the legislative power is exercised by the Moscow City Duma, consisting of 35 deputies. Local management is carried out through 12 prefectures, which unite districts of Moscow into administrative districts on a territorial basis, and 125 districts administrations. According to the law "On the organization of local self-government in the city of Moscow", since the beginning of 2003, the executive bodies of local self-government have been municipalities, and representative bodies are municipal assemblies.

The main planning documents for the spatial development of Moscow are: The Strategy for the socio-economic development of Moscow until 2025 (the 2012 project is not approved); General Plan of the city of Moscow until 2025 (from 05.05.2010 N 17); General plan of the city of Moscow on the territory joined in 2012 (dated 03.15.2017 N 10); State programs of the city of Moscow.

To date, there is no legitimate document of the spatial planning of the territory of the Moscow Region - the Moscow Metropolitan Area. There are relatively interrelated documents separately for the city of Moscow and separately for the Moscow Oblast.

### **Essential financial issues**

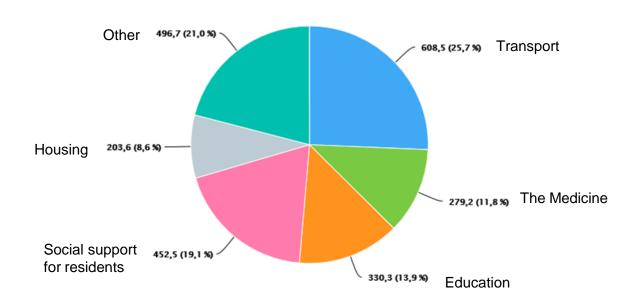
The budget and financial policy is formed and implemented at three levels: federal, regional, and municipal. The revenues of the regions in the federal budget are 45-50%, the expenses of the regions in the federal budget are about 40%. Revenues of municipal budgets make up 10-15% of the required expenses and are covered by transfers from the federal and regional budgets, with the exception of the city of Moscow. The revenue part of the budget of the city of Moscow for 2019 - 31 billion euros is planned, 7.2 billion euros for the Moscow oblast, 4.5 billion euros for municipalities of the Moscow Oblast. The city of Moscow cannot transfer a part of its budget to the Moscow oblast and vice versa. In the presence of unified state programs, each finances its part of the costs.



#### Dominance of the Moscow metropolis in the Internal Regional Product of the Central Federal District

**Moscow Oblast.** Among the key sources of budget replenishment are parts of the federal corporate income tax, personal income tax and excise taxes. The priorities of the budget for the near future are social orientation and the achievement of indicators of national projects. So, in 2019, 75% of budget funds are planned to be spent on social services, 5% - on the construction of new schools, kindergartens, hospitals, 10% of the budget will be spent on maintaining regional infrastructure and road, and 10% on increasing economic potential.

**Moscow city.** The advantages of the budget of Moscow in 100% retaining the tax on personal income, as well as a significant part of the income tax in the amount of 62.4% of the activities of business entities, including the headquarters of the largest companies in the raw materials, energy and financial markets, which makes it possible to generate income by 91% part of the budget solely from stable taxes. The expenditure part of the budget, both of the Moscow Oblast and the city of Moscow, goes towards the implementation of "State programs". Thus, Moscow plans to spend 25.7% on the development of the transport system - the largest part of the 2019 budget, 53.3% on all social programs, in accordance with the diagram.



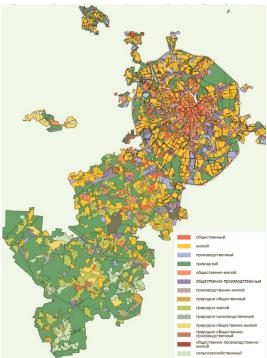
The expenditure diagram of the budget of Moscow on "State Programs" for 2019

# Available tools and models of governance at a Metropolitan level and challenges



Consolidation of municipalities of the Moscow oblast





Land use scheme in the General Plan of the city of Moscow



Planning tools for sustainable development of the Moscow Metropolitan Area

The basis of management and development planning of the Moscow region is provided by the Federal Laws: "On Strategic Planning" No. 172 dated June 28, 2014, and Urban Development Code No. 191 dated December 29, 2004.

