

# Deliverable 8

Public



## REGIONET

*(Strategies for Regional Sustainable Development:  
an integrated approach beyond best practice)  
Contract No. EVG1 – 2001 - 2003*

Work Package 4:      **Cross Fertilisation and Integration of Results of REGIONET**

Deliverable 8:      **Conference proceedings WS IV, Conclusions and Recommendations**

Authors:              **Guido Nischwitz, Reimar Molitor, Christopher Garthe**

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# 1 Preface

REGIONET (Strategies for Regional Sustainable Development: An Integrated Approach beyond Best Practice) is a research project funded under the EU's 5<sup>th</sup> framework programme for research. The main objective of the project is to provide an integrated and interdisciplinary approach to support the implementation of sustainable development in regions across Europe. The project consortium consists of sixteen partners coming from fourteen current and new EU Member States.

The four specific objectives of the project are :

- The improved integration of sustainable development issues in the regional development plans put forward to the EU Structural Funds.
- An understanding of the relationship between the implementation of regional sustainable development and issues of regional and multi-level governance.
- An integrated framework for evaluating regional sustainable development (methods, tools, indicators) at the European, national and regional levels.
- The cross-fertilisation of sustainable development research and the establishment of regional partnerships.

According to these objectives four international workshops were organised in the context of REGIONET. These workshops brought together between 50 and 100 participants from all over Europe, including representatives from the European Commission, respectively. The workshops provided the opportunity for a close cooperation between the project team and the workshop participants in order to share experiences in the broad field of regional sustainable development. The organised workshops dealt with the following topics and contents:

- *Workshop I: "Regional Sustainable Development - The Role of the Structural Funds", 9<sup>th</sup> – 11<sup>th</sup> September 2002, Schloss Seggau, Austria.*
- *Workshop II: "Regional Sustainable Development – Strategies for Effective Multi-Level Governance", 29<sup>th</sup> – 31<sup>st</sup> January 2003, Lillehammer, Norway.*
- *Workshop III: "Evaluation of Regional Sustainable Development", 11<sup>th</sup> – 13<sup>th</sup> June 2003, University of Manchester, UK.*
- *Workshop IV: "Cross-fertilisation and Integration of Results of REGIONET", 14<sup>th</sup> – 16<sup>th</sup> January 2004, Brussels, Belgium.*

For further information please visit the project's website at: [www.iccr-international.org/regionet](http://www.iccr-international.org/regionet).

## 2 Introduction

The aim of Work Package 4 within REGIONET was to synthesize, integrate and disseminate the knowledge gathered during the course of the first three workshops. It also provided a platform for networking activities between the various actors from different regions. Against this background the fourth workshop of REGIONET “Cross-fertilisation and Integration of Results of REGIONET” was organised in January 2004.

The fourth and final workshop of REGIONET brought together around 100 experts from 22 European countries - *Austria, Belgium, Bulgaria, Czech Republic, Estonia, France, Germany, Greece, Hungary, Ireland, Italy, Malta, Netherlands, Norway, Poland, Portugal, Rumania, Slovakia, Spain, Sweden, and the UK*. The participants of the workshop were not only researchers, but decision-makers and other stakeholders from public, private and civic sectors, from regional, national and European levels, as well as academics from a variety of disciplines.

The aim of the workshop was to reflect upon the findings of the previous workshops and to put these into the broad context of regional sustainable development policy-making in Europe. For this reason we confronted the findings of our project with the latest research in the different fields of regional sustainable development (RSD) in Europe.

The final workshop presented an extensive overview of the current situation of RSD in Europe (including the new Member States) and about the future development of RSD. The summary and the presentation of the results of the previous project activities has been given on the first day of the workshop. These results has been brought together into practical applications for the EU and regional stakeholders. The following sessions and topics were included in the workshop:

- The results of REGIONET: Reflections about Regional Sustainable Development in Europe
  - Comprising three circles dealing with the following themes:
    - I. The Role of the Structural Funds on RSD
    - II. Strategies for Multi-level Governance
    - III. Evaluation Methods and Tools for RSD
- Task ahead - 2006+: A Perspective
  - Presentations and extensive discussions on the future of RSD in Europe and the accession countries, in particular from the perspective of the Structural Funds.
- Getting to know RSD in Europe

Major outcomes of the National Reports on RSD, prepared by the partners of the REGIONET Network (including a poster exhibition about European countries and their experiences with RSD).

- Ways to go: Sustainable Cohesion in an enlarged EU – The Future of RSD  
Concluding Panel discussion

The workshop comprised presentations from researchers and policy-makers alike. However, a crucial point of this final workshop was the networking opportunity with other stakeholders and various actors, especially in the scope of the poster exhibition and the various discussions, which were included in each session.

This present report provides policy-relevant conclusions and recommendations which were drawn from the workshop. Furthermore, it summarizes presentations and experts discussion which were held during the meeting.

### 3 Position Paper for Workshop IV

The aim of the position paper for workshop IV was to identify key issues of the workshop in order to generate a framework for the various discussions. The most important questions, which shape the policy recommendations, were outlined. Thus a focus on relevant scientific as well as policy issues was ensured.

Whereas the first three workshops have chosen a specific access to RSD, the fourth workshop brought together and reviewed the results of the two years of the REGIONET project. Therefore the key issues of the whole workshop were focused on integration of the outcomes of the project. These outcomes comprise the input from the workshops as well as the results obtained by the analysis of the National Reports. Six cross-cutting themes were identified out of these results:

#### I. Spatial development meets sustainable development:

##### the 'region' as the level for performing SD

The explicit focus on the regional level as the 'stage' for reaching the goals of sustainable development seems to be still low. RSD is more constructed by doing than strategically planned, mostly by the implementation of sustainable development goals alongside sectoral policies – especially environmental policies - on the regional level.

#### II. Top-down meets Bottom-up:

##### RSD as an umbrella for 'Experimental policies'

Recipients or core actors for regional development are no longer exclusively limited to the planning community. The 'communicative turn of planning' could well be seen as a new quality for the 'recruitment of new actors on the regional level to get involved in shaping regional futures'. Especially instruments of the European Union have triggered numerous new constellations of actors, bringing sectoral issues into relation to each other.

