

URBAN AGENDA FOR THE EU



Compact Cities – Sustainable Urban Planning and Sprawl Mitigation

Ex-Ante Assessment

May 2025





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TABLE OF ACRONYMS

Acronym	Full Name in English
BF	Better Funding
BK	Better Knowledge
BR	Better Regulation
CALM	Coordinators and Action Leaders' Meetings
DG	European Commission's Directorate-General
DG CLIMA	Directorate-General for Climate Action
DG ENV	Directorate-General for Environment
DG GROW	Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs
DG MOVE	Directorate-General for Mobility and Transport
DG REGIO	Directorate-General for Regional and Urban Policy
DGUM	Directors-General for Urban Matters
EAA	Ex-Ante Assessment
EEA	European Environment Agency
EIA	Environmental Impact Assessment
ESPON	European Observation Network for Territorial Development and Cohesion
EUI	European Urban Initiative
FUA	Functional Urban Area
GHG	Greenhouse Gases
JRC	Joint Research Centre
MaWP	Multiannual Working Programme
NTCCP	Network of Territorial Cohesion Contact Points
NNLT	No Net Land Take
TIA	Territorial Impact Assessment
TOD	Transit-Oriented Development
TP	Thematic Partnership
UAEU	Urban Agenda for the EU
UDG	Urban Development Group
UATPG	Urban Agenda Technical Preparatory Group
OFC	Other Forms of Cooperation
SEA	Strategic Environmental Assessment
STR	Short-Term Rental

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1 EXECUTIVE SUMMARY

This document is the Ex-Ante Assessment of the proposed Urban Agenda for the European Union (UAEU) Thematic Partnerships or Other Forms of Cooperation on the theme of 'Compact Cities – Sustainable Urban Planning and Sprawl Mitigation'. The UAEU aims to promote dialogue between EU, national, regional and local policymakers and practitioners and international organisations to contribute to better regulation, better funding and better knowledge on urban issues. The Ex-Ante Assessment presents an in-depth examination of the proposed theme, with the aim of clarifying the scope and providing focus, in preparation for the future call for multi-level cooperation on this theme.

The theme 'Compact Cities – Sustainable Urban Planning and Sprawl Mitigation' was endorsed by the Directors-General for Urban Matters (DGUM) under the Belgian Presidency of the Council of the European Union in the first half of 2024. Urban sprawl is widely considered as an unsustainable mode of urban development, characterised by disjointed, low-density, and car-dependent urban forms. This type of development incurs significant environmental, social and economic costs, including land take, landscape fragmentation, car-dependency, increased greenhouse gas emissions, and higher public infrastructure costs. Compact urban development offers a potential solution to mitigate these costs using a combination of approaches to urban containment, densification and regeneration, with the objectives of promoting efficient land use, reducing car dependency, and enhancing social cohesion. However, urban sprawl remains a persistent issue in many European regions due to systemic barriers to compact urban development, and support is required for European policymakers at various levels to tackle the issue adequately.

A better understanding the drivers of urban development is essential for planning and implementing effective policies. Complex networks of drivers influence whether urban development in a given region takes a compact or diffuse form – also known as urban sprawl. The demand for developable land is driven not only by broad economic, demographic and cultural trends, but also by spatial planning and a multitude of sectoral policies. The supply of developable land is likewise driven by policy and institutional factors. National authorities, cities and regions need to understand these drivers to design and implement effective policies that promote compact urban development.

Compact city policies introduce trade-offs between the dimensions of environmental, social and economic sustainability, requiring careful balancing. For example, housing policies represent a particularly important sector, as housing is a significant driver of sprawl. Higher land costs in compact cities often drive greenfield development in peri-urban areas if they offer cheaper developable land. Therefore, it is imperative to consider how spatial planning, land policies and housing policies can make housing in compact cities more affordable, in order to ensure that compact cities are affordable and just. Furthermore, transport represents a very important sector for compact city policies, as car ownership and road infrastructure are among the main drivers of urban sprawl. This enables access to more affordable peri-urban housing, but result in car-dependent settlements with associated economic, social and environmental costs, such as increased greenhouse gas emissions, pollution, congestion, transport poverty, and less equitable access to amenities and services.

Urban containment, densification, and the reuse of buildings and built-up land represent basic strategies for promoting compact urbanisation, but such policies often face strong barriers. It is also necessary to ensure that these policies do not lead to a degradation in the quality of the built environment. The Compact Cities theme within the UAEU should, therefore, contribute to the design of effective responses to these trade-offs by contributing to: better regulation; better funding; and better knowledge.

New urban trends and evidence for the theme

Recent trends highlight the growing recognition of compact city concepts as guidelines for promoting more sustainable urban development. The compact city approach combines environmental and economic goals by balancing environmental footprint reduction with cost-effective spatial planning. This



model is characterised by spatial planning principles that focus on containing urban sprawl through designated growth boundaries (*containment*), promoting denser urban settlement patterns (*densification*), and promoting the reuse of buildings and land (*regeneration*). The compact city aims to realise environmental and social benefits such as enabling more efficient public transport, more cost-effective infrastructure, and more equitably accessible services and amenities, as well as preserving nature and other undeveloped land. Various examples from European cities demonstrate the potential of densification, regeneration and urban containment policies to achieve sustainable urbanisation.

However, it is also recognised that compact city policies involve trade-offs between dimensions of sustainability. Challenges such as increasing housing costs and gentrification need to be systemically addressed to ensure the social sustainability of compact cities. Furthermore, while they limit land take, compact city policies may worsen heat islands and pollution, and cause the loss of urban green space if green infrastructure and nature-based solutions are not placed in the centre of compact urban design. Given these dilemmas, urban planning should prioritise the common good, as emphasised in the New Leipzig Charter. It as well requires multilevel approach and the close integration of the federal, state, and local governments – to help promote effective governance structures and to effectively address urban sprawl.

EU policy environment

The compact city concept aligns with several key EU policies, including the European Green Deal, the New European Bauhaus and Cohesion Policy. These policies emphasise sustainability, inclusiveness, and innovation in urban planning. The European Green Deal, for instance, promotes environmentally friendly mobility, energy-efficient buildings, and biodiversity restoration, all of which support compact urban development. The New European Bauhaus integrates aesthetics, sustainability and inclusion, while Cohesion Policy funds projects that enhance urban density, public transport and green infrastructure. The EU Commission's Renovation Wave for Europe aligns with compact urbanisation by promoting sustainable, resource-efficient and community-oriented building renovations that support higher density and mixed-use urban environments. While not fully implemented in EU regulations, the No Net Land Take (NNLT) objective may play a crucial role in promoting compact urbanisation by significantly limiting greenfield development across all Member States, thus providing strong motivation for introducing urban growth boundaries, promoting densification and reusing existing built spaces.

EU regulatory environment

Various EU regulations influence compact urban development, including the Nature Restoration Law, the Proposal for a Soil Monitoring Law, and the TEN-T Regulation. These regulations promote urban greening, sustainable land use and efficient transport systems. However, the implementation of these regulations varies across Member States, highlighting the need for better enforcement and coordination with national and local policies. The typology of spatial planning systems in Europe also affects the ability to support compact cities, with different approaches, objectives and capacities to control spatial development. The EU Nature Restoration Law, for example, sets targets for increasing green space and tree cover in cities, requiring no net loss of urban green space and tree canopy cover by 2030. The Proposal for a Soil Monitoring Law addresses the sustainable management of soil, which is a key component of urban land use and development. The revised TEN-T Regulation designates cities as urban nodes and mandates the adoption of Sustainable Urban Mobility Plans (SUMPs) to ensure better traffic flows within the TEN-T network. EU regulations on state aid, services and public procurement are also of significance for urban regeneration projects.

Multi-level governance integration

Multi-level governance is essential for addressing the complex challenges of compact urban development. Effective cooperation between local, regional, national and EU levels is necessary to align policies and actions across sectors. While spatial planning is not in the remit of the European Union, EU policies have strong indirect impacts on the objectives, resources and constraints of planners at national, regional and local levels. There is also a need for better coordination of spatial planning between governance levels within Member States. Additionally, European, national and sub-national

sectoral policies that impact spatial development must be better coordinated to promote compact cities and urban sprawl mitigation. The approach to multi-level cooperation facilitated by the Urban Agenda for the EU provides a valuable platform for fostering collaboration and knowledge exchange, providing an opportunity for dialogue across sectors and governance levels. Sharing of knowledge and perspectives on compact cities and sprawl mitigation between policymakers can greatly contribute to addressing this complex issue.

Existing and identified gaps and recommendations

Better Regulation

There is a significant gap in aligning land-use impacts across key EU policies, leading to conflicting objectives regarding land-use expansion and restriction. Weak enforcement of urban planning regulations and limited monitoring reduce the overall impact of EU guidelines. Addressing these issues requires integrated regulatory approaches that balance competing objectives and promote sustainable land use. Strengthening monitoring and reporting on soil health and urban sprawl, improving the enforcement of urban planning regulations, and understanding the trade-offs of no net land take (NNLT) policies in urban development represent significant considerations for this theme.

Better Funding

Existing funding mechanisms often overlook the distinct needs of compact urban development. There is a need for investment tools designed for compact urbanisation, as well as better alignment of financial allocations with sustainability goals. Innovative financial instruments and land value capture mechanisms are essential for supporting urban regeneration and affordable housing within compact cities. Key areas of work include: aligning EU funding mechanisms with compact city objectives; exploring innovative financial instruments for land value capture; and integrating compact city principles with ongoing EU policy processes, including the Cohesion Policy for the upcoming Multiannual Financial Framework, the EU Policy Agenda for Cities, the Affordable Housing Plan and related funding.

Better Knowledge

There is a notable gap in understanding compact city principles among EU policymakers and urban planners. Improved data and monitoring tools are needed to assess land use and urban growth effectively. Additionally, better knowledge of trade-offs in urban planning and the integration of research on urban-rural linkages are crucial for informed decision-making. The differences in needs and capacities between large, medium-sized and small cities should receive special attention. Key areas to address include: mainstreaming transformative urban models; improving data and monitoring tools for urban planning; and raising awareness of the importance of FUA coordination on land-use policies.

Lessons learned from previous partnerships

Previous thematic partnerships have provided valuable insights into sustainable urban development, particularly in areas such as land use, urban mobility and green infrastructure. However, there is a need for more sustained knowledge sharing networks and collaborative learning platforms. Integrating lessons from past partnerships can enhance the effectiveness of future initiatives on compact cities. The most significant lessons can be drawn from the partnerships on Housing, Urban Mobility, Greening Cities, and Sustainable Use of Land and Nature-Based Solutions (SUL-NBS). The SUL-NBS partnership, for example, highlighted critical barriers to sustainable land use, including governance fragmentation and ineffective land pricing policies. Building on these findings, future work on the Compact Cities theme can contribute to addressing governance and regulatory challenges.

Cross-cutting issues

Addressing cross-cutting issues such as effective urban governance, intermunicipal cooperation, strategic urban planning and social equity is essential for the success of compact city policies. These issues require integrated and participatory approaches to ensure that urban development is sustainable, inclusive and resilient. Governance across administrative boundaries, sound and strategic urban



planning, and innovative approaches – including smart cities – are crucial for achieving the goals of compact urbanisation.

Territorial Impact Assessment

Territorial Impact Assessments (TIAs) are analytical tools used to evaluate the potential territorial effects of policy proposals, ensuring that diverse regional and local characteristics are taken into account, and that potential spatially asymmetric impacts are considered when designing new policies. While the recommendations resulting from the UAEU are not legally binding, they aim to influence policymaking across governance levels. This necessitates an understanding of how different regions might experience the impacts of compact city policies. It can be expected that, due to differing spatial planning and governance systems, not all Member States and regions will be equally prepared to address the trade-offs involved in compact city policies. The use of TIAs within this theme would facilitate a structured approach to assessing potential asymmetric territorial impacts and assist the partnership with pre-emptively addressing spatial and socio-economic trade-offs.

Relevant timing

The establishment of the Compact Cities Partnership should be initiated in 2025 or 2026 to align with ongoing policy processes at the EU level. This timing is ideal for leveraging new legislation, the new European Commission's mandate, and upcoming Cohesion Policy negotiation processes. The simultaneous preparation of the Thematic Partnership (TP) Action Plan and the EU Affordable Housing Plan would provide opportunities for mutual reinforcement, allowing the TP to contribute spatial insights to European housing policies while benefiting from its inputs.

Required type of expertise and stakeholders of interest

A diverse and interdisciplinary partnership is required, including local and regional authorities, national ministries, European institutions, and cross-cutting networks. Expertise in spatial planning, housing, transport, green infrastructure and environmental policies is essential for addressing the complex challenges of compact urban development. Involving stakeholders at multiple levels, including local and regional authorities, national agencies, European institutions, and international organisations and networks is crucial for ensuring a comprehensive approach. The involvement of local authorities seeking support for designing and implementing policies for densification, circular reuse of urban spaces, and urban containment will be highly beneficial to addressing this theme. Engaging cities of various sizes and characteristics is crucial for ensuring inclusive and effective governance – not just metropolitan cores, but also small and medium-sized cities within and outside functional urban areas, which often face barriers such as limited resources and capacity.

Required type of support

The Compact Cities Partnership should make full use of the support services provided by the European Urban Initiative (EUI), including operational guidance, financial support for travel and accommodation, external expertise, and communication and dissemination support. Engaging with experts involved in European-wide research – for instance, ESPON projects such as COMPASS, SUPER, No Net Land Take and House4All – and making use of research produced by organisations such as the JRC and EEA would strengthen the partnership's analytical foundation.

Forms of Multi-Level Governance Cooperation

According to the Ljubljana Agreement, the UAEU objectives can be achieved either through the establishment of a thematic partnership, which brings together diverse stakeholders to develop long-term strategies and policy recommendations, or other forms of multi-level and multi-stakeholder cooperation (OFC), which are suited to topics requiring faster delivery, rapid response or a specific focus. As the Compact Cities theme was found to be complex, touching upon many policy sectors and involving responsibilities at all governance levels, it is recommended that this theme be addressed through a thematic partnership.

2 INTRODUCTION

2.1 Aims, objectives and criteria of the Ex-Ante Assessment (EAA)

The Ex-Ante Assessment (EAA) was introduced by the Ljubljana Agreement in November 2021, as a new step towards the creation of Thematic Partnerships and Other Forms of Cooperation (OFC) within the Urban Agenda for the European Union (UAEU). It was first put to use in the establishment of Thematic Partnerships on 'Greening Cities' and 'Sustainable Tourism'. The aims, objectives and deliverables of the EAA were defined by the Multiannual Working Programme (MaWP) for the UAEU, issued by the Informal Meeting of Ministers responsible for Urban Matters on 26 November 2021. According to the MaWP, the EAA is envisioned as an exploratory process with the objective of enabling "the deployment of a pragmatic, effective and result oriented approach aiming at increasing the impact of future Urban Agenda for the EU (UAEU) deliverables".

The Multiannual Working Programme for the UAEU further clarifies the purpose of the EAA as follows:

- ensure the relevance and focus of the theme in the policy and regulatory context;
- guide and ease the work of the Partnership in stocktaking and preparatory actions;
- secure a suitable level of expertise in the Partnership;
- optimise the workflow within the Partnership.

In line with these objectives, the present EAA for 'Compact Cities – Sustainable Urban Planning and Sprawl Mitigation' aims to provide an in-depth analysis of the proposals for this theme to help optimise the focus, timing and activities of the multi-level cooperation as well as to safeguard the level of thematic and procedural expertise of the partners.

Additionally, the assessment criteria in the MaWP need to be listed:

1. Multi-level governance
2. Policy environment
3. Regulatory environment
4. Existing identified gaps and recommendations
5. Trends and evidence from EU cities.

Finally, the MaWP requires that EAA should provide the following elements:

- I. Thematic focus and opportunity to launch
 1. Recommendations to interpret and focus the thematic scope of the subject
 2. An assessment of the feasibility of launching a partnership
- II. Partnership and governance
 3. Identification of the most suitable form of multi-level cooperation (Partnership/OFC)
 4. Identification of potential institutions/stakeholders of interest, that are relevant and related to the thematic issue, to involve in the multi-level cooperation set-up
 5. Identification of the suggested type of expertise of the members
- III. Implementation
 6. Recommendation on the timing for successful implementation
 7. Identification of the type of support that will be required for implementation.

In addition to its exploratory analytical function, the EAA is also expected to be a "strategic" and, most of all "pragmatic tool checking whether a multi-level governance approach to deliver on the objectives of the UAEU for a specific theme or question related to sustainable urban development fits in a favourable EU policy and regulatory context". To ensure such an approach, the methodology of this EAA is explained in the next section. The EAA aims to provide guidance for future thematic partnerships by identifying potential sub-topics to focus on in upcoming Action Plans.

2.2 Conceptualisation

The new theme 'Compact Cities – Sustainable Urban Planning and Sprawl Mitigation' was endorsed by the Directors-General for Urban Matters (DGUM) under the Belgian Presidency of the Council of the European Union, to be initiated in 2025. With a significant part of the European Union territory directly covered by urban land use, the management of urban areas is a key component of any sustainable development policy. European local, regional and national authorities have substantial responsibilities in the field of urban planning and are responsible for the successful implementation of EU policies influencing spatial planning at local, regional and national levels.

Urban sprawl represents one of the biggest challenges in this regard. It refers to the dispersed expansion of urban areas, mainly characterised by disjointed, low-density and car-dependent development, and is widespread among European regions. Such patterns of urban development are associated with significant environmental, economic and social costs. Diffuse development leads to landscape fragmentation, soil sealing, loss of biodiversity and agricultural land, while the car-dependent nature of diffuse urbanisation causes congestion, increased GHG emissions, and air and noise pollution. Dispersed urbanisation forfeits the opportunity for agglomeration economies, erodes cities' tax bases and dramatically increases the costs of providing key public infrastructure and services, exerting pressure on local public finance. The necessity of car ownership negatively impacts vulnerable groups, hindering their access to employment and education opportunities, as well as amenities such as retail and recreation, thus trapping many citizens in situations of transport poverty.

Whether urban development in a given region takes a compact or diffuse form is determined by complex networks of causes, impacting both the demand and supply of developable land in urban regions. On the one hand, factors influencing the demand for land development include demographic changes, household preferences related to housing morphology and tenure type, economic development, and incentives and subsidies for construction and home ownership. On the other hand, the supply of land is influenced by territorial governance and planning systems, through which local, regional and national authorities regulate development on built and unbuilt land. Thus, the form of urban development is largely driven by the objectives of planning authorities and their capacity to implement them, as well as by planning cultures, and the specific instruments used by authorities to control land development – such as zoning and land value capture mechanisms. Multi-level governance arrangements also influence the objectives of spatial planning through their effects on intermunicipal competition (Colsaet et al., 2018). The development of transport infrastructure increases both land supply and demand, by expanding peri-urban areas that are more accessible to urban amenities, which invites new urban development. EU policies in areas such as transport, territorial cohesion and environment cause significant, though indirect and sometimes conflicting, impacts on urban sprawl.

Thus, the mode of urban development should be seen as an outcome of the specific arrangements between the drivers of demand and supply of urban land. The drivers consist of both broad economic, demographic and cultural dynamics, and policy factors such as governance, planning and subsidies. The density and contiguity of the urban form resulting from this interplay may range between compact, dense cities and disjointed low-density urban regions. Since public policies play a major role in determining the mode of urbanisation (more compact or more diffuse development), this report focuses on the interventions which authorities at various levels can implement to promote compact urbanisation and mitigate sprawl. Following the ESPON SUPER *Guide on sustainable urbanisation and land use* (Cotella et al., 2020), this report uses the classification of interventions according to three approaches: containment, based on limiting greenfield development; densification, aimed at using already built-up areas more efficiently; and regeneration, focused on promoting development in under-used or problematic built-up areas.