The first law obliges federal and regional authorities to develop **Strategies for the socio-economic and Spatial development** of territories, as well as **State Programs** as tools for implementing strategic and spatial planning.

The second law obliges federal and regional authorities to develop **Territorial planning schemes** for the regions of the Central Federal District and permits such documents to be developed jointly by both individual regions and the city of Moscow together with the Moscow Oblast.

Moscow, on its territory, develops, in addition to the Strategic Plan and State programs, a comprehensive **General Plan** for the future development and land use. On the old territory of Moscow, the Master Plan is valid until 2025, approved in 2010, on the new territories joined in 2012 to Moscow, the Master Plan is in effect until 2035, approved in 2017.

As part of the work on the General Plan of Moscow, a general concept of the spatial development of the Moscow Region is developed with the participation of the Government of Moscow, the Government of the Moscow Oblast and the Federal Government. True, this Concept is of a recommendatory nature for the Moscow Oblast, in contrast to the joint State program for the development of the transport infrastructure of the Moscow metropolitan area, which is approved and implemented.

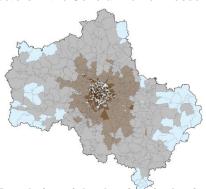
In 2018, the Municipal units of the Moscow Oblast were consolidated, their number decreased from 378 in 2008 to 67 in 2019. Such municipalities represent local miniagglomerations with the main central city or group of cities. Accordingly, the master plans of such local agglomerations will differ in content from the general plans of cities.



The concept of Moscow agglomeration - the winner of the 2012 International Competition.



The concept of the Moscow agglomeration sectors in the General Plan of Moscow



Regulation of the density of urbanization in the Moscow agglomeration



Unified S-ban network of agglomeration with metro quality

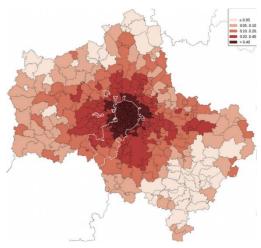
Considering the multi-level nature of the management of the development of the Moscow Region (federal, regional, municipal) and the equality of the constitutional status of the city of Moscow and the Moscow Oblast, special bodies were created to ensure the interconnected sustainable development of the Moscow agglomeration:

- 1. Agreement between the Government of Moscow and the Government of the Moscow Oblast on the strategic development of the Moscow region of February 15, 2018. The parties contribute to the development of economic integration interregional and the strengthening of ties in such areas as: support for industrial enterprises, providing residents of the Moscow Region with clean drinking water, environmental safety, arranging holiday villages, organizing children's recreation, and developing public transport.
- 2. The Committee of the Joint Board of the Executive Bodies of State Authority of the City of Moscow and the Moscow Oblast on the Organization of Cooperation in Urban Planning Activity of November 15, 2011, as amended from 09.23.2014 N 526-RP
- 3. Coordination Council for the development of the transport system of Moscow and the Moscow Oblast of February 15, 2011 N 82 The Council was formed to ensure coordinated actions of the Federal executive authorities, the executive authorities of Moscow and the Moscow Oblast, aimed at the development of transport infrastructure in Moscow and the Moscow Oblast.