#### III. Using the cumulative energy of the 'we' and 'here':

'regional identity' and 'regional competition' as driving factors for RSD

It seems that the core element of 'competition' has driven and formed many of the new regional alliances in order to perform RSD. The element of identification of these actors with 'their' region works in two directions:

- On the one hand these new constellations of actors rely on a shared understanding of responsibility for the future of their region (dimension of intra-regional responsibility).

- On the other hand the opportunity to prove that one regional performance on RSD is better than another one forms a common ground for a new regional identity (dimension of inter-regional competition).

#### **IV. No longer defined only by 'km<sup>2</sup>' and 'GDP':**

##### **Evolving new regions alongside RSD**

The term 'region' is somehow re-shaped within the context of RSD; a new 'type of region' reacts to policy tools like LEADER or EQUAL. These 'regions' are

- characterised by a spatial dimension that is more related to cultural or natural entities,
- characterised by a communication process on the shaping of the future between different shareholders (region as a result of social communication).

The territorial dimensions of these new regions seem to be shifting between

- the administrative dimension,
- functional dimensions (infrastructure, regional economy, inter-regional economy),
- dimensions of nature (topography and landscape, material-flow- and energy-issues),
- and cultural dimensions (regional identities).

This implies that the term 'region' has to be seen flexible and theme-orientated.

#### **V. Thematic roots of SD and their 'translation' into space:**

##### **a focus on environmental issues on the regional level and the missing agglomerations**

It is no wonder that talking about RSD, sectoral issues that are directly related to the spatial dimension of a region are highlighted in their relation to the environmental dimension of regional development. The economic and social dimensions of regional development are less quoted.

Agglomerations and big European city-regions are missing even though they offer the most critical spatial setting on sustainable development issues. Equally missing is so far the connection between agglomerations and their respective hinterland. This points to a necessary re-focussing of RSD on 'city-regions'.

#### **VI. Integration as a management task**

RSD in Europe needs new forms of management at regional level in order to start and mediate development issues in terms of RSD. This includes sub-national management units as well as project related ones in situ.

Project related management units envisage the danger of ceasing after the end of the funding period for the project. To keep a RSD-process alive, definitely more time is needed than the usual funding period of a project. It is therefore still open how the new management units in situ that accompany the 'new regions' alongside RSD will sustain themselves in order to establish RSD in the long run. Especially in the light of the European enlargement process it is therefore necessary to install appropriate instruments that trigger the formation of such management units on the regional level.

## **4 Workshop Conclusions**

### **4.1 SD in an enlarged Europe – Time to re-think what the strategic development aim is when it comes to performance on the regional level**

One of the core aspects that ran through the discussions at the fourth REGIONET workshop was that there is an extremely varying definition and understanding on what sustainable development means on the regional level. This matter is also reflected throughout all the National Reports that were conducted during the two years of the project.

The individual needs for development on a sub-national level obviously determine the 'shape' of programmes when they are translated into action. Especially from the practitioners side there was a strong emphasis on the need of expertise that helps them shaping Regional Sustainable Development on the ground.

REGIONET has underlined that there is a wide gap between the aims of development programmes on the European and national level and the individual Regional Sustainable Development strategies and performances on the regional level.

The discussions in the workshop put emphasis on the need for a translation of the development aims of the European Union when it comes to project-related work within regions.

This could be solved in two ways: on the one hand, there should be a better communication on good examples on how RSD is implemented in the regions; on the other hand, in the context of Regional Sustainable Development this goes beyond the well-known best-practices and should more reflect on the management forms and participating share- and stakeholders on the regional level.

### **4.2 SD and its 'translation' into space – A focus on environmental issues on the regional level and the missing agglomerations**

Another important point during the discussions in Brussels picked up on one of the points mentioned in the preparatory paper 'Recommendations Plus': the ecological dimension of SD is overwhelmingly stressed when regions try to 'perform' Regional Sustainable Development: nearly all National Reports focus on the incorporation of environmental issues into policy making, concerning the regional level.

It is no wonder that talking about RSD, sectoral issues that are directly related to the spatial dimension of a region are highlighted in their relation to the environmental

dimension of regional development: agriculture, exploitation of resources, water management as well as tourism. The economic and social dimensions of regional development are less quoted.

In this regard it is also worth mentioning that looking at the spatial dimension and the setting of regions, the understanding of Regional Sustainable Development refers overwhelmingly to rural areas. Agglomerations and big European city-regions are missing even though they offer the most critical spatial setting on sustainable development issues like 'urban sprawl', 'traffic' and 'energy', etc.

Equally missing in the discussion is, so far, the connection between agglomerations and their respective hinterland. This points to a necessary refocusing of Regional Sustainable Development on 'city regions', given the fact that many pressing problems in the economic, social as well as environmental arena can neither be solved by agglomerations nor their surrounding rural areas alone.

#### **4.3 Integration as a continuous management task – The institutional side of implementing Regional Sustainable Development**

RSD in Europe needs new forms of management on the regional level. The discussions in Brussels highlighted the creation of new management units in order to start and mediate development issues in terms of RSD in a critical way.

This included sub-national management units as well as project related ones in situ. The LEADER action groups are one example of how a policy tool has a direct impact on the formation on new constellation of actors or new development networks.

It is important to stress that these units envisage a great danger: because they are mostly project related the funding for these management units is only guaranteed for the running time of the project. The reality of keeping a RSD-process alive by the constant work of a management body within the region does need time, definitely more time than the usual funding period of a project which is on average three years.

It is, therefore, still open how the new management units in place that accompany the 'new regions' alongside RSD will sustain themselves in order to establish RSD in the long run, especially before the background of shifting Structural Funds policies.

On top of that, it must also be stressed, that these management units themselves need time (and incentives!) to form. Especially in the light of the European enlargement process it is, therefore, necessary to install appropriate instruments that trigger the

formation of such management units on the regional level in order to empower regions to partake in the general drive towards sustainable development in a larger Europe.

Given the fact that such institutions are currently largely missing in the accession countries (as pointed out in the relevant National Reports) such instruments have to be brought to bear before or at least parallel to more conventional Structural Fund interventions.

Furthermore, the decentralisation of political power structures in the accession countries has to be supported. This decentralisation could be realised by the creation of new regional institutions. The building up of these institutions requires the support and funding of qualification possibilities for people in the regions.

