

# Towards Better Territorial Governance in Europe

A guide for practitioners, policy and decision makers



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## Introduction

### *Why better territorial governance in Europe?*

This guide communicates the results of the ESPON TANGO – *Territorial Approaches for New Governance* research project (ref. 1) for stakeholders concerned with territorial governance in Europe, from the local to the EU level. Why may such a guide be needed?

Europe is still in recovery from a deep financial crisis and struggling is with unemployment and social exclusion. At the same time, it must switch to a low-carbon economy and adapt to climate changes that are already underway. Responding to these daunting tasks requires effective and urgent policy initiatives and actions at European, national, regional and local levels as well as across different policy sectors. This is well indicated in the **EU growth strategy for the coming decade, known as “Europe 2020”**, and aimed at making the EU a smart, sustainable and inclusive economy (ref. 2).

The so-called “place-based approach” described in the Barca Report (ref. 3) and good governance with a strong adaptive capacity are critical factors to address the agenda set in the Europe 2020 strategy. Notably, the Barca Report explains that **a place-based approach to development policies** “refers both to the context-dependent nature of the efficiency and equity problems that the policy deals with, and to the fact that the design of integrated interventions must be tailored to places, since it largely depends on the knowledge and preferences of people living in it” (pp. 5-6).

The growing importance of territorial governance to achieve further territorial cohesion, as discussed in the “Green Paper on Territorial Cohesion” (ref. 4) is further reflected in the Territorial Agenda of the European Union 2020 from 2011 (ref. 5) and the NTCCP (Network of Territorial Cohesion Contact Points) report from 2013 (ref. 6), both of which call for a place-based, territorially sensitive and integrated approach to policies, to improve the performance of actions on all levels and create synergies between different types of policy interventions.

Along these lines, the legislative proposals set up for the EU cohesion policy period 2014-20 envisage a Common Strategic Framework (CSF) that has to be implemented through the principles of “partnership and multi-level governance” to meet the **territorial challenges of smart, sustainable and inclusive growth** (ref. 7). Better territorial governance is thus needed for a place-based cohesion policy that can contribute to a better Europe.

### *Why a guide for practitioners, policy and decision makers?*

The overall aim of this guide is to inspire effective territorial policies at various levels through a set of **suggestions for practices, techniques and rules**, oriented to the achievements of better territorial governance in Europe. It suggests a number of practices for implementation, techniques and methods for policy-making tools, and rules for structuring the territorial governance process. To that end, this guide focuses primarily on three groups of stakeholders (see chapter 1).

**Practitioners** are identified as private or public professionals that are engaged in territorial governance activities at different scales and/or cohesion policy programmes or projects in Europe.

**Policy makers** are usually public executives and officials in charge of territorial governance at various administrative levels. They may also have the responsibility to implement cohesion policy at the EU level (e.g. officials of the European Commission) or at national, regional and local levels in the Member States. Policymaking techniques, applied through the elaboration of plans, programmes and projects, are their primary resource to address territorial governance processes.

**Decision makers** are those usually appointed by democratic vote, such as members of the EU Parliament and national parliaments, or regional and municipal councils. They are often in charge of ministerial or departmental roles related to territorial governance and to cohesion policy. Through their democratic mandate or a high-level appointment, they are the ones that can establish rules on territorial governance.

In practice, it is sometimes difficult to distinguish along these different types of stakeholders. At the same time this guide is directed to **a broader range of actors**.

### *Overall conceptual framework*

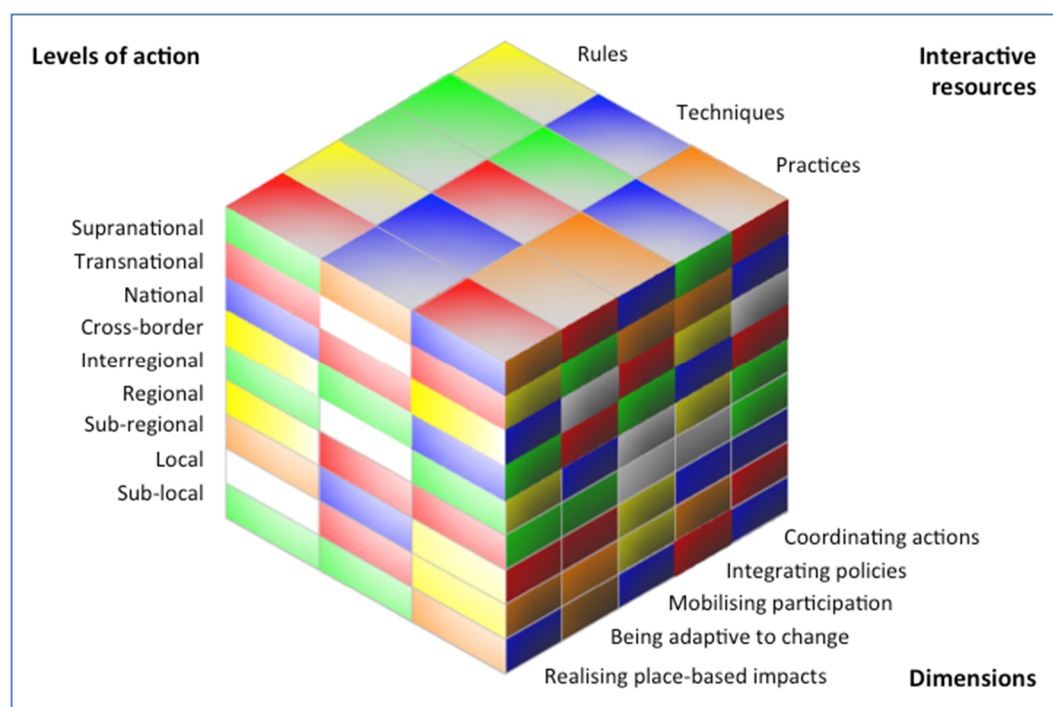
As the reader may be aware, there is no single and generally accepted definition for the concept of territorial governance. Rather, the variation in meaning depends on the features that are in focus. With its proactive aims and European scope, the TANGO project defines territorial governance as the **formulation and implementation of public policies, programmes and projects for the development of a place/territory** by:

- coordinating actions of actors and institutions;
- integrating policy sectors;
- mobilising stakeholder participation;
- being adaptive to changing contexts;
- realising place-based/territorial specificities and impacts.

These “**five dimensions**” of territorial governance are seen as fundamental for the achievement of territorial cohesion. Moreover, in line with the Europe 2020 strategy, *development* is understood as an improvement in the efficiency, equality and environmental quality of a place/territory.

These **dimensions** of territorial governance can be promoted at all **levels of action**. The **interactive resources** – practices, techniques and rules – operate according to their own logics, within a complex framework of possibilities. Like the well-known Rubik’s Cube, better territorial governance in Europe is very complicated, but manageable (figure 1). A further complexity is that **one single player cannot decide all of the moves**. However, each player has to be aware that his/her own moves do cause changes in the overall framework.

**Figure 1: The “Rubikube” of better territorial governance in Europe**



### *How to use this guide*

This guide is based on **conceptual analyses** concerning territorial governance in Europe – including existing typologies, usable indicators and potentials for policy transfer – as well as on the evidence of **twelve case studies** (see chapter 1). One message that the ESPON programme conveys is that policy making needs to be inspired by territorial evidence (ref. 8). However, case studies are not regarded as examples of generally applicable “best practices”, but rather as a patchwork sample of more-or-less successful storylines showing **potentials and challenges** for an improvement of territorial governance in Europe.

The guide is organised as follows (figure 2):

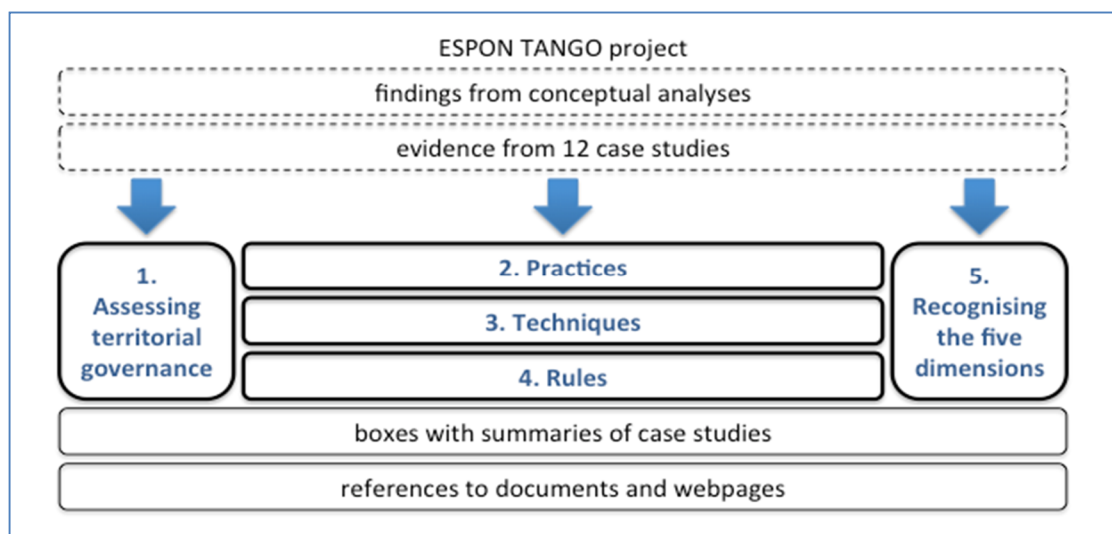
- Chapter 1 outlines the **framework for assessing territorial governance** developed within the TANGO research project. It explains how the



suggestions and recommendations formulated in chapters 2 to 5 have been reached.

- Chapter 2 is focused on **practices** that can improve territorial governance in Europe, which may be of particular interest for practitioners.
- Chapter 3 suggests **techniques** and methodologies that can favour better territorial governance in Europe, which may be helpful especially for policy makers.
- Chapter 4 sums up the main kinds of **rules** that could improve territorial governance in Europe, which should attract the attention of decision makers.
- Chapter 5 highlights the importance of **recognising the value of the five dimensions** of territorial governance.

Figure 2: The ESPON TANGO guide structure



Additional resources for the reader include **summaries of the 12 case studies**, located in boxes throughout the text, and a **list of references of public domain**, at the end of the guide. Cross-references in the text – namely “box [no.]” and “ref. [no.]” – highlight the relevant connections to case studies and references respectively.

For the use of this guide, each individual player in the complicated game of improving territorial governance in Europe – and especially practitioners, policy and decision makers at various levels of action – can therefore **choose the path for reading and learning** that is more suited to her/his own needs.

As a final remark in this introduction, the reader should be aware that all indications and suggestions of this guide **remain quite general out of necessity**. As geographical and institutional contexts differ greatly across Europe, general principles can be shared, but their application should be adapted to each specific “place-based” situation. Anyone concerned with better territorial governance in Europe can **facilitate local engagement in common aims**, thus helping turn Europe’s territorial diversity into a strength.

## 1. Assessing territorial governance: the TANGO framework

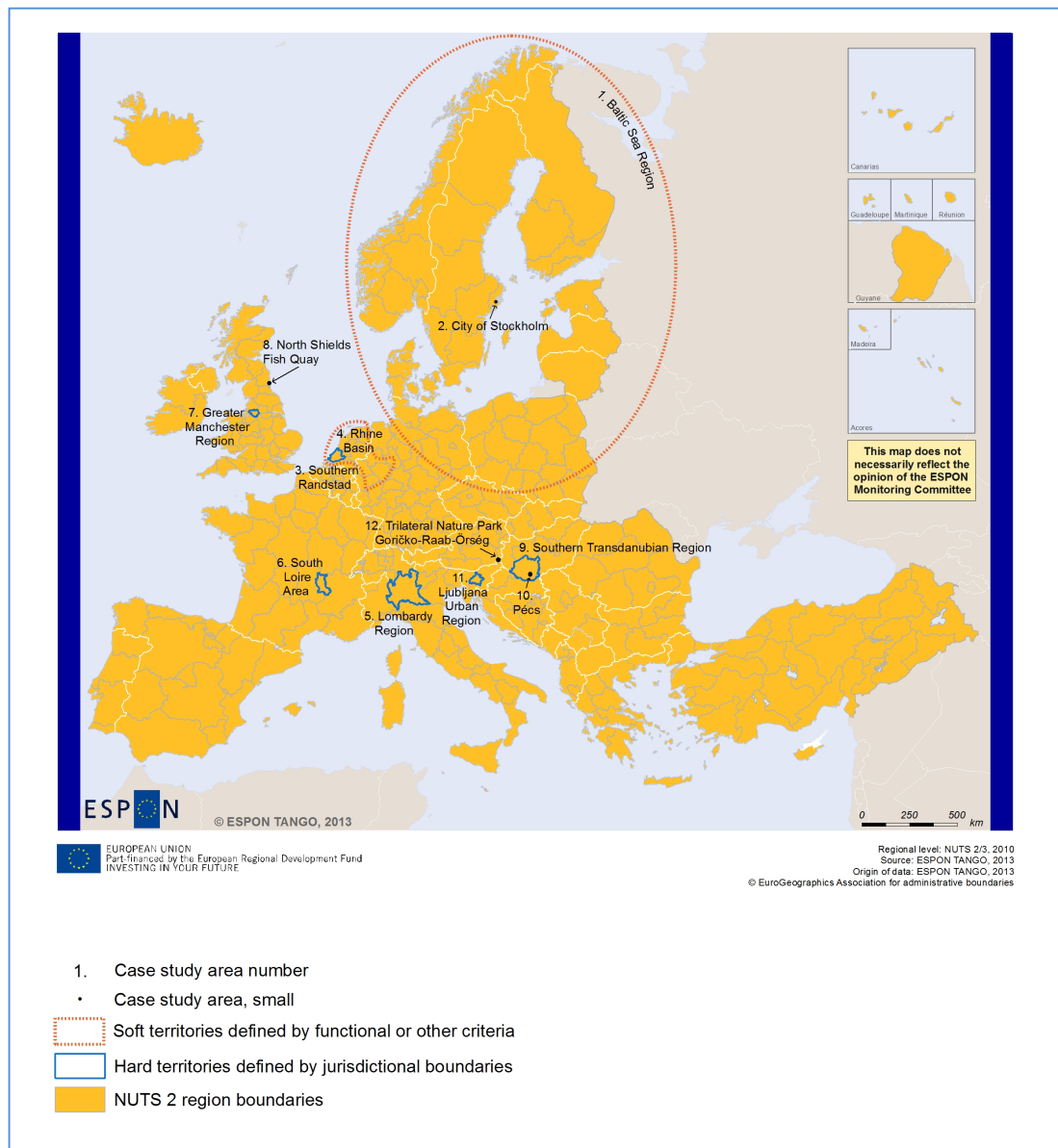
The information and evidence base for this handbook come from the results of the TANGO research project (ref. 1). The main objective of TANGO has been to draw and synthesize conclusions about territorial governance processes throughout Europe. To this end, the project team has studied **how and under which circumstances territorial governance matters** in achieving specific territorial development goals and in striving for the EU's overall objective of territorial cohesion. Based on a literature review and extensive discussion and negotiation among the project team experts, the TANGO definition of territorial governance consists of the five dimensions mentioned earlier in the introduction:

“the formulation and implementation of public policies, programmes and projects for development (an improvement in efficiency, equality and environmental quality of a place / territory) by, **1) coordinating** actions of actors and institutions, **2) integrating** policy sectors, **3) mobilising** stakeholder participation, **4) being adaptive** to changing contexts, and **5) realising place-based** / territorial specificities and impacts. We consider territory and/or place as social constructs that are not necessarily limited by jurisdictional boundaries.”