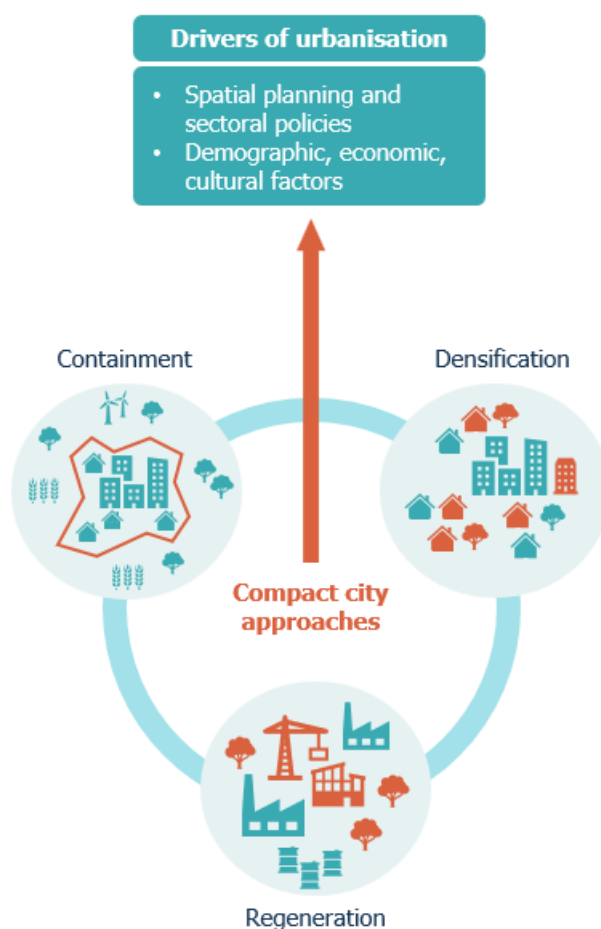


Figure 1. Conceptualisation of the theme *Compact Cities – Sustainable Urban Planning and Sprawl Mitigation*

Source: KaturiĆ, I., 2025.

The UAEU working formula is ideally suited to support European local, regional and national authorities in designing policies supporting sustainable urban planning and sprawl mitigation. By gathering stakeholders from different sectors and governance levels, it enables them to work on an equal footing on solutions for better regulation, better funding and better knowledge on this wide and cross-cutting challenge. Specifically, small and medium-sized cities face unique land-use challenges and limited capacity, requiring targeted support and inclusive governance to ensure their active role in planning. Their priorities often differ from metropolitan areas, highlighting the need for diverse local involvement in Compact Cities initiatives. Additionally, as EU-level regulations have an impact on urban planning and require local level data for monitoring, the UAEU could help European local and regional governments share ideas on the implementation of EU level regulations impacting the compact development of urban areas.

The Directors-General for Urban Matters (DGUM) identified several sub-themes to further elaborate on the theme 'Compact Cities – Sustainable Urban Planning and Sprawl Mitigation', which will provide the basis for the Ex-Ante Assessment. One major focus is **spatial governance and planning systems**, including policies that coordinate spatial planning across administrative boundaries, particularly within functional urban areas. This also encompasses exploring reforms of land-use regulations and property taxation, the relationship between EU Cohesion Policy and spatial planning, and solutions to mitigate the effects of urban sprawl and suburbanisation.

Another critical area concerns policies **impacting the form of urban development**, with an emphasis on better integrating and implementing sectoral policies while improving the understanding of their effects on promoting compact or diffuse urban development. In particular, transport policies, sustainable mobility initiatives, parking regulations, and shared transport solutions play a fundamental role in shaping urban expansion patterns.

The **trade-offs** inherent in compact urban development also require attention, especially regarding the social dimension of spatial policies. Key challenges here are: ensuring access to affordable housing; and aligning socio-economic and environmental considerations, such as green and blue infrastructure, more closely with spatial planning.

Furthermore, the multi-level cooperation should explore ways to enhance the **operationalisation of sustainable urbanisation concepts**, such as the compact city, stationary city, and post-growth urban models. These frameworks offer different perspectives on achieving sustainability in urban areas.

Finally, **urban design** for compact cities will be examined, with a focus on the quality of public spaces and strategies for effectively integrating existing developments into the urban fabric. Well-designed, inclusive public spaces are essential for fostering compact and liveable cities.

These themes will serve as the foundation for the Ex-Ante Assessment and guide the work of the Compact Cities partnership in addressing urban sprawl and promoting sustainable urban development.

2.3 Methodology of the EAA

The methodology consisted of a literature review and stakeholder consultation process, covering the main objectives. To this end, criteria were selected to establish relevance in terms of scope and timing. The five general Assessment Criteria for this EAA were defined in the Terms of Reference (ToR) and the Multiannual Working Programme of the UAEU.

These criteria and research questions guided the desk research based on the proposed topic (literature review consisting of EU policy, regulation, key publication, funding, data, and scientific literature on the concepts of compact cities). A screening process was undertaken to; (1) survey existing knowledge; (2) establish the relationship of the theme with these and other frameworks; and (3) select the most relevant sources for the research. The criteria also served as a base to develop a questionnaire and conduct interviews with Commission services and other European organisations. As an important qualitative part of the assessment process, the interviews helped to explore initiatives and policy developments related to the compact city topic. These were carried out between December 2024 and February 2025. The analysis of the interviews and results will also be used to refine and focus the literature review. The report was drafted using a collaborative process. This included consultations and an exchange with the (DGUM, UDG)/cities responsible for drafting the theme proposal, and relevant services of the European Commission. A focus group meeting was held with the topic proponents and city umbrella organisations on 5 December 2024. The steering was carried out by the Urban Agenda Technical Preparatory Group (UATPG) validate the report's orientations and outcomes. Insights garnered from both the interviews and exchanges with stakeholders offered additional perspectives and depth to the analysis.

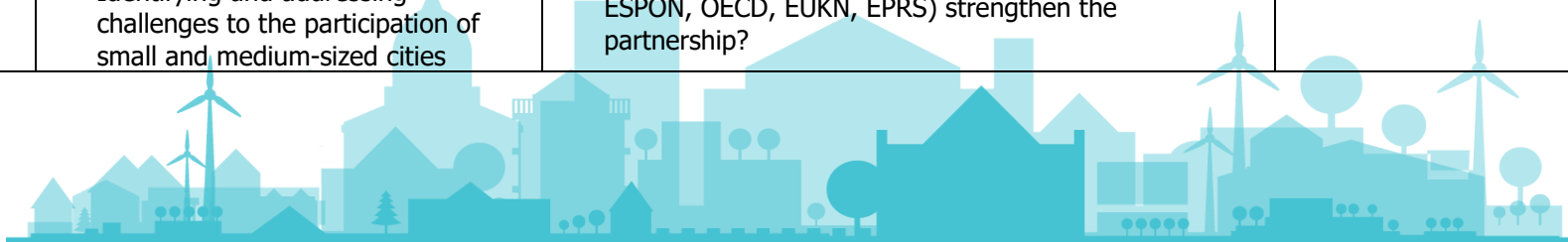
2.3.1.: Assessment criteria chosen to establish relevance of the Compact Cities theme in terms of scope and timing

Assessment criteria	Sub-criteria	Comments	Data sources
New urban trends and evidence about EU cities	<ul style="list-style-type: none"> Recent evidence and research findings on urban development and the concept of compact cities in the EU Future trends and long-term implications Indicators for monitoring and assessment 	<ul style="list-style-type: none"> How is the concept of compact cities defined, and what is its scope? What lessons from past urban development can inform compact cities actions? What are the key challenges in planning and implementing compact cities? What new concepts (e.g. post-growth cities, stationary cities) are emerging in the Compact Cities theme? What are examples of best practices in compact cities solutions? What indicators can monitor the impact of the Compact Cities Partnership? 	<ul style="list-style-type: none"> Future of cities related data and research findings, the Urban Data Platform + and recent evidence on urban development in the EU (ESPON research, Urban Innovative Actions (UIA), URBACT networks)
EU policy environment	<ul style="list-style-type: none"> Alignment with EU headline priorities Urban Agenda for the EU and its framework EU funding mechanisms and support Strengthening linkages with Territorial Agenda 2030 EU Work Programme, UAEU Multiannual Working Programme (2022–2026) 	<ul style="list-style-type: none"> What are the most relevant EU policy priorities for the Compact Cities theme, and how do they reflect on it? How is the Compact Cities theme integrated into new EU policies currently under development? How does the Compact Cities theme align with the overall framework of the Urban Agenda for the EU? How can the linkages between the UAEU and the Territorial Agenda 2030 be strengthened? In what ways does the UAEU Multiannual Working Programme (2022–2026) support the compact cities agenda? 	<ul style="list-style-type: none"> Key initiatives and frameworks influencing EU urban and sustainability policies (the European Green Deal, European Pillar of Social Rights, European Digital Strategy, Renovation Wave, Cohesion Policy, Long-term Vision for Rural Areas, New European Bauhaus, and others aimed at sustainable prosperity, social support, and quality of life. Additionally, strategies like the EU Soil Strategy for 2030, Sustainable Urban Mobility Plans, EU Blue Deal, and urban climate adaptation are integral. Funding sources include Cohesion Policy, RRF, Just Transition Fund, and Connecting Europe Facility. Relevant policy documents also include the EC Work Programme, the New Leipzig Charter, the New Urban Agenda, and the UN SDGs, as well as the UAEU



2.3.1.: Assessment criteria chosen to establish relevance of the Compact Cities theme in terms of scope and timing

Assessment criteria	Sub-criteria	Comments	Data sources
			Multiannual Working Programme (2022-2026)).
EU regulatory environment	<ul style="list-style-type: none"> EU regulatory framework for compact cities Better Regulation agenda and UAEU's role Typologies of planning systems in Europe and regulatory bottlenecks at national and sub-national levels Fit for Future Platform (RegHub subgroup) 	<ul style="list-style-type: none"> What are the most relevant EU regulatory frameworks for the Compact Cities theme, and how do they align with planning and implementation needs? How can the UAEU's work on this theme support and advance the Better Regulation agenda? What are the main typologies of planning systems across Europe in terms of regulation, and how can these differences influence the EU's ability to support and promote the compact cities agenda? 	<ul style="list-style-type: none"> EU regulatory framework (Nature Restoration Law, Proposal for the Soil Monitoring Law (directive), Environmental legislations on EU and national level, etc.) Fit for Future Platform (RegHub subgroup)
Existing identified gaps and recommendations	<ul style="list-style-type: none"> Existing research, gaps and recommendations on Better Regulation, Knowledge and Funding Urban challenges and territorial specificities related to compact cities not addressed by previous partnerships Priority issues for further exploration within the future partnership 	<ul style="list-style-type: none"> What challenges related to compact cities have been addressed by previous partnerships, and how can their results and deliverables inform this theme? How can the partnership contribute to Better Regulation, Knowledge and Funding, and what specific gaps should it address? What are the priority issues and unaddressed challenges that the future partnership should explore? 	<ul style="list-style-type: none"> The first generation of partnerships and ongoing partnerships materials (Results and deliverables from previous Thematic Partnerships (Orientation Papers, Action Plans and Ex-Ante Assessment reports))
Multi-level governance	<ul style="list-style-type: none"> Compatibility of multi-level governance with the Compact Cities theme Added value of multi-level governance for solutions and actions development Distribution of competencies between Member States and governance levels Expanding outreach to cities and stakeholders at local, regional, national and EU levels Identifying and addressing challenges to the participation of small and medium-sized cities 	<ul style="list-style-type: none"> How suitable is the multi-level governance approach for compact cities, and what unique value does it offer? How can the Compact Cities Partnership engage a wider range of cities and stakeholders, including less active Member States? What strategies ensure the meaningful involvement of small and medium-sized cities in the Compact Cities theme? How are competencies for compact cities distributed across Member States and governance levels, and how does this impact implementation? How can collaboration with key stakeholders (e.g., ESPON, OECD, EUKN, EPRS) strengthen the partnership? 	<ul style="list-style-type: none"> ESPON Territorial Impact Assessments



3 ANALYSIS

3.1 New urban trends and evidence for the theme

Compact city strategies have recently gained prominence with the recognition of the crucial role that cities have in promoting global sustainable change. The compact city embodies an 'eco-spatial consensus' that combines environmental and economic goals by balancing environmental footprint reduction with cost-effective spatial planning (Kjærås, 2021). This model is characterised by spatial design principles that focus on containing urban sprawl through designated growth boundaries. By promoting denser urban settlement patterns, the compact city aims to realise environmental and social benefits such as reducing fuel consumption and preserving rural areas. They are touted as serving economic, environmental and social dimensions of sustainability, allowing for better utilisation of urban land, protection of the environment and reduction of emissions, while supporting local communities and autonomy. Socially, compact cities combine density with diversity, social cohesion and cultural development. Economically, they provide cost-effective infrastructure and support local services. This is fully in line with the framework for the future development of the European city set out in the New Leipzig Charter, which envisages its transformation in three directions – just city, green city and productive city.

Compact cities can be viewed from several perspectives, but as Bibri et al. (2020) show in their article, all these approaches have important commonalities. The most important dimensions of compact cities are high density, mixed land use, efficient transport system and accessibility.

- **High density** is a fundamental attribute of compact cities that induces efficient land use, reduces urban sprawl and promotes resource-efficient infrastructure. Density is supported by careful spatial distribution and accessibility strategies that help to manage population clusters, ensure proximity to key services and balance the intensity of land use. The density profile must consider its distribution across neighbourhoods to avoid over-concentration and improve urban resilience.
- **Mixed land uses** are equally important as they promote multifunctional neighbourhoods where residential, commercial and leisure activities coexist. This reduces the need for long commutes, promotes pedestrian access and improves social mix, leading to more inclusive communities.
- A diverse built environment, combined with compact layouts and well-designed streets, supports sustainable modes of **transportation** such as walking, cycling and public transport. Efficient road networks and pedestrian-friendly designs reduce car dependency and minimise environmental impact.
- **Accessibility** concerns how easily residents can reach workplaces and local services such as grocery shops, restaurants or clinics. In a compact city with mixed land use, most residents can reach these services either on foot or by public transport.

Affordable housing in compact cities is a cross-cutting issue related to high density, mixed land use and transport accessibility. All these dimensions generally favour an increase in housing prices. Policies



for compact cities therefore face the major challenge of maintaining a high level of affordable housing while promoting the four key dimensions mentioned above.

Compact urbanisation in Europe

Examples of compact urbanisation can be found in many European cities (Evers et al., 2024). The different planning practices related to compact urbanisation can offer valuable lessons for future strategies. While these examples can be used in urban planning to identify key successes of compact urban development, they also provide valuable insights into negative phenomena that have occurred alongside these processes. This dual perspective helps to provide a framework for promoting effective practices and avoiding detrimental ones.

A comprehensive analysis of spatial planning interventions in Europe affecting sustainable urbanisation was conducted as part of the ESPON SUPER project, which, among other outcomes, led to the creation of the *Guide on sustainable urbanisation and land use* (Cotella et al., 2020). The guide contains several evidence-based recommendations for achieving sustainable urbanisation via compact urbanisation. These are linked to three main intervention types: densification, regeneration and urban containment.

- **Densification** focuses on increasing population and building density within built-up areas via upzoning and infill development. These measures aim to achieve long-term sustainability by promoting efficient land use, incorporating environmental, economic and social concerns, and ensuring appropriate planning to avoid issues such as fragmented land uses. It must be noted that densification does not entail high-rise construction prioritising maximum floor area beyond all other consideration; densification can, in fact be achieved in a balanced way, promoting various building typologies and including green and blue infrastructure. The effectiveness of densification measures often depends on legally binding instruments, stakeholder collaboration and data-driven decision-making to balance public and private interests while promoting sustainable growth.
- **Regeneration** involves revitalising underutilised and problematic urban areas, such as brownfield sites, to improve their economic, environmental and social quality. It can also involve the renovation and refurbishment of existing housing stock, and measures aimed at reactivating vacant housing units. This process emphasises sustainable redevelopment, which often includes reuse and community involvement to improve urban functionality and quality of life. Successful redevelopment projects usually integrate environmental, economic and social objectives and are geared towards long-term sustainability. However, the success of these initiatives can be hampered by issues such as lack of cooperation between stakeholders, speculative development or inadequate funding mechanisms. Regeneration projects in residential areas can also result in displacement and gentrification if measures are not taken to mitigate social impacts.
- **Containment** policies can aim to restrict urban sprawl and promote sustainable land use by implementing strategies such as green belts, transit-oriented development (TOD), green wedges and urban growth boundaries. These policies prioritise limiting land consumption while fostering compact urban development to protect natural and rural areas. Success depends on long-term planning, legally binding instruments, stakeholder collaboration, and addressing social and environmental goals. Poor implementation or lack of coordination can lead to urban sprawl or environmental degradation.

It should be noted that compact city policies apply to all types of already built-up areas, with different strategies depending on the location – such as densification and regeneration in the city centre or core, and urban containment in areas experiencing growth. This is a particularly important topic for functional urban areas.

Table 3.1.1. Compact urbanisation policies – characteristics and examples of good practice

Policy	Characteristics	Examples of good practice	Lessons learned
Densification	Focuses on increasing population and building density within existing urban areas	Barcelona, Spain: The 'Superblocks' initiative reorganises urban areas to reduce car use and create liveable spaces	High density can lead to increased traffic congestion and noise pollution if public transport is inadequate
	Encourages mixed land use to integrate housing, workspaces and services in close proximity	Amsterdam, Netherlands: Densification combined with sustainable urban design, including mixed-use neighbourhoods	Loss of urban green spaces and biodiversity can negatively affect quality of life
	Prioritises accessibility, walkability and public transportation over urban sprawl	Copenhagen, Denmark: Dense urban areas with integrated cycling infrastructure and green spaces	Requires careful urban design to balance density and liveability
Regeneration	Focuses on revitalising underutilised or degraded urban areas, such as brownfields or derelict zones	Rotterdam, Netherlands: The city transformed a former industrial area into a vibrant mixed-use district	Risk of gentrification, displacing lower-income residents unless affordable housing is included
	Promotes the reuse of urban land for residential, commercial and recreational purposes	Villa d'Este, Portugal/ Wilanów, Poland/ Plzen, Czech Republic: Urban regeneration projects opened up space for new housing stocks and companies without using greenfield areas	Requires development of dedicated local planning institutions, community involvement to ensure the social benefits of regeneration. Informal initiatives are important
	Often involves heritage preservation and the creation of public spaces	Berlin, Germany: Revitalisation of the Spree River waterfront into mixed-use urban and cultural spaces	Potential increase in property prices can reduce accessibility for lower-income groups
Containment	Limits urban sprawl by establishing boundaries to control where urban development can occur	Leipzig, Germany/Torino, Italy/Cassinetta di Lugagnano, Italy: Urban growth boundaries focus on revitalising existing urban areas to reduce urban sprawl	Increased costs within the boundary if growth management is not paired with housing policies
	Encourages infill development and maximises land-use efficiency within defined urban areas	Copenhagen, Denmark: Long-lasting policy of promoting transit-oriented development (TOD), by concentrating urbanisation in the vicinity of metro stations to preserve	Lack of space for renewable energy production may require external compensatory measures

Policy	Characteristics	Examples of good practice	Lessons learned
		suburban areas from construction and promote access to efficient public transit	
	Protects rural and natural areas outside city boundaries	Stockholm, Sweden/ Mödling, Austria: Preservation of green corridors alongside compact development	Challenges balancing economic growth with preservation of surrounding natural areas

Source: based on Cotella et al. (2020)

In summary, compact urbanisation policies in Europe promote strategies that set clear physical limits to urban growth while prioritising sustainable land use and urban densification. This policy aims to reduce urban sprawl, preserve green spaces and concentrate development within urban boundaries in bigger agglomerations as in medium or small cities. Central to its effectiveness is the repurposing of urban land through initiatives such as brownfield redevelopment and the use of vacant or underutilised land to ensure that densification occurs without compromising the environment or urban quality. Compact urbanisation on a smaller scale, particularly in peri-urban areas, can be achieved through transit-oriented development (TOD), which focuses on creating compact, well-connected urban centres around transport hubs, usually rail and metro stations. This approach acts as a bridge between dense urban development and a polycentric urban structure, and promotes accessibility, sustainability and efficient land use.

In addition to the aforementioned best practice examples of comprehensive urban and spatial planning, numerous projects throughout Europe are contributing to various dimensions of compact urban development. These projects individually address aspects such as sustainable mixed land use, mobility and accessibility development, housing issues, and administrative capacity in integrated urban planning. In this context, some projects carried out under the UIA (Urban Innovative Actions) and URBACT programmes should be highlighted. A list of these projects can be found in Table 6.2 in Annex 2.

The key is an integrated approach that combines environmental, economic and social objectives to improve sustainability and quality of life in the city. Experiences with this policy highlight the importance of maintaining inclusivity by addressing affordable housing, preventing gentrification, and ensuring equal access to urban opportunities. By balancing development and sustainability goals, compact urbanisation provides a coherent framework for creating resilient and sustainable cities.

Sustainability in compact cities: impacts and trade-offs

Since the 1990s, research has supported the idea of the compact city as contributing to sustainability (Bibri et al., 2020; Jabareen, 2006; Kjærås, 2021). It is well aligned with sustainable development goals, in particular its potential to reduce energy consumption and pollution. By promoting efficient land use and the integration of housing, labour, services and utilities in dense clusters, the compact city is seen as essential for reducing CO₂ emissions and promoting sustainable mobility patterns. Despite their many advantages, the impacts of compact cities are not uncontested. Some authors argue that polycentric development is more sustainable, for example, than compact cities (Jabareen, 2006). Others indicate that all urban forms have their own positive and negative aspects, and that **trade-offs** between and within the dimensions of sustainability are unavoidable (Anderson et al., 1996; Campbell, 1996; Evers et al., 2024).