## 5 Recommendations

The following 'Policy Recommendations' are based on three different sources:

- the papers presented at the fourth REGIONET–workshop in Bruxelles in January 2004.
- the discussions of the attending experts alongside the paper presentations as well as the final podium discussion.
- A reflection on the 'Recommendations plus', which were highlighted in the final podium during the workshop.

### **This region or that region within the region – the shape of a region in the context of Regional Sustainable Development**

The REGIONET project has from the very beginning highlighted that the term 'region' is re-shaped within the context of RSD. RSD and especially the instruments that have fostered RSD have created a new "type of region" – a dynamic rather than a static understanding of a 'region' has brought new constellations of shareholders and stakeholders together on the regional level in order to shape regional futures.

As already pointed out in the 'Recommendations plus', which were circulated before the concluding REGIONET workshop in Bruxelles in January 2004, these 'regions' are

- characterized by a spatial dimension that is more related to cultural or natural entities
- characterized by a communication process on the shaping of the future between different shareholders (region as a result of social communication) alongside qualitative goals.

The territorial dimensions of these new regions seem to be shifting between

- the administrative dimension
- functional dimensions (infrastructure, regional economics, inter-regional economics)
- dimensions of nature (topography and landscape, material-flow- and energy-issues)
- and cultural dimensions (regional identities).

This implies that in order to reach or even just to aim for sustainable development on the regional level the term 'region' has to be a flexible, theme-orientated one according to the development goals and the complementary constellation of actors.

### **The “new” European Spatial Development Perspective - a task for European policies to harmonize the aims of development programmes and instruments in the future on the regional level**

The regional level is envisaging many European “forces” on how future development of 'regions' can be introduced, stimulated, supported ...

In this context the necessary harmonisation of sectoral programmes, instruments and evaluations on the regional level and an understanding on their interplay in the light of reaching goals of Regional Sustainable Development seems to be the top task for a new 'European Spatial Development Perspective' which will be taken up by the Dutch presidency later this year.

The new ESDP should look at regions from the “other end of regional development”, which is *action and management in situ for shaping regional futures*. REGIONET has shown that the process of shaping regional futures is overwhelmingly taking place somewhere between NUTS2- and NUTS3-level throughout Europe. No matter which one of the 15 national reports conducted during the REGIONET-project: it became very obvious that the core function on putting top-down regional development aims into action is happening on that level.

European policies should therefore incorporate the lessons learned from instruments like EQUAL or URBAN. Especially the LEADER programmes have triggered numerous new forms of management constellations of actors in rural areas, bringing sectoral issues – and their circles of actors like for example in agriculture and tourism – into relation to each other and exploiting their “common grounds” as a potential for development in a sustainable way.

### **Regional Sustainable Development – new forms of management for the interplay of existing institutions on the regional level**

The dynamic process on searching and finding a regional consensus on how to shape the future needs communication on the regional level, within the region. It is therefore worthwhile to think about the forms of communication on the regional level and the connected forms of reaching agreements on how to shape regional futures.

Especially the national reports have shown, that the forms of communication on Regional Sustainable Development are very heterogeneous throughout Europe. So are the institutional frameworks that occur alongside the realisation of European development programmes. There is so far no common understanding, that RSD in Europe needs new forms of management – not government - on the regional level. Nearly all reports refer to the creation of new management units in order to start and mediate development issues in terms of RSD.

This includes sub-national management units as well as project-related ones in situ. The LEADER action groups are one example how a policy tool has a direct impact on the formation on new constellation of actors or new development networks.

It is very important to stress that these units envisage a great danger: because they are mostly project related the funding for these management units is only running for the term of the project. The reality of keeping a RSD-process alive by the constant work of a management body within the region does need time, definitely more time than the usual funding period of a project, which is on average three years. At this point the funding mechanisms for these programmes have to be thought over like it has been done successfully with the LEADER-instrument.

Especially in the light of the European enlargement process it is therefore necessary to install appropriate instruments that trigger the formation of such management units on the regional level in order to empower regions to partake in the general drive towards sustainable development in a larger Europe.

Given the fact that such institutions are currently largely missing in the accession countries (as pointed out in the relevant national reports) such instruments have to be brought to bear before or at least parallel to more conventional structural fund interventions if the sectoral investments on the regional level should have any chance to be harmonised.

### **A European discourse on how the “perfect-Regional-Sustainable-Development-performance” should look like - the need to talk about more than just sectoral best-practices on the regional level**

A closer look into the national Reports of REGIONET brings light into an area that was not so much stressed during the four workshops: in order to highlight European Development Policies and their contribution to Regional Sustainable Development nearly all National Reports refer to case-studies or best-practices known as national examples for Regional Sustainable Development.

Next to none of these examples shows a holistic understanding of regional sustainable development: the regional cases describe mostly sectoral best practices as a possible contribution to Regional Sustainable Development.

There is a need for an European discourse on what Regional Sustainable Development should look like when it is brought into action, which management it needs and which threats it has to deal with. During the concluding REGIONET workshop in Bruselles there were strong remarks made that a discourse should be in the hands of the regions themselves. An existing player in this field, the 'Committee of the Regions' was addressed in specific, knowing that this subject has not been picked up so far by any other group of regions than the ones brought together under the REGIONET project.

Without a holistic understanding of Regional Sustainable Development and a continuous discourse on shaping it on the regional level there will be no successful road for the Commissions aim on reaching Sustainable Development as one of the core targets for the future of an enlarged Europe. The Commission should reconsider how a continuous discourse can be introduced especially to ensure a learning process between regions in the accession countries.

## **Annex 1 – Conference Proceedings – Summary of presentations and discussions of the REGIONET Workshop IV**

The workshop, which comprised presentations and expert discussion from researchers as well as policy-makers, was structured in four sessions. Each session dealt with one topic and included an introduction, an overview, one keynote presentation, one commentator, two to three speakers and concluded with an expert discussion.

The first session reflected the results of REGIONET, in particular the major outcomes of the first three workshops. Therefore the first session was divided into three circles, focussing on the respective themes of the three organised workshops:

- Circle I.           The Role of Structural Funds on RSD
- Circle II.          Strategies for Multi-level Governance
- Circle III.         Evaluation Methods and Tools for RSD

The second session “Task ahead - 2006+: A Perspective” comprised presentations and extensive discussions on the future of RSD in Europe and the accession countries, in particular from the perspective of the Structural Funds.