A Delphi exercise (a method to obtain a consensus of opinion among experts) performed in the autumn of 2012 largely confirmed the reliability of these dimensions as well as **12 qualitative “indicators”** of territorial governance (reported in section 3.3). These were used to generate questions in an extensive Case Study and Interview Guide, which the TANGO project partners used in performing **12 case studies across Europe**.

Case studies were based on in-depth interviews with 8-12 relevant stakeholders, as well as a comprehensive analysis of policy documents. To ensure relevance, the objects of the case studies are all from around 2000 until the present. The cases are representative of the major geographic areas of Europe. They address a number of territorial policy areas and a range of institutional levels. They also involve territories bounded by “hard” administrative borders as well as those with “softer” functional delimitations (figure 3).

Figure 3: The TANGO project's case studies



Based on the theoretical and conceptual framework, and based on the analysis of the evidence generated in the case studies, **20 “components of territorial governance”** have been identified (figure 4). They link most of the central elements of the five dimensions and the 12 indicators. As such, they are particularly related to the observed practices and routines, but also relate to mechanisms. They also have some relevance structures of territorial governance. In this way, they have helped to focus on the **“who, what and how” aspects of territorial governance**.

Figure 4: The 20 components of territorial governance

**Dimension 1: Coordinating actions of actors and institutions**

- 1) Distributing power across levels
- 2) Distinguishing modes of leadership
- 3) Structures of coordination
- 4) Dealing with constraints to coordination

**Dimension 2: Integrating policy sectors**

- 5) Structural context for sectoral integration
- 6) Achieving synergies across sectors
- 7) Acknowledging sectoral conflicts
- 8) Dealing with sectoral conflicts

**Dimension 3: Mobilising Stakeholder participation**

- 9) Identification of stakeholders
- 10) Securing of democratic legitimacy and accountability
- 11) Integration of interests/viewpoints
- 12) Insights into territorial governance processes

**Dimension 4: Being adaptive to changing contexts**

- 13) Institutional learning.
- 14) Individual learning and reflection
- 15) Evidence of forward-looking actions
- 16) Scope of flexibility/experimentation

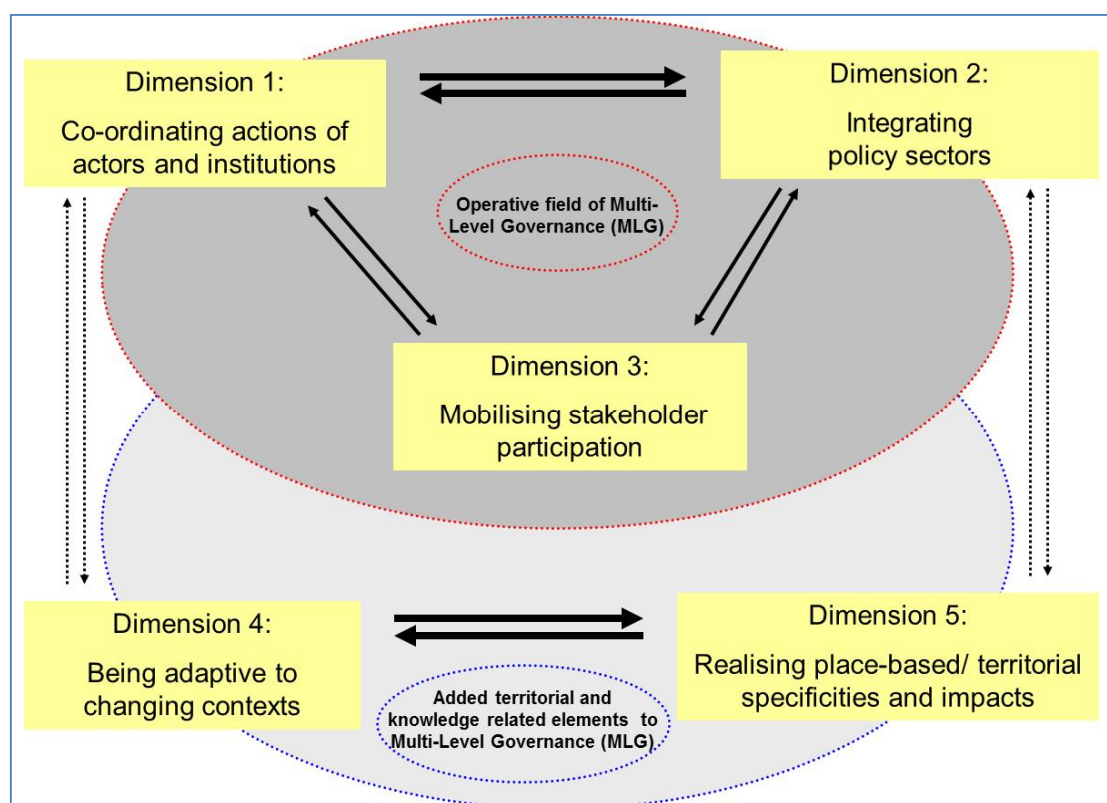
**Dimension 5: Realising place-based/territorial specificities and impacts**

- 17) Criteria/logic of defining intervention area
- 18) Coping with hard and soft/functional spaces
- 19) Utilisation of territorial (expert) knowledge
- 20) Integration of territorial analysis

These components have helped to synthesise the results from the 12 case studies and to understand the **inter-relations among the five dimensions and respective qualitative “indicators” of territorial governance**. In a nutshell, we see that dimensions 1, 2 and 3 are very much centred on coordination, while dimensions 4 and 5 have knowledge as their overarching mechanism.

In conclusion, the TANGO project considers **“territorial governance” as an extension of the more established multi-level-governance** concept by adding explicitly territorial and knowledge related elements, thus **focusing on a place-based and territorial sensitive approach** (figure 5). The TANGO project recommends that all five dimensions and respective components are accounted for when formulating and implementing public policies, programmes and projects.

Figure 5: The TANGO territorial governance approach & multi-level governance connection



The five dimensions constitute a robust framework to comprehend territorial governance (see also chapter 5). They can be used, together with the 12 qualitative indicators and the 20 components, as an **overall assessment instrument to review, check, organise and eventually “do” territorial governance**. In this way, the ESPON TANGO framework offers a holistic approach to support spatial planning work and specific processes within territorial governance in particular.

To prepare the **practical guide**, the 12 case studies have been used to draw out a range of more **specific “features of territorial governance”**. In doing so, the aim was to identify the extent to which the features are either promoters or inhibitors to achieving a certain territorial development goal (as defined in the policy, programme or project at hand). These might include innovative practices for achieving successful outcomes, or how certain barriers have (or have not) been overcome.

The features identified in each case study have been further compared and evaluated for their **transferability**. The TANGO assumption is that features of territorial governance constitute the rough material that serves as the basis for effective **hints for practice, techniques and rules** for those working with territorial governance processes (figure 6). This is where most of the **suggestions for practitioners, policy makers and decision makers** in the following chapters come from.

## *The territorial governance checklist*

Finally, while it is impossible to provide “one size fits all” instructions for such a broad and diverse range of territorial contexts, Figure 6 serves as a quick reference checklist of questions for practitioners, policy makers and decision makers to consider in their efforts to promote good territorial governance. The checklist is based on the five dimensions, 12 qualitative indicators, 20 components and 12 case studies developed over the course the TANGO project. Questions defined in the checklist are further developed in the rest of the handbook.

**Figure 6: The territorial governance checklist**

<b>1. Coordinate the actions of actors and institutions to set up flexible coordination based on subsidiarity</b>
<ul style="list-style-type: none"><li>• Which actors at all levels are needed to organize and deliver the territorial goal at stake?</li><li>• What types of existing platforms or forums are available to facilitate coordination?</li><li>• Do existing platforms/forums have the capacity and legitimacy among actors and institutions to achieve the territorial goal at stake?</li><li>• What is the formal and informal distribution of power / room for manoeuvre?</li><li>• What types of territorial knowledge do actors and institutions have?</li></ul>
<b>2. Integrate policy sectors to create a rationale for policy integration</b>
<ul style="list-style-type: none"><li>• Which policy sectors are needed to be able solve the issue at hand?</li><li>• What are the potential or real sectoral conflicts?</li><li>• Who is able to discuss the topic? Who has a stake in this?</li><li>• What are the potential synergies that could be realized by inter-sectoral cooperation?</li></ul>
<b>3. Mobilise stakeholder participation to involve the appropriate actors</b>
<ul style="list-style-type: none"><li>• Have all relevant groups been considered (e.g. inhabitants, policymakers, interest groups)?</li><li>• How can new or previously excluded groups be included in participation processes?</li><li>• How could stakeholders be encouraged to participate?</li><li>• How are stakeholders given insight into territorial governance processes?</li><li>• Are there processes or mechanisms in place to use the territorial knowledge gained through stakeholder participation?</li></ul>
<b>4. Be adaptable to changing contexts to pursue a shared understanding of the changing context</b>
<ul style="list-style-type: none"><li>• How can individual and institutional learning be encouraged?</li><li>• How can forward-looking and/or experimental decisions be made?</li><li>• In which ways can new territorial knowledge be integrated into the process?</li><li>• Have contingency plans been made, and what is the scope of flexibility?</li></ul>
<b>5. Realise place-based/territorial specificities and impacts to adopt a multi-scalar vision</b>
<ul style="list-style-type: none"><li>• What are the place-based specificities that are most relevant for the issue?</li><li>• How has the area of intervention been defined? Are the boundaries “soft” or hard?</li><li>• How can territorial knowledge (expert or tacit) be utilized in achieving the goal?</li><li>• How are the territorial impacts of policies, programmes and projects evaluated?</li></ul>

## 2. Practices to improve territorial governance

One of the main tasks in shaping good territorial governance concerns the **realisation and diffusion of good practices**. In achieving these, practitioners, policymakers and decision makers face tensions between existing frameworks that are based on decision-making and policy-making processes that may have happened in very different contexts, with distinct territorial and local specificities. To this respect, the Barca Report (ref. 3) warns of the frequent risks of “best practice syndrome”, that is a tendency to look for possible templates to be applied in all cases, no matter how diverse the challenges, conditions and needs may be.

Against this backdrop, the limited evidence-based analyses carried out in the ESPON TANGO case studies highlight aspects of the **place-based approach**, the importance of a conscious **use of planning tools** and some **operational attitudes to improve practices**.

For more comprehensive guidelines and practical examples, the reader may refer to specific handbooks for practitioners that have been published in recent years – such as the one elaborated by the Programme PSDR in Languedoc-Roussillon (ref. 9).

### 2.1 The place-based approach

#### *Identify the appropriate territory*

As mentioned in the introduction, “place-based” is an expression that was included for the first time in EU jargon during the preparation of the new cohesion policy for 2014-20. In general terms, a place-based approach refers to two main aspects to be considered. One deals with changes in relationships among levels of government, **re-balancing the centre of gravity from the national to the local level** through decentralisation and devolution processes. Solid bottom-up initiatives consistent with supra-local frameworks are therefore increasingly necessary. The Pécs application as the European Capital of Culture, for instance, has shown that regionalism and the bottom-up spirit were basic requirements in the tendering process (box 1). The other aspect concerns the **territorial context as the main resource** to improve the effectiveness of territorial governance, where context is understood in terms of its social, cultural, and institutional characteristics.

### Box 1 – The European Capital of Culture Pécs

The EU European Capital of Culture (ECC) project is not just a one year celebration. Rather, it involves dozens of cultural programmes and a scheme of complex urban development, with strong connections to cultural investments. The case study focused on the **complex urban development project** implemented during a short time and financed by the Structural Funds. The aim pursued in Pécs, Hungary's application was to construct new cultural institutions (concert hall, library, exhibition centre), through the regeneration of an old industrial district,



assuming that new development directions would support economic growth. As Pécs is the “gate to the Balkan” there were territorial co-operational elements both with the region and abroad. The investments (together with additional infrastructural developments such as the renovation of public spaces and a new motorway) were quite large in Hungary.

Following the original logic of the ECC, both the city and the central government had to collaborate with each other and the European institutions, while also involving civil society and creative communities (partnership). Complex large-scale projects are always difficult for local governance systems to handle. Such projects require **special management skills and experience, precise operating rules and independent, flexible project institutions**. It was also difficult to implement the complex project according to the rigid regulations of Structural Funds. The governance of the project required in general **innovative solutions** to harmonise project type temporal actions with the traditional government system.

The most important governance feature of this project was that it would have needed a **bottom-up, place-based approach, and creativity**. It was evident that the city won the bid through the **involvement of civil actors with local knowledge** and support. To do this, an independent management company was set up to “outsource” the preparation of the bid. This independent and market-type organisation was able to adapt to the needs of creative groups for informal and often *ad hoc* functions. In the phase of implementation however, the centralised and over politicised decision making system did not leave enough flexibility for the professional management or civil, and artisan actors to maintain this open and flexible governance arrangement. The local project management organisation suffered from the **fragmented and centralized governance context** and the **sector-oriented management model** of Structural Funds as well as from the **lack of local governance potential**. All of these obstacles were embedded in a special Eastern European political culture characterized by its **lack of trust and tolerance**. As a result of this, the original idea failed.

The new place-based governance challenges have not penetrated the central or local government structures because the constituent public authorities have been unable to learn. The central government is still not prepared to implement more integrated and place-based EU projects. The story is forgettable for the city as well, where the huge buildings are mementos of the missed chance to introduce a more open and flexible governance mode.