The relationship between compact urbanisation and sustainability has been analysed in numerous scientific studies that have examined the economic, environmental and social dimensions of sustainability. The main conclusions from these studies (according to Evers et al., 2020, 2024) that show the impact of compact urbanisation on sustainability are summarised in the following table:



Table 3.1.2. Impacts of compact urban form on sustainability

Dimension of sustainability	Positive impacts	Negative impacts
Economic Sustainability	<ul style="list-style-type: none"> • Increased urban construction value due to agglomeration economies (Nelson et al., 2007) • GDP growth and wealth creation • Business clustering reduces transport costs, enhances communication, creates partnerships, and generates jobs (OECD, 2012) • Accessibility and energy efficiency support high-quality transport connections 	<ul style="list-style-type: none"> • Higher housing costs and restricted land availability • Risk of businesses and residents relocating to less constrained areas (Oueslati et al., 2015) • Increased traffic congestion in compact cities
Environmental Sustainability	<ul style="list-style-type: none"> • Limits land conversion and curbs diffuse urbanisation, supporting infrastructure (Nelson et al., 2007) • Preserves biodiversity in open spaces outside compact urban boundaries (Soga et al., 2014; Sushinsky et al., 2013) • Can incorporate green infrastructure like green roofs, vertical gardens, and small parks • Reduces traffic pollution through shorter trips and public transport • Maximises resource efficiency, promotes carbon neutrality, and encourages walking and cycling • Flexibility in land use aids future ecological planning (Westerink et al., 2013) 	<ul style="list-style-type: none"> • Loss of urban green spaces within cities (Giezen et al., 2018; Hautamäki, 2019) • Exacerbates air pollution and urban heat island effect due to density (Burby et al., 2001; Glaeser & Kahn, 2010) • Increased vulnerability to natural hazards • Insufficient space for renewable energy generation within compact cities (Van Der Waals, 2000)
Social Sustainability	<ul style="list-style-type: none"> • Promotes social equity by reducing car dependency, commute times, and social segregation (Nelson et al., 2007) • Encourages reuse of urban areas (e.g., brownfield redevelopment), fostering inclusivity • Improves accessibility to jobs, services and recreational spaces • Encourages active lifestyles (walking, cycling), supporting public health (OECD, 2012) • Supports urban sophistication and cosmopolitanism 	<ul style="list-style-type: none"> • Higher housing prices reduce affordability for lower-income groups (Millward, 2006) • Loss of urban green spaces affects recreation and quality of life • Mixed outcomes on life satisfaction due to housing quality, environmental amenities and community engagement (Howley, 2009; Mouratidis, 2018) • Challenges in controlling disease spread due to density, offset by better logistics and health facilities (Hamidi et al., 2020)

The compact city model supports economic, environmental and social sustainability but also presents challenges. While it boosts growth, efficiency and accessibility, it can increase housing costs and displacement. It limits land conversion and promotes carbon neutrality but may worsen heat islands, pollution, and green space loss. Socially, it enhances equity but can affect affordability and quality of life. Given these dilemmas, urban planning should prioritise the common good, as emphasised in the New Leipzig Charter.

This emphasises Campbell's (2016) view that planners need to move away from seeking a perfect balance, and instead focus on finding acceptable **trade-offs**. For example, if the undeveloped areas around a city are considered valuable, a compact urban form is a sensible option for the local community and planners. However, this approach often comes at the expense of developing urban green spaces, which can have a negative impact on urban biodiversity, increase the heat island effect, and increase vulnerability to natural hazards due to higher population density. The community must carefully weigh these trade-offs and make an informed decision based on the values that are most important to them. As the sustainability dimensions are interlinked, planners should prioritise flexible strategies that address the inherent trade-offs of compact development.

In reality, it is anything but easy to strike a balance between the sustainability goals. Sustainability indicators are interlinked, which often leads to cascading effects over time. For instance, the high cost of housing in compact urban areas can be addressed through affordable housing initiatives – often a core element of urban containment policies – which can, in turn, increase the attractiveness of the city and further strain the housing market. Consequently, urban development policy should be seen as an ongoing, adaptive strategy that responds holistically to current and anticipated challenges, rather than a fixed commitment to a single urban form. Promoting affordable housing, preserving urban green spaces, and adapting urban form to the local environmental context, are main steps to make compact cities more inclusive, sustainable and resilient.

Numerous concepts reflecting on sustainable urban development are being developed in academic circles that are more or less linked to compact urbanisation. These concepts aim to reconcile social and economic development with environmental needs and capacities, emphasising sustainability, equity and resilience as core principles. It is important to point out that **none of these concepts is fully consistent** with compact urbanisation, nor is compact urbanisation a direct result of their practical implementation. However, certain principles of these concepts offer valuable insights that can be considered in the planning of compact urban environments.

The first concept to be emphasised is that of post-growth cities. The term 'post-growth' serves as an umbrella term for various growth-critical approaches, including degrowth, post-development, post-capitalism and steady-state, doughnut, and well-being economy perspectives. The concept of post-growth cities challenges the assumption that economic growth is inherently tied to social progress and prosperity, and instead emphasises sufficiency-oriented strategies for overcoming socio-ecological challenges (Schmid, 2022; UNDP, 2024). Therefore, it promotes the decoupling of growth and environmental degradation and strives for a more sustainable and equitable urban future. Post-growth cities prioritise social justice, cultural vibrancy and environmental health over GDP growth, and focus on circular economy, resource sharing and local production systems. Key investments include community well-being, green spaces and recreational opportunities. A major challenge is to move away from growth-orientated models without exacerbating inequalities, as well as a cultural shift towards sufficiency and long-term thinking. Post-growth research in cities explores the complex intersections of local politics, economics and civil society and advocates for democratic change and reduced reliance on market-driven systems. Public participation and regional cooperation are essential for addressing social tensions and promoting global justice.

The 15-minute city concept posits a view of the city where residents can meet all their basic needs – such as work, education, health, shopping and leisure – within a 15-minute walk or bike ride (Moreno et al., 2021), although a few variations in practice, e.g. 10- or 20-minute cities, also exist (Teixeira et



al., 2024). This model prioritises local community needs by promoting mixed-use neighbourhoods that reduce car dependency and support sustainable mobility. Key features include compact planning, walkability, safe cycling infrastructure, and green spaces to enhance quality of life. By decentralising services and focusing on hyper-local living, the 15-minute city fosters social equity, reduces carbon emissions, and supports the local economy. However, there are downsides, such as exacerbating socio-economic disparities, gentrification, displacement and transport injustice (as wealthier areas often have better infrastructure). The 15-minute city concept has been criticised for a number of reasons, including: exaggerating its novelty; proposing a level of decentralisation that is impractical and unsustainable; prioritising the number of facilities over their adequacy; grouping facilities in a way that may not be functional; ignoring the diversity and characteristics of natural spaces; failing to adequately consider public transport in its framework or spatial analysis; and ignoring individual mobility differences, such as different walking and cycling patterns (Mouratidis, 2024). Compact urbanisation, on the other hand, addresses the drawbacks of the 15-minute city concept by focusing on densification, inclusion, connectivity and sustainable land use. It prevents excessive decentralisation, supports efficient integration of public transport, and ensures that urban facilities are both accessible and functionally distributed while preserving diverse green spaces.

Another important concept is that of the just city. It was developed in the 2000s by S. Fainstein who set three pillars – democracy, diversity and equity – as the moral basis of planning and policymaking to evaluate a just city. Although often criticised for lack of practical implementation, its perspective is useful to understand the social component that should be tackled in urban planning. Compact city principles align with the just city pillars of democracy, diversity and equity by promoting inclusive governance, social and functional diversity, and spatial equity. Compact urbanisation encourages citizen participation through walkable neighbourhoods, fosters coexistence of diverse social groups through mixed-use development, and reduces disparities in access to jobs, services and opportunities by minimising car dependency. By integrating affordable housing, public spaces, and efficient transport systems, compact cities create more sustainable, inclusive, and socially just environments that benefit all residents, not just the privileged few.

Several other urban concepts are in line with compact urbanisation by optimising space, resources and sustainability. Smart cities increase efficiency through technology, while low-carbon cities reduce emissions through energy-efficient infrastructure and environmentally friendly transport. Biophilic, regenerative and sponge cities prioritise urban ecosystems and integrate nature to improve their resilience and sustainability. Temporary and flexible urbanism promotes adaptable spaces and creates multifunctional and dynamic urban environments. Elements of these approaches can support the development of compact cities by promoting resource efficiency, resilience and social inclusion.

Integrating compact urbanisation with other urban models requires a cautious approach due to trade-offs between economic, environmental, and social sustainability. While compact urbanisation is widely seen as best practice in Europe, it can conflict with concepts like post-growth cities and green cities. Campbell's (1996) planning triangle highlights tensions between economic growth, environmental protection and social equity, with many urban models prioritising one at the expense of others. One-dimensional solutions often fail (Evers et al., 2024), underscoring the need for integrated, long-term planning to balance these competing priorities in compact city development.

Conclusion

To summarise, the planning and implementation of compact cities requires an approach that integrates various urban systems and promotes sustainable development. The TP should focus on both aspects of compact city policies: **urban sprawl mitigation**; and **densification of urban areas**.

At the centre of compact city development is integrated urban planning that combines **high density development** with **mixed use**. This ensures that residential, commercial and recreational areas coexist within easy reach.



Sustainable mobility is another key component, which includes investment in robust public transport networks, cycling infrastructure and pedestrian-friendly urban designs. Policy measures such as congestion charging and parking restrictions can be used to reduce car dependency and encourage active mobility. Alongside the ecological and economic aspects of sustainable mobility, the social dimension must also be prioritised. Mobility interventions should guarantee equitable access for all residents and prevent transport poverty.

Green infrastructure and public spaces play an important role in compact cities. Green roofs, urban forests, parks and biodiversity corridors not only enhance the urban environment, but also improve the quality of life for residents.

Efficient resource management is essential for compact cities, with a focus on renewable energy, energy-efficient buildings and water-saving technologies. Circular economy principles must be adopted to minimise waste and promote recycling.

Urban renewal driven by the regeneration of compact cities extends beyond physical renovation; it must be understood and implemented as a transformation of the urban fabric, integrating its functional, morphological and social dimensions.

Affordable housing options for different income groups need to be developed to ensure inclusion. Policies should also address the risks of gentrification and displacement and ensure equal access to urban opportunities.

An important requirement is the **active involvement of citizens in urban planning and decision-making processes** to encourage local support and ownership of compact city initiatives. A strong policy framework with clear regulations, incentives and coordination of local, regional and national policies is essential to support compact urban growth.

The **institutional challenge for cities and local stakeholders** to deal with a multitude of complex and intertwined issues related to compact cities requires specific personal skills and institutional capacities. These are needed to apply an integrated, place-based and participatory approach to ensure a strategic, inclusive and sustainable urban development aligned with compact city objectives.

Despite their advantages, it is also important to conclude that compact cities face significant challenges in planning and implementation. They may be associated with socio-economic inequalities, gentrification and the risk of displacement of low-income communities. High-density development can put a strain on infrastructure and services, while cultural resistance to lifestyle changes, such as reduced car use, present further hurdles. Financial constraints, environmental risks such as urban heat islands and flooding, and a lack of robust monitoring systems hamper progress. Addressing these issues requires adequate funding, effective public awareness campaigns, and proactive measures to ensure inclusivity, resilience and sustainability in compact urban development.

3.2 EU policy environment

EU policy documents and their reflections on compact urbanisation

The issue of compact cities can be linked more or less directly to important current EU policy documents. The European Green Deal, the New European Bauhaus and Cohesion Policy all have a strong focus on sustainability, inclusiveness and innovation in urban planning and thus directly support the principles of the compact city.

The **European Green Deal** is the core element of contemporary EU policy. The Green Deal outlines several strategies and pathways to achieve climate neutrality in Europe by 2050 which envision a smooth transition that prioritises the well-being of the European population (European Committee of the Regions, 2024). Cities are seen as the linchpin for these changes, as they serve as hubs for activity, innovation and knowledge transfer to the surrounding peri-urban and peripheral regions, although there is a certain gap between the main objectives of the European Green Deal and the concrete actions that cities and regions should implement to achieve these objectives.

The European Green Deal is in line with the compact city model in that it promotes sustainability, resource efficiency and resilience. Its main objectives –achieving climate neutrality by 2050, reducing greenhouse gas emissions and promoting a circular economy – are closely aligned with the goals of compact cities to reduce urban sprawl, promote sustainable mobility and optimise resource use. The main links between the European Green Deal policy and compact cities are as follows:

- **environmentally friendly mobility** (green mobility) – the expansion of public transport, safe cycling infrastructure and pedestrian-friendly urban areas that support the efforts of compact cities to reduce dependence on the car
- **energy-efficient buildings** – renovation initiatives and the introduction of efficient heating and cooling networks and renewable energy systems (especially important in/for densely populated urban areas)
- **biodiversity restoration** – necessary integration of green spaces and nature-based solutions in compact cities to improve quality of life and climate resilience
- **just transition** – striving to equalise socio-economic inequalities and prioritise inclusivity (crucial to mitigate potential negative impacts of compact city policies, e.g. increase in costs of housing, energy and building renovation).

The compact city concept is also aligned with the **New European Bauhaus (NEB)**, a creative and transdisciplinary initiative of the European Commission that aims to promote aesthetics, sustainability and inclusion in the built environment and beyond. Following the pioneering ideas of the original Bauhaus, the aim is to create sustainable, inclusive and beautiful living spaces through the integration of design, culture, art, science and technology (New European Bauhaus Investment Guidelines, 2024). Compact cities, which focus on high-density, mixed-use urban development, are in line with the NEB's vision of creating places that are environmentally friendly, socially just and visually inspiring.

- In terms of **aesthetics**, compact cities aim to strike a balance between density and high-quality urban environments, which is consistent with the NEB's focus on creating beautiful and functional spaces. In this context, urban designs such as green roofs, pedestrian-friendly streets and accessible public spaces reflect the NEB's aesthetic aspirations.
- In terms of **sustainability**, the NEB's aim to promote green solutions is in line with the compact cities' focus on energy efficiency, sustainable mobility and the integration of green and blue infrastructure. Initiatives such as retrofitting buildings, promoting renewable energy and introducing circular economy principles are common to both frameworks.
- In terms of **inclusivity**, the aim to ensure equal access to urban facilities and opportunities is a common priority of both NEB and compact urbanisation concepts. The NEB's emphasis on co-creation and citizen participation is also in line with the need for participatory planning in compact cities to promote social cohesion and reduce inequalities.

EU cohesion policy also has links to the concept of compact cities in its promotion of balanced territorial development and reducing disparities between regions. With its focus on sustainable urban development, the policy supports initiatives that increase urban density, improve public transport and promote the regeneration of urban areas. Another priority is investment in green infrastructure, affordable housing and digital connectivity, which are essential components of compact urbanisation. Through programmes like Interreg and URBACT, the cohesion policy promotes place-based, integrated, participatory and multi-stakeholder approaches, which are essential to balance conflicting interests and

competing objectives present in compact city policies. Cohesion policy also supports linkage between cities and their environment via functional urban areas (FUA). Instruments such as Integrated Territorial Investments are especially interesting for the Compact Cities theme, as they can be aimed at functional urban areas, which often represent the territorial scale at which the drivers of urban sprawl operate. By funding projects that prioritise inclusivity, resilience and economic diversification, cohesion policy is helping to make cities more compact, sustainable and equitable – and ensuring that urban growth benefits all parts of society. The primary funding source for these projects is the European Regional Development Fund (ERDF).

The **EU Soil Strategy for 2030** plays an important role in shaping compact urbanisation by promoting sustainable land use, preventing urban sprawl, and supporting urban greening initiatives. Among other things, the strategy sets the long-term goal of achieving **no net land take by 2050**, which was first mentioned in the EU's 2011 Roadmap to a Resource Efficient Europe. This objective is in line with the principles of compact urbanisation, in that it seeks to limit the conversion of natural and agricultural land into urban areas. This promotes densification, the redevelopment of brownfield sites and the efficient use of land within existing urban boundaries. Specifically, Member States are asked to integrate the 'land take hierarchy' into their Urban Greening Plans, prioritise land reuse and soil quality, and phase out financial incentives that encourage soil consumption. To better understand how EU Member States are approaching the no net land take goal by 2030, the ESPON 2030 Cooperation Programme conducted the ESPON project 'No net land take – policies and practices in European regions'. The project explored two key research questions: the relevance of this challenging-to-monitor goal; and the usefulness of a quantitative approach in defining land take. Its conclusions state that a clear and harmonised definition of No Net Land Take (NNLT) at the European level is essential for effective monitoring, policy implementation and transnational comparisons, while a purely quantitative approach should be complemented with strategies addressing soil quality, ecosystem services and broader sustainability goals to avoid oversimplification and unintended consequences (ESPON, 2024). In July 2023 the European Commission proposed legislation to monitor soil quality and land take (European Commission, 2023). This has passed the European Parliament and Council in amended form and is awaiting the trialogue.

The EU Commission's Communication **A Renovation Wave for Europe – greening our buildings, creating jobs, improving lives** is in line with compact urbanisation by promoting sustainable, resource-efficient and community-oriented building renovations that support higher density and mixed-use urban environments. One of the objectives is the aforementioned NEB policy. In addition to the NEB, the objective *Put an integrated, participatory and neighbourhood approach at the heart of the renovation wave* can be important for the compact urbanisation policy as it highlights the benefits of community-led renovation projects that promote local engagement, mixed development and vibrant public spaces. The other relevant objective *Creating a sustainable built environment* prioritises renovation over new construction to reduce land consumption and preserve green spaces in compact cities, while improving energy efficiency and circular economy principles – some of the most important key points of compact cities.

The Political guidelines for the next European Commission 2024-2029, presented by the President of the European Commission Ursula von der Leyen, include affordable housing, the main trade-off point of the compact city policy. In the current European Commission, Dan Jørgensen has been appointed Commissioner for Energy and Housing with the objective of developing the European Affordable Housing Plan, a key document that will shape the policy for the development of compact cities.

There are other EU policy documents currently in force or under development whose elements are linked to some aspects of compact urbanisation. Together, these documents emphasise the multi-layered development of compact cities, taking into account social, economic, environmental and technological dimensions. Their focal points relevant to compact urbanisation are indicated below.



- **The European Pillar of Social Rights** – inclusiveness, equal access to housing, education and services, social justice.
- **The European Digital Strategy** – smart urbanisation by integrating digital tools to optimise resources and improve urban life.
- **European Union priorities 2024-2029:**
 - *A new plan for Europe's sustainable prosperity and competitiveness* – making business easier to foster economic growth, developing a circular and resilient economy, research and innovation
 - *Supporting people, strengthening our societies and our social model* – sustainable growth and community well-being
 - *Sustaining our quality of life: Food security, water and nature* – environmental resilience in urban planning, green infrastructure and urban agriculture.
- **EU Blue Deal** – water resource management, development of solutions for urban resilience using blue and green infrastructure.
- **New Circular Economy Action Plan (CEAP)** – sustainable construction and renovation, reuse and recycling of building materials, brownfield revitalisation, soil sealing reduction.
- **Urban climate adaptation plans** – addressing vulnerabilities like urban heat islands and flooding, promoting mitigation and adaptation solutions through dense, green and sustainable urban layouts.
- **New EU Urban Mobility Framework** – supporting the transition to cleaner, greener and smarter mobility, in line with the objectives of the European Green Deal, to increase connectivity, and the attractiveness of public transport services, and further support the roll-out of alternative fuels infrastructure, and new digital technologies, including intelligent services.
 - **New revised Regulation of the Trans-European Transport Network, (TEN-T)** – focus on urban nodes, improving interconnectivity, and fostering coordination between long-distance and local, regional sustainable mobility. With respect to freight, the focus is on improving last- and first-mile connections for the smooth functioning of the TEN-T network.
 - **Sustainable Urban Mobility Plans (SUMP)** – support sustainable urban mobility policies in the city and its functional urban area by promoting multimodal, efficient, low-carbon mobility systems, enhancing walkability, and developing safe cycling networks.
 - **Urban Vehicle Access Regulations (UVARs)** (such as low emission zones, zero emission zones, tolling/congestion charging, pedestrian areas, parking schemes and limited traffic zones) – the EU has focused, and will further concentrate its efforts, on improving the efficiency and user-friendliness of UVARs, taking into account the principle of subsidiarity.

To summarise, EU policy can be used to promote development initiatives in various focus areas for compact urban development. These are illustrated in Figure 1.