# The challenges of the interconnected development strategy of the Moscow agglomeration :

- 1.Considering that the influence of the city of Moscow as the agglomeration core extends to a distance of 200 km, it is planned to restrain the ring-shaped expansion of the agglomeration by regulating the density of buildings and forming a polycentric structure from the major cities of the Moscow Region and the capitals of the neighboring regions;
- 2) Maintaining the specialization of the planning sectors of the agglomeration industrial development in the eastern and southeastern sectors, post-industrial development in the north-western and south-western directions, natural and recreational development in the northern and western sectors;
- 3) To reduce circular migration from the region to Moscow, to reduce the use of individual cars, the **integrated compact belt accommodation** of residential buildings, places of employment, services in agglomeration along the routes of regional and urban high-speed passenger transport metro and S-ban is stimulated.
- 4) Mutual coordination and implementation of thematic **State programs** at the federal, regional and municipal levels. The example of Moscow: Mobile city, Comfortable urban environment, Healthy city, Educated city, Socially protected city, New Moscow economy, Open Moscow

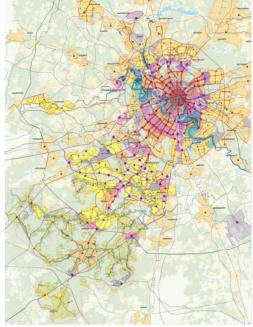
### **Cultural and social identity aspects**



Belts of agglomeration with a share of daily departures to Moscow



Radial transport framework of highways and railways of the region



Development of a polycentric structure of social and business areas in Moscow and the Region

The status of the capital of the USSR and then the capital of Russia turned Moscow into a **Global City**, where the social life of the Moscow Region with a population of 20.2 million people (2019) is largely determined by labor, cultural and everyday ties with Moscow. Every day, an average of 1.7 million people arrives in Moscow, and travels to the region - 0.4 million, or 81 and 19%, respectively, of the total balance.

The volume of departing from the municipalities of the Moscow Oblast to the city of Moscow depends on the distance of **the agglomeration belt** in which the municipality is located. From the first 10-kilometer belt, adjacent to the borders of Moscow, leaves up to 40% of labor resources. From the second belt, located between 10 and 30 km from Moscow, leaves from 20 to 40%. From the third belt, located between 30 and 100km, leaves up to 15% or less. Up to 60% of correspondences traveling daily to Moscow are carried out for labor purposes.

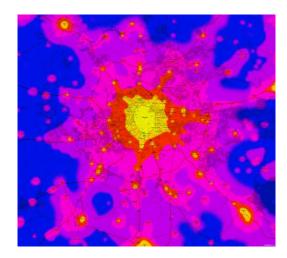
The historically established **radial transport structure** of the Moscow region, directed to the center of Moscow, contributes to the population's travel in this direction and makes the historical center of Moscow particularly attractive for concentrating business, services and overintensive urban planning use.

Accordingly, the concentration in the center of Moscow of up to 30% and more of all the workplaces of the City, while simultaneously lacking jobs on the periphery and in the Region, creates serious **transport problems** in the urban infrastructure.

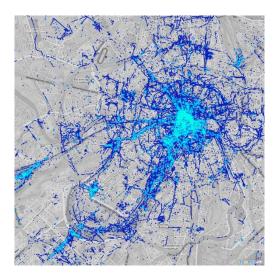
The cost of housing and its availability in the region directly depends on the distance from the center of Moscow. So the **cost of housing** in the center of Moscow is 3-4 times higher than on the periphery of the City or in the first agglomeration belt and 7-8 times higher than in the third belt.

In **the summertime**, the migration pattern of the Moscow agglomeration is changing, since about 2 million Moscow residents go to the region to cottages, used as second homes. At this time, the daily migration flow from the city increases by 860 thousand person. Thus, it is confirmed that the city of Moscow and the Moscow Oblast represent a single Metropolitan area that requires a unified development policy.

The cost of living in Moscow is significantly higher than in the Moscow Region or in other regions of Russia, however, the average income is 30% higher than in the Moscow Region and two or more times higher than in other regions of Russia. Therefore, there is a **permanent migration of the population from the regions** of the Central Federal District, Russia, the countries of the former USSR to Moscow and its suburbs.