The need to identify the appropriate territory for any specific territorial governance process (often overcoming traditional administrative boundaries) is well exemplified by the cross-border and transnational nature of water management in the Rhine Basin (box 2). A different but equally consistent example is the neighbourhood planning experience in North Shields Fish Quay (box 3), in which considering the identification of the planning area's boundaries as part of the territorial governance process ensured the effectiveness of the initiative. To define the appropriate territory is relevant to a successful **definition of the territorial governance process**, which is defined according to values promoted and objectives to be pursued. This should be tailored to the



specific characteristics of different places and on the specific needs and interests of local stakeholders.

The identification of the appropriate territory depends on the visioning capacity of local actors and stakeholders, and concerns the construction of a shared spatial vision. The capacity to **imagine the future development of a place/territory** is at the base of good territorial governance. However, this should not be an exercise of individual creativity and it is rather a negotiated result among the concerned stakeholders, in which the exploitation of past experience and partnership making contribute to the building of governing capacity. Creating a vision for the future based on common history is related to the **definition of common goals**. In this light, visioning can help to strengthen trust among people to facilitate durable cooperation.

### *Identify the general interest*

As illustrated in the case of neighbourhood planning in North Shields Fish Quay (box 3), visioning can also contribute to the identification of a place-based general interest. The **construction of a shared spatial vision** among a plurality of actors and interests can result in an explicit political commitment for local purposes, thanks to sound knowledge of how to maximise opportunities success. As is particularly evident in the case of climate change adaptation in the Baltic Sea Region (box 4), the visualisation of territorial goals has increased synergies between regions and stakeholders.

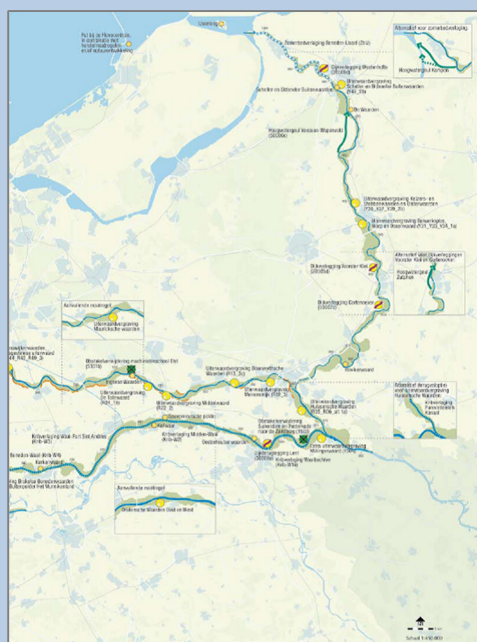
Ultimately, the ability to drive the various actors and interests towards the definition of a shared spatial vision requires, first and foremost, **awareness of the role of the territorial dimension and of specific territorial knowledge**. An evidence-based approach to territorial relations and a lively cultural awareness of territory were, for example, key to success in building resilient governance structures in the Greater Manchester City Region (box 6).

However, to define place-based interests, it is necessary to be **adaptable to external conditions** and to continuous changes in the socio-economic and spatial conditions in which the process of territorial governance takes place. To this end, it can be useful to consider territorial governance from a **multidimensional and trans-scalar perspective of the territory**, as attempted through the experimental Target-based Tripartite Agreement (ref. 10) among the European Commission, the Italian government and the Lombardy Region (box 5).

## Box 2 – Cross-border Cooperation in the River Rhine Basin

Due to hydrological and ecological conditions, there are many intrinsic relationships within the catchment areas of rivers. For this reason, **river basins** are defined as the most important unit for water planning and management. This is reflected by two **EU environmental directives**: the European Water Framework Directive (WFD) focused on water quality and the directive on the assessment and management of flood risks, focused on water quantity.

In the case of Rhine Basin, between Germany and The Netherlands, the origins of a cross-border or even transnational approach to water management goes back to the immediate post-war period: in 1950 the “International Commission for the Protection of the Rhine against Pollution” was established. It received its legal foundation through the conclusion of the Convention of Berne in 1963. **Formal arrangements like treaties or EU agreements** are important for transnational and cross-border cooperation for water management. The nature and focus of cooperation changed drastically through the floods of 1993 and 1995. These floods led to a sudden awareness that there are limitations to a mere technical approach to flood control. Dikes and dams and civil engineering works cannot fully exclude risks of flooding particularly over a period of many decades. Such efforts have reduced the overall territory available for water flows, while pumping installations and land-use have increased the speed with which surface water enters into these flows. As a result, a new “discourse” emerged implying that water needs to be accommodated rather than simply controlled. In 1999, a new Rhine convention came into force and, at a lower scale, a political agreement signed in 2007 by the Netherlands and the German Federal State of North Rhine-Westphalia formed the **framework for a productive process of cross-border cooperation**. “Productive” does not imply joint territorial interventions or joint water management works, but common preparatory activities. These activities focused on research of risks and how to measure these risks. **Coproduction of knowledge and knowledge transfer** across the border has taken place in the years following the agreement. Due to **differences in the division of competences across administrative levels and across policy sectors**, the integration of water management and spatial planning has not been dealt with at the cross-border level but via different avenues on both sides of the German-Dutch borders. Nevertheless, through cooperation on water management, the urgent task for the Dutch to give more territorial “room” for rivers has influenced policies upstream. This cross-border case is a clear example of **both knowledge and policy transfer**. The 2007 political agreement ended in 2012. This did not lead to an end of cross-border cooperation, which continued, albeit with a different speed and impact. Really effective cooperation needs a **political framework** ensure that a sense of urgency can be acted on.



### *Support territorial knowledge*

Knowledge of the territory in focus is therefore crucial to design place-based policies. The experience of resource efficiency strategies in Stockholm (box 7) highlights that local actors have realised the importance of their territorial specificities: investing in an environmental profile has been key to promoting the development of a green-tech/clean-tech cluster. **Recognising specific territorial potentials** can help to focus efforts and resources in a geographical perspective: taking into account the potential of existing nodes, and territorial

specificities of each node, has been a strategic feature of the StedenbaanPlus initiative (box 8).

The **use of existing territorial knowledge** is valuable for overcoming difficulties and to design place-specific practices at all territorial levels, from the neighbourhood-based intervention to the cross-border or transnational initiative. For example, established territorial knowledge developed over three decades proved to be the determining factor in building resilient governance structures in the Greater Manchester City Region (box 6). Shared territorial knowledge across borders has been fundamental for the governance of natural areas in the Alpine Adriatic area (box 9).

Possible **risks of ineffectiveness** of a territorial governance process often depend on the limited or misguided use of such knowledge, as was suggested in the strategy for climate change adaptation governance in the Baltic Sea Region (box 4). Taking into account the specific characteristics of each territory proved to be a problem in the experience of South Loire's *Schéma de Cohérence Territoriale* or SCOT (box 10), while in Pécs (box 1) local knowledge (e.g. recommendations from local business sectors, artists, planners and other professionals) was ignored during the implementation phase. In the Stockholm case (box 7), the absence of ex-post analysis has allowed sectoral and silo-bound planning traditions to continue influencing urban development in contrast with the planned aims.

The consideration of territorial knowledge should be brought into the governance process **from the agenda-setting phase and through implementation and feedback routines** (e.g. ex-post monitoring and evaluation). This does not refer only to direct and specific competences (i.e. transport agencies or water basin authorities), but also to locally diffused contextual knowledge and areas in which resources and conflicts are present. To catch those specificities, experiences in setting up local support groups for developing local strategies should be considered, as suggested in the URBACT experience (ref. 11, 12).

## 2.2 About the use of planning tools

### *Understand the overall policy framework*

In addition to identifying the potential of a specific area, practices that by definition are place-based and context-specific, need to focus on the contextual **mechanisms of interaction among actors and organisations**. Through inter-sectoral and multi-scalar coordination, such mechanisms usually play a key role in shaping the territorial approach. For instance, in the South Transdanubian operational programme for the implementation of EU cohesion policy in 2007-13 period (box 11), the involvement of the Regional Development Agency evidently contributed to the insertion of a territorial perspective in the National Strategic Reference Framework.

Interaction may have either **formal or informal applications**. The latter was evident in the case of the Trilateral Nature Park Goričko-Raab-Örség in the Alpine Adriatic region (box 9), where cross-fertilisation between policy sectors was achieved through informal contacts. It may also occur by setting up structures to facilitate cross-sector synergies, with a more direct intervention by public bodies or private companies and consultants. For example, in the South Loire's SCOT (box 10) case, the creation of a *Syndicat Mixte*, an inter-municipal cooperation structure, played a major role in starting the negotiation process among public and private actors and finding a common ground for the different interests.

However, the degree of **complexity of programming tools** influences the opportunity to adopt a place-based approach. In the case of the Trilateral Nature Park Goričko-Raab-Örség in the Alpine Adriatic area (box 9), the regional development programming (top-down and bottom-up) process had difficulties to reconcile EU and respective national rules. At other times, tools do not appear to be specialised enough. As was the situation in the case of the Structural Funds' South Transdanubian operational programme (box 11), which permitted the simple involvement of some "leftover" sectors without real concern for a place-based approach. Finally, **time constraints** should not be neglected, as shown in the Ljubljana Urban Region's experience (box 12), where there was insufficient time to develop common territoriality.

Against this backdrop, new instruments for intervention in cities and territories in the EU cohesion policy period 2014-20 are addressed to improve interaction among actors and organisations. In particular, the **Community Led Local Development** (CLLD) is built on the long experience of the LEADER Community Initiative. As stated in the guidelines, "CLLD is a specific tool for use at sub-regional level, which is complementary to other development support at the local level. CLLD can mobilise and involve local communities and organisations to contribute to achieving the Europe 2020 Strategy goals of smart, sustainable and inclusive growth, fostering territorial cohesion and reaching specific policy objectives"(ref. 13). The definition of such instruments presents a relevant opportunity, taking into account previous experiences of LEADER, URBAN II and URBACT projects. This may concern the identification of a local action group and/or of a local development strategy.

Moreover, the newly introduced Cohesion Fund 2014-2020 tool, **Integrated Territorial Investment** (ITI), acknowledges that an "integrated and territorial approach is multi-dimensional, tailored to place-specific features and outcomes. This may mean going beyond traditional administrative boundaries, and may require greater willingness from different levels of government to co-operate and co-ordinate actions in order to achieve shared goals"(ref. 14). Based on ITI, the **Integrated Sustainable Urban Development** is proposed more specifically for territorial governance in urban areas (ref. 15).

### Box 3 – Neighbourhood Planning in North Shields Fish Quay

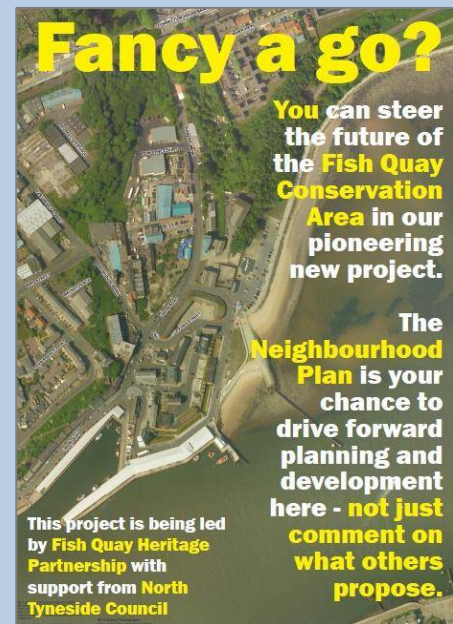
**Neighbourhood Planning (NP)** is one of the mechanisms by which the United Kingdom's Coalition Government is implementing its "localism" and "Big Society" agendas. They chime with principles of **subsidiarity, participation and citizen engagement**. North Shields Fish Quay NP (NSFQ NP) is one of the pilot projects testing the idea of planning at this **ultra-local level**. Urban NPs are produced by a Neighbourhood Forum (NF), which is a self-selecting group of individuals from the local community. In contrast to previous local planning processes, NFs actively seek to engage a wide range of community interests, from residents, businesses and visitors. NFs also define the **boundaries of the territory**, which is subject to the neighbourhood planning process. In managing the process, the NSFQ NP faced three challenges. The group had (1) to get to grips with the statutory framework that, guided the plan making process (in the words of one member "make planners out of fishermen"); (2) to constitute itself as a legitimate body and establish a governance structure; (3) to define with stakeholders the exact boundary of the territory for which they were going to formulate a plan.

To overcome these challenges the group followed three distinct stages. The first one was the **capacity building** stage. This enabled the various stakeholders to get to know one another and to understand each other's views. It also allowed the group to engage with a range of experts who helped them become "semi-professional" planners. This stage also permitted the governance structure of the group to be established.

The second stage involved **engagement with the wider community and evidence gathering** activities, which provided the basis for the plan. At the end of this stage of the process, the group wrote the draft plan with the assistance of the Local Planning Authority.

The third stage was to seek formal **democratic approval** for the plan. For a formal Neighbourhood Plan this would have taken the form of a public consultation followed by a local referendum. In the case of the NSFQ NP, however, a slightly different method was adopted whereby public consultation was followed by the final decision of locally elected politicians.

A key feature of the process, which has **wider application for territorial governance at the local level**, is the way in which NSFQ NF addressed the need for capacity building before rushing into the substantive planning stage. This allowed the stakeholders to overcome their potential entrenched positions and work together constructively.



#### *Use the participatory potentials*

The contextually embedded nature of territorial governance requires that **different cultures and ideas of participation** are considered (especially in the case of transnational projects and initiatives). To this respect, **different degrees of formalisation** are possible to foster participation, from the widespread dissemination of generic information about a specific project, to public referenda, where direct democracy shapes the output of a process. However, over formalised mechanisms (such as a referendum) can risk impeding further informal negotiations among stakeholders. They may also shift attention away from important factors, towards less overriding issues, such as who is entitled to vote in local planning (e.g. residents vs. users). This was evident in the case of neighbourhood planning in the North Shields Fish Quay (box 3), where after a

phase of public consultation, for the reasons outline above, the final decision was left to the local politicians.

Mechanisms to promote engagement and participation require, first and foremost, a **pragmatic approach to determine the level of access to information**, e.g. through a campaign via traditional media and/or on websites. The important role played by online media in documenting public opinion through wiki or official webpages is clear in the case of cross-border cooperation for water management in the Rhine Basin (box 2). The case of online forums (i.e. [www.afal.hu](http://www.afal.hu) and [www.elprojekt.hu](http://www.elprojekt.hu)) created after the Pécs European Culture Capital illustrates the need to react when there is an information gap (box 1). The choice to organise meetings and workshops rather than conferences and public events, is as important as the decision whether monitoring and activity reports should be available for the wider public. Be that as it may, the availability of documents and data is not by itself guarantee of democratic legitimacy, which is more closely related to **open and transparent decision-making processes**.

Overall, effective means of communication and/or dissemination need to be considered through **procedures and related tools** to plan events, as well as feedback procedures during the implementation process. Participation of various actors (from citizens to organised interests and stakeholders) should be determined through a **clear vision**, identification and justification of the appropriate target audience.

