Towards Better Territorial Governance in Europe. A guide for practitioners, policy and decision makers based on contributions from the ESPON TANGO Project

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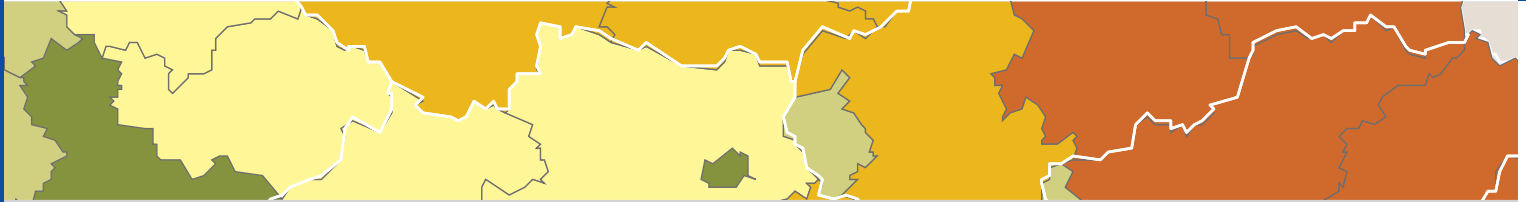
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Colophon

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1.   A Guide to Territorial Governance

Guides help you do things. You turn to them when you need to find out how to solve a problem. They are a form of knowledge transfer, written by experts but in a way that is accessible and helpful to a wide group of users. This Guide was written by the researchers on the ESPON applied research study of Territorial Approaches to New Governance (TANGO). It aims to help those persons and institutions that are delivering territorial governance across Europe.

Who is the guide for?

This guide is targeted at three groups of potential users. These are:

- **Practitioners**, i.e. 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**, i.e. 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. Plans, programmes and projects are their main means of delivering territorial governance.

- **Decision-makers** who are mostly democratically elected politicians, such as members of the EU Parliament, national parliaments, or regional and municipal councils. However, they may also include persons appointed as representatives to bodies with decision-making powers, e.g. community representatives in partnerships for regional development. 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.

However, the essence of governance is that it extends beyond governments, engaging a potentially wide range of stakeholders and non-governmental institutions. We hope the Guide can be useful to them, too.

Why is a guide needed?

Effective partnership working across different scales is recognised as essential for Europe's cohesion and economic recovery. The Common Strategic Framework for cohesion policy 2014-2020 seeks much better integration of policies, and a more rigorous focus on achieving desired outcomes. In other words, better governance is fundamental to achieving the goals of smart, sustainable and inclusive growth. Integration and partnerships need a territorial dimension if they are to deliver the desired synergies. Box 1 more fully explains why territorial governance has become an increasing concern within Europe.

Box 1. Policy context of a guide to better territorial governance in Europe

Europe is still in recovery from a deep financial crisis and is struggling 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 recognised 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. 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 was discussed in the "Green Paper on Territorial Cohesion" (ref. 4). It 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.

Similarly, 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.

What does the guide do?

This guide highlights key elements for improving territorial governance in Europe. In that respect, it unfolds five core dimensions by presenting their components, provides a checklist and indicators, and suggests techniques that can be adopted and rules that have to be followed (Chapter 2). Each dimension corresponds with one recommendation suggested for improving territorial governance (Chapter 3). Building upon these, the guide shows how theory can be put into practice and provides insights from different territorial governance examples (Chapter 4). These examples are presented in some detail in the last chapter (Chapter 5).

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.

2. Territorial governance in a nutshell

"Territorial governance" is difficult to pin down. This section provides a rough definition by identifying five dimensions of territorial governance. Based on these 20 more detailed components are presented. This leads forward to a territorial governance checklist presenting what not to forget when working with territorial governance processes. The presentation of 12 indicators follows, which may help to monitor and evaluate territorial governance processes. Finally the section rounds of with techniques and methodologies that can support better territorial governance in Europe and with two key rules that could improve it.

5 dimensions

This Guide 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.