The third session “Getting to know RSD in Europe” focused on the major outcomes of the National Reports on RSD, prepared by the partners of the REGIONET Network. This session included a poster exhibition about European countries and their experiences with RSD.

The final session “Ways to go: Sustainable Cohesion in an enlarged EU – The Future of RSD” was organised as the concluding Panel discussion of the whole workshop.

The presentations and discussion held in the scope of the multiple sessions are summarized in the following.

## **Session 1: The results of REGIONET: Reflections about Regional Sustainable Development in Europe**

### **Introduction to the topic**

Chair: Ronald J. Pohoryles, ICCR, Vienna, Austria.

**Welcome Address** – Pierre Valette, DG Research, European Commission, Belgium.

Mr. Valette welcomed all participants to the fourth and final workshop of the REGIONET Thematic Network and gave a short introduction for the following speakers.

**Overview of REGIONET** – Ronald J. Pohoryles, ICCR Vienna, Austria.

Ronald J Pohoryles, the coordinator of REGIONET, gave a short overview of the project's main objectives and approaches. The promotion of regional and social cohesion, as well as of environmental protection and sustainability, are among the most important Community objectives. The REGIONET project, funded under the 5<sup>th</sup> Research Programme of the EU, set out to contribute knowledge which helps to better integrate environmental concerns in regional development plans and management. Generally, the project analysed ways of integrating environmental protection with economic development and employment in the European regions.

Therefore, the overall objective of REGIONET is to provide an integrated and interdisciplinary approach to support the implementation of sustainable development in regions across Europe. In so doing, the project organises four workshops which will bring together researchers, policy makers and other stakeholders to present, discuss and propose ways of comprehensively implementing sustainability in regional development processes.

**Presentation of the workshop programme** – Reimar Molitor, Regionale 2010, IOEW, Germany.

Reimar Molitor outlined the procedure of the following two days and elaborated on the structure of the workshop programme. The workshop is structured into four sessions, with the first session on the first day, the second and third one on the second day and the final session as the concluding panel discussion on the last day. The first session is structured into three circles, each one dedicated to the topic of the respective workshop, organised earlier within REGIONET. Due to the tight workshop programme a strict time management concerning the time for the speakers has to be enforced. Molitor closed with remarks on organizational and technical issues relevant for the workshop participants.

## **Circle I: The Role of Structural Funds in RSD**

Chair: Vyara Gancheva, Institute of Sociology, Sofia, Bulgaria.

**Introduction to the topic and outcomes of Workshop 1** – Michael Narodoslowsky, Graz University of Technology, Austria.

Michael Narodoslowsky outlined the outcomes of the first workshop of REGIONET. With regard to policy-making, it was found that the Structural Funds are an important tool for policy integration as they allow the regions to think more strategically for the mid- to long-term. Therefore, they are a favourable instrument to include the concept of sustainable development into regional policy-making. The recommendations that can be drawn from this workshop are mainly twofold: On the one hand, sustainable development should be the basis for regional development and, therefore, should be fostered through the Structural Funds; on the other hand, the integration of societal stakeholders needs to be increased, especially the inclusion of businesses and citizens.

**Keynote Address: The Contribution of Structural Funds to Regional Sustainable Development - Results of a Thematic Evaluation** – James Medhurst, GHK Consulting, UK.

James Medhurst reflected on the contribution of the Structural Funds to Sustainable Development. He presented purpose, design and results of the evaluation in order to understand the contribution that the Structural Funds make to Sustainable Development and to identify ways of enhancing the contribution. At first he defined Sustainable Development and outlined weak and strong sustainability in terms of capital. He then presented the evaluation methods which were used. With the case study approach he examined the regional assessment, programme assessment and the project pipeline for 20 cases. Thereby the focus laid on Regional Sustainable Development issues and regional trade-offs. The aim was to examine regional perspectives as the basis for regional policy integration. What followed was an outline about lessons for evaluation from the case study approach, the use of indicators, methodology issues and assessing added value. Medhurst then moved on to future challenges for generating better projects for Regional Sustainable Development. In this context he stressed the extending of the 4-capitals model. In his conclusion he presented regional trends and constraints and analysed the contributions of the Structural Funds to Sustainable Development. He argued that these contributions are constrained by regional and non-regional policies and the extent of integration. Furthermore Medhurst analysed effects on trends in the context of the contributions. He also identified added value of the Structural Funds. In the next part of the presentation Medhurst pointed out recommendations for future programmes. He presented strategies that need to be implemented at European, national and regional level. Finally he concluded that regional policy has become more integrated and the Structural Funds have been part of this process. That means a potential for better

contribution to Sustainable Development. However he made clear that Structural Fund programmes do not directly address constraints on Regional Sustainable Development but they have become more supportive of Sustainable Development overtime. He argued that the development of separate EU perspectives and values permits the challenge on selected development plans. The Structural Funds could become a fund for Sustainable Development.

**Presentation: Structural Funds – The Challenge for Sustainable Development in Low Income Regions: The Case of Regional Disparity in the Slovak Republic –** Tatiana Kluvankova-Oravska, Institute for Forecasting, SAS, Bratislava, Slovakia.