Scheme of illumination of the sky by the Moscow agglomeration, 2010



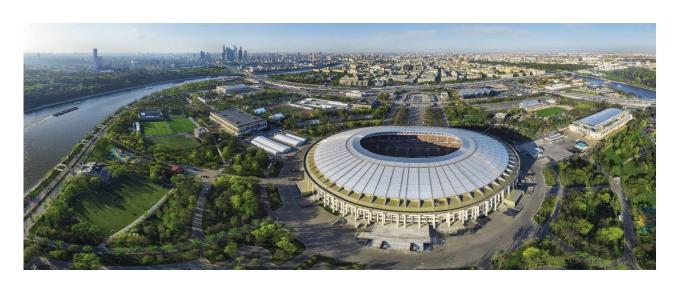
Location of the most popular places in Moscow

Every year hundreds of thousands of people come to the Moscow Region for different purposes. In 2018, more than 574 thousand people arrived, after when a significant portion of those who arrived for various reasons left, 155 thousand people remained, of whom external immigration amounted to just over 13%.

The greatest difficulties of the high cost of living in the city of Moscow are experienced by young people who, in order to improve their living conditions, move to New Moscow, joined to the City in 2012 (the first and second agglomeration zones), occupying up to 30% of the housing market there. About 40% of home buyers in New Moscow are visitors from distant regions of Russia. Up to 10% of the housing stock is used by investors for renting out, including visiting immigrants. The share of social housing in New Moscow, unfortunately, does not exceed 1%.

It should be emphasized that only the city of Moscow throughout the Central Federal District has a positive demographic balance. The active sociocultural and international life of the Russian capital and the possibility of a social elevator attract young people, despite other difficulties. There are 179 higher educational institutions and 736.3 thousand students (2016), 473 science institutions, 317 theaters and concert halls, 451 museums and exhibition halls in Moscow. In Moscow, more than 200 swimming pools, about 40 sports palaces, over 30 stadiums, more than 20 indoor ice arenas. Hundreds of international sports and cultural events take place annually, including the 2018 FIFA World Cup. The number of tourists per year reached 21 million people.

Given the need to move a huge number of people and guests, the City, together with the Oblast, is actively developing the structure of passenger transport. From 2010 to 2018, the length of the Moscow metro lines increased by 103km and 50 stations. By 2023, the total length of the metro lines will be 503km, and in the future - 603 km.



### **Challenges and Competences of the Moscow metropolitan area**

The Moscow metropolitan area has strategic development objectives and **coordinated development management** objectives.

With significant centralization of financial and administrative resources of the Federal Government and the Government of the city of Moscow and weaker financial capabilities of the Moscow Oblast, sustainable development of the Moscow agglomeration is possible only with the participation of all three Subjects and the leadership of the first two.

The creation of new governing bodies of the Metropolitan territory is possible only by strengthening the management function of one of the three. This will require a change in the Constitution of the Russian Federation, which in the conditions of the economic problems in the State does not seem appropriate. In this situation, it is optimal **to form two and three third-party commissions** to address the general issues of agglomeration and the Metropolitan area.

It is equally important, in order to reduce migration to the Moscow Region, to actively develop economically other agglomerations and metropolises of Russia, reduce centralization of management, and also restore international cooperation. When these conditions are met, it is possible to create a unified management of the Moscow Metropolitan area and reduce the strong difference between the economic development of the center and the periphery of the metropolitan territory, as well as the Capital and the rest of Russia. With the joint management of the development of the Moscow agglomeration under the current legislation, there are enough tools to achieve a positive effect.

### The priorities for the Moscow metropolitan area may be the following:

- - ensuring a balance between the resettlement of the population, the creation of jobs and the development of the transport frame;
- - development of polycentric agglomeration on the basis of large cities of the Moscow Oblast and the Central Federal District;
- priority development of integrated high-speed public transport as a single network of the city of Moscow and the Moscow Oblast on the basis of metro and regional railways;
- - the formation of new regional centers in relation to the historical and business center of Moscow in the planning sectors of the Capital;
- the consolidation of the Moscow municipal districts and the transfer to them of a part of the powers of spatial planning and land use from the Government of Moscow;
- protection, development of the green frame and development of agricultural areas of the Region;
- reducing the share of low-quality commercial housing and stimulating the formation of an affordable rental housing fund in Moscow;
- increase of social activity of the population, stimulation of self-government of the population of housing and residential areas;
- renovation, reconstruction, reorganization of inefficiently used territories with low consumer qualities;
- preservation and restoration of objects of historical and cultural heritage in the Region.