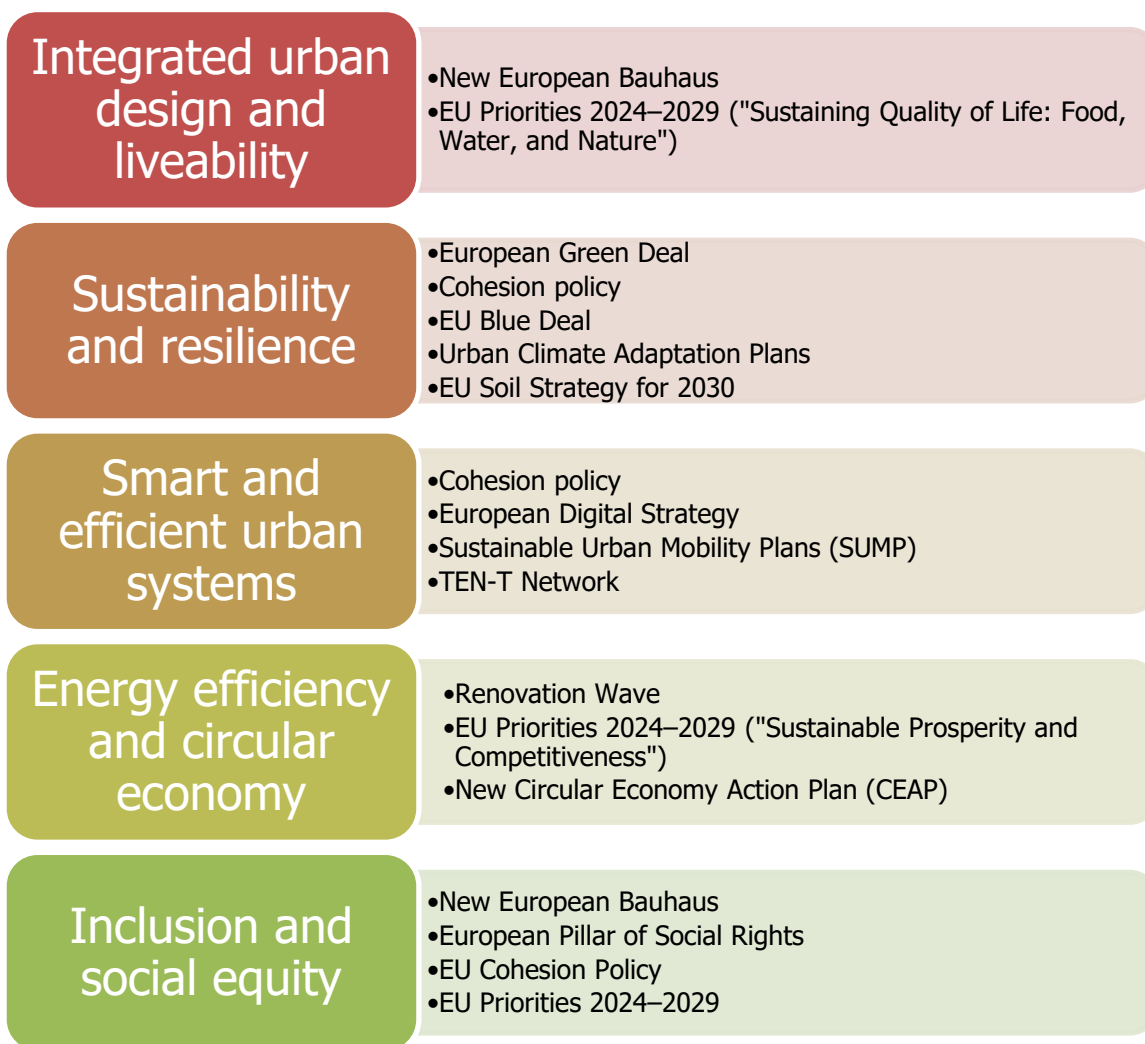


Figure 2. Key focus areas for compact urbanisation and connected EU policy

EU funding instruments supporting compact urban development

Compact city initiatives can utilise various EU funds to achieve their goals of sustainability, efficiency and inclusivity. Primarily, **EU Cohesion Policy** opens up opportunities to fund projects linked to five policy objectives: Smarter, Greener, Connected, Social Europe and Europe closer to citizens, by supporting locally developed integrated territorial strategies. These projects can include, for example, urban regeneration projects, green infrastructure and affordable housing. The **URBACT programme** seeks to reinforce the effectiveness of cohesion policy in cities by enhancing the institutional capacity of cities and urban stakeholders to design and implement integrated sustainable urban development strategies through urban cooperation projects. It is thus strongly supporting the urban dimension of cohesion policy. For the urban dimension of cohesion policy, the **European Urban Initiative** has been developed to support urban areas with innovative actions, capacity and knowledge building on sustainable urban development, which can be very helpful for local communities. On the other hand, the **Recovery and Resilience Facility (RRF)**, as a temporary part of the NextGenerationEU plan, is currently providing financial support for the green and digital transitions that are in line with compact city goals such as innovation, energy-efficient buildings, renewable energy systems and smart urban solutions. Thirdly, the **Just Transition Fund**, which facilitates the economic diversification of regions on the path to climate neutrality, can create opportunities for selected urban areas affected by deindustrialisation, and enable the revitalisation of former industrial areas with new and sustainable

purposes, enabling the decarbonisation of economy. **Horizon Europe** is available through initiatives and programmes such as the 100 Climate-neutral and smart cities Mission or the Driving Urban Transition (DUT) partnership. The **Connecting Europe Facility (CEF)** can support compact cities by funding projects to improve sustainable transport networks, including urban mobility solutions such as public transport, cycling and pedestrian infrastructure, digital infrastructure and transport system solutions. The **European Investment Bank (EIB)** plays an important role in promoting compact urban development by providing substantial funding and advisory services to urban projects that enhance sustainability, resilience and inclusivity. Key EIB priority areas financing actions that support compact urban development include multi-sector urban infrastructure and regeneration, sustainable urban mobility, and social and affordable housing.

European and global frameworks for urban development and their reflection on compact urbanisation

The principles that are relevant to compact city policy are reflected in European and global frameworks for urban development. In the European context, the **New Leipzig Charter (NLC)** emphasises the principles of the 'just, green and productive city', which are in line with the goals of the compact city. The NLC in the subchapter *D.1.1 Active and strategic land policy and land-use planning* emphasises the need for an active and strategic land policy to counter spatial constraints and competing interests in cities. It advocates polycentric settlement structures with compact urban forms to minimise traffic and combat urban sprawl, while promoting cross-border cooperation in spatial planning. Sustainable land use should prioritise urban regeneration, brownfield redevelopment and balanced density with green and blue infrastructure to improve biodiversity and climate resilience. The Charter also emphasises the importance of safe public spaces, adequate affordable housing and mixed-use urban areas to promote inclusive, vibrant and economically sustainable communities.

The **Gijón Agreements** build on NLC principles by emphasising governance, citizen participation and efficient use of resources, strengthening the compact city model as a path to sustainable urbanisation.

In the global context, the UN's **New Urban Agenda** emphasises the importance of dense, mixed-use development, sustainable mobility and equitable access to resources, all of which are central to compact cities. The **UN Sustainable Development Goals (SDG)**, in particular SDG 11 (Sustainable Cities and Communities), SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action), also emphasise the role of compact cities in promoting urban sustainability, reducing carbon footprints and fostering resilience. In particular, SDG 11.3 on sustainable urbanisation has as its goal "by 2030 enhance inclusive and sustainable urbanisation and capacities for participatory, integrated and sustainable human settlement planning and management in all countries", and uses an indicator of per capita urban development to monitor this.

Integrating compact city principles into the Urban Agenda for the EU

Within the context of the **Urban Agenda for the EU**, compact cities have a place in all three scopes; Better Regulation, Better Funding and Better Knowledge. There are several possible links between compact cities and the pillars of the UAEU, as well as identified strengths and challenges in each area.

- In terms of **Better Regulation**, effective frameworks for land use and urban development are crucial. Key examples are the Soil Monitoring Law (still in the legislative process) and the Nature Restoration Law, which are both in line with urban greening priorities. However, as urban planning is not an EU competence, regulatory outcomes are highly dependent on the actions of national governments, so their involvement is crucial. While Thematic Partnerships (TPs) can make recommendations, their direct influence on regulatory change remains limited, so greater coordination at national level is needed to effectively address urban challenges.
- In the area of **Better Funding**, the development of new EU budgetary frameworks offers the opportunity to promote sustainable urban development through instruments such as the European Urban Initiative (EUI) and InvestEU. Priority areas include affordable housing, land value capture mechanisms and innovative instruments (such as pre-emption rights, for example). The New European Bauhaus (NEB) provides an additional dimension by linking funding priorities with planning and design for compact cities.
- There is significant potential in the area of **Better Knowledge** to improve understanding of compact city principles among EU policymakers and to embed these concepts in the evolving policy framework for cities. Strengthening knowledge sharing mechanisms and aligning urban initiatives with funding and regulatory instruments can drive the integration of compact city principles into EU strategies and address social, economic and environmental objectives in a coherent manner.

The **UAEU Multiannual Working Programme (2022–2026)** contains several elements that align with and support the compact cities agenda. The priority themes, *Cities of Equality* and *Greening Cities* are particularly relevant. Under the theme of *Cities of Equality*, priorities such as improved services, increased safety and inclusive urban planning and design – including the development of accessible and safe public spaces – can be seamlessly integrated into the planning of compact cities to create an equitable and resilient urban environment. The theme of *Greening Cities* emphasises the importance of urban forests and the development of green spaces as key solutions for carbon storage, air pollution reduction and climate resilience. These measures not only address environmental problems, but also improve the physical and mental health of city dwellers and are thus closely aligned with the principles of quality of life and sustainability of compact cities.

Strengthening the links between the UAEU and the **Territorial Agenda 2030** in the context of compact cities can promote the development of sustainable, inclusive and resilient urban areas. Both agendas emphasise principles that are crucial for the development of compact cities, such as spatial efficiency, environmental sustainability and social equity. By integrating compact city principles into urban and territorial strategies, promoting cross-sectoral cooperation, leveraging EU funding mechanisms and sharing knowledge, both agendas can address key challenges such as urban sprawl, land-use optimisation and accessibility. Strengthening urban-rural links ensures balanced development and prevents the marginalisation of peri-urban or rural areas. This cooperation can promote innovation and contribute to achieving the goals of compact urban development while strengthening territorial cohesion.

The upcoming EU **Policy agenda for cities**, to be presented by the end of 2025, will further impact various relevant EU policies.

3.3 EU regulatory environment

EU regulations and directives relevant to compact cities

In the European Union, spatial and urban planning is the responsibility of national and sub-national authorities, so there is no standardised spatial planning system. However, various regulatory documents at the European level influence planning practices and processes. The following paragraphs present the most important of these for compact urban development.

The **EU Nature Restoration Law (NRL)**, proposed in 2022 and adopted by the Environment Council on 17 June 2024, is a significant environmental regulation incorporating urban ecosystems into EU legislation for the first time. It sets targets for increasing green space and tree cover in cities, requiring no net loss of urban green space and tree canopy cover by 2030. After 2030, Member States must ensure a continuous increase in urban green areas and tree canopy cover until a satisfactory level, defined at the national level, is reached. The law faced political challenges, including a postponed vote by the Belgian presidency, and underwent amendments introducing exceptions before final adoption. The NRL has a strong urban and territorial dimension as it promotes urban greening, the restoration of degraded ecosystems, and the improvement of urban biodiversity. The law promotes nature-based solutions such as green roofs, urban forests and permeable surfaces, i.e. the integration of urban green spaces into buildings and infrastructures that are in line with the principles of compact urbanisation by integrating nature into high-density environments. The impact of the NRL on urban development should be managed at different levels. At national level, Member States are required to prepare national restoration plans and carry out preparatory monitoring and research in order to identify the necessary restoration measures to achieve set targets. In the context of urban development, urban ecosystem areas should be identified and mapped out for all cities in the Member States. The development of a national restoration plan should involve regional and local authorities and other stakeholders, including NGOs, private companies and scientists, in order to prepare the most appropriate measures not just at the national level, but also at lower administrative and community levels. The Nature Restoration Law is currently in the legislative process and will be adopted and implemented by Member States according to specific timelines, addressing EU, national, regional and local levels.

The **Proposal for a Soil Monitoring Law (SML)** is also highly relevant to the concept of **compact cities**, as it addresses the sustainable management of soil, which is a key component of urban land use and development. The Directive on Soil Monitoring and Resilience (SML) proposed by the European Commission in mid-2023 aims to halt soil degradation by creating a common monitoring framework for Member States. The proposal is complementary to other measures outlined in the Biodiversity Strategy 2030 (such as the Nature Restoration Law) and the EU Soil Strategy (such as the guidance on risk assessment, soil sealing and funding). In contrast to the existing EU regulations on air and water quality, soil health has so far largely been regulated by national measures and soil-related EU policies such as the Common Agricultural Policy. The SML does not set binding quantitative targets for soil restoration, **nor does it require no net land take by 2050**. Instead, it encourages Member States to minimise soil degradation and maintain ecosystem services. An important provision obliges Member States to monitor soil health and land take, including in urban areas, which is an important indicator for land-use planning and compact urban development. The process of adopting the directive is not yet complete. The SML includes a territorial dimension by requiring Member States to monitor soil health and land take per soil district, which has significant implications for urban planning, land-use zoning and land-use policy. The soil districts are to be established by the national authorities of the Member States – and a competent authority should be designated for each soil district to carry out all the tasks set out in the proposed Directive. The data obtained through monitoring can be used to support soil protection, urban green spaces and sustainable urban expansion.

The **Trans-European Transport Network (TEN-T) Directive** and **Sustainable Urban Mobility Plans (SUMPs)** are interconnected frameworks that promote compact urbanisation by enhancing

sustainable mobility and efficient land use in urban areas. The revised TEN-T Regulation, which entered into force in July 2024, designates 431 cities as urban nodes, and mandates that these cities adopt SUMP to ensure better traffic flows within the TEN-T network. SUMP are strategic plans designed to meet the mobility needs of people and businesses, aiming to improve quality of life by integrating various transport modes and encouraging sustainable travel behaviours. By implementing SUMP, urban nodes can reduce reliance on private vehicles, decrease urban sprawl, and promote higher-density developments, all of which contribute to more compact and sustainable urban forms. This alignment between the TEN-T Directive and SUMP facilitates coordinated planning and investment in transport infrastructure, supporting the development of compact, efficient and resilient urban areas.

In addition to the directives mentioned above, there are numerous other regulations at EU level that can be linked to the topic of compact cities in various aspects. Their main features and their relation to urban development are shown in the matrix, which is part of Annex 2 (Table 6.1). In addition to the documents listed in the matrix, the Directive establishing a framework for maritime spatial planning should be mentioned. This is the first European directive to deal with spatial planning at European level. The development of similar documents to encompass urban development and planning in Europe at a horizontal level could help to achieve a broad range of objectives supported by thematically fragmented regulatory documents.

In addition to EU policies, it is crucial to understand what national and sub-national authorities can do to promote compact city development, since urban planning is carried out at this level. Typologies of spatial planning systems can assist in identifying opportunities. Although later typologies have emerged, the typology based on the EU Compendium of Spatial Planning Systems and Policies, developed in 1997 and expanded in the following years, has become widely accepted in European planning literature. This typology consists of four ideal types of spatial planning systems that are applied in European countries. Although these types do not exist in pure form in reality and are often mixed in national planning systems, they provide a clear indication of the differences in planning approaches between European countries (Nadin et al., 2024).

Table 3.3.1. Types of European planning systems and approaches for compact urbanisation

Spatial planning Type	Countries/Regions	Characteristics	Approach to compact cities
Comprehensive integrated approach	AT, BE, BG, CH, DE, DK, EE, FI, FR, HU, IE, LT, LU, LV, NL, NO, PL, RO, SE, SI, SK, UK	Coordination of spatial impact of public policies through a framework of plans	Compact urbanisation can be promoted through multi-level coordination that integrates land use, transport and environmental planning.
Regional economic approach	DE, FR, HU, IE, LT, LV, NO, PT, SE, SK, UK	Addressing regional economic and social disparities through public intervention programmes in infrastructure and development	Public investment in infrastructure and services can support the principle of the compact city by promoting the development of regional centres, reducing economic disparities and fostering polycentric urbanisation in smaller compact cities.
Land-use planning	CZ, ES, IE, LU, PT, UK	Regulation of land-use change through strategic and local plans	Compact development can be enforced through zoning, density regulations and strategic urban plans that promote high-density,

Spatial planning Type	Countries/Regions	Characteristics	Approach to compact cities
			mixed-use areas while preserving open space.
Urbanism	BE, CY, ES, GR, HR, IT	Urban design, townscape and building control through zoning and codes	Urban planning regulations should promote walkability, high-quality public spaces and mixed use at local/neighbourhood level.

Source: author based on Nadin et al. (2024)

Although this typology of national planning systems is not specifically oriented to compact city development, one can infer which kinds of strategies would be effective in achieving this goal, given the institutional context. A first estimation of this is given in the last column. From this exercise, it emerges that tailored strategies, multi-level governance and EU support are essential for the implementation of compact city principles. These elements will be treated in more detail below.

3.4 Multi-level governance integration

Multi-level governance refers to coordinated actions by the European Union, the Member States and local and regional authorities, based on partnerships to create and implement EU policies. It incorporates vertical (cross-government cooperation, between higher and lower levels of government, including their institutional, financial and informational aspects) and horizontal (cross-sectoral) dimensions, promoting policy coherence and tackling implementation challenges (ESPON, 2018).

Spatial planning primarily falls under national and sub-national authorities' competencies, reflecting diverse national systems (ESPON, 2018). However, some common features can be distinguished, as demonstrated in Section 3.3, EU Regulatory Environment. The EU, despite lacking direct spatial planning competencies, influences national policies through sectoral legislation, funding and intergovernmental dialogue (Böhme, 2007). A very large portion of EU legal and policy documents touch on spatial planning and land use, due to the integrated and cross-sectoral nature of urban and spatial development. As such, when implemented at the (sub)national level, this can introduce a new layer of complexity—bringing new visions, opportunities, challenges and frictions – that may influence planning and constrain development opportunities genuinely aligned with cities' needs (EUKN, 2024). In some countries, local governments have significant autonomy in urban planning, while in others, regional or national authorities play a more substantial role. At the local level, most planning instruments are regulative in nature. Typically, the preparation of instruments is carried out by the local planning authority, while implementation is the responsibility of the municipal council. Examples are land-use plans, zoning and building schemes (Kidd, 2007). Urban areas and regions must often address the challenge of fitting a 'stacking' of functions into limited available space, which necessitates planning within an environment marked by significant uncertainty and complexity (EUKN, 2024).

An important task of spatial planning is to create a space for dialogue between different users and uses of land. However, the limited involvement of planning experts in EU policymaking, along with weak intergovernmental coordination that impacts planning, is itself problematic (PBL, 2016). It is in the context of the compact city model that many cities have indeed pioneered new approaches to strategic spatial planning and urban governance, aiming to integrate policy across sectors, geographic levels and timescales. The OECD (2012) emphasises that the very aim of compact city policy is to address integrated urban policy goals. Thus, being in some sense a 'system solution', implementing the compact city agenda relies on multi-level, networked governance arrangements and coordinated planning and policy, cutting across transport, urban design and land use (EUKN, 2024). However, there is currently



a significant gap in knowledge regarding integrated planning and its related governance structures, making it difficult to determine the appropriate level of coordination while managing key trade-offs. Cowell and Martin (2003) emphasise the persistent underestimation of the political complexities involved, including decisions about control, resources, organisational design, and conflicting policy objectives, when adopting more integrated approaches.

A future Compact Cities partnership based on the principles of multi-level governance has the potential to bridge governance gaps by aligning local actions with national strategies and EU policies. National governments, as key actors in spatial planning, are central to this coordination process as they ensure that local initiatives are effectively integrated into overarching national and EU frameworks. Collaboration with platforms such as ESPON, OECD and EUKN can enhance knowledge exchange and promote integrated planning approaches (OECD, 2012). Additionally, leveraging intergovernmental networks like UDG, NTCCP and DGUM can facilitate structured dialogue on EU policies affecting spatial planning, especially since EUKN (2024) notes that intergovernmental cooperation on urban issues and territorial cohesion forums (such as UDG, NTCCP, DGUM and DGTC) are not sufficiently engaged with or informed about EU regulations and policies that affect land use and spatial planning. However, there is considerable potential for improving structural exchange and information-sharing within informal intergovernmental cooperation on urban matters and territorial cohesion, as well as between sectoral Council configurations and relevant expert groups concerning EU regulations and policies on land use.