Finally, **benchmarking exercises** to compare how involvement and participation mechanisms are implemented in different situations may be helpful. These can be learnt, amongst others, from the LEED (Local Economic and Employment Development) Programme of the Organisation for Economic Co-operation and Development (ref. 16), or from the Sustainable Cities Institute in the United States (ref. 17). Activities developed by the Eurocities network (ref. 18) and by the EU programme URBACT (ref. 11) deserve attention as well. Here, one may look at very diverse initiatives focused on a specific issue (unemployment or wellbeing, for instance) or referred to more comprehensive development strategies. These help to find similarities and possibilities to adopt – and adapt – strategies and methodologies in different contexts.

## 2.3 Operational attitudes to improve practices

### *Facilitate pro-active leadership*

The Stockholm case (box 7) has shown that the City's monopoly on urban planning has enabled it to take a strong and effective position in developing and implementing strategies for resource efficient development. Clear and uncontested leadership has played a fundamental role in the StedenbaanPlus initiative (box 8). Leadership, in territorial governance, is crucial. Other cases have shown that, from the practitioner's point of view, leadership entails the assumption of a clear role in front of the various actors, the understanding of

**local tradition of territorial governance practices**, and the ability to enhance the social capital of actors involved.

#### **Box 4 – Climate change adaptation strategy for the Baltic Sea Region**

**Climate change** impacts all countries in the Baltic Sea Region (BSR) – positively and negatively. Although the impacts of climate change vary based on **local characteristics and circumstances**, there is a need among stakeholders from the BSR **to exchange experiences and learn from each other**.

As the EU's first macro-region, the BSR is about to develop a climate change adaptation strategy on **macro-regional level**. As adaptation to climate change is a multi-level governance issue requiring both **top-down guidance** provided by EU and national levels and **bottom-up**



**measures** taken at local and regional levels, the strategy is being developed through **broad stakeholder involvement at all levels**. Stakeholder dialogues with citizens, cross-sectoral workshops with experts and Policy Forums with high-level officials are being organized within EU transnational cooperation projects such as BaltCICA and Baltadapt in order to integrate different actors from different government levels and policy sectors. However, funds are needed to enable stakeholders to travel to and participate in the different forums, especially in a territory as large as the BSR. This is being solved through travel funds being made available by the EU and pan-Baltic organization such as the Council of the Baltic Sea States (CBSS).

The strategy is currently being developed within the Baltadapt project, which runs between 2010 and 2013. But implicit in the drafting work of Baltadapt is to ensure the **longer-term sustainability** of the strategy after the end of the project. Partly because of its work with **relevant stakeholders**, the strategy's **future ownership and territorial scope** has been defined and settled under CBSS Baltic 21, which enjoys the political backing from the BSR countries. CBSS Baltic 21 has thus received the mandate from the EU to facilitate the climate change adaptation strategy for the BSR towards its adoption by the Member States within its work as Horizontal Action Leader in the Action Plan of the European Strategy for the Baltic Sea Region (EUSBSR).

The capacity to establish **effective methods of dialogue and discussion** among different actors and interests is necessary for this purpose. **Governance structures that can integrate** a complex range of formal institutions and informal interests, in and around the area of the intervention play an important role. In the design of public transport strategies in the Ljubljana Urban Region (box 12), the achievement of a power balance between the Municipality of Ljubljana, the main public transport company owned by the city, the national railway company, the mayors governing other municipalities and other public/private transport providers has helped to improve the governance process. Of course, different **context specific** models of "good" leadership can be created to achieve certain actions and the pursuit of concrete results. The pragmatic model of "diffused leadership" in the case of the Trilateral Nature Park Goričko-Raab-Örség (box 9) can be exemplary in this respect. Here, the capacity to carry out cross-border coordination proved crucial for the effective governance of natural areas.

### *Utilise the transfer of knowledge*

As described above, the use of territorial/place-specific knowledge is essential for territorial governance practitioners. In an interactive process this should lead to **new shared knowledge**. In the case of cross-border cooperation in the Rhine Basin (box 2), co-production of knowledge and knowledge transfer across the border has been central for effective water management. In the process of building public transport strategies in the Ljubljana Urban Region (box 12), consultations, meetings and workshops for the exchange of information between stakeholders with territorial knowledge, were important.

The value in producing knowledge should be capitalised on regularly through **transfer mechanisms**, whether formal or informal. In general, the exchange of knowledge improves understanding of ongoing processes, and increases the adaptability to institutional, social and economic changes. This helps to understand reasons that have hampered or improved the implementation of an initiative, may allow for mutual learning and can ease changes in traditional and standardised operating rules.

The EU has often promoted transfer mechanisms as part of Community interventions: specific initiatives like URBACT (ref. 11) and INTERACT (ref. 19) were designed for such purposes. The need for **mutual learning** does not concern only cross-border or transnational cooperation, as shown by the Trilateral Nature Park Goričko-Raab-Örség in the Alpine Adriatic area (box 9) or the Rhine Basin experience (box 2), but all territorial governance practices.



### 3. Techniques and methods for better territorial governance

Overall, the analyses carried out in the TANGO project suggest that policy and decision makers' attention should focus on three main aspects: the **design of a strategic framework** suitable for the territorial scope, the **effectiveness of partnership arrangements** within the plan, programme or project, and the **quality of monitoring and evaluation processes** to steer implementation.

It is worth noting that the focus on these aspects reflects the sequence foreseen, according to new legislative proposals, for implementing the EU cohesion policy in 2014-20 (ref. 7), namely:

- the **Community Strategic Framework** (CSF) 2014-20, intended as the overall reference framework for cohesion policy established at a top level (the EU level);
- the **Partnership Contracts** between the EU and Member States to improve the effectiveness of cohesion policy implementation through agreements that are carefully negotiated among the concerned partners;
- the **Operational Programmes**, already existing in previous programming periods, but improved particularly for the establishment of "conditionalities" to be verified through more careful procedures of monitoring and evaluation.

Policy makers may therefore consider a possible alignment of programming sequences (especially at national and regional levels) to the one described above.

#### 3.1. Strategic framework design

##### *Frame policy processes jointly*

The joint development of a general framework is essential to organise a policy process and to define goals. Such efforts allow for the definition of a "shared vision", which may have either **strategic or regulative function**. It can be intended as a framework of control, a guideline for strategies, or an action plan for specific purposes. In defining a framework, it is important to consider **flexibility** as strength, since only a defined structure with flexible attributes can be adapted to changing contexts. Practical guides for regional foresight, such as those provided by CORDIS (ref. 20) and the European Commission (ref. 21), may be helpful for this purpose.

A framework should also be used as an overall **management tool**. It is used to identify connections between objectives, sub-objectives and measures, as well as the relevant procedures. It serves to strengthen the coherence of the territorial governance process and to facilitate the development of indicators for monitoring and evaluation (section 3.3). For instance, in the process of cross-

border cooperation in the Rhine Basin (box 2), a convention and a political agreement about water management have facilitated the creation of the framework for cooperation throughout the process. In this case, the framework outlined the necessary preparatory activities of the project and was made up of a coordinated array of tools.

A major challenge in establishing a framework can be the **lack or inappropriateness of mechanisms for coordination**. Problems of this nature may emerge especially in less consolidated administrative contexts. The lack of a planning tool at the NUTS 3 (statistical) regional level has made it difficult to coordinate sector policies in the implementation of spatial planning strategies and regional development in the Ljubljana Urban Region (box 12). The lack of mechanisms for collaborative regional planning has proven to be problematic in planning the use of Structural Funds in the South Transdanubian region (box 11). Further, the experiment of a target-based tripartite agreement involving the European Commission, the Italian government and the Lombardy Region (box 5) was hampered by uncertain references to national or regional legislative and planning contexts.

### *Facilitate integration*

A specific concern for the design of a strategic framework is the coordination of actors involved in territorial governance. More specifically, **horizontal spatial coordination** between different policy sectors may help, as in the case of the South Loire's SCOT (box 10), to formulate a framework of cross-sector objectives. **Vertical spatial coordination** concerns the relationship between policy instruments at different levels of government. In the case of Trilateral Nature Park Goričko-Raab-Örség in the Alpine Adriatic area (box 9), the support for cooperation across levels played a central role in implementing multi-level governance actions. The **definition of an effective method of integration** should be based on a rationale that is, at the same time, multi-sectoral, multi-level and territorial. It should also be flexible to adapt to the changing social, economic and spatial contexts.

**Multi-sectoral integration** implies bringing all of the relevant sectoral policies towards a clearly defined goal. In the territorial governance process for resource efficiency in Stockholm (box 7), the focus on an environmental rationale for the project has led to integrated policies for various aspects of planning and resource efficiency.

**Multi-level integration** requires that the relevant tiers of government are identified and involved in the process and the aims to define a platform for exchange and negotiation among them. For example, the StedenbaanPlus initiative (box 8) aimed to promote greater integration between public transport and urban development. The alignment of government tiers in a soft structure platform has helped public actors, at different institutional levels, to identify a single policy strategy towards private actors ("one government voice towards the market").

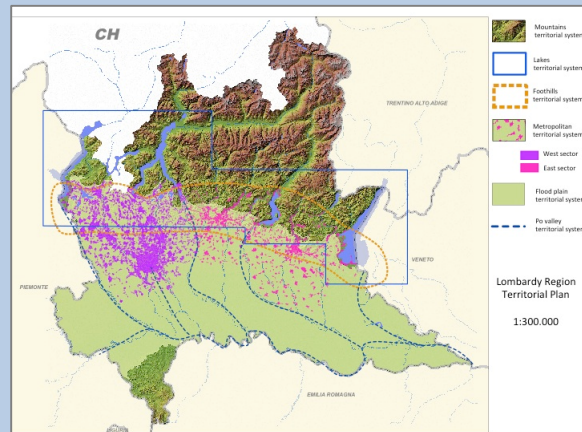
**Territorial integration** may refer to forms of horizontal interconnection between neighbouring territories, like inter-municipal initiatives, such as the public transport strategies in the Ljubljana Urban Region (box 12) or cross-border initiatives, including the Trilateral Nature Park Goričko-Raab-Örség in the Alpine Adriatic (box 9). It refers more generally to the awareness of the wider territorial context in which each place is embedded.

#### Box 5 – Target-based Tripartite Agreement in Lombardy

In the 2002 communication “A framework for **target-based tripartite contracts and agreements** between the Community, the States and regional and local authorities”, the EU Commission launched the idea of experimenting with tripartite tools for sub-national authorities, Member States and the Commission itself. The aim was **to implement EU legislation with wider efficiency and flexibility**. Two different kinds of instruments were designed: the agreements and the contracts.

The Tripartite Agreement among the European Commission, Italian Government and Lombardy Region was **one of four pilot projects** developed to assess the possibility of signing contracts afterwards on the basis of the agreements’ results. Only this agreement was signed, while the other three went through **lengthy negotiation processes, which stalled and finally failed**. Even the Lombardy agreement, after having been signed, was not carried out. It was interrupted in 2005 because of the regional electoral campaign and never re-started.

The most interesting feature of this experience is the **importance of political support**, understood as one of the characteristics of vertical co-ordination in the territorial governance process. The Lombardy case was the only one that could rely on good and assiduous relationships between the regional President and the Italian Minister of Foreign Affairs, who belonged to the same political party. This political support proved to be key in the **domestic relationships among different levels** and led to the agreement signature. The three other cases of tripartite agreements, characterised by a lack of political sustenance, did not garner signatures. This feature proved to be insufficient on its own to guarantee the success of the process, so it is possible to affirm that the **commitment of policy makers and decision makers** is a necessary condition to achieve formal goals, but that it must be accompanied by other features to be successfully implemented.



#### *Boost institutional capacity*

The strategic nature of a territorial governance framework underlines its ultimate purpose, which is how to translate spatial strategies into practices based on a plan of action. The application of a strategic framework is primarily connected to the issue of **institutional capacity**. Public authorities or institutions promoting a territorial governance process need to be assisted by **qualified staff**. The capacity of the staff is crucial to guide a governance process: individual officers in charge of coordinating actions and initiatives have the primary responsibility to promote the integration and involvement of various stakeholders. In this light, public organisations and institutions are suggested to

develop an assessment of needs in terms of professional skills in the initial phase of a territorial governance process.

Fostering a capacity to **learn by doing** is particularly important to develop adaptive territorial governance processes, as the staff involved should be able to vary methods and techniques according to the evolving context. In general, a change of context should not necessarily be considered as a “problem to be avoided” and strategic frameworks should rather consider possible **methods for guiding change**: a typical example is the SWOT analysis (ref. 22), which can be used as a conceptual device to define and share the conditions that help turn a possible problem into an opportunity. In the StedenbaanPlus initiative (box 8), the agreement between public and private stakeholders has brought together different sectoral interests who are concerned with urban development and public transport in a very pro-active manner.

Problems of policy coordination during the framework’s application are reflected very often in the lack of **financial consistency among measures** to be implemented. For example, an overly rigid separation of financial mechanisms for cultural, urban, infrastructural and economic development created problems for the European Capital of Culture in Pécs (box 1). Further, a lack of consistency in how resource efficiency is achieved/promoted between projects was evident in Stockholm’s urban development experience (box 7). Finally, the absence of a **territorial approach** may also affect the application of a strategic framework, as seen in the case of cross-border water management in the Rhine Basin (box 2), where the possible contribution of spatial planning was wrongly excluded from cross-border cooperation tools.

### 3.2. Effectiveness of partnership arrangements

#### *Foster effective participation*

No framework or strategy dealing with territorial governance can be applied without a concrete partnership agreement. A **participatory process** is needed to build solid partnerships and effective arrangements. Stakeholder involvement can influence the objectives, work habits, and approaches envisaged in the general framework. More generally, participation and partnerships in territorial governance processes (at whatever scale) should be seen and favoured as a way to strengthen solidarity among relevant actors and territories.

The crucial challenge is therefore to create conditions for **collective learning** between actors and territories involved. A variety of tools can contribute to this, like focus groups, public meetings, websites, online surveys or surveys on the ground. Selecting **appropriate tools** is context specific and depends on the processes and initiatives being undertaken, as well as the territorial scale and/or features. In the case of climate change adaptation in the Baltic Sea Region (box 4), different formats for dialogue were implemented to ensure broad stakeholder involvement. In other cases, like in the South Transdanubian operational programme (box 11), participation was more formalised and actors were

selected according to their accountability in the planning and implementation phases.