We call these the **"five dimensions"** of territorial governance. They will be familiar challenges to users of this guide, and are fundamental for the achievement of territorial cohesion. Moreover, in line with the Europe 2020 strategy, *development* is understood not as a narrowly economic measure, but rather as an improvement in the efficiency, equality and environmental quality of a place/territory.

The five **dimensions** of territorial governance can be used at **all levels** from local to European. Like the well-known Rubik's Cube, better territorial governance in Europe is complicated, but with practice, help and skill it is manageable (Figure 1). However, **one single player cannot decide all of the moves**, and each player has to be aware that his/her own moves cause changes in the overall framework.

Figure 1. The "Rubikube" of better territorial governance in Europe

Levels of action

Rules
Techniques
Practices

Interactive resources

Supranational
Transnational
National
Cross-border
Interregional
Regional
Sub-regional
Local
Sub-local

Coordinating actions
Integrating policies
Mobilising participation
Being adaptive to change
Realising place-based impacts

Dimensions
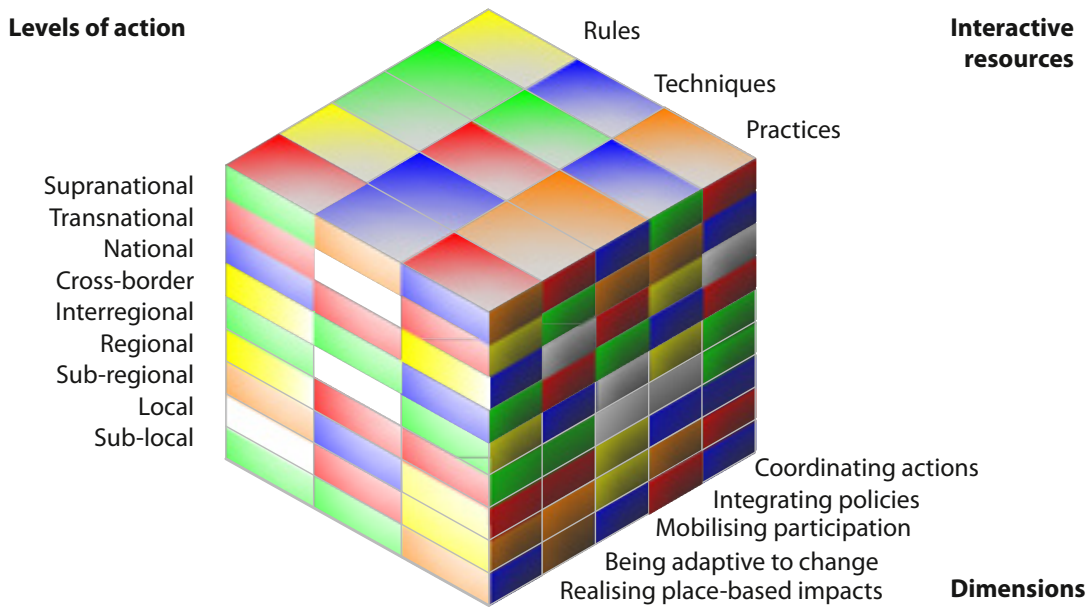
Multi-level governance has become familiar across the EU, for example in linking EU concerns into national, regional and local actions that bring together investments from European funds with other resources, including support from the private and voluntary sectors.

"Territorial governance" is an extension of multi-level-governance. It adds explicitly territorial and knowledge related elements, thus **focusing on a place-based and territorially sensitive approach** (Figure 2).

These five dimensions will be further elaborated and explained in the third chapter of the guide.

Figure 2. Territorial governance approach & multi-level governance connection

Dimension 1:
Co-ordinating actions of actors & institutions

Dimension 2:
Integrating Policy Sectors

Operative field of Multi-Level Governance (MLG)

Dimension 3:
Mobilising Stakeholder Participation

Dimension 4:
Being Adaptive to Changing Contexts

Dimension 5:
Realising place-based/territorial specificities & impacts

Added territorial & knowledge related elements to Multi-Level Governance (MLG)

20 components

These five dimensions can be further explained and pursued through **20 "components of territorial governance"** (Box 2). These components point towards the **"who, what and how" aspects of territorial governance**.

All five dimensions and their respective components should be considered when formulating and implementing public policies, programmes and projects.