3.4.1 The role of medium-sized cities in multi-level governance

It is of special importance to include small and medium-sized cities, which often face barriers such as limited resources and capacity. According to EUKN (2024), cities and municipalities, frequently confronted with intense development pressures (as evidenced by rising real estate and housing prices), play a central role in land-use policies, particularly due to their authority over zoning plans in many planning systems. Interviews conducted during the preparation of this EAA also pointed out that addressing small and medium-sized cities' challenges requires targeted support, including peer-learning programmes, capacity building initiatives and dedicated funding. Inclusive governance frameworks that address political and resource disparities are of great importance for ensuring meaningful participation across cities of all sizes, especially regarding engagement of a broader range of cities and stakeholders, including less active Member States.

In addition to considerations of institutional capacity, small and medium-sized cities may face different challenges and pursue different objectives in comparison to large metropolitan cores, which are often the focus of research and policy debates. For instance, smaller cities within functional urban areas of large cities often face pressures for land development which differ from smaller cities located outside the commuting zones of metropolitan cores. The objectives of land-use planning, housing, green and blue infrastructure and transport policies may vary between such communities, and the Compact Cities theme should address these differences by ensuring that an inclusive group of local authorities is involved in the multi-level cooperation.

To conclude, the development and implementation of sustainable spatial planning policies that promote compact cities require close cooperation between different levels of government and across administrative boundaries. An UAEU Thematic Partnership on the Compact Cities theme would provide a valuable working method to improve the dialogue. Key stakeholders from various policy areas, sectors, and disciplines must collaborate effectively. This includes public authorities with explicit responsibilities for spatial planning, land use and infrastructure, as well as other relevant actors such as major employers and civil society representatives. Moreover, effective cooperation with national and EU institutions is needed to ensure that local and regional spatial planning policies align with, and contribute to, the development of national and EU territorial strategies. This cooperation is also necessary to establish regulatory and financial frameworks that address the needs and circumstances of local and regional governments.

4 RECOMMENDATIONS

4.1 Existing and identified gaps and recommendations for sub-topics

The EAA outlines key challenges in legal and policy frameworks for compact cities, incorporating insights from stakeholders and literature across EU, national and local levels, structured under the three UAEU pillars: Better Regulation; Better Funding; and Better Knowledge. Recommendations serve as a foundation for future call documents and guidance for the Thematic Partnership (TP) orientation phase. The assessment also organises needs and opportunities for action into sub-themes, detailed in Tables 4.1.1., 4.1.2., and 4.1.3., clarifying the key areas the partnership should address.

Gaps identified – Better Regulation

The EU is increasingly adopting policies that promote sustainable urbanisation, for example nature restoration standards and the European Green Deal taxonomy. The process of Europeanisation is evident in the push for harmonisation and standardisation of targets and goals. However, this can lead to oversimplification and the misconception that ‘best practices’ can be easily transferred from one context to another. Additionally, certain regulatory measures impact planning processes rather than the content of plans. For instance, rules on state aid, public procurement and services significantly impact urban regeneration.

A notable gap exists in aligning land-use impacts across key EU policies. The spatial implications of policies concerning biodiversity, the circular economy, digitalisation and transport are often interpreted inconsistently, leading to conflicting objectives regarding land-use expansion and restriction. These conflicts become more pronounced when EU regulations are transposed into national laws, creating challenges for local implementation. In densely populated urban areas, limited space intensifies competing land-use demands, while short-term political agendas and mismatches among sectoral policies further impede long-term planning goals (EUKN, 2024). Land-use laws, meanwhile, are often based on an ‘internal lot’ logic, not providing enough support for projects and strategies which require larger-scale, integrated urban and mobility planning, such as TOD. There is also a pressing need for revised approaches to land value that recognise soil as a common good to effectively address issues such as land degradation, soil sealing and urban sprawl at all levels of governance.

Gaps identified – Better Funding

Existing funding mechanisms primarily focus on broad regional development, overlooking the distinct needs of urban development that emphasises land efficiency and sustainable spatial planning. The OECD (2018) highlights the need for investment tools designed for compact urbanisation. Without these tools, cities are more likely to sprawl, which compromises both environmental and economic sustainability. Current funding structures remain fragmented and insufficiently integrated with key EU initiatives. The European Environment Agency (EEA, 2019) underscores that the lack of alignment between financial allocations and sustainability goals leads to missed opportunities for synergies in promoting sustainable land use and urban growth. The European Policy Centre (EPC, 2021) calls for thematic partnerships that can bridge the gap between urban development policies and funding opportunities, ensuring that urban projects contribute to broader environmental and social goals. Evaluations of EU funding mechanisms reveal varied outcomes. Programmes under the Cohesion Policy have demonstrated positive results in encouraging compact development, including revitalisation and regeneration and sustainable transport modes, but the funds have also been used in ways that stimulate diffuse development, such as highways and out-of-town business parks (Evers et al., 2024).

Initiatives such as the European Urban Initiative (EUI) and URBACT are promising models for financing urban compactness and spatial planning innovations. For instance, several EUI projects have successfully aimed at increasing urban density while enhancing environmental performance. However, the experimental nature of EUI and the knowledge sharing focus of URBACT often prevent these initiatives from scaling up into long-term, institutionalised solutions. This underscores the need for sustained financial mechanisms that can support the expansion and institutionalisation of successful land-use and spatial planning strategies.

Gaps identified – Better Knowledge

There is a notable gap in EU policymakers' understanding of compact cities principles and innovative concepts related to it, and these principles are not effectively integrated into the evolving urban development policy frameworks. Planners are often unaware of the complex and indirect ways in which EU policies impact planning, which creates disparities in effective decision-making. The lack of understanding in the planning sector of the sectoral policies that influence urban development also represents a challenge. Therefore, there is room for a greater degree of structural exchange and information sharing within the informal intergovernmental cooperation on urban matters and territorial cohesion, as well as between sectoral Council configurations and the related expert groups regarding EU regulations and policies impacting land use. However, applied policy research should not seek to impact by promoting 'best practices' for replication in other contexts, but by inspiring decision-makers to think of possibilities beyond their local practices.

There is a lack of knowledge and understanding of trade-offs in urban planning, particularly in balancing economic, social and environmental priorities. In practice, planners understandably have a clear preference for compact urban form but should also be aware of how this goal interfaces with related goals such as affordable housing and local environmental factors. To balance sustainability goals, densification should not lead to overbuilt and monotonous high-rise urban spaces lacking in green infrastructure. Conflicts often arise from competing land-use demands, such as integrating housing and industrial developments while expanding urban green spaces to enhance biodiversity.

The lack of standardised data and effective monitoring tools regarding land use presents another significant challenge in urban planning. Inconsistent collection and fragmented systems make it difficult to assess the impacts of land use and further development of evidence-based policy. Another significant gap is the insufficient integration of research on compact cities with urban-rural, and FUA connections. As urbanisation increases, the relationship between urban and surrounding areas becomes of great importance for sustainable development. However, existing research often neglects these connections, leaving policymakers without the necessary insights for informed decision-making (Seto et al., 2012). Therefore, compact cities should be considered part of broader regional systems where urban-rural linkages are essential for sustainability.

4.1.1. Table – Suggested sub-topics for Better Regulation

Sub-topics

Reasoning/Relevant regulation

1. Anticipating impacts of the national implementation of Soil Monitoring Law and Nature Restoration Law on land-use planning and compact city policies

Soil health, urban green areas and the reduction of urban sprawl are central to achieving SML and NRL goals. However, monitoring these issues is still not mandatory in all countries, and the form which these EU regulations will take when translated into national regulations is not clear in many Member States. Thematic partnerships can support the creation of comprehensive monitoring frameworks that track soil degradation, soil sealing, and the encroachment of urban development into previously undeveloped areas, as well as exploring the impacts of these regulations on compact city objectives and the trade-offs present in compact city policies.

2. Mainstreaming compact city principles in the New European Bauhaus

NEB, with its vision of creating places that are environmentally friendly, socially just and visually inspiring, offers potentially great synergies with the theme of compact cities. Thus, the partnership should explore paths toward further integrating compact cities objectives with NEB. The work of the partnership could benefit from NEB's focus on promoting and providing recommendations on the design of beautiful urban spaces, green solutions, reuse of buildings and spaces, inclusivity and equal access to urban amenities and opportunities. The partnership, with its focus on regulation, funding and knowledge, could assist NEB by providing inputs on policy aspects, drivers of and barriers to urban regeneration, densification and containment, with the aim of furthering the development of beautiful, sustainable and inclusive compact cities. The connection with NEB could be particularly beneficial in guiding liveable densification, ensuring that denser urban planning does not lead to unattractive, monotonous or overbuilt urban areas.

3. Mainstreaming urban regeneration and densification concerns in EU regulation on state aid, public procurement and services

State aid rules, which are a part of the EU's competition policy, significantly impact urban regeneration policies and initiatives through regulating subsidies, tax breaks, or selling land below market value to create favourable business cases. Furthermore, EU rules on public procurement can complicate the negotiation process between local authorities and developers, particularly for mixed-use developments. The Services Directive and the principle of 'freedom of establishment' also impact the drivers of urban sprawl, for instance by making it more challenging for planners to manage policies that control out-of-town retail developments. The partnership should, therefore, use the theme to mainstream compact city considerations in state aid and procurement regulations.

4. Horizontal coordination of sectoral policies impacting land use

Effective work on themes related to compact cities requires a whole-government approach to align policies and actions across sectors, and integrate urban, environmental, economic and social objectives. Without horizontal coordination, conflicting priorities may emerge, especially in complex contexts of compact cities where diverse stakeholders are involved.



5. Improving the enforcement of urban planning regulations

Despite existing regulations, weak enforcement remains a significant barrier to achieving compact city objectives. For example, gaps are evident between policy ambition and implementation practice, with the objectives of climate resilience, compact urban form, and circular land use often not reflected in the actual implementation of development projects. Deviations from approved planning instruments also occur, driven by political or economic pressure in areas of high development interest or environmental sensitivity. Thematic partnerships can play an important role in advocating for stronger enforcement mechanisms at the national and local levels, ensuring that EU urban planning directives are effectively applied.

6. Alignment of land policies, property rights and public value capture instruments with compact city principles

An integrated approach that combines land value capture mechanisms with tools like pre-emption rights enables municipalities to secure land before private developers, ensuring that urban growth aligns with public interests rather than purely economic incentives. These rights empower municipalities to acquire land before private developers do, ensuring that urban development serves the public interest. This proposed system must recognise soil as a shared resource, managing it for sustainable use and conservation. By doing so, it aims to tackle pressing challenges such as land degradation, urban sprawl and soil sealing.

7. Fostering social innovation for sustainable urban planning

Social innovation initiatives are often organised through bottom-up or collaborative governance, and can be pursued by the non-profit sector, businesses and governments at various levels. Social innovation presents opportunities for finding innovative solutions in the field of compact cities – for instance, by promoting urban regeneration and affordable housing through initiatives such as cohousing and community land trusts. The theme should explore the potential of regulation to stimulate and scale up social innovation relevant to compact city policies.

8. Coordination of transport and land-use planning policies

Transport policies at the national and sub-national levels can either promote or mitigate urban sprawl by promoting either car-centric mobility or public transport, especially in peri-urban zones. Transport policies are not always integrated with land-use planning and its objectives. For this reason, the partnership should explore the relationships between transport and land-use policies in various territories, and the ways in which they should be coordinated to mitigate sprawl. Transit-Oriented Development (TOD) represents an interesting strategy to enable connectivity in peri-urban areas without producing sprawl, which is especially important for small and medium-sized cities in FUAS. TOD is only present as a policy in certain territories. Its implementation can face barriers such as policy silos, a lack of land-use planning coordination between municipalities, and structural issues such as intermunicipal competition. The partnership should explore the possibilities for the integration of transport policies into broader urban planning and governance frameworks.

4.1.2. Table – Suggested sub-topics for Better Funding

Sub-topics

Reasoning/Relevant regulation

1. Aligning EU funding mechanisms with compact city objectives

While EU funding is available for urban development, it is often fragmented and not sufficiently tailored to the unique challenges of compact urbanisation. Current EU funding mechanisms (CP, EIB, CEF, etc.) do not always effectively address the spatial and environmental complexities of compact cities, including land-use efficiency, affordable housing and sustainability. This gap in alignment requires the creation of a more cohesive financial framework that ties compact city development to broader EU priorities. The upcoming Policy Agenda for Cities, to be presented by the end of 2025, plays a major role, and the partnership should seek to coordinate with this policy process. Thematic partnerships can advocate for the alignment with compact city principles and contribute to ensuring that funding structures are more coherent and accessible across different urban scales, especially taking into account the differences between large, medium-sized and small cities and FUA approaches.
2. Exploring innovative instruments for land value capture

Land value capture mechanisms are of great importance for ensuring that urban development generates sufficient funding for public goods such as infrastructure and affordable housing. However, EU mechanisms for land value capture are underdeveloped, and there is a need for more innovative financial instruments to enable municipalities to reinvest the increased land market value into sustainable urban development projects.
3. Aligning future EU-level funding for affordable housing with compact city principles

As EU funding for affordable housing is expected to be consolidated and increased over the next years with the creation of the European Affordable Housing Plan, which is currently expected to be published in 2026, following an extensive consultation process in 2025. The partnership should examine the relationship between compact city policies and affordable housing investments, exploring how housing policies could be informed by considerations of spatial development. The urban context of social and affordable housing initiatives is widely recognised as key to their success, with the need to ensure inclusion and accessibility aligning with compact city objectives. Furthermore, land policy plays a key role in ensuring housing affordability, e.g. through land value capture mechanisms and spatial planning for affordable housing.
4. Financing urban regeneration and retrofitting in compact cities

Urban regeneration and retrofitting are essential for transforming compact cities into sustainable environments. They significantly boost energy efficiency and preserve vital infrastructure. However, the challenge of financing these initiatives cannot be overlooked, especially when it comes to scaling up efforts and securing long-term investments. It is imperative for cities to actively seek out innovative funding mechanisms to support the comprehensive infrastructure upgrades that compact cities demand. Particular attention should be paid to the specific challenges of small and medium-sized cities
5. Gathering best practices on innovative

Conventional funding sources often struggle to tackle the spatial and environmental challenges of densification which underlines the need for



financing for compact cities

innovative financing solutions. For example, revenue from carbon pricing can be reinvested in sustainable urban projects, while subsidies for densification can incentivise the development of higher density housing while remaining affordable. Density credits for transit-oriented development (TOD) encourage private investment in well-connected, high-density areas. Through collecting and analysing best practices, thematic partnerships can assist cities in developing financial strategies to achieve the goals of sustainable compact urban policies and mobility development.

6. Exploring opportunities for FUA funding

The cooperation between large, medium-sized and small cities within functional urban areas is essential for mitigating urban sprawl, as the lack of coordination and intermunicipal competition are often among the main drivers of diffuse and car-centric urban development in peri-urban areas, producing significant economic, environmental and social costs. In addition to policy coordination, funding at FUA level could contribute to better coordination and cooperation in various policy areas, including the cross-cutting issue of urban sprawl. Certain instruments, such as Integrated Territorial Investment (ITI), have been used in the past to fund programmes at FUA level; the partnership should explore these opportunities and provide input for the further development of FUA funding.

4.1.3. Table – Suggested sub-topics for Better Knowledge

Sub-topics	Reasoning/Relevant regulation
1. Mainstreaming transformative urban models	To tackle the challenges of urban sustainability, urban planning should evolve beyond traditional methods and embrace innovative, transformative models that prove systemic change. Frameworks like <i>the Stationary City</i> , <i>Post-Growth City</i> , and <i>Doughnut Economy</i> provide forward-thinking approaches to urban systems, advocating for the optimisation of existing resources and promoting sustainable development within current urban infrastructures.
2. Improving data and monitoring tools for urban planning	There is a gap in comprehensive and standardised data necessary for effective land-use planning and tracking changes. Enhanced monitoring of urban growth, land usage and proximity is needed for implementing compact city models. There is a need to integrate platforms such as the Urban Audit Database, Copernicus Programme and Urban Atlas for real-time data and decision support in land-use planning and ecological sustainability.
3. Raising awareness on importance of FUA coordination on land-use policies	To manage urban growth effectively, it is of great importance to raise awareness about the necessity of coordinating land-use policies across administrative boundaries in functional urban areas (FUAs). This coordination is important for promoting sustainable development and demands the alignment of objectives at both local and regional levels. Building on the outcomes of the SLU05 action on FUA cooperation, this action seeks to raise awareness of the necessity of cross-boundary coordination in land-use policies. By emphasising its benefits and fostering knowledge exchange, this initiative supports the sustainable land-use goals identified by previous partnerships.
4. Enhancing the capacities of urban administrations to implement EU sustainable spatial planning policies and guidelines	To effectively implement EU sustainable spatial planning policies, urban planners need to be equipped with the knowledge, tools and frameworks that align with EU sustainability goals, land-use regulations and innovative urban models. Strengthening the capacity of urban planners involves providing practical guidance, fostering and offering training to ensure local planning integrates EU guidelines effectively. A comprehensive toolbox could be developed to guide urban planners in implementing EU regulations, to help planners address issues such as land-use optimisation, climate adaptation, and nature-based solutions (NBS).
5. Addressing conceptual inconsistencies in spatial planning	In urban planning, key concepts such as land take and 15-minute cities are often interpreted inconsistently. This lack of uniformity creates challenges in policy alignment and effective implementation of sustainable urban strategies. To create a unified and coordinated approach to urban development, it is important to address these discrepancies and ensure clarity in the terms used.
6. Increasing awareness of trade-offs in urban containment and densification approaches	There is a need for better understanding of the trade-offs between economic, social and environmental objectives in compact city policies among policymakers and other stakeholders. While urban containment policies are designed to protect open land and ecosystems and prevent the negative environmental impacts of urban sprawl, they create trade-offs between competing land-use demands. For instance, limiting greenfield development may make developable land more scarce, leading to higher land prices and



increase housing unaffordability. Densification can also lead to reductions in urban green spaces, exacerbate urban heat islands, and reduce opportunities for the implementation of green infrastructure and nature-based solutions. Mixed-use developments (integrating retail, production, housing and other functions) can also create conflicts with noise standards and place a strain on existing infrastructure, including transport. Thematic partnerships should explore these trade-offs in depth, providing a platform for national and local governments to discuss potential conflicts and develop regulatory solutions that balance environmental, social and economic needs.

7. Mapping and analysing density and sustainable urban growth regulations in cities

Achieving compact and sustainable urban growth requires an understanding of existing regulatory frameworks that impact land use. Thematic partnerships can support the mapping and analysis of key regulations, including urban growth and containment boundaries, minimum density requirements near transport hubs, density targets, and mixed-use development mandates. By assessing best practices and identifying regulatory gaps, cities can strengthen their planning strategies to support efficient land use, and ensure that density policies align with sustainable mobility and environmental objectives.

8. Enhancing knowledge on the specific needs of small and medium-sized cities

Small and medium-sized cities differ from large cities in their needs, objectives, capacities and the trade-offs related to compact city policies. Furthermore, these considerations often differ between small and medium-sized cities that are part of FUAs and those that are not influenced by commuting areas of larger cities. The partnership should explore in greater depth the differences in needs of small and medium-sized cities, in comparison with the better-researched needs of large cities – which also have greater capacities to implement compact city policies. The variation in these needs across urban scales and across different territories should inform the partnership's recommendations for funding and regulations.

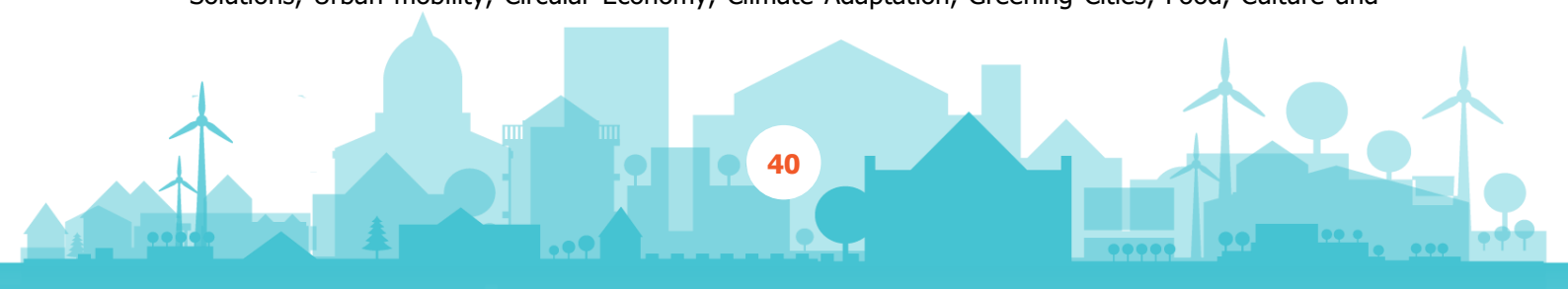
9. Capacity building through European urban cooperation

Due to the importance of municipal authorities in land-use planning and other policies significant for compact cities, capacity building and urban cooperation between local authorities could prove valuable. The partnership should scale up, develop and incentivise urban cooperation projects to reach more cities, achieve better cooperation results and implement them locally. Their cooperation outcomes should also be channelled into better policymaking and long-term institutional changes through a bottom-up approach.