#### Box 6 – Greater Manchester Combined Authority

The governance of the Greater Manchester City, in the United Kingdom, has undergone a series of changes over the last 40 years, yet the city region has been able to maintain some forms of territorial governance. Its recent history dates back to 1974 when the Greater Manchester County Council was established as the city region authority coordinating certain activities among the ten district authorities. This continued until 1985 when the county council was abolished and its power was passed on to 10 district authorities. Fearing a loss of **strategic governance capacity at the city region level**, the district authorities voluntarily formed the Association of Greater Manchester Authorities (AGMA). AGMA also included the Greater Manchester Police, Fire and Transport Authorities. This collaborative arrangement enabled the elected officials and officers to maintain a degree of territorial governance at the city region scale.



In 1997, the Labour Government introduced new regional governance institutions including the North West Regional Assembly and Development Agency, with which the Greater Manchester city region is related. These regional institutions did not survive the most recent change of government and were abolished in 2012. Meanwhile, the governance structure for Greater Manchester was given **statutory authority** in 2010 and the Greater Manchester Combined Authority (GMCA) was created. Currently, AGMA and GMCA exist in parallel, but the intention is to pass the governance role of AGMA to GMCA over time.

Throughout this period, AGMA continued to develop policy and strategic plans for the Greater Manchester City Region, defined predominantly by the **functional economic area (FEA)** that is considered as the appropriate delineation for **strategic planning**. The understanding of the city region as a FEA has enabled the development of an **adaptable and flexible governance structure**. This has been necessary, as the city region governance institutions have only **limited budgetary control**. It has therefore been necessary for AGMA (now GMCA) to bid for national and EU funding to further their aims. Having become adept at managing this process, Manchester City can offer an interesting model for other city region governance building. At the heart of the governance structure are a series of **partnership arrangements**, which deliver **cross-sector participation and public policy packing** on a range of issues. The structure offers a combination of core stability and an **adaptable and flexible approach** to programme development and delivery. This combination provides an example of adaptive territorial governance that can potentially be transferred to other similar situations. One indication of the success of this partnership approach is that it has enabled AGMA and GMCA to take advantage of a range of economic development policies such as the City Deal and Local Enterprise Partnerships to deliver major infrastructure projects. The City Deal scheme aims to provide city regions with greater power over spending, investment and strategic development in their area. The Local Enterprise Partnership aims to promote economic growth by creating partnerships between local government and business. AGMA and GMCA's success in delivering these programmes has now enabled them to influence the future development of these programmes.

As illustrated in the cases, **defining the participatory approach** in the early stages of a territorial governance process, is crucial for:

- selecting actors to be mobilised (who is to be involved, to what extent, and with what role);

- identifying which actors are in charge of the participation process (local authorities often recruit external experts to design and animate such processes, one of several possible options that can make up for limited institutional capacity with these efforts);
- establishing a timeframe (when will participation take place during the different phases of the process, and the length of time it will take);
- establishing consistency in participatory processes with existing objectives and agendas;
- identifying the need for specific skills or appropriate conditions (e.g. widespread broadband for digital tools);
- a communication strategy that supports the process.

A participatory process should result in a **partnership agreement** or at least in a shared frame of initiatives to improve cooperation. During the process, cooperative attitudes may replace rigid hierarchical procedures and, even in mandatory negotiation exercises, like in the South Loire's SCOT (box 10) case, may help to improve reaching common goals.

### *Ensure ongoing mutual information*

**Ensuring a steady flow of information** throughout the process enables significant engagement and involvement among stakeholders. It can also help create routines and spread territorial governance practices beyond the policy, programme or project boundaries. Sharing information requires compatible information systems, and the use of relevant traditional and online media, as was the case for cross-border cooperation in the Rhine Basis (box 2). The **standardisation of procedures**, as particularly illustrated in the South Loire case (box 10), allows fairness and in moving from principles to facts and information helps achieve legitimacy. Information is sometimes at risk due to budget cuts, because it may be seen to have minor importance. However, its availability should always be guaranteed and protected from possible cuts.

In general, information flows allow a diversity of stakeholders to stay active and informed about the processes but, as illustrated in the StedenbaanPlus initiative (box 8), collaborative tools and information materials should be tailored for different audiences. **Feedback should be guaranteed** in all cases to facilitate cooperative attitudes' and to show that participation can improve effectiveness. Built-in feedback procedures for institutional learning have been developed within the Baltadapt project, in their task to draft a climate change adaptation strategy for the Baltic Sea Region (box 4). Shared information can help to define needs and expectations, assess policies effects, to support mutual learning and democratize debate.

### Box 7 – Resource efficient urban development in Stockholm

In recent decades, Stockholm, the Swedish capital, has developed an international reputation for its leading efforts in **creating greater urban environmental sustainability and resource efficiency**, something underlined by the city's selection as the European Green Capital 2010. This work has focused primarily on a **top-down approach** to the implementation and promotion of environmental goals and resource efficiency standards. To this end, initiatives have included



increasingly stringent building criteria, the development of overarching environmental goals and an **integrated administrative** system that ensures environmental factors are considered in all aspects of City affairs. Private actors engaged in the city's development have also capitalized on this by increasing their "green" proficiencies and promoting a green profile in the Nordic countries and as far away as China.

A central aspect of the promotion of environmental sustainability and resource efficiency in Stockholm has been the **development of eco-districts**, notably including Hammarby Sjöstad and now, Stockholm Royal Seaport. In these projects, the City of Stockholm, which has a dominant role in planning due in large part to its near-monopoly on planning, has **effectively packaged public policy around clear goals based on its environmental rationale**. In the Stockholm Royal Seaport development, this has offered the benefit of greater certainty in the development process for private actors, while also promoting **greater coordination towards common aims** among the City's relevant departments. This clarity and coordination has made it easier to achieve the established goals, which increases the likelihood that Stockholm remains a prominent city in regards to discussions about the urban environment and resource efficiency.

These efforts also highlight that Stockholm realises the **strengths of its territorial specificities**, which is reflected in the promotion of its green profile. This has resulted in the successful development of a green tech/clean tech cluster that consists of almost 3000 companies who are working in these fields in the Stockholm region. The promotion of these territorial governance features underlines the inherent value of connections and coordination between the City of Stockholm and a diversity of private actors.

### *Maintain momentum*

In territorial governance as in life, **long-term strategies** require time to succeed. Path-dependency plays a crucial role in this respect. Partnership arrangements can be effective insofar as the common experience achieves a certain degree of stability. As many of the observed cases have shown, only stable cooperative experiences can achieve **robust networks of actors** and coherent systems, which can help to overcome initial challenges over time.

A **consistent definition of territory** helps to sustain shared experiences, where specific goals can be connected to broader strategies. In the case of the Greater Manchester City Region (box 6), this proved crucial to a "resilient" co-operation structure that could be re-activated after substantial institutional and political change. This also contributed to the success of long term strategies in the cases

of cross-border cooperation in the Rhine Basin (box 2) and resource efficiency in Stockholm (box 7).

### 3.3. Quality of monitoring and evaluation process

#### *Recognise the utility of monitoring and evaluation*

**On-going monitoring and assessment** are essential to territorial governance. These mechanisms enhance **transparency and control** throughout a project, and make it easier for a project to adapt to changing contexts. Assessing territorial governance requires suitable and up-to-date methods, techniques and indicators, as the progress achieved in the StedeebanPlus project in Southern Randstad (box 8) can show. Here, responses to contextual changes and a capacity for adaptation were guaranteed through continuous improvement of evaluation and yearly monitoring procedures.

Monitoring and evaluation methodologies thus need to be adapted to territorial governance processes. Quantitative and qualitative tools and methods should be adjusted to governance features, like learning needs, organisational innovation, and network changes. This careful adjustment can result in the capacity to act in uncertain conditions, improvements in management (better coordination, time of actions etc.) and budget savings due to enhanced control. Overall, territorial governance increases the **efficiency of public actors** and enhances the integration of different themes, such as environmental and social policies.

Evaluating and monitoring territorial governance should not be solely intended for immediate effects though. It is also about developing longer-term **behaviour changes in the actors**, better integration between policies, and improved dialogue. Opportunities for **social learning** have occurred, at least to some extent, through additional evaluation processes. This was the case achieved in Stockholm (box 7) through steering groups and more evaluation activities, throughout the territorial governance process. However, it is not necessary to create new formal structures to evaluate territorial governance processes. Instead, **flexible forms of cooperation** to combine practices among different stakeholders may foster forms of permanent evaluation and prospective analysis that is reflexive and able to better adapt to changing needs.

#### *Employ territorial oriented evaluation and assessment*

In regards to evaluation methods and techniques, territorial governance should be assessed from a place-based perspective, which implies the adoption of territorially oriented evaluations. With this in mind, the **Territorial Impact Assessment (TIA)** represents an interesting approach to evaluate territorial policies and projects (ref. 23), although it was originally intended to evaluate the territorial impacts of EU sector legislation. High-level institutions and organisations, such as DG REGIO and DG AGRI, ESPON and Eurostat, are currently developing this approach.



### Box 8 – Integration between public transport and urban development in Rotterdam-The Hague

The StedenbaanPlus initiative is situated in the western part of the Netherlands in the “south wing” of the Randstad. It aims to promote greater **integration between public transport and urban development**.

The initiative combines two main strategies: (1) the creation of a high-frequency light-rail transport system on the existing railway network; and (2) a regionally coordinated programme of urban development around railway stations. The initiative started in the early 2000s and since then has expanded in scope.

One of the initiative’s main features is the coordination of different tiers of **decision-making via a common platform** (“one government voice towards the market”). The governance arrangements in the “south wing” of the Randstad are complex, where different layers and responsibilities of government coincide. The StedenbaanPlus initiative is an attempt to deal with this complexity. In addition to

**governmental bodies**, it involves **non-government actors**, the rail infrastructure providers. This is why the initiative took the form of a platform rather than a new governmental body. As such, the initiative is

essentially a **partnership arrangement** between various public and private parties that operates with few statutory powers or instruments at its disposal. Instead, it relies on existing policy instruments from the different levels of government involved in the initiative, such as the provincial structural vision (*provinciale structuurvisie*) and the provincial land-use regulations (*provinciale verordening*).

The StedenbaanPlus initiative is therefore a form of **soft governance**, which has a primary role in coordination and information-provision. It employs powers of argument and persuasion to reach agreements between the actors involved. It is concerned with both **vertical and horizontal coordination**: linking municipalities with the regional governance body and to some extent, with the central government (vertically) while bringing together different sectoral interests concerned with urban development and public transport (horizontally).

Such **cross-sectoral initiatives** are particularly useful in territories with complex governance structures. These initiatives do not require new instruments or powers but require **resources**. These kinds of governance partnerships are appearing in a number of **polycentric metropolitan regions** and are often **bottom-up initiatives** developed by municipalities themselves, rather than by national government. These initiatives often involve **partners from private and voluntary sectors and other public and private agencies**. While most of these initiatives do not have direct decision-making powers, they are able to **influence decision-making processes** and steer implementation by making recommendations to the decision-making bodies.



In particular, TIA promotes an overall qualitative approach to assess territorial impacts and different methods that fit each case (multi-dimensional evaluation and multi-sectoral indicators). As described in detail in the ESPON EATIA research project (ref. 24), TIA is based on four main stages: **screening, scoping, assessment and evaluation**. If regional or local areas can be identified and appropriate data are available, quantitative methods are recommended. A qualitative approach relies on a description of the spatial distribution of four items: main problem or driver; the capacity to respond to the problem (or implement the policy); the actors involved in the policy response; the potential impact, which is a combination of the former issues. TIA also refers to statistical

descriptions, projections and modelling interactions. It suggests tools to support the qualitative assessment of territorial impacts and recommends consultation as a relevant way to reveal asymmetric impacts.

### *Consider indicators for territorial governance*

One outcome of the TANGO research project is a framework of 12 specific indicators for assessing territorial governance (see chapter 1). These are **related to the proposed five dimensions of territorial governance** and are intended to feed into the development of both qualitative and quantitative methods for assessing good (and bad) territorial governance (figure 7). The indicators constitute a conceptual framework upon which assessments can be developed. It is suited to include other tools – such as the abovementioned TIA – in a more comprehensive system of indicators for analysing territorial governance.

**Figure 7: The TANGO indicators for assessing territorial governance**

Five dimensions of territorial governance	Twelve indicators for assessing the performance of territorial governance
1. Co-ordinating actions of actors and institutions	1.1 Governing Capacity
	1.2 Leadership
	1.3 Subsidiarity
2. Integrating policy sectors	2.1 Public Policy Packaging
	2.2 Cross-Sector Synergy
3. Mobilising stakeholder participation	3.1 Democratic Legitimacy
	3.2 Public Accountability
	3.3 Transparency
4. Being adaptive to changing contexts	4.1 Reflexivity
	4.2 Adaptability
5. Realising place-based/territorial specificities and impacts	5.1 Territorial relationality
	5.2 Territorial knowledgeability and impacts

**Governing capacity** (indicator 1.1) is a particularly important pre-requisite to effectively coordinate the actions of numerous actors with different interests in particular places/territories. It concerns the ability to: a) organise, deliver and accomplish; b) review, audit, check and balance; and c) integrate additional platforms / forums. It requires access to human, financial and intellectual resources. **Leadership** (1.2) is about oversight, vision and the ability to secure stakeholders' participation and ownership of place-specific goals. It deals with the ability to drive change, show direction and motivate others to follow. Individual actors or institutions may perform leadership and it can be concentrated or diffused among the actors. **Subsidiarity** (1.3) is about ensuring decisions are made at the territorial level which is as close to citizens as strategically and practically possible, while taking into account the multi-level nature of territorial governance.

**Public policy packaging** (2.1) is about bringing together public policies that are generated at different government levels (international, national, regional and local) and that benefit places/territories. It emphasises collaboration to avoid public policies that conflict and/or compete, for example, planning policies that promote the compact city while taxation policies promote sprawl and transport

policies that focus on road building. **Cross-sector synergy** (2.2) is about seeking horizontal cross-fertilisation between public, private and civil society sectors, so that they work in favour of a particular place/territory.

**Democratic legitimacy** (3.1) is about ensuring that relevant interests are represented and given a voice in place-based/territorial governance processes. Legitimacy can be secured through representative democracy (as in government) and through participative democracy (as in governance). The latter is not replacing the former but is complementing it. **Public accountability** (3.2) aims to ensure that those making place-based decisions are accountable to the public. **Transparency** (3.3) concerns ensuring that the composition, procedures, and tasks of territorial governance are open and visible to the public. It is about opening the “black box” of territorial governance to make its substance and procedures informative, accessible and comprehensive to the public.