Box 2.   The 20 components of territorial governance

Dimension 1: Coordinate 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: Integrate policy sectors

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

Dimension 3: Mobilise 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: Be 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: Realise 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

1 checklist

For a territorial approach to succeed it is crucial to recognize the territorial diversity of places as well as their distinctive and different development opportunities. Therefore it is impossible to provide "one size fits all" instructions for territorial governance. However, Box 3 provides a quick reference checklist of questions for practitioners, policy makers and decision makers to consider in their efforts to promote good territorial governance.

Box 3. Territorial governance checklist

1. Coordinate the actions of actors and institutions to set up flexible coordination based on subsidiarity

- Which actors at all levels are needed to organize and deliver the territorial goal at stake?
- What types of existing platforms or forums are available to facilitate coordination?
- Do existing platforms/forums have the capacity and legitimacy among actors and institutions to achieve the territorial goal at stake?
- What is the formal and informal distribution of power / room for manoeuver?
- What types of territorial knowledge do actors and institutions have?

2. Integrate policy sectors to create a rationale for policy integration

- Which policy sectors are needed to be able solve the issue at hand?
- What are the potential or real sectoral conflicts?
- Who is able to discuss the topic? Who has a stake in this?
- What are the potential synergies that could be realized by inter-sectoral cooperation?

3. Mobilise stakeholder participation to involve the appropriate actors

- Have all relevant groups been considered (e.g. inhabitants, policymakers, interest groups)?
- How can new or previously excluded groups be included in participation processes?
- How could stakeholders be encouraged to participate?
- How are stakeholders given insight into territorial governance processes?
- Are there processes or mechanisms in place to use the territorial knowledge gained through stakeholder participation?

4. Be adaptable to changing contexts to pursue a shared understanding of the changing context

- How can individual and institutional learning be encouraged?
- How can forward-looking and/or experimental decisions be made?
- In which ways can new territorial knowledge be integrated into the process?
- Have contingency plans been made, and what is the scope of flexibility?

5. Realise place-based/territorial specificities and impacts to adopt a multi-scalar vision

- What are the place-based specificities that are most relevant for the issue?
- How has the area of intervention been defined? Are the boundaries "soft" or hard?
- How can territorial knowledge (expert or tacit) be utilized in achieving the goal?
- How are the territorial impacts of policies, programmes and projects evaluated?

12 indicators

The five dimensions and 20 components are supported by 12 qualitative indicators to provide an **overall assessment instrument to review, check, organise and eventually "do" territorial governance**.

These indicators 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 3). The indicators constitute a conceptual framework upon which assessments can be developed. It is suited to include other tools in a more comprehensive system of indicators for analysing territorial governance.

Figure 3. 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.

3 techniques

There are three techniques which can help policy and decision makers to improve territorial governance:

1.   Strategic framework design

The essential points for the design of a strategic framework for territorial governance processes are:

(a)   The **joint development of a general framework**, intended as a framework of control, a guideline for strategies, or an action plan for specific purposes. It is important to consider **flexibility** as strength, since only a defined structure with flexible attributes can be adapted to changing contexts. A framework should also be used as an overall **management tool**, used to identify connections between objectives, sub-objectives and measures, as well as the relevant procedures.

(b)   The **integration of relevant stakeholders**, towards a clearly defined goal. Stakeholders should be brought together from all relevant sectoral policies (multi-sectoral integration approach) and represent different governmental levels that are involved in the process (multi-level integration approach). A place-based context approach should also be recognized (territorial integration).

(c)   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. Problems of policy coordination during the framework's application are reflected very often in the lack of financial consistency among measures to be implemented, while the absence of a territorial approach may also affect the application of a strategic framework.

2.   Effective partnership arrangements

To form effective partnership arrangements it is important to:

(a)   Foster effective participation of all relevant stakeholders, through a participatory process, collective learning and defining a participatory approach in the early stages.

(b)   Ensure ongoing, mutual and steady flows of information within the partnership. Feedback should be guaranteed in all cases to facilitate cooperative attitudes and to show that participation can improve effectiveness.