Tatiana Kluvánková-Oravská presented the Structural Funds as a challenge for Sustainable Development in 'low income' regions. Particularly she talked about the challenge for Sustainable Development and regional disparities in the Slovak Republic. She pointed out main determinants for the west-east disparities in the Slovak Republic, which are the asymmetrical distribution of human resources and geographical barriers. In addition there is the dominant position of the capital city Bratislava. While the Gross Domestic Product (GDP) of Bratislava amounts to 101% of the average GDP of the EU, the GDP of other Slovak regions is below 50% of the EU average. Kluvánková-Oravská discussed EU regional policy in the Slovak Republic. She argued that the National Development Plan is the most essential document for drawing resources from the EU Structural Funds. The main tasks of regional policy are the progressive adjustment of differences between regions, social and economic cohesion as well as the systematic improvement of the living standard. As Kluvánková-Oravská pointed out, the Slovak Republic was obtained a total amount of EUR 594 million under the pre-accession programmes of the European Union. She briefly outlined the allocation of Funds to objectives and NUTS II regions. What followed was an overview of obstacles to an effective implementation of EU structural policies in the Slovak Republic. These obstacles were the delay in adopting appropriate policies, the inadequate preparation for benefits from assistance, as well as the co-financing of programmes from national resources. Kluvánková-Oravská then moved on to the role of Structural Funds in Regional Sustainable Development. It can be said, environmental deterioration is largely due to industrialisation and intensification of agriculture in the previous command and control economy. Therefore, as Kluvánková-Oravská argued, the recovery of environmental conditions will represent the most costly sector of European regional policy programmes in the Slovak Republic. Kluvánková-Oravská concluded that the role of Structural Funds in Regional Sustainable Development is to balance regional disparities according to Sustainable Development principles. That means to support knowledge investment and regional innovation rather than infrastructure investment; to spread investment from growth centres to peripheral and poor regions; and to develop a multidimensional new economy.

**Presentation: Shakespeare, the Structural Funds and Sustainable Development: Reflections on the Irish Experience –** Gerard Mullally, University of Cork, Ireland.

Gerard Mullally reflected on the subject of Sustainable Development and the Structural Funds in Ireland. In this context he examined the evolution of regions in Ireland and their transformation in the light of European Regional Policy. As Mullally made clear regional policy in Ireland stemmed from the reform of the Structural Funds. He argued that the creation of the National Strategy for Sustainable Development in 1997 made Ireland's development more sustainable. He shortly outlined key elements of this strategy. Mullally then moved on to the relationship between the Structural Funds and the progress on Sustainable Development in Ireland. The experiences from Ireland show that Structural Funds have negative and positive effects. Mullally pointed out criticism of the emphasis on infrastructural development in programmes funded by the Structural Funds. Furthermore the Structural and Cohesion Funds are contributing to increasing tensions between environment and development in the periphery of Europe. On the other hand Irish development policy has sought to accommodate a sub-plot of Regional Sustainable Development in official discourse of environment and development. It seems important to note that there is a simultaneous layering process occurring whereby multiple regions are being linked to a concept of Regional Sustainable Development. Mullally then stressed that there is evidence of activity in relation to Local Agenda 21 (LA21) and activity support of Regional Sustainable Development related to the Structural Funds, particularly the Community Initiatives LEADER and INTERREG. A number of initiatives and programmes have been explicitly linked to a regional approach of LA21. Mullally concluded that the lure of the Structural Funds has created regional institutions, strategic planning and multi-annual programming. It has helped to incubate a wide range of projects and initiatives conducive to working towards Regional Sustainable Development. The integration of Sustainable Development in European regional development policies and the Structural Funds has encouraged regional actors to 'think like a region'. However, few institutions formed in the context of the Structural Funds will survive a significant decrease in funding after 2006. Mullally pointed out factors that contribute to the viability of Regional Sustainable Development processes. He stressed that regional identity and competition are the driving force for Regional Sustainable Development.

## **Discussion**

Concerning the Irish case it was remarked, that the creation of sub-national structures of governance was missing. On the one hand there have not been much needs and questions for such processes. On the other hand commentators with an economical background advised to transfer local administrations and their powers to newly created regional administrations. However, it was not paid much attention to these advises. It was concluded for the Irish case that the challenge will be the integration and especially the implementation of governance within the NUTS III-Level.

It was elaborated on the different understandings and definitions of Sustainable Development and wondered if the REGIONET project delivered outcomes concerning the application of these varying definitions. The point was made that, concerning the EU-

level, the relevant definition of Sustainable Development is already integrated in the objectives of the various (funding) programmes. It was remarked that the Lisbon Strategy should rather be understood as a strategy for Sustainable Development than as a strategy for economic development.

The point was made that local partnerships often inherent two different functions: firstly an actor who is motivating and animating, who thinks future-oriented and has new ideas; secondly an 'cashier' who cares about administration, financing and funding, who represents reliability. It was concluded that these opposing functions have to be separated.

It was made the thesis that Sustainable Development could only be attractive and applicable for the regions, if they gain competitiveness and reliability. In a knowledge-based society regions could only be competitive if social aspects are stronger integrated into the regional development process. It was deduced that Sustainable Development could only be successful if social aspects are increasingly integrated. The statement was closed with the question if investments into new technologies are actually leading to a more competitive and profitable region.

The situation after 2006 was discussed and it was posed the question whether the discontinuation of Structural Funding only leads to the direct loss of social and natural capital. Before this background it was elaborated on the side effects of the Structural Funds which comprise the contribution to economical benefits, the institution-building capacity and the cause of the emergence of newly formed regions. Furthermore it was emphasised that the Structural Funds are generally focused on economical aspects; the differences of the Gross Domestic Product are the starting-point for funding activities. Social capital and social structures are rarely considered concerning the allocation of funds.

It was stressed the point of a necessary common reflection on the stakes concerning the process of institutionalisation on the regional level.

The opportunity for the accession countries to learn form the EU15 and especially the importance of this learning process was emphasised in the further discussion. It was clarified that recommendations from the experiences of the EU15 concerning governance and evaluation processes are needed. The discussion was closed with the insight that research in 'Regional Sustainable Development in Europe' is with the REGIONET Project at its very beginning. Against the background of the current state of the art in research efficient governance and evaluation methods in RSD are just unknown. So definite outcomes and recommendations for the Accession Countries are currently not available.

## **Circle II: Strategies for Multi-Level Governance**

Chair: Gerald Berger, ICCR, Vienna, Austria.

**Introduction to the topic and outcomes of Workshop 2** – William M. Lafferty, ProSus, University of Oslo, Norway.

William M. Lafferty presented selected critical perspectives from the Lillehammer workshop. First he raised the issue of effective governance: The ‘region’ as a constellation of actors and processes is focusing on both, the challenge of multi-level governance and cross-sectoral policy integration. Second, he drew attention to equitable governance: The discussion of subsidiarity within the context of Regional Sustainable Development can foster the discourse of ‘differentiated responsibility’ between north and south as well as east and west within the EU. Finally he pointed to the topic of innovative government: The field of regional sustainable development allows a discourse between liberal market democracy and democracy for Sustainable Development.