4.1.1. Lessons learned and synergies comparison with other Thematic Partnerships

Since the inception of the UAEU in 2016, a significant number of thematic partnerships (TPs) have been launched. As of the time of writing, 12 partnerships have been completed, seven are ongoing, and two have officially commenced their operations. TPs have resulted in the development of action plans and a great number of activities that address various policy areas and engage a wide range of stakeholders. Typically, actions align with one of the three key pillars of the UAEU: Better Knowledge, Better Funding, or Better Regulation. Within this context, this section provides an analysis of TP Action Plans that address issues related to compact cities.

Given the cross-sectoral nature of the Compact Cities thematic scope, numerous partnerships have undertaken actions that are highly relevant to this area (Sustainable Use of Land and Nature-Based Solutions, Urban mobility, Circular Economy, Climate Adaptation, Greening Cities, Food, Culture and



Cultural Heritage, Housing, Digital Transition, Urban Poverty), and are highly valuable sources of inspiration, knowledge and concrete outputs. In particular, the following Thematic Partnerships (TPs) should be highlighted:

- Sustainable Use of Land and Nature-Based Solutions (concluded)
- Urban Mobility (concluded)
- Greening Cities (ongoing)
- Housing (concluded).

A table summarising the activities of previously initiated partnerships (both concluded and ongoing) related to the topic of Compact Cities, highlighting their connections and proposing ways to enhance these activities, can be found in Chapter 6, Annex 2 (Table 6.3: Results of Previous and Ongoing Partnerships and Potential Synergies with the Actions of the Compact Cities Partnership). A review of the actions undertaken by the partnerships addressing the theme of Compact Cities reveals several key findings. Regarding Better Knowledge, a general observation is that many actions are included within the BK category, with some mixed categories. The outputs typically took the form of guidelines, recommendations, handbooks, and toolkits, etc. Their quality and comprehensiveness can be described as very high, and they can continue to add value to debates on the topics at hand. Notably, the development of land take indicators, planned land-use data, and affordable housing monitoring systems were important in the context of placing emphasis on data-driven approaches in urban planning. However, fewer efforts have been made to create sustained knowledge sharing networks or collaborative learning platforms (e.g., cross-city peer learning for urban planning, structured capacity building for local authorities). More specific for the theme, the exchange of best practices related to densification and mixed-use development has not been addressed in previous partnerships. Conversely, themes that have not explicitly considered urban planning aspects could be revisited to incorporate this focus. This is a plausible prospect, particularly in relation to topics such as housing, the circular economy, and climate adaptation.

When speaking about Better funding, few attempts have been made to identify how cities can fund and finance urban regeneration (one of the existing examples is the guide for brownfield redevelopment, which was developed under the SUL-NBS partnership). Innovative approaches to funding green infrastructure have been explored; however, the challenge of reconciling the financial constraints of high-density urban development and the long-term investment required for green infrastructure remains insufficiently examined. Within the scope of the Housing Thematic Partnership (TP) and the Better Funding pillar, recommendations on EU funding for affordable housing are available. However, the financial feasibility of integrating social housing into dense urban environments remains insufficiently studied, particularly concerning strategies to mitigate gentrification, prevent displacement, and ensure long-term affordability.

The TP concerning the Sustainable Use of Land and Nature-Based Solutions stands out with a strong and highly differentiated focus on compact cities issues, including urban and spatial planning. The partnership aimed to promote the liveable compactness city model, meaning shorter commutes and less congestion, greener and healthier urban environments, walkable cities with friendly, high-quality spaces, and monetary savings for municipalities and inhabitants. It has highlighted several critical barriers to sustainable land use, including governance fragmentation, ineffective land pricing policies, fiscal incentives that unintentionally encourage urban sprawl, and a lack of intermunicipal cooperation. Key actions (7 out of its 9) have strong correlation to the Compact Cities theme and explicitly to land-use/spatial planning issues. All actions are particularly represented under the Better Knowledge pillar. Notably, one of the outputs, the SUL-NBS TP's *Handbook on the circular use of buildings* stands out as a valuable resource. It is still used by some partners, and has catalysed the development of the first circular space and building management programmes in certain participating countries. Regarding actions, *Promoting FUA Cooperation as a Tool to Mitigate Urban Sprawl* offers valuable insights that can inform and enhance work on the Compact Cities theme – by recognising that urban expansion often occurs across FUAs, where administrative fragmentation hinders coordinated planning. Building on these findings, future work on the Compact Cities theme can contribute to addressing governance

and regulatory challenges by advocating for reforms in land-use policies, taxation mechanisms, and financial incentives that promote compact urban development while mitigating sprawl. Regarding other actions, although all prioritise land-use efficiency, in the context of the Compact Cities theme, there is a lack of analysis of its broader socio-spatial implications. This was also highlighted during the elaboration of other important issues which have not been developed into fully defined actions for the SUL-NBS TP. These areas can be dealt with in the Compact Cities Partnership. Each area of focus should be directly linked to the fundamental principle of compact cities: achieving higher density while ensuring that the quality of life for residents is not compromised – prioritising both efficient use of space and social well-being.

4.1.2. Cross-cutting issues

The cross-cutting issues (CCI) are crucial for the thematic focus on compact cities and for the future partnership's efforts. The complexity of urban challenges necessitates the integration of various policy aspects to prevent contradictory effects and enhance the effectiveness of interventions in urban areas. This is especially important since the concept of compact cities involves multiple dimensions of urban systems and sustainable spatial planning. The Gijon Agreement outlines a list of 7 cross-cutting issues, that could be addressed in the following way in the orientation paper and action plan:

Tab 4.1.2. Cross-cutting issues and suggestion for addressing the CCI within the Orientation Paper and Action Plan

Cross-cutting issues	Suggestion for addressing the CCI within the Orientation Paper and Action Plan
Promoting urban policy for the common good, inclusiveness, accessibility, security and equality	<ul style="list-style-type: none"> - the implementation of policy monitoring tools to measure the societal outcomes of compact cities policies should be examined - the adaptation to demographic change necessitates a thorough investigation of strategies for financing affordable housing within the context of compact cities
Enhancing integrated and innovative approaches, notably through financing and in correlation to the green, digital and just transition	<ul style="list-style-type: none"> - it is important to analyse the contributions of digitalization and smart technologies to advance the objectives of compact cities, as well as to disseminate best practices emerging from partnerships. This also refers to digital tools and design data-based planning to reduce urban sprawl – with open standards and interoperable interfaces. Data spaces and digital twins could enable precise scenarios for land use and densification.
Supporting effective urban governance, participation, and co-creation	<ul style="list-style-type: none"> - as the topic represents one of the core themes when talking about compact cities, the work of partnership should take into account how urban governance can advance planning and policy integration beyond hierarchical decision-making structures and processes - the importance of role of participatory governance and cross-sectoral coordination in urban planning processes should be emphasized, highlighting the value of knowledge dissemination through platforms

Cross-cutting issues	Suggestion for addressing the CCI within the Orientation Paper and Action Plan
	such as URBACT and ESPON to facilitate participatory practices, as well as the strategic use of EU funding to support capacity-building efforts and urban regeneration projects, ensuring the financial resources are allocated in a way that strengthens the long-term sustainability of compact cities
Promoting multi-level governance and cooperation across administrative boundaries	<ul style="list-style-type: none"> - governance across administrative boundaries and inter-municipal cooperation can be placed in the context of balanced territorial development and addressing urban sprawl through coordinated spatial planning, including joint measures to manage urban growth and prevent encroachment into rural areas, thereby reducing land take. Work on the topic could further explore how cooperation improves the equitable distribution of resources and ensures balanced access to housing, transportation and public infrastructure in communities
Harmonising measures at different spatial levels and implementing place-based policies and strategies	<ul style="list-style-type: none"> - investigating regulatory mechanisms, including pre-emption rights, can serve as tools for supporting sustainable land use and limiting greenfield expansion
Supporting sound and strategic sustainable urban planning and balanced territorial development	<ul style="list-style-type: none"> - proper strategic planning ensures compact cities are designed for long-term sustainability and careful planning—integrating innovation, technology, and sustainable practices. Therefore, a central component of the orientation could focus on how sound urban planning (effective zoning, the integration of green infrastructure, and the development of multi-modal transportation networks) can mitigate the negative externalities commonly associated with urbanisation and compact cities - the application of regulatory instruments, such as land value capture, can be analysed to promote equitable territorial growth
Contributing to the acceleration of the implementation of the 2030 Agenda SDGs, the New Urban Agenda and Habitat III principles	<ul style="list-style-type: none"> - by specifically promoting integrated strategies that link spatial planning, housing affordability, and sustainable infrastructure investments to reduce urban sprawl and improve quality of life. This includes developing targeted guidance for aligning local urban policies with SDG indicators, supporting financing mechanisms for compact and inclusive housing solutions, and supporting stakeholder collaboration to ensure consistent implementation of Habitat III principles across governance levels



4.1.1 Territorial Impact Assessment

Territorial Impact Assessments (TIAs) are an analytical tool used to evaluate the potential territorial effects of policy proposals, ensuring that diverse regional and local characteristics are considered. Rooted in the EU's Better Regulation agenda, TIAs contribute to evidence-based policymaking by anticipating economic, environmental and social impacts at different territorial levels. Although their application remains voluntary, institutions such as ESPON and the Committee of the Regions (CoR) have significantly advanced TIA methodologies. In particular, ESPON contributed by developing TIA methodologies that can be applied to any policy area, as well as conducting sectoral studies on areas such as the Common Agricultural Policy, TEN-T policy, research and development, and regional policy. The CoR has utilised TIAs to examine policies related to the Green Deal, climate targets, biodiversity, and energy performance of buildings, alongside its Urban Impact Assessments on Green Deal-related topics like Climate Neutrality, Climate Targets, Biodiversity, or the Energy Performance of Buildings.

For the theme of 'Compact Cities – Sustainable Urban Planning and Sprawl Mitigation', TIAs could serve as a valuable instrument in understanding the potential asymmetric effects of the proposed actions across EU regions. While the recommendations resulting from the UAEU are not legally binding, they aim to influence policymaking across governance levels. This necessitates an understanding of how different regions might experience the impacts of compact city policies, particularly concerning land prices, housing affordability, and spatial governance capacities. The use of TIAs within this theme would facilitate a structured approach to assessing potential asymmetric territorial impacts and assist the partnership with pre-emptively addressing spatial and socio-economic trade-offs.

Key territorial concern associated with compact city policies is the uneven capacity of spatial planning and governance across European regions to address the trade-offs of urban sprawl mitigation. While urban containment policies may be effective in curbing sprawl, they can also lead to higher land prices, exacerbating housing affordability issues. Regions with stronger institutional capacities - such as well-established land value capture mechanisms or sizeable social and affordable housing programmes – are better equipped to mitigate these challenges, whereas others may experience heightened affordability pressures. A TIA could help map these disparities and guide policy recommendations to ensure compact city development remains just and socially sustainable.

Ultimately, while the application of TIAs in the UAEU remains voluntary, the process itself could provide valuable insights into the spatial trade-offs of compact city policies. By sparking debate and bridging sectoral silos, TIAs align well with the exploratory and multi-stakeholder nature of the UAEU process, contributing to collecting and interpreting quantitative and qualitative information and aiding the partners in understanding the multifaceted trade-offs of compact cities and sprawl mitigation.

4.2 What is the relevant timing?

The establishment of the Compact Cities Partnership in 2025 or 2026 would be particularly timely, as it would present opportunities to synchronise the Thematic Partnership's work with ongoing policy processes at the EU level. Many issues previously addressed in past partnerships continue to be pertinent and should be examined alongside complementary topics.

Current circumstances favour the formation of this partnership, especially in light of recent policy developments, implementation processes, and organisational changes. New legislation, such as the Directive on Soil Monitoring and Resilience, has the potential to impact land use and spatial planning by establishing mitigation principles that remain flexible.

Importantly, this timeline enables the partnership to actively engage with the European Semester cycle, particularly its annual country reports and reform recommendations, which shape national urban and spatial policy priorities. If launched in 2025, the partnership could prepare inputs ahead of the 2026 Semester cycle, potentially influencing urban-related reform priorities across Member States. This period also coincides with the mid-term review and early negotiations for the post-2027 Cohesion Policy framework. By forming the partnership in 2025-2026, it can strategically engage in discussions around the 2028-2035 programming period, ensuring that compact city principles are integrated into the development of Operational Programmes (OPs) and funding priorities.

Tab 4.2.1. Timeline of Cohesion Policy post-2027 and intervention opportunities for the Compact Cities Thematic Partnership

Timeline	Cohesion Policy Action	Potential contribution by the TP on Compact Cities
2025	European Commission conducts mid-term review of 2021-2027 Cohesion Policy, prepares for the next long-term budget negotiations (2028-2034), new proposals for CP regulations	The TP can begin its work by aligning its objectives with the ongoing mid-term review of the 2021-2027 Cohesion Policy, ensuring that compact city priorities are considered in the review process
2026–2027	Elaboration and negotiation of the next long-term budget and legislative framework for Cohesion Policy	The TP can collaborate with EU institutions to ensure that compact city objectives are integrated into the new policy regulations (supporting sustainable urban planning, mixed-use development and efficient land use). Input to the drafting of national/regional Operational Programmes might be possible by offering evidence-based recommendations, case studies and best practices
From 2028 onwards	Implementation of the new Cohesion Policy framework by Member States and regions	If not concluded, the TP can monitor and support the application of compact cities strategies across Member States

Moreover, the timing is ideal since the new European Commission began its mandate in December 2024. This partnership can leverage this opportunity to ensure that urban themes receive greater attention. The upcoming Policy Agenda for Cities, to be presented by the end of 2025, will further impact the various relevant EU policies, and the partnership should seek to coordinate with this policy process. The Policy Agenda for Cities is set to include pillars on themes such as affordable and sustainable housing, climate action, digitalisation, mobility, social inclusion and equality, which share many priorities of the Compact Cities theme.

The new Commission also initiated the creation of the EU Affordable Housing Plan, which is expected to be drafted throughout 2026. As this Ex-Ante Assessment identified housing as one of the primary drivers of urban sprawl, and the affordability of housing as a key challenge in compact city policies, the simultaneous preparation of the TP Action Plan and the EU Affordable Housing Plan would provide opportunities for mutual reinforcement, allowing the TP to contribute spatial insights to the Affordable Housing Plan while benefiting from its policy directions, thus helping to ensure that affordable housing strategies are more spatially integrated.

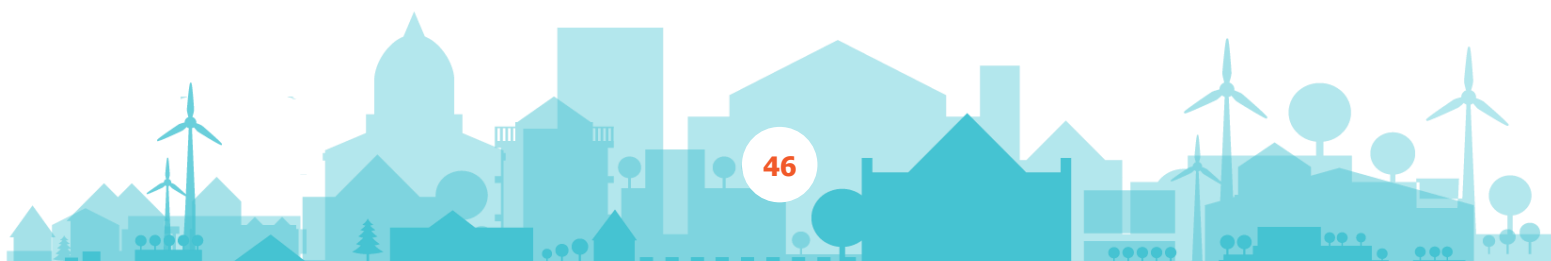


4.3 Required type of expertise and stakeholder target group

Given the complexity of the theme, a diverse and interdisciplinary partnership is required to ensure a comprehensive approach. The partnership should cover expertise across multiple domains to address the identified gaps in knowledge and implementation capacity related to the theme of compact cities and the mitigation of sprawl. Applicants should demonstrate links between their expertise and the specific challenges relevant to the partnership. Selection criteria may include:

- **Motivation:** Partners must demonstrate a clear interest in contributing to knowledge and policy development in the field of sustainable urbanisation, compact cities and the mitigation of urban sprawl.
- **Commitment to active involvement:** Selected partners must be ready to dedicate time and resources to the partnership, ensuring consistent and meaningful participation in discussions and technical work.
- **Capacity for active involvement:** Applicants should have the institutional capacity to support their involvement in the partnership. Small and medium-sized urban authorities will not be disadvantaged based on resource constraints, as additional support mechanisms will be available.
- **Relevant experience and expertise:** The partnership should include organisations with experience in spatial planning and spatial governance, as well as the following sector-specific policy areas which have a significant impact on the drivers of urban sprawl:
 - expertise in land-use planning, zoning regulations, and urban design to promote more compact, sustainable urban growth patterns and mixed-use developments, including brownfield regeneration and infill development
 - understanding of sustainable mobility and multimodal transport systems – knowledge of public transport planning, active transport infrastructure, shared mobility services, and mobility-as-a-service (MaaS) frameworks. Expertise on transit-oriented development (TOD) is also of great importance, as well as last-mile connectivity solutions
 - experience in digital planning tools, geospatial data analysis for urban design and infrastructure planning, and ICT-based solutions for optimising public services
 - expertise in green urbanism, creating green corridors and eco-districts, understanding how to make the most of resource efficiency in energy, water and waste systems within urban spaces, including expertise in circular economy principles, where resources are used efficiently and waste is minimised
 - knowledge of housing policy design aimed at increasing supply within urban areas, and addressing challenges related to gentrification, including policies to promote social housing, cooperative housing and affordable rental markets
 - knowledge of economic incentives and funding mechanisms for compact city projects.
- **Ability to connect and disseminate knowledge:** Partners should have strong networks and affiliations, such as membership in relevant organisations, associations or city networks, to facilitate knowledge exchange and policy dissemination.
- **Local engagement:** Applicants should be willing to participate in debates and discussions on sustainable urbanisation and its trade-offs within their respective territories, whether at local, regional or national levels.
- **Geographical balance:** Since patterns of urbanisation, drivers of urban sprawl, institutional capacities and governance arrangements differ across Member States and regions, it is vital that members from various parts of Europe should be involved to ensure a comprehensive view of the theme.
- **Representation of urban authorities of all sizes:** A mix of large, medium and small urban authorities is important for the partnership to achieve fuller understanding of the drivers of sprawl and the spectrum of policies with the potential to contribute to more sustainable urbanisation.

Applicants considered for the coordination role may need additional qualifications, such as:



- Experience and expertise in **managing multi-level, international partnerships**, with sufficient **commitment of human and financial resources**;
- A demonstrated **commitment to a cross-sectoral, interdisciplinary approach**;
- **Outreach to relevant stakeholders, and participation** in networks and cooperation programmes at local, regional, national and EU level, also based on previous experiences, with reference to compact cities, urban policy issues, and the sub-themes and issues set out in chapter 4.1.

To achieve a well-balanced and effective partnership, it is crucial to engage stakeholders at multiple levels, ensuring representation from different sectors and governance scales. A selection of key stakeholders are listed below.

- **Cities of all sizes**, including municipal governments, functional urban area authorities, city regions and agglomerations. The selection of local authorities should ensure that cities of differing sizes are represented in the partnership – specifically, small (less than 50 000 inhabitants), medium-sized (between 50 000 and 250 000 inhabitants) and large (more than 250 000 inhabitants). The partnership should also include cities within and outside of larger functional urban areas in order to ensure that information about the challenges and capacities specific to various scales of urban areas are taken into account in the work on this theme.
- **Regions and Regional Development Agencies** with mandates for spatial planning, infrastructure, housing, environmental protection, and other policy areas influencing patterns of urbanisation.
- **Member States**, through relevant national level ministries and agencies, especially those responsible for spatial planning, whose involvement would be relevant due to the impacts of the structure of overall national spatial planning and governance systems on urban sprawl. Since competencies for spatial planning in the EU are placed at the level of Member States, this theme will require substantial involvement of national authorities. It will also be important to ensure a wide representation of Member States due to the varying nature of spatial governance and planning systems across Europe, as well as challenges related to compact cities.
- **Partner States** (Norway and Switzerland), through relevant national level ministries and agencies.
- **European and national city umbrella organisations** such as Eurocities, ICLEI, CEMR and Eurotowns, as well as national associations of municipalities and regional governments.
- **Research and academic institutions** working on various aspects of urban planning, policy and regulation can contribute to the theme by providing knowledge and research expertise.
- **Other stakeholders**, including:
 - EU institutions, such as the European Commission (DG MOVE, DG ENV, DG REGIO, DG ENER), the Committee of the Regions, and the European Investment Bank (EIB);
 - International organisations, such as UN-HABITAT;
 - European networks and initiatives like the Covenant of Mayors, URBACT, and Horizon Europe partnerships;
 - Sector-specific associations in fields such as urban planning.