(c)   Maintain momentum also beyond the first stage of general excitement and achieve robust networks of actors.

3.   Quality of monitoring and evaluation process

These mechanisms enhance transparency and control throughout a project, and make it easier for a project to adapt to changing contexts. 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, such as the Territorial Impact Assessment (TIA).

2 rules of the game

The following two key rules help to improve territorial governance:

1.   Responsible leadership

Territorial governance processes require responsible leadership, ensuring that all relevant parties are onboard and that things are moving forward. To facilitate responsible leadership three key aspects can be highlighted:

(a)   The appropriate decision makers need to be empowered to take the necessary decisions (also in coordination with decisions taken in other sectors or at other levels);

(b)   Public resources (be it manpower or funding) need to be mobilised and used in a responsible way, ensuring high levels of responsiveness and accountability;

(c)   Possible leadership inhibitors need to be identified to avoid uncertain leadership.

2.   Governance capacity

Effective territorial governance requires to:

(a)   Increase flexibility and legal certainty

The involvement of different levels of government and stakeholders is a standard condition for good territorial governance. Moreover, a flexible governance structure is therefore necessary for enabling inclusion and participation.

(b)   Reduce inhibitors to governance capacity

Weak institutional capacity or stability is a frequent source of problems for vertical and horizontal coordination. The lack of mechanisms to capture governance achievements, the inadequacy of the adopted tools and the lack of political will for the inclusion of economic stakeholders are possible inhibitors.

(c)   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.

3. How to manage territorial governance processes

This section offers some recommendations regarding the five dimensions of territorial governance:

- **Set up flexible coordination based on subsidiarity;**

- **Create a rationale for policy integration;**

- **Involve the appropriate stakeholders;**

- **Pursue a shared understanding of the changing context;**

- **Adopt a multi-scalar vision.**

The recommendations refer largely to case study examples and discussions provided in this guide. In that sense they can be regarded as condensed summary bringing together the various inputs under the headings of the five dimensions.

Starting from the ground: Identifying the appropriate territory

Defining the appropriate territory is an important step in the territorial governance process. It needs to be informed by the values and objectives of the desired territorial actions, and be undertaken by stakeholders working in cooperation.

The appropriate territory may not be aligned with the traditional boundary lines of administrations.

Before initiating territorial governance processes, the appropriate territory needs to be identified.

The need to identify the appropriate territory is an important step in territorial governance. It may well be that the appropriate territory does not match traditional administrative boundaries. This is well exemplified by the cross-border and transnational nature of water management in the Rhine Basin (Example 2). On a quite different scale, the example of the neighbourhood planning experience in North Shields Fish Quay (Example 3) makes the same point. Considering the identification of the planning area's boundaries as part of the territorial governance process ensured the effectiveness of the initiative.

The process of **defining the territory is an important part of territorial governance.** It needs to be tailored to the specific characteristics of different places and to the specific needs and interests of local stakeholders. It is not an abstract process, rather it is strongly informed by the values and objectives that are sought through territorial action.

The identification of the appropriate territory depends on the visioning capacity of local actors and stakeholders. It is about constructing 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 in individual creativity but rather a negotiated result among the concerned stakeholders, in which the exploitation of past experience, along with partnership building nurture governing capacity. Creating a vision for the future based on a shared history is related to the **definition of common goals**. In this light, visioning can help to strengthen trust among people to facilitate durable cooperation.

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

Dimension 1: Set up flexible coordination based on subsidiarity

Seek to achieve co-ordination between tiers of government and between different agencies at any one level of government, using the principles of flexibility and subsidiarity.

Effective co-ordination of actions between different tiers of government, and between different agencies of government at any one tier, is fundamental to territorial governance. We call these tiers of co-ordination **vertical and horizontal interplays** respectively. Good territorial governance can benefit from an overall coordination of vertical and horizontal interplays, based on two main principles: **flexibility and subsidiarity**.