### **Conclusions**

The Strategy for the Spatial Development of the Russian Federation until 2025 adopted in 2019 focuses on the consolidation of settlement systems and stimulating the development of agglomerations. The researchers emphasize the positive impact of the agglomeration effect in Russia, which increases the economic efficiency of enterprises and territories by 2-8% or more.

At the same time, it is not proposed to create special bodies for managing agglomerations and metropolitan areas, maintaining current vertical interaction between federal, regional and municipal strategic and spatial planning, as well as preserving the possibility of horizontal interaction between regions and municipalities on sectoral infrastructure planning through state programs.

The peculiarity of the Moscow agglomeration is that the core of the agglomeration is formed by the territory of the Capital of Russia - the City of Moscow, which by administrative status is a region - a Subject of the federation, and the agglomeration itself completely covers another region - the Moscow Oblast. Between the city of Moscow and the Moscow Oblast, having a similar constitutional status, in legal terms only horizontal relations of spatial planning are possible.

The administration of the Macro region - the Central Federal District does not yet have the authority to develop the documentation of territorial planning, being content with the Strategy of the Central Federal District. Accordingly, given the status of the Moscow agglomeration as a metropolitan, the coordination of its development depends on the success of interaction between the Federal Government, the Government of the City of Moscow and the Government of the Moscow Oblast.

According to the current Town planning legislation, the spatial planning documentation of Moscow and the Moscow Oblast is coordinated by the Federal government. During its development, two- and three-sided coordinating bodies are created, which are also important for the development and financing of large infrastructure projects, such as transport infrastructure, affecting the interests of all three main actors and being the most important for the Metropolitan area of 49.9 thousand km2.









**Moscow Oblast** 

the City of Moscow

## 5 top strenghts and 5 top warnings of Moscow metropolitan area

# 5 top strenghts:

- 1. The external borders of MMA completely cover the existing borders of the Moscow Region and there is no need to change the Constitution of Russia.
- 2. Maintaining the metropolitan and international image of the core of the agglomeration the City of Moscow as a successful city, is essential for the policies of the Federal Government and active participation in ensuring balanced development between Moscow and the Moscow Oblast.
- 3. The potential of economic and social development MMA is a powerful magnet for investors and the population of the whole of Russia, which ensures high competition in the labor market and investments.
- 4. The joining in 2012 to Moscow of 1,480 square kilometers of the south-western territories of the Moscow Oblast could be viewed as an experience in creating a part of MMA as unified management and spatial planning of the city and parts of the region.
- 5. Horizontal interregional and inter municipal communications are less bureaucratic than vertical ones and allow solving current MMA issues more quickly.

### 5 top warnings:

- 1. Excessive concentration of socio-cultural and economic activity in MMA leads to stagnation in other regions of Russia.
- 2. High urbanization of Moscow and suburban areas has a negative impact on the natural-ecological component of the Moscow agglomeration.
- 3. The lack of jobs in the agglomeration and their concentration in the central part of Moscow creates congestion in the road network and passenger transport lines.
- 4. The horizontal ties between Moscow and the Moscow Oblast are affected by competition for resources between these Subjects of the federation as economic entities, which often requires the presence of an "arbitrator" to resolve conflict situations in the form of representatives of the federal government.
- 5. The management of large territories and agglomerations and the development of complex, expensive infrastructure requires a certain centralization of management at the initial stages to the detriment of the development of local and municipal government, which also leads to polarization and uneven social and economic development of municipalities.

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