**Keynote Address: Regions, Multi-Level Governance and Sustainable Development: Reflections and Strategies** – Elizabeth Bomberg, University of Edinburgh, Scotland.

Elizabeth Bomberg reflected on the topic of “regions, multi-level governance and sustainable development”. At first she defined the key concept of Multi-level Governance (MLG) as a system of overlapping and shared powers between actors on regional, national and supranational levels that pushes observers to look beyond traditional state-centric approaches. The operation of MLG is double-edged for European regions. On the one hand, interests can be expressed and exploited independently, on the other hand, the system of MLG tends to make regional actors more dependent on their central states. The other key concept of sustainable development with its policy-specific, procedural and normative principles assumes especially regional and local actors to take on key implementing roles. The implementation challenges are fundamentally different to policymakers and citizens because a fundamental change in the attitude of policymakers, private firms and public opinion is required. Bomberg then outlined practices and mechanisms that can contribute towards sustainable development governance. These are the EU’s engagement with and the contestation surrounding subsidiarity, the EU’s internal practice of bargaining, networking and power-sharing as well as the EU’s tool kit of mechanisms or strategies including multi-level coordination, new policy instruments, networking and policy learning. In the context of Local Agenda 21, the interaction between the Commission and regional or local authorities demonstrates the way in which territorial boundaries can be spanned. While enormous efforts have been made, the costs of such procedures as well as the violations of the principles of accountability and transparency led to trenchant critiques. What followed in the presentation was a detailed

analysis of the efforts and the limits of regional participation, adopting varied strategies and employing multiple channels of influence, both formal and informal. Many formal and institutional strategies are already in place. However Bomberg stressed that these institutional or constitutional strategies were analysed to be inadequate due to multi-faceted limits. First the Committee of Regions is internally divided and not likely to be significantly strengthened under any new constitution. Secondly the stature of regions in the EU Treaties and the draft constitution is still sidelined and the consultations can be very limited as the Committee of Regions illustrates. Finally enlargement and institutional reform may exacerbate feelings of marginalisation amongst some of the larger regions on matters of formal representation. What followed was an analysis of the two informal strategies penetration of policy networks and engaging in policy learning. Bomberg focused on the importance of the multi-level character of networks as access points for regional actors. Some preliminary results can be drawn from tentative findings and preliminary research how regions are most able to influence EU decision-making:

1. skilful bargaining and access to policy networks,
2. combining resources with other regional networks,
3. continuous working with the national government.

Effective regional sustainable development also depends on regions' resources as well as on the political will of the regions and other actors, especially of national governments. As these strategies provide only partial solution, Elizabeth Bomberg presented some preliminary thoughts about the concept, application and practical implications of the strategy of policy learning. She stressed the importance of actors or agents for learning and teaching. Learning types in a system of multi-level governance includes vertical and horizontal learning. The first type refers to lessons taught or borrowed between levels of governance, e.g. subnational units serve as 'laboratories of experimentation' for the national level. Numerous examples as the 'Sustainable-Regions Network' and the more developed Nordic Region Net can be found for horizontal learning. Within the context of EU enlargement, private consultants and firms as well as non-governmental organisations have been enthusiastically employed different forms of policy learning. However learning has its limits for importers as well as exporters. Bomberg concluded that the participation as well as implementation will and capacity of regions is crucial to sustainable development not only in regions but in Europe more generally.

**Presentation: Subsidiarity and the Constitutional Premise for Regional Governance in Europe** – Tanja A. Börzel, University of Heidelberg, Germany.

Tanja A. Börzel talked about subsidiarity and the constitutional premise for 'Regional Governance' in Europe. She focused on regions which enjoy constitutional or at least legal autonomy because they have the resources to establish and exploit direct relations with European institutions. Talking about the constitutional premise for regional governance, she stressed that constitutionally or legally defined entities are the premise for both regional governance and the application of principle of subsidiarity. Börzel argued that subsidiarity may enhance the political action capacity at regional level by

ensuring that actors have sufficient autonomy and resources. Due to the centralisation of legislation at the European level and the decentralisation of implementation at regional level, there exists a mutual dependence of regional and central state actors in European policy-making, leading to intergovernmental cooperation. Analysing subsidiarity and regional governance, Börzel discussed the three major assumptions of a 'negative' understanding of subsidiarity, arguing that they contain serious flaws: subsidiarity is a constitutional principle for allocating competencies, it protects subordinate levels of government and it promotes democracy. She defined a 'positive' subsidiarity as political criteria for the exercise of shared competencies that legitimise both decentralisation and centralisation. While the German, British and French government have pushed for the negative concept of subsidiarity, smaller and economically less developed member states have favoured a positive, pro-integrationist approach. There are two fundamental ways in which subsidiarity can regulate the relationship between different levels of government: as substantive principle it allocates exclusive competencies and as procedural device it guides to execution of already allocated competencies. Börzel pointed out that it is the logic of 'compensation-through-participation' which characterises the European system of multi-level governance. The German federal experience was analysed to explain the logic of multi-level governance. It is the participation that prevented the *Länder* from being downgraded to mere administrative units of the central state. Having the structural similarities in mind, she concluded that there are little reasons to expect subsidiarity to protect the autonomy of regions against centralisation. Moreover subsidiarity is highly unlikely to help overcoming the democratic deficit in the European Union. She concluded with a plea for an alternative reading of subsidiarity based on the principle of federal comity. This principle guiding policy-making consists of mutual respect and support, ensuring autonomy for regional governance and enhancing capacity.

**Presentation: Sectoral Policy as a Means for regional Sustainable Development: The Case of Galicia** – Santiago Urquijo Zamora, Galician Ministry of the Environment, Spain.