Flexibility does not mean weakening established government powers: rather it involves reducing constraints that challenge the **transparent and efficient exercise of government powers**. In the case of cross-border water management in the Rhine Basin (Example 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. The Pécs project (Example 1) shows how over-centralisation during the implementation phase, including the centralised management of Structural Funds, had an adverse impact on the project delivery. Similarly, the dominance of the City of Ljubljana over smaller municipalities in the implementation of spatial planning strategies in the Ljubljana Urban Region (Example 4) was not appropriate for the specific territorial governance aims. A lack of decentralisation processes in the Structural Funds has also affected the South Transdanubian programme (Example 5).

The **lack of local political motivation**, illustrated by the limited participation of mayors in preparing the South Loire's SCOT (Example 6), shows that territorial governance can also be undermined from the local level.

Less is known about the horizontal implications of subsidiarity in territorial governance. **Horizontal subsidiarity** refers to the empowerment of non-governmental actors and citizens in their efforts to engage in development projects. If existing land use rights and public control measures are transparent and effective, **negotiations and decisions** on spatial development can be best **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 (Example 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, where there is a lack of horizontal subsidiarity there is likely to be a lack of consistency between the design of strategies and the actual delivery of projects.

Dimension 2: Create a rationale for policy integration

Integrate relevant sectors of public policy within the territory. This will require active involvement of civil society organisations.

A second aspect of good territorial governance is the **capacity to integrate relevant sectors of public policy**. This is easy to say but hard to deliver! **Clear and specific goals** can help to promote the integration of policy across different public sector bodies within a territory. However, many stakeholders are more comfortable operating within familiar routines, and so human resources need to be invested in building strong and shared motivation. The resource efficient urban development in Stockholm (Example 7) is an excellent example of how a clear and concrete focus on the environmental rationale for the project has driven the integration of 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 revealed 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 (Example 8) shows that a particular 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 also be affected by **incomplete or poor 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 (Example 9). The exclusion of local cultural stakeholders interested in local development limited the effectiveness of the Pécs events as the European Capital of Culture (Example 1).

A **sector silo-mentality** is often found and can be a barrier to effective territorial governance. There was evidence of such attitudes in the Stockholm case study (Example 7) and, to some extent, in North Shields Fish Quay (Example 3). The case of the Trilateral Nature Park Goričko-Raab-Őrség in the Alpine Adriatic area (Example 10) further illustrates the point.

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 (Example 5). In the case of local enterprise partnerships in Greater Manchester (Example 12), the poor links with wider civic society were problematic for policy integration.

Dimension 3: Involve the appropriate actors

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 (Example 5), as was the case with the active local civic engagement during the initial phase of Pécs' efforts to become a European Capital of Culture (Example 1). The involvement of NGOs on all decision levels was a key to success in the cross-border water management in the Rhine Basin (Example 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 (Example 5). In the North Shields Fish Quay's experience of neighbourhood planning (Example 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 (Example 3). The case of resource efficient urban development in Stockholm (Example 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 (Example 4), 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 (Example 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 (Example 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 (Example 5), which was affected by a limited institutional communication. In the Ljubljana Urban Region (Example 4) insufficient communication among stakeholders weakened institutional capacity and allocation of political resources. In the Pécs European Capital of Culture events (Example 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.

Dimension 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 (Example 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 (Example 1)

Conversely, **a limited collective reflexivity** can constrain effective territorial governance, as shown in the neighbourhood planning experiences of North Shields Fish Quay (Example 3). The same was true for the spatial planning and transport strategies in the Ljubljana Urban Region (Example 4), 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 (Example 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 (Example 5), 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 (Example 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 (Example 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 (Example 8) shows that overly soft strategies can have little "bite", especially in large and/or "new" territories.

Dimension 5: Adopt a multi-scalar vision

The focus on **place-based specificities and characteristics** distinguishes territorial governance from other governance processes. This has various implications for the applied practices, techniques and rules, which are united by the common goal to understand **place-based characters as the product of dynamics happening on different territorial levels**. Each territory is today interlinked with other cities and regions in Europe and often in the world, which makes a wider perspective necessary. In creating visions it is therefore a must to consider the territory by itself, but also to look for potentials and challenges at the national, European and even global scale. Such understanding proved to be valuable in the elaboration of spatial planning and transport strategies in the Ljubljana Urban Region (Example 4). In this case multi-level governance needed to enable the achievement of the purpose of the public transport intervention, i.e. accessibility for 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 (Example 9).