**Reflexivity** (4.1) concerns social learning. It is about the ability to reflect, review and revise territorially specific ideas, routines, instruments, inputs, outcomes and processes in the face of new information, opportunities, and that threats arise. It refers to both individuals acting as reflective practitioners and to territorial governance as a whole. **Adaptability** (4.2) deals with flexibility and resilience in the face of territorial change/crisis and seeks opportunities for transformation through the use of feedback and reviews in territorial governance routines.

**Territorial relationality** (5.1) is about acknowledging that place/territory is a social construct. Actors should be able to address the most relevant territorial scale of governance. This could include using a network approach to governance for matching the purpose and objective of the intervention and the interests of those who have a stake in the decision(s). Finally, **Territorial knowledgeability and impacts** (5.2) is about utilising multiple sources of knowledge, including local knowledge about the place / territory. It is about dealing with the territorial impacts of policies, programmes and projects on place/territory.

## 4. The rules of the game are important

Policy and decision makers at various levels of government should be aware that territorial governance is not limited to opening territorially relevant decisions to participatory and collaborative actions. It cannot be simply improved through a series of consultation, mediation, participation mechanisms, as is often believed. Rather, a normative perspective should aim to promote new methods and practices of action, involving participation and cooperation. The objective should be to **improve the government capacity in the field of spatial development**. With this in mind, it is important to develop an integrated approach to reconcile multiple objectives, to share services and functions that ensure synergy and to rationalise public action. These efforts help promote cross-sectoral and place-based approaches and define priorities between territories at different scales.

According to TANGO results, a framework of rules that may improve territorial governance should be based on four complementary principles: **responsible leadership, effective governance, programming system based on performance** and **place-based rationale**. Additionally, it is recommended to refer to the "Smart Regulation" website (ref. 25), which sets out the actions taken by the European Commission, other EU institutions and the Member States in the governance capacity field. It also offers access to other Commission and Member State websites where better regulation is addressed.

### 4.1 Responsible leadership

#### *Empower the appropriate level of decision-making*

A *governance* perspective emphasises the plurality of actors involved in public policy, as opposed to the traditional model of government that promotes, at least implicitly, the concentration of power and neo-corporatist management of sectoral interests. At the same time, in the face of financial shortages, need to **strengthen coordination and control**, new public policies that emphasise cross-sector cooperation and integration, in order to pursue sustainable development and the efficiency of services. The need to optimise, coordinate and integrate is a major governance issue that is not often highlighted. Several ways to achieve this are to encourage sectoral organisations to work together or to create synergies between services. Beyond this, it also includes the capacity to better account for the expectations of users of local services. To cater to such user demands, local public companies can be created, uniting several communities in an external structure and replacing the usual competition between them.

A *territorial governance* perspective addresses governance shortcomings by adding a spatial dimension to governance. It requires that coordination and control are strengthened **at the appropriate territorial scale**. This is necessary for integrating policy sectors as well as for coordinating the actions of actors and institutions who are often operating at different scales. It is also essential for finding the right position to identify and face environmental, social and economic changes that are not bound by predefined administrative boundaries. For example, a set of political agreements in a clear cross-border (non-administrative) perspective has proven indispensable for cross-border water management in the Rhine Basin (box 2). Even in more consolidated urban contexts, the strong strategic commitment to package policies at the city region level was a crucial resource for the local enterprise partnerships in Greater Manchester (box 6) and for regional programming and public transport strategies in Ljubljana (box 12).

Recently, the EU created the possibility to instigate the **European Groupings of Territorial Cooperation** (EGTC, Reg. No. 1082/2006). EGTCs are new legal bodies that aim "to facilitate and promote cross-border, transnational and/or interregional cooperation [...], with the exclusive aim of strengthening economic and social cohesion". They address the need for good territorial governance where it has been hampered by traditional administrative boundaries (ref. 26). During the 2014-20 cohesion policy period, this legal tool shall be further improved and its usage facilitated. At the same time, the need to revise frameworks to further empower the appropriate level of decision making in territorial governance is a relevant challenge for national, regional and local authorities.

### *Reinforce public accountability*

From either an analytical (what is) or a normative (what should be) perspective, territorial governance offers elected representatives a less central role than in the past. It is no longer only the elected position of the decision maker that confers legitimacy to the decision, but rather how the role is carried out, proven by its participatory character, transparency and other factors. Further, territorial governance requires the **mobilisation of resources** (not only financial) from other kinds of actors (economic, social, environmental and non-profit). The involvement of such actors throughout a development process should demonstrate that their contributions have been considered and used. Although this evolution is often the source of divergences and tensions, innovative solutions are also possible. A successful **mix of indirect and direct democratic legitimacy** is evident in Ljubljana's spatial planning and transport strategies (box 12) and in the StedenbaanPlus initiative (box 8). In both cases, to address the initial diversity of views among stakeholders, a strategic organisation was proposed top-down (that is without direct democratic legitimacy) and then submitted to the bottom-up democratic approval by local municipalities.

### Box 9 – Trilateral Nature Park Goričko-Raab-Őrség

The need for a coordinated approach for the **protection and management of natural areas** started to take place in the Alps with the founding of the International Commission for the Protection of the Alpine Regions (CIPRA) in 1952. This occurred a few years before the global environmental movement took off during the 1960s and early 1970s, which led to the signing of the **Alpine Convention** in 1991.



Although its degree of effectiveness is a controversial issue, the convention has led to greater recognition that many problems cannot be solved solely through national legislation. Coordinated regional approaches and initiatives are essential to solve common issues. The case study investigates the efforts surrounding the coordinated protection and management of natural areas in the **transnational context** of the Trilateral Nature Park Goričko-Raab-Őrség. A robust cooperation structure connecting natural areas in Slovenia, Hungary and Austria has been developed over the years and has helped to diminish the separating effect of national borders. Despite the ambition for a joint trilateral park authority, the park currently operates as **three separate parks, organized according to the different political settings**: Goričko Nature Park in Slovenia, Őrség National Park in Hungary and Naturpark Raab in Austria. This trans-border characteristic of natural areas adds several layers of complexity to the task of their governance, including effective protection and management. The first layer are the **legislative frameworks**, which strongly influence governance of natural areas, change across national borders, in some cases also across regional borders. Second, competences of **different administrative levels** with regard to protection and management of natural areas change across national borders are present. And third, competences of **different policy sectors** are typically also different on different sides of national borders.

The **capacity to carry out cross-border coordination** is thus of crucial importance for the effective governance of natural areas. Informal contacts and decades of experience among the actors involved, the connections and trust needed for cooperation, are a legacy of previous collaborative efforts, mostly through joint projects, either trilateral or bilateral, and the people behind them. **Social learning** is a central issue in relation to the **“soft” and decentralized leadership model** exercised in the trilateral park. It is a mechanism for the **construction of collective knowledge** that is needed for effective coordination across borders, and **joint cross-border projects** seem to be crucial in this respect. They contribute both to stronger informal ties between actors on different sides of the borders and to expand common knowledge. Park administrations informally coordinate applications for new joint projects, building on both the formal knowledge and on the experiences gained in previous projects. These are integrated into the identification of new goals, an important aspect of collective learning. Although park authorities are the main partners involved in cross-border projects, additional partnerships are built during their implementation at the local, national and transnational levels, involving **partners from all relevant sectors**: municipalities, ministries, research institutions, foundations, schools, universities and NGOs. **Efforts for more formalized cooperation**, set out in the Memorandum of Understanding, were strengthened in 2006.

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**Responsiveness** is necessary among those who, through election or appointment, command a role in a territorial governance process. One difficulty is that a single and certain measure of representative legitimacy does not exist. To be considered respectable, the leaders of a territorial governance processes have to demonstrate their representativeness, their competence, their reputation, their commitment and their compliance with the rules of dialogue.

They are otherwise under permanent risk of others' attempts to contest their role, often to create a more favourable configuration of power relations.

**Highly accountable leadership** is particularly crucial to both mobilise the participation of stakeholders, and to add certainty to a collective strategy of change. This was visible in realising the resource efficiency strategy in Stockholm (box 7), where the high level of Swedish government accountability at all levels has led to high levels of public trust in institutions. Adopting a **code of conduct** or similar guidelines that specify the role of each actor and making the decision-making procedures visible can be a way to increase public accountability, especially in complicated situations.

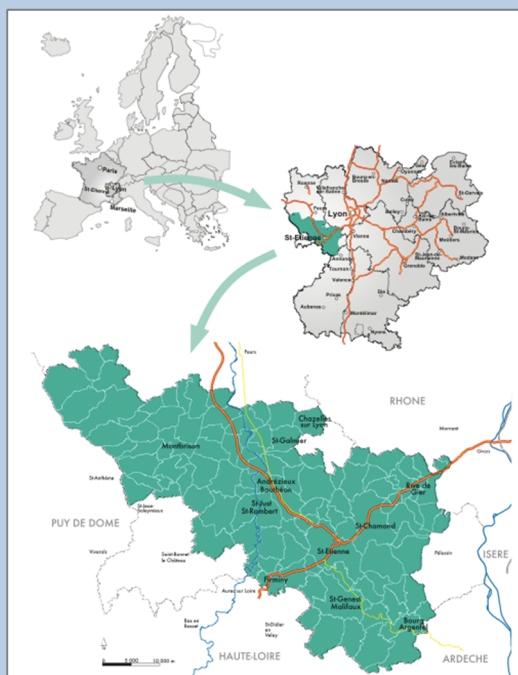
#### *Identify possible leadership inhibitors*

Uncertain leadership may be a major cause of reduced governing capacity that affects vertical and horizontal coordination. Uncertainty of leadership is very often due to *external inhibitors*, such as **power struggles** among levels of government (vertical), and between public authorities or organised individuals (horizontal). These two types of conflict were both evident in preparation for spatial planning and transport strategies as part of regional programming in the Ljubljana Urban Region (box 12). In this case, a lack of overall leadership was evident in a process that primarily involved the City Municipality of Ljubljana and smaller municipalities also in addition to other institutions. In the StedenbaanPlus case (box 8), power struggles have occurred between institutions and between the individuals involved in this initiative. In the Pécs European Capital of Culture case (box 1), these challenges resulted from the central government's attempts to hinder the local government's financial and decision making competencies.

Uncertain leadership may also be due to *internal inhibitors*, such as a **lack of authority**. In the case of planning for resource-efficient urban development in Stockholm (box 7), leadership was contested due to conflicting territorial goals among various actors and institutions convinced of their own authority. In the North Shields Fish Quay's experience of neighbourhood planning (box 3), leadership proved to be too dependent on volunteers with the necessary skills, leading to confusion and conflict about which tasks should be taken on by professionals rather than residents. Another internally developed inhibitor may be the **unclear division of responsibilities**. This was particularly evident in the institutional settings that hindered the experimental target-based tripartite agreement among the European Commission, the Italian government and the Lombardy Region (box 5). In the South Loire's SCOT (box 10), this was due to the weakness of political engagement. Finally, **scant previous experience in partnership-making**, like in the management of Structural Funds in the South Transdanubian region (box 11), can result in uncertain leadership.

### Box 10 – The South Loire plan for territorial cohesion

Since the early 2000s, territorial development strategies in the South Loire region in France have been collected within the “Territorial Coherence Plan” (*Schéma de Coherence Territoriale*, or SCOT). SCOT’s role is to ensure a better balance between the **development and protection of urban, rural and natural areas, as well as a sustainable use of land**. It ties together public urban planning policies, private and low-income housing, transportation and infrastructure, commercial premises and environmental protection. It is prepared by an inter-municipal co-operation structure (*Établissement public de coopération intercommunale*, or EPCI) or multiple structures, and implemented through a structure called *Syndicat Mixte* (SM). A SCOT is elaborated through wide negotiations that engage **institutional and non-institutional actors**. Before approval, it is submitted for **public consultation**. Currently, there are nearly 30 SCOTS in France and by 2017, the whole French territory will have to be covered by a SCOT. The South Loire SCOT process was started in 2004 and approved in 2010. However, in 2012 an administrative court decision revoked it and a new SCOT is now in progress.



One of the most interesting features of this case study concerns the **structures set up to facilitate cross-sector synergies and the mobilisation of stakeholder participation**, which involves the thematic boards within the SM and the working group coordinated by EPURES, the urban planning agency of Saint-Étienne region. The **thematic boards** examined documents and plans coming from municipalities and communities in the fields of economy, housing, mobility and natural and agricultural environments. A fifth thematic board dealt with the analysis of the urban planning documents of each municipality. In the diagnostic phase, the thematic boards picked up territorial needs in the different sectors. In the planning phase, they took an integrated approach to fine-tune sectoral policies and bring them together in a common strategy. The **working groups** constitute the second platform for **horizontal integration** and represent the main place for the **stakeholder participation**. These groups, coordinated by EPURES, worked for the different political commissions and gathered institutional (EPCIs and the associated public) actors and socio-economic actors. Almost all respondents agreed that these structures were crucial to the process. Likewise, in the opinion of most of them, the **lack of participation**, big commercial actors in the working groups (due to a clear political will) in particular, may be considered as the weakest link in this territorial governance process. The appeal that led to the SCOT withdrawal was in fact presented by IMMOCHAN, the branch of Auchan Group responsible for managing the real estate group.

## 4.2 Towards effective territorial governance

### *Increase flexibility and legal certainty*

The involvement of different levels of government and stakeholders is a standard condition for good territorial governance. As shown in the very diverse cases of the Trilateral Natural Park Goričko-Raab-Örség in the Alpine Adriatic area (box 9) and the StedenbaanPlus initiative (box 8), the fact that different levels of government were represented made it possible to match the objectives of the



various interventions in a place-based and adaptive perspective. Additionally, in the former case, the organisation of *ad hoc* debates among participants was considered, in case relevant changes required them. In the latter, accessible public transport for all residents in suburban and rural municipalities is the result of an overall consensus of stakeholders and inhabitants. A **flexible governance structure** is therefore necessary for enabling inclusion and participation.

From a governance perspective, participatory practices have the capacity to transform the decision-making process in a broad sense. This transformation consists in general of an added layer of decision making, which is usually in the hands of elected decision makers. One implicit assumption is that dialogue triggered by participatory processes allows changes in judgment among actors and makes it easier to find agreements. But these deliberative mechanisms and their systematic push toward decentralisation and to the multiplicity of stakeholders can also make control devices more vulnerable and facilitate the opportunism of new agents. Another implicit assumption to be verified is that the expansion of the information base, due to the mobilisation of various actors, enables more relevant and appropriate measures. Thus, **significant challenges in terms of ethics and of efficiency** are involved. There is a need to ensure that governance really generates “good” organisational and institutional innovations in terms of transparency, management, training/information of actors and/or conflict mitigation.