Santiago Urquijo Zamora (Centre for Sustainable Development, Galician Ministry of the Environment) talked about sectoral policy integration as a means for Regional Sustainable Development in the case of Galicia. In the context of various conventions, programmes and Sustainable Development strategies, the Galician Ministry of the Environment decided to create the General Directorate Centre of Sustainable Development carrying out and leading the Galician Strategy of Sustainable Development. The process of elaborating the Galician Strategy is carried out across two phases: integration of the environmental component into sectoral policies and elaboration and application of the strategy. The first phase has been realized by an analysis of the Regional Development Plan 2000-2006 as well as programmes and plans of sectoral policies, meetings and personal interviews. Following that a diagnosis of the situation was elaborated that is grouped in seven sectoral policies and two horizontal policies. The principal challenges identified were translated in the prime lines of performance and proposals of action. The implementation procedure consisted of a series of steps of analysis and improvements by administrative organs of the autonomous government of

Galicia. He stressed the importance of a well organised, strict and structured follow-up system with a clear establishment of responsibilities of all government ministries and departments. The annual follow-up report analyses the degree of fulfilment, the extent of development of the measurements of integration and the efficiency of the use of the strategic instruments. A decree regulates principles, criteria as well as an evaluation of this process of integration. The system of indicators consists of indicators for the integration instruments and for the environmental integration in sectoral as well as horizontal policies. Zamora presented examples of these three categories. Besides the strengths of this very pragmatic approach there could be a potentially weak integration as e.g. key environmental challenges for a particular sector are not properly assessed and identified. Furthermore, enough human resources for the cooperation of the sectoral bodies or – as a long term measure – information and education of the personnel are needed. Further topics to be dealt with are e.g. a clear commitment at the highest level, institutional catalysts strategically located as well as specific rules and laws.

## **Discussion**

The discussion elaborated on different types of regions and their various definitions. The 'exclusive region' within a defined territory is increasingly replaced by the concept of 'overlapping regions'. However, it was argued that a final definition of 'region' is not most important to the research process. Within the further discussion it was pointed to an advantage of overlapping regions: as by 2006 multiple projects and therefore newly formed regions will be disappearing with the decrease in funding, the overall effect will be moderate, as only one of the various overlapping regions will disappear.

It was pointed out that there are already various institutions, programmes, etc. which integrated – explicitly or not – Sustainable Development. These existing processes are currently influencing other political sectors in the sense of a Sustainable Development.

The point was made that intercultural differences and the varying contexts in the EU member states as well as the accession countries lead to different definitions of the relevant terms, like region, sustainability, etc. It was argued that it is necessary to find a way to integrate these differences into the ongoing discourse. Furthermore it was clarified that the understanding of these terms is surely not similar, but that they contain enough similarities to serve as a basis for a common discourse.

Within the discussion the question on existing differences and inequalities concerning subsidiarity within the European Union and the accession countries was raised. At this it was focused on the differences along an East-West axis within Europe. It was stressed that the varying conditions in the various countries are the basis for democratic development and subsidiarity. Due to these different conditions already developed concepts are possibly not suitable in other countries, but are only applicable in countries with comparable conditions.

It was emphasised the need for a framework for people who are managing the development of a region.

Comments were made on the general connection of governance and Sustainable Development and it was asked if governance is an integral part of Sustainable Development or if it is only discussed because it is relevant in the scope of the implementation of Sustainable Development. Furthermore it was stressed the point of a possible difference in the discourse of governance in Sustainable Development and the general discourse in governance. It was remarked that objectives of Sustainable Development are often opposing to objectives of governance.

### **Circle III: Evaluations Methods and Tools for RSD**

Chair: Marialuisa Tamborra, DG Research, European Commission, Belgium.

**Introduction to the topic and outcomes of Workshop 3** – Joe Ravetz, CURE, University of Manchester, UK.

Following Ravetz the 'Evaluation Workshop' provided a review and synthesis of existing and new methods and tools, in the evaluation of RSD. It focused on the regional dimension, recognising that this involves both EU administrative regions and other definitions, between the national and the local levels. Ravetz outlined the workshops' objectives as:

- To make links between evaluation methods and tools, and their processes and applications.
- To bridge the gaps between the evaluation of an ideal model for RSD, and the evaluation of the realities of current policies and programmes.
- To explore how economic, environmental and social evaluation methods can be combined and integrated.

In particular the workshop aimed to provide practical guidance on:

- Extending EU methodology, such as the DG Regio "Thematic evaluation on the contribution of the Structural Funds to Sustainable Development".
- Increasing the effectiveness of various 'integrated appraisal' toolkits.
- Pointing towards an integrated best practice framework for evaluation of RSD.

**Keynote Address: Evaluating Regional Sustainable Development: Approaches, Methods and Tools of Analysis** – Peter Roberts, Department of Civic Design, University of Liverpool, UK.

Peter Roberts presented approaches, methods and tools of analysis to evaluate Regional Sustainable Development. In his presentation he offered a critical review about evaluation and suggested some reforms. At first he pointed out the evaluation of Regional Sustainable Development as a complex and multifaceted matter. He outlined the influence of two additional complications which are the temporal perspective and the recognition of other exercises and evaluations undertaken in a region. Roberts then pointed out four key elements that must be addressed: determining interactions, addressing conformity, appropriateness of temporal framework and conformity to regional requirements. What followed were definitions and theoretical foundations of evaluation. Thereby Roberts stressed that the operation of various processes and definition not only allows for the establishment of greater clarity but can help to raise awareness and interests among partners and can assist in establishing targets and methodologies for the achievement of objectives. He pointed out key theoretical concerns associated with the evaluation of Regional Sustainable Development. He argued that there is a great awareness of the importance of achieving, rather than simply promoting, Regional Sustainable Development. Roberts then moved on to evaluation methodologies and indicators. He offered a brief review and appreciation of evaluation methodologies and discussed the difficult subject of the selection and application of indicators. It is fundamentally that a methodology conforms the condition, characteristics and requirements of an individual territory. Models to provide objective evaluation are only as good as they are allowed to be. Limitations of structure, time, financial resources and accountability have frequently inhibited the application of such models. Roberts presented the case study of Scottish Enterprise Tayside, where he has undertaken work to develop a more meaningful and appropriate system of indicators and measurements. He pointed out the importance of the concept of ecological modernisation theory for the discussion of the evaluation of Regional Sustainable Development. Therefore the chief requirement of any evaluation methodology is that it should possess the ability to track the progress of each element of a regional programme along the spectrum from weak to strong Sustainable Development discourses, interests and reforms. Roberts concluded that there must be a shift from universal applicable quantitative expert models of evaluation to qualitative models tailored-to-fit the conditions in a region. Furthermore evaluation should be open and transparent and is best undertaken through negotiation by a wide set of regional actors. Finally new evaluation should be socially constructed.