Avoiding the disconnection of development projects from their territorial context is important, as shown in the Stockholm case. While the Stockholm Royal Seaport project (Example 7) promoted the aims of "Stockholm as a Walkable City", it was not well connected to other planned and/or on-going projects in the urban region.

Difficulties in adopting a vision shared by all involved stakeholders, irrelevant of the territorial level they represent, 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 (Example 4), which is not an administrative region (but simply statistical), individual municipal mayors were allowed to represent territorial interests without a joint vision. In Pécs (Example 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 definition of the territorial scope**, as emerged in the strategy for climate change adaptation in the Baltic Sea Region (Example 8). 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 (Example 11) and South Loire's SCOT (Example 6). In the Stockholm experience of resource efficient urban development (Example 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 (Example 4). These final examples underline the challenges in addressing a place-based approach in the daily practice of territorial governance.

4. Insights from territorial governance practice examples

There are various ways forward for improving territorial governance. Three of which are presented in further detail below. In short these are the focus on the application of the place-based approach, the use of planning tools for territorial governance process, and the role of leadership and attitudes.

Following these three approach this section presents a number of inspiring practice examples. They may help to better understand how key points from the previous sections can be turned into practice. However, the following health warning should be considered: Good practice examples cannot serve as possible templates to be applied in all cases, as the challenges, conditions and needs various places face are too diverse.

The application of a place-based approach

Identify the general interest

As illustrated in the case of neighbourhood planning in North Shields Fish Quay (Example 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 capitalise best on existing opportunities. As is particularly evident in the case of climate change adaptation in the Baltic Sea Region (Example 8), 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 (Example 12).

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 perspectve 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 (Example 11).

Support the use of territorial evidence

Evidence on the territory in focus is therefore crucial to design place-based policies. The experience of resource efficiency strategies in Stockholm (Example 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 (Example 9).

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 (Example 12). Shared territorial knowledge across borders has been fundamental for the governance of natural areas in the Alpine Adriatic area (Example 10).

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 (Example 8). 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 (Example 6), while in Pécs (Example 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 (Example 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).

About the use of planning tools

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**. In other words, it is important to (a) understand the overall policy framework of a case, and (b) make best use of the participatory potentials.

Understand the overall policy framework

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 2007-2013 period (Example 5), 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-Őrség in the Alpine Adriatic region (Example 10), 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 (Example 5) 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-Őrség in the Alpine Adriatic area (Example 10), 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 (Example 5), 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 (Example 4), 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).

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). In 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 (Example 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 (Example 2). The case of online forums (i.e. www.afal.hu and www.elprojekt.hu) created after the Pécs European Culture Capital illustrates the need to react when there is an information gap (Example 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 a 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 refer to more comprehensive development strategies. These can help to find similarities and possibilities to adopt – and adapt – strategies and methodologies in different contexts.

Operational attitudes to improve practices

Good territorial governance is always also a question of institutional and personal attitudes towards governance processes etc. In this respect pro-active leadership and utilisation of shared knowledge are important.

Facilitate pro-active leadership

The Stockholm case (Example 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 (Example 9). 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.

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 (Example 4), 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-Őrség (Example 10) 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 (Example 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 (Example 4), 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-Őrség in the Alpine Adriatic area (Example 10) or the Rhine Basin experience (Example 2), but all territorial governance practices.

5. Practice Examples

Example 1: How to start a territorial approach – and how not to implement it! The European Capital of Culture Pécs, Hungary

The EU European Capital of Culture (ECC) project is not just a one-year celebration. Rather, it involves dozens of cultural programmes which are attractions during that year, but more importantly, being a ECC is a long-term investment for urban and regional development. Pécs' application focused on constructing new cultural institutions (concert hall, library, exhibition centre), as a means to regenerate an old industrial district, and to create new economic growth opportunities. As Pécs is the "gate to the Balkans", this was not just a complex urban development project; it required regional and transnational co-operation. Large multi-sectoral investments were involved, not just in the buildings to be used for the cultural events, but also in the renovation of public spaces and construction of a new motorway.