This is particularly true when individual and collective **rights on the use of land and of space** are at stake. Despite differences among spatial planning systems in Europe (ref. 27), new spatial developments everywhere are implemented through changes to existing land rights. This often implies a redistribution of values and opportunities among concerned owners and users. In this respect, territorial governance would benefit from systematic **public evaluation of the redistributive effects** of spatial developments. This would help determine whether, and/or in which conditions, a certain spatial development is allowed and to establish possible compensations for negatively affected parties. Among the analysed cases, the capacity to achieve an advantageous balance between flexibility and legal certainty has been one key to success in the case of cross-border water management in the Rhine Basin (box 2). In this case, legally binding agreements were combined with a sufficient operational flexibility within the strategic framework.

### *Recognise inhibitors to governing capacity*

**Weak institutional capacity or stability** is a frequent source of problems for vertical and horizontal coordination. A lack of previous collaborative experiences has hurt the coordination process in the South Loire's SCOT (box 10) and in the management of Structural Funds in the South Transdanubian region (box 11), in which changes in government structure and staff were also frequent. Cross-border governance experiences, for rather obvious reasons, are more often exposed to problems of political instability. This emerged indeed in both the

water management of the Rhine Basin (box 2) and in the Trilateral Nature Park Goričko-Raab-Örség (box 9), where legal differences in the management of the three parks were evident.

More interestingly, the experience of neighbourhood planning in the North Shields Fish Quay (box 3) has shown that governing capacity can be lost if there are no **mechanisms to capture the governance achievements** developed during the production of a plan or programme. The **inadequacy of the adopted tools** is often due to the preference for “soft planning” instruments, even in cases where they are less suitable. In the StedenbaanPlus initiative (box 8), the exclusivity of soft instruments seems to have weakened decision-making powers. The same is true for the spatial planning strategies and regional development policies in Ljubljana Urban Region (box 12), which were exclusively based on coordination and cooperation between municipalities and service providers through a strategic (but non-compulsory) platform.

Another possible inhibitor is the **lack of political will for the inclusion** of economic stakeholders, as shown again in the case of the South Loire's SCOT (box 10). Finally, **insufficient financial autonomy** at the local and regional levels has affected the effectiveness of Structural Funds allocation in the South Transdanubian region (box 11), where local governments lack resources. This decreased their decision-making role within the whole governance structure.

### *Focus on institutional adaptability*

The implementation of territorial governance is a process that **gains value over time**. All of the observed experiences emphasise the procedural nature of the implementation of governance arrangements, which require sufficient time. “Good” governance systems cannot be imposed, but are developed based on the patient identification of emerging issues and the progress of projects.

In general, practices that capitalise on experience and know-how promote learning effects. For instance, it is possible and advisable to sustain practices that result in learning to create a culture of shared governance and procedures. In turn, continuity promotes the development of **learning processes**, which are crucial to durable territorial governance. For example, in Stockholm's efforts to promote resource efficient development (box 7), opportunities for social learning were given by additional layers of governance (steering groups) and frequent evaluations throughout the process. Conversely, the local enterprise partnerships in Greater Manchester (box 6) could benefit from specific institutional mechanisms, favoring reflexivity and learning. This was also the case with European Capital of Culture events in Pécs (box 1), where the practical need to cope locally with unexpected crisis situations during the project has been virtuously channeled by the use of local knowledge.

The latter case also stresses that learning is essential to the **capacity for adaptation** to changing contexts. This is possible when a capacity to respond to ongoing processes is integrated into practice. This is an objective that is rarely

achieved by combining work that was managed separately by external consultants. The procedure of progressive plan making established for the South Loire SCOT (box 10) is a useful example of this kind of devices.

Overall, the arguments and examples above indicate the importance of **triggering institutionalisation processes** through territorial governance. Institutionalisation is validated through the decision-making procedures by communities or management structures. This may conflict with a lack of political will or various path dependencies. Further, the question of hierarchies and power relations becomes acute when institutionalising new actions over time, which can lead to animated discussions. However, “institutionalising” should not be an end in itself, nor should it necessarily imply that a new system of rules must be created. Rather, it focuses on establishing evidence-based routines that can help streamline and reduce costs, lighten the burden of implementation, and reduce complexity. In all cases, **new routines** can be institutionalised to capitalise on methodological frameworks but without becoming rigid, to maintain maximum flexibility. While innovative procedures deserve to be institutionalised, it is important to ensure that doing so does not create new constraints, including reduced stakeholder involvement or support.

### 4.3 Programming system based on performance

Despite differences among spatial planning systems in Europe (ref. 27), various national examples show that the success of any effort to ensure **spatial consistency between public policies** is mainly dependent on the following factors (ref. 25):

- the existence of a basic political agreement that establishes the major objectives;
- the system of spatial policy within the political/ administrative system and the quality of procedures set up to settle conflicts or establish consensus;
- the availability of political and financial resources to organise communication and to establish consensus and compromise seeking.

The successful and wellknown 25 year experience of cohesion policy has led to a *de facto* model of territorial governance pivoted on the performance of results. This model aims to promote **non-binding policy programmes** that encourage the implementation of projects that can perform an agreed collective strategy. For example, based on EU cohesion policy regulations for the 2014-20 period; only projects that are expected to achieve the goals of the “Europe 2020” strategy (ref. 2) will be funded for implementation. While *conformance* is usually pursued through binding plans in line with relevant standards or authority, *performance* focuses on the execution of an action or the fulfilment of a claim, promise or request. However, in the *performance’s* case, an **effective selection of development projects** according to agreed and explicit evaluation criteria can be achieved.

### Box 11 – Building Structural Fund Management systems in Central and Eastern Europe

This case study focused on the **use of Structural Funds** that have a significant impact on public administration in Central and Eastern European (CEE) countries. In Poland, Slovakia, Romania and Hungary, the absorption of EU subsidies is one of the most important political ambitions. However, the governance regime of Structural Funds is a considerable challenge-**Traditional government structures** and practices in CEE countries do not typically harmonise with the principles of decentralisation or regionalism, partnership, efficiency, transparency and strategic integrative planning. Hungary has tried to



adapt to these challenges by establishing **separate structures and institutions** to fit to the Structural Funds system. The South Transdanubian development (non-administrative) region is one of the seven NUTS2 regions in Hungary and is one of the most underdeveloped regions. Although the region has had a Regional Operational Programme since 2007, planning of South Transdanubian Operational Programme (STOP) took place in a **centralised scheme** providing only a few opportunities for local actors to be involved. The elaboration of STOP strictly followed the continuously changing requirements of the EU and the expectations of the central government. Although some unique features and regional specialities could be included as well, STOP lacked the integrated programmes' focus on the specific problems of the region. A positive key-feature of the case study was the **involvement of actors with territorial knowledge** of the Regional Development Agency (RDA) in an institutionalised form, at least in the planning and implementation phase of the programme between 2007 and 2008. These actors were able to adequately mediate specific problems, interests and efforts of individual or several groups of stakeholders, enhance efficiency during the phase of planning-preparation and foster the **mobilisation and activity of stakeholders** during implementation. The exploitation of territorial knowledge has been an ambiguous action in the Hungarian practice. The involvement of the Regional Development Agency has evidently contributed to the **insertion of a territorial perspective** in the National Strategic Reference Framework.

The successful elaboration of STOP and its initial implementation required coordination and organization, as well as territorial knowledge of the Regional Development Agency. The elaboration of comprehensive plans that were not sufficiently focused on of the challenges and opportunities in the given territory was a typical planning mistake committed by each Hungarian region. RDAs (as intermediate bodies) were able to influence the calls for centrally controlled ROP proposals during the initial phase of the programming period, incorporating territorial needs into them. Post-2008, however, the implementation of Regional Operational Programmes (ROP) became totally centralised and, as a result, RDAs were excluded from the tendering process. The implementation involved schematic and uniform rehabilitation programmes of central districts and community, infrastructural developments. However, no complex regional development programmes, common in the region, were implemented from the development funds. Finally, while RDA integrated its necessary territorial knowledge for feeding into the planning and implementation phase, it was utilised only to the extent that the **centralised Structural Funds management system** permitted.

It is interesting to note that the **cohesion policy model** is seen to be innovative, especially in new Member States, who adopted the approach later than other EU countries. The preparation of a regional operational programme in accordance with EU regulations was fundamental in developing the main development targets in the South Transdanubian region (box 11) and in the European Capital of Culture events in Pécs (box 1). This was also the case in the Ljubljana urban region (box 10), where the regional operational programme has operated as an

effective tool for the integrated planning of transport infrastructure, economic development and land use at the capital city region level.

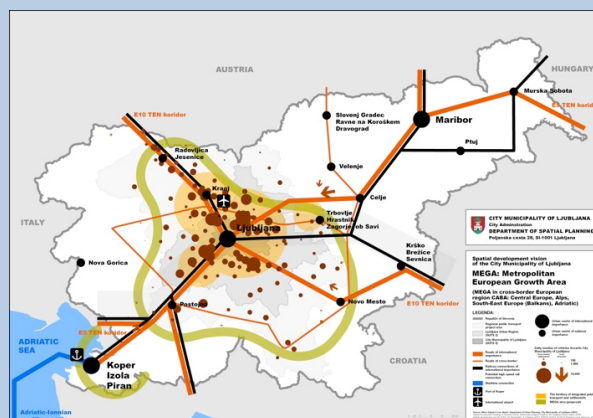
The case of cross-border water management in the Rhine Basin (box 2), which benefited from EU structural funds from the 1990s onwards, is an excellent example of how the EU **multi-annual programming** can be a source of inspiration for promoting autonomous strategic development frameworks. In the Rhine Basin, this was based on a hierarchy of territorial units (in this case river basins and sub-basins), and on an effective combination of legally binding agreements and structural flexibility. The Common Strategic Framework for EU cohesion policy during the 2014-20 period (ref. 7) will introduce some major improvements, such as the Partnership Contract between the EU and Member States and various instruments for local development in specific sub-regional areas (see section 2.2). A spontaneous **alignment of national and regional programming systems** with the EU model in the next years would ensure consistent gains in overall efficiency.

## Box 12 – Public transport strategies in the Ljubljana Urban Region

This case study focused on the territorial governance practices in the process of formulating and implementing **integrated public transport strategies** in Ljubljana Urban Region (LUR) – officially known as the Central Slovenian NUTS3 region. These efforts followed the establishment of the Regional Development Agency of Ljubljana Urban Region (RDA LUR) in 2001. The main task of the RDA LUR was the preparation of the “Regional Development Programme of Ljubljana Urban Region” (RDP LUR) 2002-06 and 2007-13 in **cooperation with municipalities, the State, policy sectors and stakeholders**. The RDA LUR also works on the formulation and implementation of operational programmes.

Made up of the Municipality of Ljubljana and 25 surrounding LAU2 municipalities, LUR has the largest population of any region in Slovenia size with approximately 500 000 inhabitants (25% of population and 12.6% of Slovenia’s territory).

A specific focus is on the formulation and implementation of **multi-level policies at the inter-municipal level**, in relation to the RDP LUR. There are “**soft**” instruments available based on **coordination and cooperation** between municipalities and other stakeholders through the RDA LUR as strategic policy platform(s), but there is also the “**top-down**” formal obligation of making the RDP with the support of the inter-sectoral coordination body in the central government and the City Municipality of Ljubljana, legal owner of RDA LUR. The preparation of integrated transport strategies in LUR is one of the most important policies **mobilising stakeholders’ participation with territorial knowledge, consensus building and institutional learning**. Integrated planning of transport infrastructure, spatial and land use development are part of the RDP LUR 2007-13. The **strategic policy framework** includes all relevant stakeholders as well as a “soft” regional platform that promotes policy goals emphasising horizontal cooperation among municipalities in the LUR and sectors. An inter-sectoral coordination body at the regional level (RDA LUR) has been set up for policy formulation. Public as well as private companies and professional bodies have been included/consulted. The RDA LUR has provided access to information of public interest and using traditional and online media has been used to inform stakeholders and the general public. One of the main governance features is the coordination of different levels of decision-making through a **strategic policy platform**. This has taken the form of a partnership arrangement between various public and private actors that accounts for existing policy instruments from different levels of government. It is concerned with **vertical and horizontal coordination**, linking municipalities with the RDA LUR, and with central government (vertically), and bringing together different sectoral interests concerned with spatial development and public transport (horizontally). These initiatives also require **resources for implementation and bottom-up initiatives**. Due to the **lack of complex regional spatial plans** and the **lack of administrative regions**, national and sectoral strategies and policies are not very well linked to a “place-based approach” in Slovenia., taking in consideration new trends and problems such as flooding or inadequate financial resources for policy implementation due to budget cuts and the financial crisis better adaptability is also needed.



## 4.4 Place-based rationale

In relation to other governance processes, territorial governance is especially well distinguished for its capacity to recognise and integrate territorial or place-based specificities and impacts. As mentioned in the introduction, “place-based” is an expression promoted by the Barca Report (ref. 3) to indicate a development policy with a focus on **three features**:

- the place-specific character of natural and institutional resources and of individual preferences and knowledge;
- the role of (material and immaterial) linkages between places; and
- the resulting need for interventions to be tailored to places.

The rationale behind this definition is that, in the context of a governance process aimed at development:

**“place must be defined as a social concept**, a contiguous / continuous area within whose boundaries a set of conditions conducive to development apply more than they do across boundaries (i.e. relative to other places): natural and cultural circumstances and the preferences of people are more homogeneous or complementary, the knowledge of people is more synergetic, and positive externalities and formal and informal institutions are more likely to arise. The boundaries of places are thus independent of administrative boundaries, endogenous to the policy process and can change over time” (p. 5).

This is intended to favour spatially differentiated policies that account for the diversity and potentials of territories and that eliminate barriers to cooperation. From a **normative perspective**, a place-based development policy can be therefore defined:

- as a long-term development strategy with the objective to reduce persistent inefficiency (underutilisation of the full potential) and inequality (share of people below a given standard of well-being and/or extent of interpersonal disparities) in specific places,
- through the bundling of integrated, place-tailored public goods and services, designed and implemented by eliciting and aggregating local preferences and knowledge through participatory political institutions, and by creating linkages with other places; and
- by promoting a system of multilevel governance where grants subject to conditions on both objectives and institutions are transferred to lower levels of government.

In this light, one major issue for concretising a place-based rationale in a territorial governance process is its **integration in the prevailing and established administrative or governmental systems**. However, there are excellent examples of where this has worked well, including the water management case in the Rhine Basin (box 2), where the concept of a river basin and its specific needs have shaped the policy process and the governance

framework in a difficult cross-border area. Stockholm's sustainable development (box 7) is an interesting example at the urban level: Greater Stockholm is one of the few regions to have a regional plan in Sweden, although it is not binding. Swedish municipalities have a great deal of control over the urban development within their jurisdictions, which is often described as a "municipal planning monopoly". Nonetheless, the regional plan has helped to coordinate activities between municipalities and to overcome hard boundaries.