4.4 Required type of support to the Thematic Partnership

Thematic Partnerships should receive structured support throughout their lifecycle to ensure effective coordination and expert input. To this end, the EUI offers a Support Services Package funded by the European Commission, of which the Compact Cities Partnership should make full and effective use.

EUI support framework

The following section outlines the available support mechanisms and considers how they can effectively contribute to the work of the Compact Cities TP during the launch of the partnership and the work of the TP in defining its action plan.

Each TP is assigned a dedicated Thematic Partnership Officer (TPO) for up to three years. This officer serves as the primary liaison between the EUI Permanent Secretariat and the Thematic Partnership Coordinator, Action Leaders, and members, providing operational guidance on planning, management and monitoring. Their responsibilities include day-to-day support, facilitation of meetings and workshops, and assistance with communication, dissemination and reporting. The broader objective of the secretariat is to ensure coordination and synergies between the Compact Cities TP and other TPs and EUI work streams.

During the initiation phase of the TP, the EUI Secretariat should help ensure clarity on governance, processes and deliverables to the partnership. This includes initiation meetings, which take place within the first three months of the TP's establishment. The meetings will introduce the partners to the UAEU governance structure, key actors involved, the principles for managing the UAEU Thematic Partnership, and the support services available through the EUI Secretariat. The initiation meetings will also introduce the TP to the timeline and key steps for developing and implementing the UAEU Action Plan, as well as the lessons learned from previous UAEU Thematic Partnerships.

To facilitate active engagement, financial support is available for the partners to participate in in-person TP meetings. Travel and accommodation support is also available for participation in Coordinators and Action Leaders' Meetings (CALM).

The EUI Secretariat contracts external experts to provide specialised knowledge, technical expertise and analytical support. The TP can benefit from 70 expert days per year for the duration of the UAEU Partnership (up to three years), depending on its needs. This expert input may be used for research, analysis, and other specific outputs necessary for developing and implementing the TP's Action Plans and actions. It may come in the form of reports, analytical papers or invited lectures. External experts do not write the Action Plan itself, as this remains the core responsibility of the TP. Expertise can be mobilised in cases where specific knowledge is not available within the TP or where additional capacity is needed to achieve defined objectives. Particular sources of expertise which would be of use to the Compact Cities TP are elaborated further below.

The EUI Secretariat will offer communication and dissemination support, including information and training sessions. TPs have the possibility to disseminate content linked to their activities using UAEU resources: the website, Portico platform, newsletters, events and UAEU social media accounts. Support will also be provided in drafting and editing content. As the impact of the Thematic Partnerships, due to their non-binding nature, is derived primarily from generating and sharing new information and ideas, the Compact Cities TP should make full use of these dissemination opportunities to increase the visibility of its work.

To create synergies between the TPs and other EUI work streams, the EUI Secretariat will organise Coordinators and Action Leaders' Meetings (CALMs), which will allow coordinators and action leaders of all ongoing Thematic Partnerships to communicate directly about their actions. Furthermore, the EUI Secretariat will monitor and report on the progress of all action plans and their implementation.

The Network of Urban Contact Points (UCP) is a single network of contact points in the Member States, operating in the national language(s). It was established by the European Urban Initiative to increase the number of urban policymakers and practitioners at local, regional and national level participating in the activities of the EUI and the UAEU, while strengthening the links between the EU, national, regional and local levels. UCP will not be directly involved as partners in the Thematic Partnerships. However they support the communication work of the UAEU TP and promote and disseminate the results achieved.

External expertise

A particular source of expertise significant for the Compact Cities Partnership could be found among researchers who were involved in relevant ESPON projects. Projects such as COMPASS and SUPER stand out in their pan-European scope, systematically collecting and analysing data across all EU Member States – a major undertaking that has helped bridge gaps in often fragmented national and regional knowledge. Their comprehensive approach enables a better understanding of the systemic drivers of urban sprawl, and the complex interplay of policies and broader social dynamics shaping urban development.

Beyond data collection, these projects also introduced innovative conceptualisations of spatial planning and urbanisation, which are crucial for advancing the TP's understanding of the issue. ESPON COMPASS not only mapped spatial planning systems across Europe but also identified broader trends and shifts in governance that influence land use and urban expansion. ESPON SUPER developed new classifications of urban form, examined a wide spectrum of policy interventions used across Europe to contain urbanisation, and assessed the sustainability of different urbanisation types through scenario modelling. Continuing on this work, the ESPON NNLT project mapped the main administrative, economic, political or social constraints and drivers influencing the implementation of the No Net Land Take objective in selected European countries. Such insights will be instrumental in helping the TP move beyond a purely descriptive analysis of sprawl and normative concepts of compact cities toward a more strategic focus on policies that can realistically contribute to the mitigation of urban sprawl. By making use of these findings, the TP will be better equipped to identify policy levers that address the drivers of sprawl and promote more sustainable urban development pathways.

Furthermore, the ongoing ESPON HOUSE4ALL project, which examines housing affordability across the EU, may provide relevant insights into the reciprocal influence between the form of urbanisation and housing affordability. Although still in progress, this project could be consulted, potentially leading to synergies between the two initiatives. Engaging with ESPON experts from these projects will strengthen the analytical foundation of the TP's work and ensure alignment with the latest research on urban development and planning.

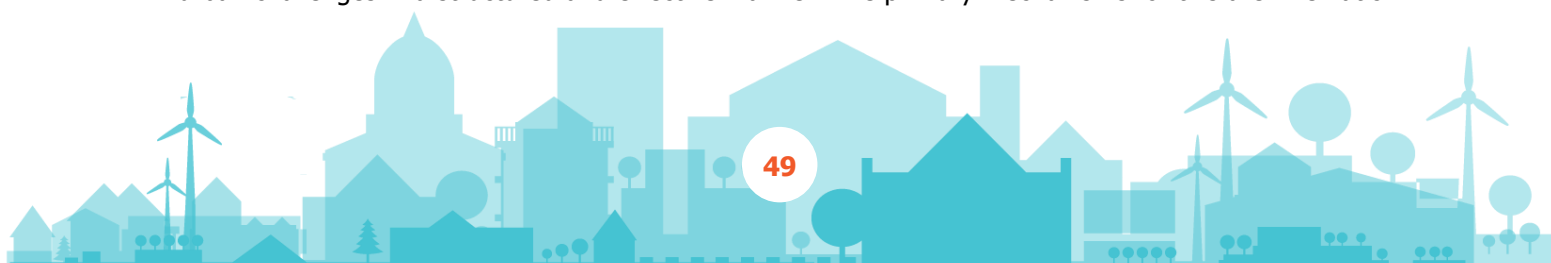
In addition to ESPON experts, input from organisations such as the Joint Research Centre (JRC) and the European Environment Agency (EEA) will be valuable. These institutions have conducted research on urban land cover change and urban data indicators, which could be shared with the TP through invited lectures or dedicated knowledge exchanges. Their expertise would help ensure that the TP's work is supported by the latest data and methodological advancements in urban monitoring.

Furthermore, organisations with extensive experience in the UAEU process – such as Eurocities, the European Urban Knowledge Network (EUKN), the Council of European Municipalities and Regions (CEMR), and the Committee of the Regions – can provide essential support. Their involvement can help guide the TP's work, aligning it with ongoing policy developments and strengthening the capacities of TP members, ultimately contributing to a greater overall impact.

Finally, the TP should seek engagement with key Directorates-General of the European Commission, including DG MOVE, DG REGIO, DG ENV and DG GROW. Given their influence on sectoral policies which strongly influence spatial planning in Member States and affect the drivers of urban sprawl, their involvement will be essential for ensuring policy alignment and maximising the TP's relevance within the broader EU policy framework. However, due to the limited capacity of the DGs to provide ad hoc advisory support, their engagement should be structured and agreed upon early in the process to facilitate meaningful collaboration.

4.5 Forms of multi-level governance cooperation

The Urban Agenda supports different forms of multi-level and multi-stakeholder cooperation to address urban challenges in a structured and effective manner. The primary mechanisms for this are Thematic



Partnerships, which bring together diverse stakeholders to develop long-term strategies and policy recommendations. In 2021 the Ljubljana Agreement introduced Other Forms of Cooperation (OFC) as an additional approach to tackle emerging priorities or deliver targeted responses within a shorter timeframe.

The topics addressed by the Compact Cities theme are diverse and encompass all aspects of sustainable urban growth. Key issues include spatial planning and land use and urban development, as well as themes such as affordable housing, transportation policies, landscape management, green and blue infrastructure, and the legal framework, in an interrelated context. These themes are demanding as they require long-term commitment, and an integrated approach based on relevant data and information. One of the main conditions for OFC is a fixed timeframe, which is typically limited to a maximum of 18 months, according to the Ljubljana Agreement. This timeframe is often insufficient given the complexity and importance of the topics at hand. The characteristics of compact cities necessitate ongoing support from various levels of government, including local, regional, national and international representatives. To ensure that all relevant facts are processed effectively and lead to optimal conclusions and recommendations, Thematic Partnerships are deemed to be the most suitable format.

The benefits of Thematic Partnerships include a proven model of balanced participation that facilitates high-quality multilevel cooperation. Additionally, Thematic Partnerships can serve as a platform for knowledge transfer among different stakeholders on relevant topics within specific fields of expertise. They also provide pertinent information about initiatives, potential resources, and funding options. Engaging key stakeholders will yield valuable insights and details, improving the quality of the partnership's outcomes and enhancing the impact of future Urban Agenda deliverables. The integrated approach fostered through Thematic Partnerships should be further encouraged and developed within compact cities, utilising the recommendations outlined in section 4.4.



5 ANNEX 1: INTERVIEWS

A. List of interviewed stakeholders

Institution	Name	Date
European Commission, DG REGIO	Anton Schrag and Carlotta Cesco Gaspere (input in writing)	19/12/2024
European Commission, DG ENVIRONMENT – Unit D1 Land use and management	Mirco Barbero	19/12/2024
European Commission, DG GROW – Unit H1 Sustainable Construction	Philippe Moseley	19/12/2024
European Commission, DG ENVIRONMENT – Unit C3 Clean air and urban policy	Piotr Rapacz	13/01/2024
European Commission, DG MOVE – Unit B3 Innovation & Research	Isabelle Vandoorne	14/01/2025
European Commission, DG REGIO – Unit 03 - Inclusive Growth, urban and territorial development	Gabriel Calin Onaca	22/01/2025
Brussels Planning Agency – Perspective Brussels	Sandrine de Meyers, Cécile Houpert	04/02/2025
Ministry of Funds and Regional Policy, Polan, Urban Policy Department	Daniel Wąsik	05/02/2025

B. Meetings

Date	Meeting
04/12/2024	Stakeholder Focus Group EC, CEMR Council of European Municipalities and Regions, EUROTOWNS, Eurocities, CoR, EESC - European Economic and Social Committee, URBACT, Belgium, Poland, EUI
26/02/2025	UATPG meeting
13/03/2025	UDG meeting
25/04/2025	DGUM meeting

6 ANNEX 2: STOCKTAKING COMPLETE ANALYSIS

The overview additionally encompasses regulatory developments at both the EU and Member State levels and funding instruments. It also draws on European initiatives – Urban Innovative Actions (UIA), URBACT networks, and ESPON research – to identify good practices and operational bottlenecks associated with the transition towards compact and sustainable urban development models, supporting a more coherent, place-based and participatory approach to compact urban development, in line with the principles of the New Leipzig Charter and the Territorial Agenda 2030.

Framed by the UAEU's three pillars – Better Regulation, Better Funding, and Better Knowledge – this annex further informs the design and scope of a future Thematic Partnership. It does so by highlighting cross-cutting challenges (e.g., land take, housing affordability, mobility integration, functional urban area coordination) by mapping interlinkages and specificities of the Compact Cities theme with previous outputs from related Thematic Partnerships.

Table 6.1. EU regulations and directives relevant for the Compact Cities theme

Regulation/ Directive	Urban/Territorial dimension	Effect on urban development	COD/Revision timeline	Level addressed
Nature Restoration Law	Supports urban green spaces, biodiversity restoration, and climate resilience	Promotes integration of nature-based solutions and green infrastructure in cities to enhance sustainability and quality of life	Currently in legislative process; to be adopted and implemented by Member States with specific timelines	EU, national, regional, local
Proposal for Soil Monitoring Law	Focuses on sustainable land use, soil protection, and urban sprawl prevention	Encourages brownfield redevelopment and compact urban growth strategies	Under consideration; timeline for adoption and implementation into national law is still being developed	EU, national, regional
Directive for ambient air quality and cleaner air for Europe	Requires monitoring and improvement of air quality in urban areas	Ensures better air quality in compact cities through urban planning and transportation policies	Revised in 2024; Member States have 2 years to transpose into national law; Implementing Acts being finalised	EU, national, regional, local
Energy Performance of Buildings Directive (EPBD)	Focuses on energy efficiency in buildings, including urban areas	Drives renovation and retrofitting of buildings in compact cities, supporting energy-efficient urban environments	Current revision under Fit for 55; Member States required to implement updates within national building codes	EU, national, regional

Regulation/ Directive	Urban/Territorial dimension	Effect on urban development	COD/Revision timeline	Level addressed
Renewable Energy Directive (RED)	Encourages renewable energy integration in urban and territorial settings	Facilitates the transition to renewable energy systems in urban areas, such as solar rooftops and district heating, supports neighbourhood planning initiatives	Revised in 2022; updates being implemented by Member States	EU, national, regional
Energy Efficiency Directive (EED)	Defines pathways for decarbonisation of district heating and cooling networks, requires local heating and cooling plans for municipalities above 45 000 inhabitants	Promotes integrated planning at local level, and the deployment and modernisation of efficient heat networks	Revised in 2022; under implementation. Assessment by COM ongoing	EU, national, local
Water Framework Directive	Protects water resources, including urban water management	Promotes sustainable urban water use and urban adaptation to water-related risks	No major revisions planned; ongoing implementation by Member States	EU, national, regional, local
TEN-T Regulation (urban nodes focus)	Incorporates urban mobility nodes into trans-European transportation planning	Enhances connectivity and sustainable transportation within compact cities	Revised in 2024; implementation ongoing	EU, regional, local
Climate Adaptation Strategy	Addresses urban climate adaptation strategies	Encourages urban resilience through compact, climate-resilient development	Adopted in 2021; implementation strategies developed by Member States	EU, national, regional, local
Just Transition Fund Regulation	Targets economic diversification and redevelopment of areas impacted by the transition to climate neutrality	Supports revitalisation of deindustrialised urban areas, and modernisation and digitisation of urban transportation systems	Adopted; funding allocations ongoing for the 2021–2027 period	EU, national, regional, local
EU Services Directive	Urban services and organisation of services in cities	Facilitates the free movement of services, enhances efficiency and accessibility of urban services,	Adopted in 2006, under periodic review for implementation	EU, national, local



Regulation/ Directive	Urban/Territorial dimension	Effect on urban development	COD/Revision timeline	Level addressed
		and improves local service delivery		
Regulation on data collection and sharing relating to short-term accommodation rental services	Regulation of short- term tourism rental	Enables local authorities to control tourism rental, contributing to greater housing availability and affordability in compact historical city centres	Adopted in 2024, will begin to apply in May 2026	EU, national, local
EU Noise Regulation	Urban noise management, especially in densely populated areas	Focuses on reducing urban noise pollution through noise maps and action plans, improving the quality of life in urban areas by mitigating noise impacts	Adopted in 2002, revised in 2015	EU, national, local
ERDF Regulation	Urban regeneration, sustainable development, and territorial cohesion	Supports funding for urban development projects, including infrastructure, regeneration, sustainable mobility, and compact urbanisation strategies, improving public services	Reviewed during the programming periods; current period: 2021- 2027	EU, national, regional

Table 6.2. Good practices relevant for compact urban development from the Urban Innovative Actions (UIA) and URBACT programmes

Project Name	Programme	Topic	Description
Sustainable Use of Land and Nature- Based Solutions	UIA	Sustainable Land Use	This theme focuses on projects that promote efficient land use and incorporate nature-based solutions to enhance urban resilience and sustainability. Projects under this theme aim to prevent urban sprawl and encourage the development of green spaces within cities.
Urban Mobility	UIA	Urban Mobility	Projects under this theme aim to improve urban mobility through innovative solutions, promoting sustainable

Project Name	Programme	Topic	Description
			transportation modes that reduce reliance on private cars and enhance connectivity within compact urban areas.
Housing	UIA	Housing	This theme addresses innovative housing solutions that contribute to compact urban development, including affordable housing projects and the efficient use of urban space to accommodate growing populations.
PUMA (Planning, Urban Mobility and Accessibility)	URBACT	Urban Mobility	The PUMA network focuses on improving urban mobility and accessibility, promoting compact city models by enhancing public transportation and reducing car dependency.
SMALL (Small and Medium-sized Towns Alliance)	URBACT	Urban Development	The SMALL network supports small and medium-sized towns in implementing sustainable urban development strategies, emphasising the benefits of compact urban forms.
eConnecting	URBACT	Digital Connectivity	This network aims to enhance digital connectivity in urban areas, supporting compact development by integrating smart technologies to improve urban living.
Beyond Urban	URBACT	Urban-Rural Linkages	Beyond Urban focuses on strengthening the connections between urban and rural areas, promoting balanced territorial development and compact urban growth.
Schoolhoods	URBACT	Education and Urban Planning	The Schoolhoods network integrates educational facilities into urban planning, fostering community cohesion and supporting compact neighbourhood development.
RE-GEN (Regenerating Urban Neighborhoods)	URBACT	Urban Regeneration	RE-GEN focuses on regenerating urban neighbourhoods through sustainable practices, promoting compact development by revitalising existing urban areas.
GreenPlace	URBACT	Green Urban Spaces	GreenPlace aims to increase green spaces in urban areas, supporting compact development by enhancing the quality of life within dense urban settings.
Cities for Sustainability Governance	URBACT	Sustainable Governance	This network promotes holistic sustainability through strategic use of the UN Sustainable Development Goals (SDGs), encouraging compact and sustainable urban development.
One Health 4 Cities	URBACT	Health and Urban Planning	One Health 4 Cities integrates the One Health approach into urban strategies, promoting compact urban development that considers human, animal and environmental health.

Table 6.3. Results of previous and ongoing partnerships and potential synergies with the actions of the partnership on the theme of Compact Cities

Partnership	Action (A) names and outputs (O)	Links with Compact Cities theme and potential for further development
Sustainable Use of Land and Nature-based Solutions	A: Including land take and soil properties in impact assessment procedures (BR) O: - Achieve a clear and explicit reference to land take into the SEA and EIA Directives and the associated guidelines and methodologies. - Guidebook with recommendations.	Link: Integrating land take and soil properties into impact assessments ensures that urban densification aligns with sustainability objectives. Strengthening SEA and EIA procedures with explicit references to land take, clear methodologies, and implementation guidance also supports better land-use governance and equitable urban development. Potential for further development (building on this action): There is a possibility to support collaborative tools to monitor land-use efficiency across cities and to explore more effective applications of SEA, EIA and TIA guidelines to urban planning procedures.
	A: Funding and financing guide for brownfield redevelopment (BK and BF) O: - Funding and financing guide for brownfield redevelopment.	Link: Enhancing knowledge on brownfield redevelopment and facilitating access to funding, which supports the efficient use of urban land and aligns with compact city principles by reducing land take. Potential for further development (building on this action): Scaling up this action could include facilitating knowledge sharing networks to disseminate best practices and innovative approaches in land recycling and urban densification.
	A: Identifying and managing under-used land (BK) O: - A mapping layer to identify under-used urban sites. - A final Guideline Document, providing strategies for effective management and redevelopment of under-used land.	Link: Direct link with Compact Cities theme lies in value of mapping under-used urban sites, as well as enhancing knowledge dissemination and awareness among stakeholders. Potential for further development (building on this action): This action provided guidelines for effective management and redevelopment of under-used land. To build on this action, the guidelines can be extended to align with other urban sustainability policies (those addressing green infrastructure, circular economy, affordable housing, etc.).
	A: Indicators of land take (BK) O: A comprehensive set of indicators or a composite index of net land take.	Link: The action aligns with the Compact Cities theme by promoting data-driven approaches to spatial planning that prioritise land-use efficiency. Potential for further development (building on this action): Determining the applicability of these indicators to compact urban areas while identifying the aspects that are insufficiently covered.
	A: Promoting FUA cooperation as a tool to mitigate urban sprawl (BK) O: - Establishing regulatory and fiscal incentives frameworks, and gathering data, good examples and recommendations in one easily accessible format.	Link: The action aligns with the theme by promoting FUA cooperation as a strategic approach to mitigate urban sprawl and optimise land-use practices, supporting sustainable urban development through the dissemination of relevant data. Potential for further development (building on this action): Future development potential lies in enhancing stakeholder engagement through participatory planning, as well as increasing awareness of urban sprawl costs via educational campaigns.