Following the original logic of the ECC, both the city and the central government had to collaborate with each other and with the European institutions, while also involving civil society and creative communities in 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 this complex project within the rigid regulations of Structural Funds. The governance of the project required innovative solutions to harmonise project deadlines and spending with the traditional operations of the governments.

The most important governance feature of this project was its bottom-up, place-based approach, and creativity. What made Pecs' bid successful was the involvement of civil actors with local knowledge and support. Crucially, 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.

However, in the implementation phase, 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 capacity. All of these obstacles were embedded in a path-dependent Eastern European political culture characterized by its lack of trust and tolerance. As a result, the original concept was not realised.

Central and local government structures have not been able to achieve the potential that place-based governance offers, 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. At the local and urban scale the huge buildings are mementos to the missed chance to introduce a more open and flexible mode of governance.

Example 2: How to define an appropriate territory: Cross-border cooperation in the River Rhine Basin
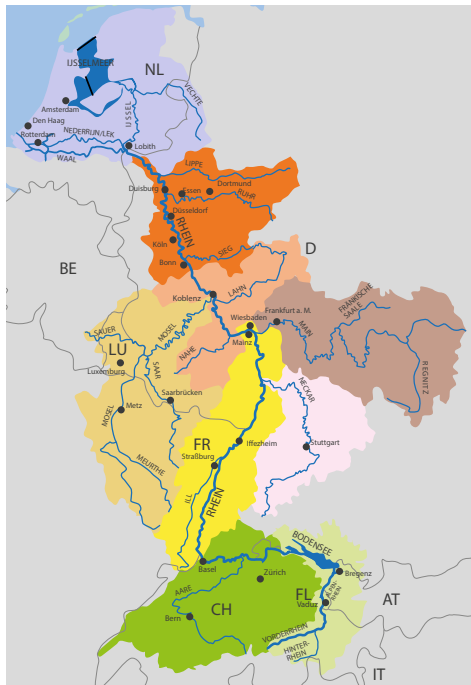
The hydrology and ecology of river systems is not governed by administrative boundaries. For this reason, river basins are the most important territorial unit for water planning and management. This is reflected by two EU environmental directives: the European Water Framework Directive (WFD) focused 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 was changed drastically by the floods of 1993 and 1995. These floods led to a sudden awareness that there are limitations to a merely technical and national 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, across the basin as a whole, pumping installations and land-use have increased the speed with which surface water enters into these flows. As a result, a new territorial and hydrological "discourse" emerged which recognised that water needs to be accommodated rather than simply controlled. In 1999, a new Rhine convention came into force and, at a more national / regional 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 into risks and how to measure these risks. Co-production 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, an important consideration in defining the appropriate territory, 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 to ensure that a sense of urgency can be acted on.

Example 3: Capacity building with stakeholders to define appropriate territorial boundaries: 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.

Example 4: Centralised structures make it difficult to deliver effective territorial governance: 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 used traditional and online media 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. New trends and problems such as flooding or inadequate financial resources for policy implementation due to budget cuts and the financial crisis, mean that better adaptability is also needed.

Example 5: Centralised structures as a barrier to regional development: 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 Regional Operational Programmes (ROP) proposals during the initial phase of the programming period, incorporating territorial needs into them. Post-2008, however, the implementation of 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.

Example 6: Non-participation by key local actors can undermine territorial governance: 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 cooperation 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 of local mayors and big commercial actors in the working groups (due to political conflicts) was 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.

Example 7: Reaping the benefits from horizontal subsidiarity: 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 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 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.

Example 8: 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 the need 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 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).

Example 9: A cross-sectoral initiative: 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.

Example 10: Trilateral Nature Park Goricčko-Raab-Őrség

The need for a coordinated approach for the protection and management of natural areas started to be recognised 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 lead 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 investigated 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, Őrseg National Park in Hungary and Naturpark Raab in Austria. This trans-border characteristic of this natural area adds several layers of complexity to the task of governance, including effective protection and management. The first layer is 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.