The **concept of a "functional region"** may be particularly helpful for decision makers establishing a place-based rationale. This concept can be defined in various forms and at different scales, according to the governance framework needs. This is defined by the OECD (ref. 28) and the ESPON programme (ref. 29) as a "functional urban area" (FUA), and by Accordingly, a FUA is an area characterised by functional relations overcoming administrative borders, usually organised around one or several nodes, with surrounding areas linked to them by transportation systems, communication systems, and/or other economic activities. To be considered a functional area, at least one form of spatial interaction must occur between the centre(s) and other parts of the area. Another possible description of a functional region at a different scale can be taken from the concept of "macro-regional strategies", promoted in the framework of EU territorial cooperation (ref. 30).

Finally, the report **"Place-based Territorially Sensitive and Integrated Approach"**, recently published by the Polish Ministry of Regional Development in the framework of the EU Territorial Agendas' follow up (ref. 6), is relevant for all decision makers concerned with territorial governance in Europe.



## 5. Recognising the value of the five dimensions of territorial governance

After describing the framework for assessing territorial governance set up by the TANGO research project in chapter 1, chapters 2, 3 and 4 have suggested how **practitioners, policy makers** and **decision makers** can manage the resources at their disposal. These include practices, techniques and rules to foster good territorial governance in Europe.

The chapter offers these three groups of stakeholders with some last recommendations regarding the **five dimensions of territorial governance** presented in the handbook:

- coordinating actions of actors and institutions;
- integrating policy sectors;
- mobilising stakeholder participation;
- being adaptive to changing contexts;
- realising place-based/territorial specificities and impacts.

The following five sections stress how these dimensions of territorial governance are **all equally relevant for the performance** of practitioners, policy makers and decision makers.

### 5.1 Set up flexible coordination based on subsidiarity

**Vertical and horizontal interplays**, such as those among different levels of government and between governmental and non-governmental actors, are relevant governance features. They can be oriented towards practices, techniques and rules. Good territorial governance can benefit from an overall coordination of vertical and horizontal interplays, based on two main principles: **flexibility and subsidiarity**. Some clarifications in this respect are helpful.

Flexibility does not entail weakening established government powers, but rather a reduction of all constraints that challenge the **transparent and efficient exercise of government powers**. In the case of cross-border water management in the Rhine Basin (box 2), the flexibility of strategic frameworks and organisational structures allowed the countries involved to work according to their respective administrative traditions.

Subsidiarity is increasingly understood and applied in the vertical coordination of government levels (empowerment of local authorities). However, a major challenge with **vertical subsidiarity** remains the **persistence of unjustified centralisation**, which is still particularly common in Eastern European countries. For instance, the dominance of the City of Ljubljana over smaller municipalities in the implementation of spatial planning strategies in the Ljubljana Urban Region (box 12) was not appropriate for the specific territorial

governance aims. The same is true with the dominant role of the central government and centralised management of Structural Funds for the European Capital of Culture events in Pécs (box 1). A lack of decentralisation processes in the Structural Funds has also affected the South Transdanubian programme (box 11). The **lack of local political motivation**, illustrated by the limited participation of mayors' in preparing the South Loire's SCOT (box 10), shows the other side of the coin.

Admittedly, less is known and discussed about the horizontal implications of subsidiarity in territorial governance. As observed in the ESPON TANGO case studies, **horizontal subsidiarity** refers to the empowerment of non-governmental actors and citizens in their efforts to engage in development projects. If the certainty of existing land use rights and public control devices are ensured, **negotiations and decisions** on spatial development can be better **dealt with at the individual project level** (rather than at the general planning level). This is the level where the impacts and effects can be more carefully evaluated and considered. In the Stockholm experience of resource efficient urban development (box 7), negotiations and decisions at the project level have helped make the process more responsive to specific requirements for resource efficiency and environmental sustainability. Conversely, a lack of consistency between the design of strategies and projects is a main consequence of lack of horizontal subsidiarity.

## 5.2 Create a rationale for policy integration

A second aspect of good territorial governance is the **capacity to integrate relevant sectors of public policy**. Previous chapters have shown what this may imply in terms of practices, techniques and rules. All ways of promoting policy integration can be enhanced through the definition or even the creation of **one or a few specific and clear goals** that justify integration. To convince stakeholders at different levels to overcome comfortable routines and path-dependencies integration efforts need to be promoted through shared and strong motivation. The resource efficient urban development in Stockholm (box 7) is an excellent example of how a clear and concrete focus environmental rationale for the project has pushed to integrate policies for numerous aspects of planning and resource efficiency.

At the same time, one should be careful to **avoid having one sectoral rationale dominate over others**. The same Stockholm example has shown that the overarching economic rationale in urban planning has hampered governance processes and the further implementation of resource-efficient urban development projects across the city. The case of climate change adaptation in the Baltic Sea Region (box 4), where the early strong environmental rationale made the governance process more rigid, shows that a certain rationale is not "good" or "bad" per se. The same rationale (environmental preservation in this case) can promote (Stockholm) or inhibit (Baltic Sea Region) integration, based on the specific aims and features of each territorial governance process.

The achievement of policy integration can be also be affected by the **incomplete or faulty involvement of stakeholders**. For example, the frequent lack of a comparable representation by sectors (decision and policy makers) at the same table has caused some policy integration problems in the coordination of land-use and transport planning in Southern Randstad. This was an important rationale for establishing the StedenbaanPlus initiative (box 8). The exclusion of local cultural stakeholders interested in local development has limited the effectiveness of the Pécs events as the European Capital of Culture (box 1).

This kind of problem is sometimes due to a **sector silo-mentality**, as observed in the case of the Trilateral Nature Park Goričko-Raab-Örség in the Alpine Adriatic area (box 9), the Stockholm case study (box 7) and, to some extent, in North Shields Fish Quay (box 3). A **weak institutional capacity or stability** may also be a cause. The absence of a strong and stable governmental department for regional policy has negatively affected the management of Structural Funds in the South Transdanubian region (box 11). In the case of local enterprise partnerships in Greater Manchester (box 6), the poor links with wider civic society were problematic for policy integration.

### 5.3 Involve the appropriate actors

Previous chapters have shown that practices, techniques and rules are useful to **mobilise stakeholder participation** in territorial governance. Mobilisation can contribute to the success of territorial governance insofar as it is organised to **actively involve stakeholders that are particularly affected** by the specific governance process. With this in mind, participation should be understood not just as a requirement to be respected or as a right to be granted; but rather as a precious resource that is crucial to effective territorial governance. The formal involvement of regional organisations proved useful in the South Transdanubian operational programme (box 11), as was the case with the active local civic engagement during the initial phase of Pécs' efforts to become a European Capital of Culture (box 1). The involvement of NGOs on all decision levels was a key to success in the cross-border water management in the Rhine Basin (box 2).

In contrast, one should **be wary of the exclusion or misleading mobilisation of stakeholders**. A lack of participation among commercial actors has limited the effectiveness of the South Loire's SCOT (box 10). In the North Shields Fish Quay's experience of neighbourhood planning (box 3), the involvement of individuals not related to the case created the risk that the community could end up being underrepresented in the process.

A central series of problems in this domain concerns political responsiveness to participation. A key issue is related to the **limited public accountability** of decision makers, which is often hidden behind traditional procedures of consultation, as shown again in the North Shields Fish Quay's experience (box 3). The case of resource efficient urban development in Stockholm (box 7) shows that short-term interest, with frequent shifts of focus to new projects, can affect public accountability in the long term. In the Ljubljana Urban Region's

experience (box 12), limited public accountability provoked an increase in personal contacts, with the limited involvement of the civic society, which resulted in an insufficient institutional synergy. Further, the Pécs case (box 1) suffered from domination by the political elites and closed networks in the governance process. The Ljubljana case also illustrated a **limited attitude towards cooperation** among public authorities. Here a competition based on different fiscal advantages and the allocation of funds between 26 municipalities of different size has also weakened stakeholder involvement.

Another domain that can affect stakeholder involvement concerns the quality of mobilisation. **Timing** is an important issue, since late involvement is generally not useful and very often counterproductive. The experience in Stockholm (box 7) shows that late public participation in the process can be a consequence of both legislative provisions and bureaucratic attitudes. A second issue concerns **communication within the process**, as reflected in the South Loire's SCOT experience (box 10), which was affected by a limited institutional communication. In the Ljubljana Urban Region (box 12) insufficient communication among stakeholders weakened institutional capacity and allocation of political resources. In the Pécs European Capital of Culture events (box 1), limited communication between public authorities and civil society, as well as between the central and local levels, was interpreted as a lack of faith in local intelligence. A final issue affecting the quality of mobilisation relates to the **external transparency** of governance processes. The Stockholm case highlighted the negative consequences of limited transparency in negotiations between urban developers in the decision making process and in the realization of projects.

## 5.4 Pursue a shared understanding of the changing context

Practices, techniques and rules can also help make **territorial governance adaptive to changing contexts**. A general precondition is the need to shape a **common understanding of the issues at stake**. This proved to be successful for cross-border water management in the Rhine Basin (box 2), for instance. The practical need to cope with unexpected crisis situations during the project realisation has created various opportunities to connect governance levels and to unify the decision-making process. This was also the case for the European Capital of Culture event in Pécs (box 1).

Conversely, **a limited collective reflexivity** can constrain effective territorial governance, as shown in the neighbourhood planning experiences of North Shields Fish Quay (box 3). The same was true for the spatial planning and transport strategies in the Ljubljana Urban Region (box 12), where a response to the economic crisis was rather slow due, amongst other reasons, to the delayed adaptation and use of available instruments and funds for the implementation of public transport infrastructures.

The adaptability of territorial governance to changing contexts often depends on framework conditions, such as **excessive institutional complexity or**

**instability.** In the Pécs case (box 1), a complex structure, frequent organisational changes and fluctuation in staff have made a serious adaptation strategy almost impossible. In the management of Structural Funds in the South Transdanubian programme (box 11), an overly complex institutional system, and a lack of transparency in the division of labour within it, led to an inflexible and centralised system.

In the same case, limitations due to the rigid and centralised structure of the National Development Agency suggest that **excessive rigidity in the governance structure** can be an opposite but equally problematic issue. Further, the **absence of feedback procedures** is another challenge to be aware of. This was the case in Stockholm (box 7), where the lack of feedback loops to reflect on various components in urban planning (institutional, technical, instrumental etc.) has limited social learning.

A different group of problems concerns individual attitudes towards change and adaptability among decision and policy makers involved in territorial governance processes. In a multi-actor process, individuals in positions of responsibility have a strong influence on paths for action. With this in mind, **prejudice or limited strategic thinking** can be a major factor that limits good territorial governance. In Stockholm, no mechanisms for adaptability were installed due to the strong belief in continuing population growth and demand for housing. This was also true in the case of neighbourhood planning in North Shields Fish Quay (box 3), where limited strategic thinking has restricted the possibility to revisit decisions over time. More generally, **uncertain or blurred strategies** tend to hinder territorial governance approaches that are adaptive to changing contexts. The case of climate change adaptation in the Baltic Sea Region (box 4) shows that overly soft strategies can have little “bite”, especially in large and/or “new” territories.

## 5.5 Adopt a multi-scalar vision

Territorial governance is especially distinguished from other governance processes because of its orientation to **address place-based specificities and characteristics**. This has various implications for practices, techniques and rules, which are united by the common goal to understand **place-based characters as the product of multi-scalar dynamics**. Such understanding proved to be valuable in the elaboration of spatial planning and transport strategies in the Ljubljana Urban Region (box 12). In this case the representation of multi-level governance needed to make it possible to achieve the purpose of the public transport intervention: accessibility to all residents in suburban and rural municipalities. The same was true in the StedenbaanPlus initiative for the coordination of land-use and transport planning in Southern Randstad (box 8).

**Avoiding the spatial de-contextualisation** of development projects is important, as shown in the Stockholm case. While the specific project mentioned there, Stockholm Royal Seaport (box 7), promoted the aims of “Stockholm as a

Walkable City”, it was not well connected to other planned and/or on-going projects the urban region.

Difficulties in adopting a shared vision depend very often on the geopolitical context, regardless of the scale of the governance process at stake. These can result from **weakly structured institutional frameworks**. In the Ljubljana Urban Region case (box 12), which is not an administrative region (but simply statistical), individual municipal mayors were allowed to represent territorial interests without a joint vision. In Pécs (box 1) the lack of elected regions and the weak county governments have limited the sharing of a place-based approach in a broader regional sense.

Problems can finally relate to **administrative disputes on the territorial scope definition**, as emerged in the strategy for climate change adaptation in the Baltic Sea Region (box 4). Uncertain definition of the intervention areas was also an evident problem in the Target-based Tripartite Agreement among the European Commission, the Italian government and the Lombardy Region (box 5) and South Loire’s SCOT (box 10). In the Stockholm experience of resource efficient urban development (box 7), municipalities did not have the same aims (e.g. to respond to the growing demand for housing) and in some cases a zero-sum game mentality has been present. For the same reasons, the initial egoism of the City has hindered cooperation with the region in the Ljubljana Urban Region’s case (box 12). These final examples underline the challenges in addressing a place-based approach in the daily practice of territorial governance.

## Final message to the reader

Handbooks with a discursive character rarely end with conclusions. They are intended to share and improve operational learning that, by definition, is a progressive and never-ending process. Practitioners, policy and decision makers concerned with territorial governance in Europe will be able to acknowledge its strengths and weaknesses in carrying out their activities. Meanwhile, new challenges and opportunities for territorial governance will emerge and further analyses will be developed, widening the range of case studies and increasing the amount of evidence-based knowledge. All of this will perhaps lead to an updated edition of the ESPON guide on territorial governance, or to a brand new one.

Rather than a conclusion, this short final section is thus a message of thanks to the reader, with the recognition that territorial governance will keep us engaged with common purposes and issues well into the future. The guide's authors particularly appreciated the "stakeholder workshop", held in Brussels on March 20<sup>th</sup>, 2013. It involved a sample of the handbook target group in some practical exercises to test the analyses carried out. The workshop results have been of great value for framing this guide. Learning from the experience of directly involved players is crucial for a complex policy field such as territorial governance. The hope is that after this guide's publication, the ESPON programme receives reactions and suggestions from stakeholders on the usefulness of the guide.

As a concluding comment, the image of the Rubik's Cube reminds us that in territorial governance, no player can decide all moves, but all moves can help change the overall context. The continuous cooperation of scholars and territorial governance stakeholders may therefore be a perhaps minor, but necessary, step towards the common aim of making the EU a smart, sustainable and inclusive place.

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