Partnership	Action (A) names and outputs (O)	Links with Compact Cities theme and potential for further development
	<p>- A video was produced, setting out the various benefits of FUA cooperation, as well as a Guidebook.</p> <p>A: Awareness raising in the areas of NBS and sustainable use of land (urban sprawl) (BK)</p> <p>O:</p> <ul style="list-style-type: none"> - Engaging with European organisations in existing NBS related projects. - Utilising visual instruments to illustrate the impacts of urban sprawl. - Glossary on NBS. 	<p>Link: The action is strongly linked to the theme as it raises awareness on topics crucial for the compact cities concept (nature-based solutions (NBS), sustainable land, addressing urban sprawl).</p> <p>Potential for further development (building on this action): Assessment of the impact of policies promoting compact city development on urban sprawl, integration of nature-based solutions (NBS), and dissemination of knowledge related to these approaches.</p>
	<p>A: Agree on common targets and indicators for nature-based solutions, urban green infrastructure, biodiversity and ecosystem services in cities (BK)</p> <p>O:</p> <ul style="list-style-type: none"> - Establishing a collaborative effort with existing projects for development of a relevant, understandable, easily adaptable and implementable set of targets and indicators for cities. 	<p>Link: The action links to the Compact Cities theme by creating a standardised system of targets and indicators, enabling cities to integrate elements.</p>
	<p>A: Developing guidelines on infrastructure for active mobility supported by relevant funding (BK and BF)</p> <p>O:</p> <ul style="list-style-type: none"> -The development of European quality design guidance for walking and cycling infrastructure. - An overview of the entire EU financial period. - These guidelines can be found on the UAEU website's library section. 	<p>Link: The link with the Compact Cities theme lies in the role of active mobility infrastructure as a fundamental component in enhancing urban density, reducing car dependency, and optimising the use of limited urban space.</p> <p>Potential for further development (building on this action): To identify how active mobility infrastructure can be systematically integrated with land-use policies, mixed-use zoning, and the design of multifunctional urban spaces.</p>
Urban mobility	<p>A: Reinforcing the uptake of sustainable urban mobility planning (BK and BR)</p> <p>O:</p> <ul style="list-style-type: none"> - An overview and analysis of the national frameworks for developing SUMPs. - A single city database for urban mobility and transport plans. - A set of examples of good practice in SUMP development. - Updated SUMP guidelines. 	<p>Link: The link with the Compact Cities theme lies in the role of active multimodal mobility infrastructure as a fundamental component in enhancing urban density, reducing car dependency, and optimising the use of limited urban space within compact city frameworks.</p> <p>Potential for further development (building on this action): Integration of SUMPs with broader urban planning and governance frameworks, as well as the need for cohesive national and regional support, regulatory frameworks, and financing mechanisms to ensure the effective implementation of sustainable mobility solutions at the local level.</p>
	<p>A: Exploring the deployment of New Mobility Services (BK and BR)</p> <p>O:</p>	<p>Link: The action aligns with the Compact Cities theme by exploring how New Mobility Services (NMS) can address urbanisation challenges, such as congestion, air pollution and lack of space, through innovative,</p>

Partnership	Action (A) names and outputs (O)	Links with Compact Cities theme and potential for further development
	<ul style="list-style-type: none"> - A collection of case studies showing the incentives and disincentives of local authorities that already facilitate or regulate access to new mobility services in the mobility market, with conclusions and recommendations. 	<p>integrated transport solutions that reduce car dependency and promote cleaner, more inclusive mobility options.</p> <p>Potential for further development (building on this action): how the integration of NMS with land-use policies and urban planning can foster spatial efficiency and sustainable development, while also ensuring the social and economic inclusivity of mobility solutions in densely populated areas.</p>
Circular economy	<p>A: Manage the reuse of buildings and spaces in a circular economy (BK) O:</p> <ul style="list-style-type: none"> - A handbook providing tools and knowledge to implement effective urban reuse strategies, jointly drafted by the CE and SUL-NBS TPs. 	<p>Link: The action aligns with the Compact Cities theme by promoting circular economy principles through the reuse of buildings and spaces, thereby reducing land consumption, supporting urban densification, and enhancing resource efficiency.</p> <p>Potential for further development (building on this action): The areas not covered enough include addressing high environmental remediation costs, and accelerating lengthy restoration approval processes. There is also a need for stronger collaboration with diverse stakeholders, and improved knowledge dissemination to foster evidence-based solutions that align with the spatial efficiency, sustainability, and multifunctional objectives.</p>
Climate adaptation	<p>A: Analysis of national multilevel urban development and planning regulations with focus on climate adaptation (BR) O:</p> <ul style="list-style-type: none"> - Case studies, best practices and recommendations for multilevel regulatory frameworks and operational programmes at the national level. 	<p>Link: This action is relevant to the Compact Cities theme as it addresses the need for coherent multilevel regulatory frameworks that integrate climate adaptation within urban planning frameworks, particularly by aligning national, regional and local governance levels.</p> <p>Potential for further development (building on this action): Building on this knowledge could involve developing participatory tools to improve vertical coordination between governance levels, enhancing the technical capacity of authorities through targeted training and collaboration, and aligning urban planning instruments with long-term climate objectives. Also, cross-sector collaboration could ensure integrated urban-climate strategies that address both immediate and long-term challenges.</p>
Greening cities	<p>A: Achieve meaningful urban greening targets (BK and BR) O:</p> <ul style="list-style-type: none"> - Guidelines for national, regional and local authorities. - Recommendations for an EU legislative framework. - Research, workshops, a set of indicators and a final guidebook to aid implementation. 	<p>Link: Action aligns closely with the Compact Cities theme by promoting the integration of green spaces within densely developed urban areas, promoting better knowledge among cities and regional planners, and enhancing their understanding of the role of urban greening within compact urban environments.</p> <p>Potential for further development (building on this action): how to balance urban greening with other space demands, such as housing, transport and commercial development, while ensuring equitable access to green spaces across diverse urban communities. There is also a need to think of clearer frameworks to guide the implementation of urban greening in a way that is adaptable to the specific</p>

Partnership	Action (A) names and outputs (O)	Links with Compact Cities theme and potential for further development
		challenges of compact urban areas, such as high land costs, dense populations, and competing land uses.
	<p>A: Need for Green: Methodology for quantifying the demand for green infrastructure at local level (BK)</p> <p>O: - A tool (guide) for evidence-based decision-making in urban planning processes.</p>	<p>Link: This action is directly relevant to the Compact Cities theme as it provides a systematic methodology to quantify the demand for green infrastructure in densely populated urban areas. It can support compact urban planning, addressing environmental, social and economic challenges while meeting national greening targets.</p> <p>Potential for further development (building on this action): There is a potential to focus on strategies for optimising green infrastructure in already dense urban contexts, as well as governance, and funding mechanisms needed to support such initiatives.</p>
	<p>A: Enhancing the use of innovative funding by urban authorities to green cities (BF and BK)</p> <p>O: - An inspirational booklet on innovative funding solutions and new mechanisms for GI financing, including simplified legal and practical requirements.</p>	<p>Link: This action is highly relevant to the Compact Cities theme as it explores innovative financing mechanisms for green infrastructure (GI), which is essential for integrating green spaces in dense urban areas. The identification of good practices in public-private partnerships, green bonds, and long-term financial strategies offers urban authorities tools to sustainably finance and maintain GI in compact urban contexts.</p> <p>Potential for further development (building on this action): what remains underexplored in relation to how to balance the financial pressures of high-density development with the long-term investment needs of GI projects. Future partnerships could focus on overcoming financial and governance barriers to scaling up GI in compact cities, including addressing stakeholder conflicts and ensuring equitable distribution of the benefits of green infrastructure in densely populated areas.</p>
Culture and Cultural Heritage (CCH)	<p>A: Regulating phenomena of sharing economy (BR)</p> <p>O: - A Memorandum 2021, a legal input analysing EU level bottlenecks in regulating STR. - The 'Sustainable tourism – Regulating phenomena of sharing economy' study. - Peer-learning and exchange among partners of the EU UA CCH. - Collaboration with the EU UA CCH, DG GROW, DG REGIO and URBACT for the European Commission's STR initiative.</p>	<p>Link: The action is relevant to the Compact Cities theme as it advocates for policies to regulate short-term tourism rental more closely in heritage cities. Such regulation would contribute to increasing the supply and affordability of housing in historic centres, which are increasingly being transformed into monofunctional tourism zones with decreasing population. Regulating STR is a step towards enabling the return of long-term inhabitants into these traditionally densely populated, mixed-use, high-quality urban spaces.</p> <p>Potential for further development (building on this action): The findings of the sustainable tourism study should be mainstreamed, and its principles integrated into strategic planning at the level of European cities, with the aim of promoting historic urban centre revitalisation as a measure of compact city policies.</p>
	<p>A: Collaborative management to adapt and reuse spaces and buildings for cultural and social innovative development (BR)</p>	<p>Link: The action contributed to the Compact Cities theme by promoting the adaptive reuse of underutilised spaces and buildings, fostering efficient land use, and addressing urban sprawl through the rehabilitation of existing urban areas. It has</p>

Partnership	Action (A) names and outputs (O)	Links with Compact Cities theme and potential for further development
	<p>O:</p> <ul style="list-style-type: none"> - Building on the handbook of the CE and SUL-NBS TPs on sustainable and circular reuse of spaces and buildings. - Practical toolkit for local authorities to facilitate the implementation of reuse projects. 	<p>facilitated collaborative management practices, supported by regulatory enhancements, and has developed a practical toolkit to assist local authorities in implementing reuse projects.</p> <p>Potential for further development (building on this action): Issues of equitable access and socio-economic inclusion require further exploration. One area to emphasise is how adaptive reuse affects the social and environmental sustainability of compact urban areas.</p>
Housing	<p>A: Guidance on EU regulation and public support for housing (BR)</p> <p>O:</p> <ul style="list-style-type: none"> - Analytical position paper of the Housing Partnership. 	<p>Link: The action is highly relevant for the theme, as it directly addresses key challenges faced by urban authorities in securing sustainable, affordable housing solutions in dense urban environments. By providing clarity on EU state aid rules, the action aimed to increase investment in affordable housing, ensuring that cities can integrate diverse housing types while preventing urban sprawl.</p> <p>Potential for further development (building on this action): In the context of compact cities, a notable gap lies in the insufficient integration of housing within broader urban planning strategies, particularly concerning the alignment of housing development with mobility infrastructure, green spaces, and overall urban sustainability. Furthermore, there is a critical need for more robust governance frameworks that facilitate enhanced coordination across local, regional and national levels, thereby bridging existing gaps in policy alignment and promoting more efficient regulatory processes in the urban planning landscape.</p>
	<p>A: Capacity building for the application of state aid rules in the affordable housing sector at city level (BR)</p> <p>O:</p> <ul style="list-style-type: none"> - Capacity building workshop on 'State Aid and Affordable Housing Investments'. 	<p>Link: The action is highly relevant because it addresses a critical need for clarity and guidance in regulatory frameworks.</p> <p>Potential for further development (building on this action): compact cities encounter distinct challenges in reconciling housing policies with multi-level governance frameworks, as local authorities frequently face constraints in their capacity to effectively implement both state aid regulations and broader urban development strategies.</p>
	<p>A: Policy guidance for the supply of social and affordable housing in Europe (BK)</p> <p>O:</p> <ul style="list-style-type: none"> - Housing policy guidance that provides examples of the ways that social and affordable housing can be supplied by cities and affordable housing providers. - Hands-on brochure, designed to help housing professionals identify solutions for affordable housing. 	<p>Link: By providing a toolkit and practical solutions for urban housing professionals, the action directly supports the integration of affordable housing into broader urban development strategies, ensuring that housing policies align with Compact Cities TP objectives.</p> <p>Potential for further development (building on this action): There is a need to address the sustainability of affordable housing, focusing on long-term solutions like maintenance financing and adaptive reuse of existing buildings to reduce pressures on new land development.</p>



Partnership	Action (A) names and outputs (O)	Links with Compact Cities theme and potential for further development
	<p>A: Monitoring system for affordable housing in the European Union (BR)</p> <p>O:</p> <ul style="list-style-type: none"> - The working programme of the monitoring system (should be set in line with the duration of the new EU programming period (foreseen as 5+2 years from the AP launch)). 	<p>Link: The proposed monitoring system for affordable housing is highly relevant for the Compact Cities theme as it aimed to systematically track housing demand and the provision of affordable housing at various governance levels (national, regional and city).</p> <p>Potential for further development (building on this action): A part that could be covered more in the context of compact cities is the integration of affordable housing data with urban planning metrics.</p>
	<p>A: Recommendations on EU funding of affordable housing (BF)</p> <p>O:</p> <ul style="list-style-type: none"> - Collection and spatial processing of sub-national housing prices (rent and purchase), as well as the establishment of a potential database. 	<p>Link: The emphasis on tailored capacity building workshops is particularly relevant within the broader theme of compact cities, as diverse stakeholders – including local authorities, urban planners and housing providers – require specialised knowledge and strategic guidance to effectively navigate and integrate EU and EIB financing for complex and spatially constrained urban projects.</p> <p>Potential for further development (building on this action): While financial instruments are very important aspects, the action does not explicitly address how to ensure social equity in housing distribution within compact urban environments, where gentrification and housing affordability issues can displace vulnerable groups.</p>
Digital Transition	<p>A: Specification and monitoring of standardised Planned Land-Use data for formal and informal urban planning participation processes (BR)</p> <p>O:</p> <ul style="list-style-type: none"> - Establish guidelines for standardised spatial planning data exchange. - A transferable model for setting up a participatory urban planning platform. - A digital harmonised data exchange format for the exchange of digital planning data between actors involved in planning processes. - Outcomes of this action can be found on the UAEU website's library section. 	<p>Link: This action holds significant relevance for the Compact Cities theme, as the standardisation of data exchange formats aligns with the need for more transparent and interoperable planning processes.</p> <p>Potential for further development (building on this action): Critical gaps persist, particularly in the development of adaptive land-use strategies that can respond to urban densification pressures, and the equitable accessibility of spatial planning data for diverse stakeholders.</p>
Urban Poverty	<p>A: Cohesion policy post 2020: Local pact for the regeneration of urban deprived areas and neighbourhoods (UDAN) (BR)</p> <p>O:</p> <ul style="list-style-type: none"> - Creation of Local Pacts for the regeneration of UDAN in a multilevel, strategic, and multiannual perspective for the period post 2020 	<p>Link: Action is relevant for the Compact Cities theme due to its emphasis on regenerating deprived urban areas and neighbourhoods through integrated, multi-level governance frameworks. The place-based and people-oriented strategies represent important aspects of socio-economic inclusion and spatial cohesion, critical for sustainable densification.</p> <p>Potential for further development (building on this action): There is limited emphasis on ensuring efficient spatial configurations that balance urban</p>

Partnership	Action (A) names and outputs (O)	Links with Compact Cities theme and potential for further development
		density with access to essential services and public amenities.



7 ANNEX 3

The timeline *Towards the Action Plan* outlines the structured process for developing and implementing an Action Plan under the framework of the Urban Agenda for the EU. The process is divided into three main stages: Preparatory and Selection, Development, and Implementation.

During the Preparatory phase, an ex-ante assessment for the Compact Cities theme was conducted to evaluate the relevance, scope and added value of the topic. A formal call for applicants will be launched, inviting cities, Member States and stakeholders to express interest in joining the partnership. The selection of partners is endorsed at a DGUM (Directors-General for Urban Matters) Ministerial Meeting, officially launching the new partnership.

After the partnership's official launch, the Action Plan is developed through four key phases:

Phase 1 – Orientation focuses on building a common understanding among the partners. An Orientation Paper will be drafted to define the partnership's objectives, scope and working methods. This phase ensures alignment with broader EU policy goals and sets the framework for future work.

In **Phase 2 – Stocktaking**, the partnership conducts a thorough analysis of existing policies, initiatives and data. This includes collecting 'scoping fiches' and carrying out baseline and benchmarking activities to identify gaps and opportunities. Based on this stocktaking exercise, the partnership develops a preliminary list of possible actions.

Phase 3 – Selecting Actions and Drafting the Action Plan involves refining and prioritising these preliminary actions. A meeting of the Urban Development Group (UDG) will be held to discuss and agree on the most relevant and impactful measures. These are then compiled into a draft Action Plan, which outlines concrete actions with clear responsibilities and timelines.

Phase 4 – Feedback is dedicated to consultation and finalisation. The draft Action Plan will be shared with a broader group of stakeholders, including cities, Member States, EU institutions and relevant networks. Their feedback will be integrated into the final version, which is validated at a subsequent DGUM Ministerial Meeting.

The final stage is the **Implementation of the Action Plan**, where the agreed actions are put into practice. This phase includes four specific actions (as shown in the diagram below), though the number may vary. Implementation is monitored and evaluated continuously to track progress and impact. A Monitoring Table of Actions is used to report results and ensure transparency and accountability.

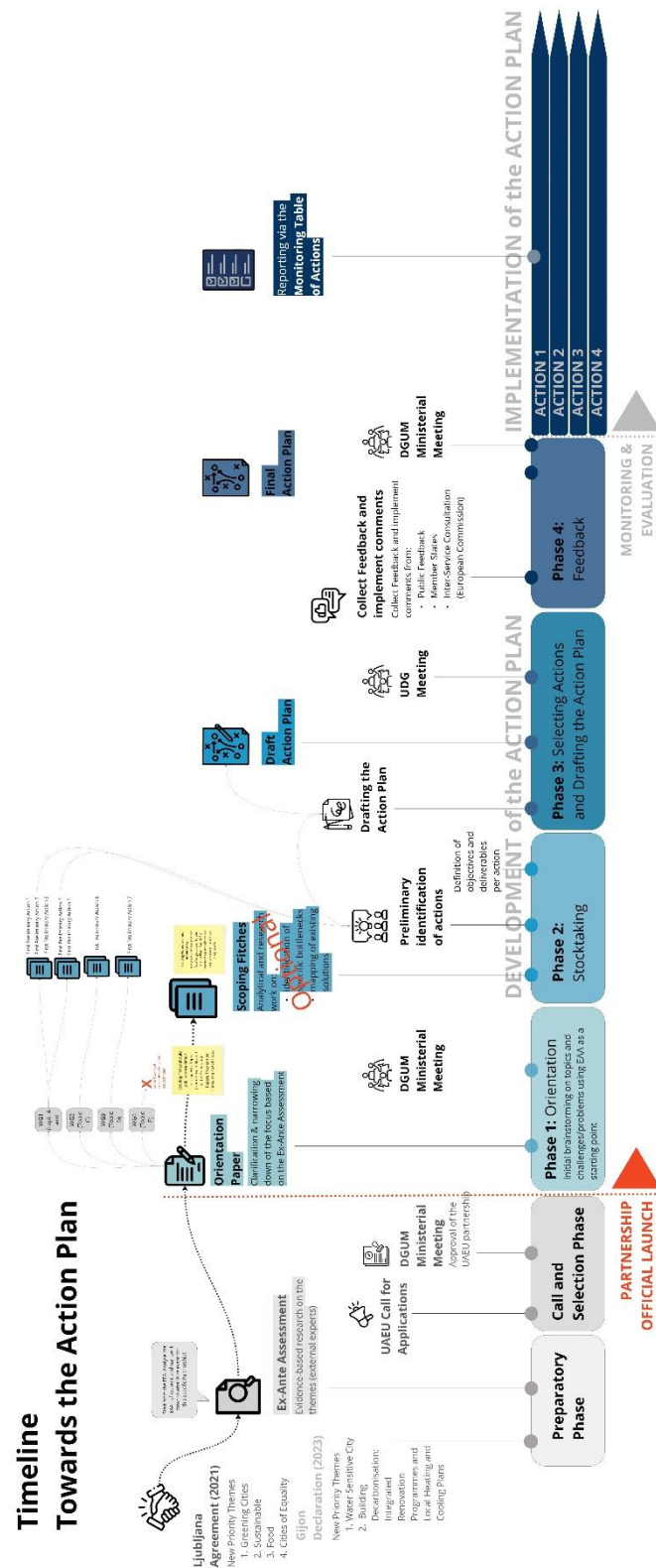


Figure 2. Timeline – Towards the Action Plan

Source: EUI, 2024.

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