Example 11: Target-based Tripartite Agreement in Lombardy
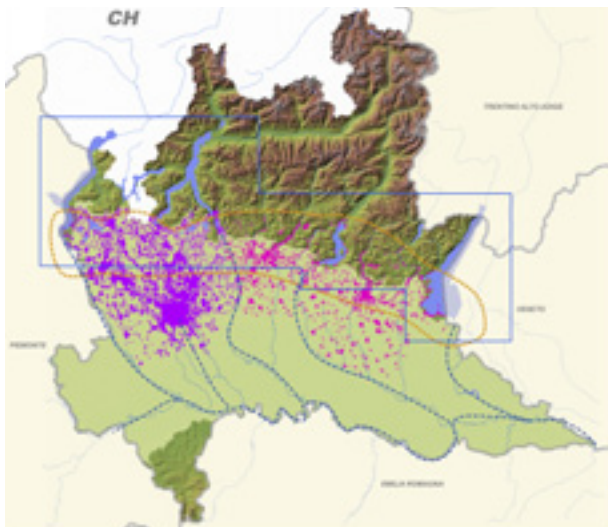
In the 2002 communication "A framework for target-based tripartite contracts and agreements between the Community, the States and regional and local authorities", the EU Commission launched the idea of experimenting with tripartite tools for sub-national authorities, Member States and the Commission itself (ref. 10). 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.

Example 12: 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.

6. Further reading and references at your fingertips

Last access to all documents and websites
on 30th November 2013

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http://ec.europa.eu/regional_policy/what/future/proposals_2014_2020_en.cfm

8. ESPON, Inspire policy making by territorial evidence:
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9. Programme PSDR Laguedoc-Roussillon, *Guide pour la mise en œuvre de la gouvernance en appui au développement durable des territoires*, Montpellier, Cemagref, CNRS, Geyser, INRA, Supagro, Université Montpellier 1, 2011:
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11. URBACT – Connecting cities, Building successes:
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14. Integrated Territorial Investment for EU cohesion policy 2014-20:
http://ec.europa.eu/regional_policy/sources/docgener/informat/2014/iti_en.pdf

15. Integrated Sustainable Urban Development for EU cohesion policy 2014-20:
http://ec.europa.eu/regional_policy/sources/docgener/informat/2014/urban_en.pdf

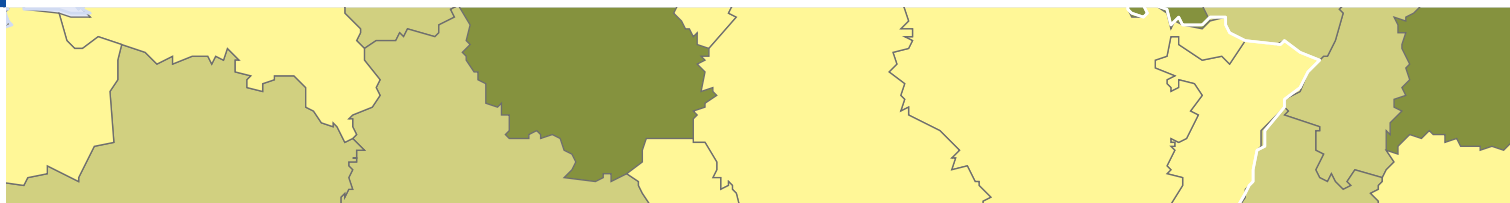16. OECD's Local Economic and Employment Development (LEED) Programme:
http://www.oecd.org/cfe/leed/

17. Sustainable Cities Institute:
http://www.sustainablecitiesinstitute.org/view/page.home/home

18. Eurocities:
http://www.eurocities.eu

19. INTERACT – Sharing expertise:
http://www.interact-eu.net

20. CORDIS' Blueprints for Foresight Actions in the Regions, 2003-2004:
http://cordis.europa.eu/foresight/regional-blueprints2004.htm

21. European Commission's Country Specific Practical Guides to Regional Foresight:
http://ec.europa.eu/research/social-sciences/fwl-cgrf_en.html

22. SWOT Analysis: Strengths, Weaknesses, Opportunities, and Threats:
http://ctb.ku.edu/en/tablecontents/sub_section_main_1049.aspx

23. ESPON's Territorial Impact Assessment of Policies and EU Directives:
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