**Presentation: Evaluating Sustainable Development in 11 countries in the EASY Project** – Reinhard Steurer, Vienna University of Economics, Austria.

Reinhard Steurer on behalf of André Martinuzzi (University of Economics and Business Administration Vienna, Austria) presented the evaluation of Sustainable Development in 11 countries. He outlined key findings of EASY-ECO – the ‘Evaluation of Sustainability European Conference’. EASY-ECO addressed the demand and supply side of evaluations in the context of sustainability. He pointed out that Sustainable Development requires coherence of economic, social and environmental policies on the demand side in long term. He mentioned Sustainable Development and ‘good governance’ both emphasise reflexivity. Evaluations support good governance in terms of accountability,

openness, transparency and legitimisation. He argued that no one-size-fits-all approach but various disciplines, evaluation methods and approaches exist on the supply side of evaluations. He made clear the lack of interdisciplinarity. Most evaluations are conducted by specialised research institutions with only little information exchange. He then provided an overview about objectives of EASY-ECO, which are:

- training of young researchers in evaluation of Sustainable Development
- bridging the gap between different fields of application
- support of networking between scientists, evaluators and clients
- increasing market transparency

Following that, Steurer briefly outlined the methodology and structure of the country surveys. As a result of the surveys, he pointed out three major driving forces for Sustainable Development evaluation at national level: EU requirements, Sustainable Development strategies as a common point of reference, and culture and institutionalisation of evaluation. He stressed the lack of common understanding of Sustainable Development. The same subject of evaluation may be assessed positively or negatively. The time horizons end with the duration of the intervention or with the effects caused by intervention. Furthermore evaluations restrict themselves to interviews of involved parties and participatory evaluation concepts are very rare. He mentioned the three pillars of Sustainable Development seem to be minimum consensus. Finally he outlined policy challenges and recommendations. Advanced Good Governance for Sustainable Development with support of evaluation is needed. Furthermore there should be a stronger focus on policy learning. Policy capacity needs to be built up for evaluations with the EU as a driving force for evaluation. Steurer stressed that the Evaluation Society has to be strengthened in Western Europe and has to be established in accession countries.

**Presentation: Thessaly Regional Programme** – Jenny Stila, University of Thessaly, Greece.

Harry Coccossis reflected on cross fertilisation and integration of results of REGIONET. He presented the region Thessaly in the context of regional policy, particularly the 2<sup>nd</sup> Regional Operational Programme. He provided insight in the profile of the region and outlined the Regional Strategy from 1994–1999. This strategy is based on the 2<sup>nd</sup> Regional Operational Programme and aims at:

- development of rural space and the increase of competitiveness of agricultural products
- support of the secondary sector
- infrastructure projects and the transport sector
- elaboration and implementation of environmental policy

Coccossis then pointed out that the total financial assistance for the Regional Strategy was EUR 567,976. He made clear that the limited contribution of private expenditure in

total commitment was only 11.7%. Significant acceleration of the programme's financial progress could have been noticed during the last years. Coccossis mentioned that 1,212 projects have been definitely accepted compared to a total of 1,388 planned projects. Coccossis pointed out the absolute concentration of financial resources in the two biggest prefectures is counterbalanced by their relative concentration in smaller prefectures. In his conclusion he presented main results of the evaluation of the 2<sup>nd</sup> ROP, which was focused on the entire programme as well as on specific measures. There is only a limited contribution of private expenditures on total commitment of the programme while a significant acceleration of the programme's financial progress has been witnessed during the last two years of the programmatic period. He made clear the limited average size of projects did not allow the implementation of a significant physical object. It was also considered as an indication for the dispersion of resources with negative consequences. Although several references were made for the lag in development faced by the region of Thessaly, the dimension was not adequately addressed in the 2<sup>nd</sup> ROP's priorities and implementations. Finally Coccossis outlined three main policy options towards a development strategy for Thessaly. These are the acceleration of development, the identification of quality elements and a Sustainable Development. As Coccossis made clear, these options has been adopted in the 3<sup>rd</sup> Regional Operational Programme from 2000 to 2006.

**View from an NGO: Criteria for a Sustainable Region – The Experience of the Regional Futures Network** – Simon Slater, Forum for the Future, Sustainability NGO, UK.

Simon Slater emphasised the need to promote RSD to actors and citizens in the regions, which could be achieved by selling RSD as 'good regional policy'. Against this background Sustainable Development has to be understood as an overall strategy for the region and the processes within the region. He underlined that it is important to integrate various aspects into RSD like e.g. ICT, security and environment. Furthermore he raised the question whether RSD in Europe promotes Sustainable Development as a topic or rather as an overall framework. Concerning the content of RSD he identified the low carbon economy and health as key gaps that are clearly underrepresented

## Discussion

The lacking definition or operationalisation of Sustainable Development was stressed as a crucial problem concerning the evaluation or measurement of Regional Sustainable Development. It was argued that it might be more appropriate to measure the sectoral effects of RSD and to leave the interpretation of these results - whether they are sustainable or not – to the politicians. An oppositional view was that the lack of quality in evaluation is a result of different approaches and not a result of lacking definitions. It was stated that the discourse about defining the used terms is actually not relevant.

The point was made that almost all applied practices are based on different analysis methods. It was concluded that a holistic approach to the evaluation of RSD is necessary to ensure comparable results.

Moreover it was emphasised that it is not the goal of evaluations to make final judgements, but to identify alternative actions and to inform politicians. It was concluded that evaluation should rather be seen as a social process.

It was remarked that evaluations have to adjust analytically as well as procedurally to the different objectives of the various actors and administrative bodies concerning the planning process.

The big difference between regional, resp. local knowledge and the knowledge of extern evaluators was underlined. Comments were made on the possibilities to fill this gap and it was proposed to provide regional managements and administrative bodies with questions to pose to an extern evaluator.

## **Session 2: Task Ahead: 2006+ – A perspective**

Chair: Reimar Molitor, Regionale 2010, IOEW, Germany.

### **Presentation: Future of the Cohesion Policy versus Sustainable Development – The 2006+ Perspective: Remarks from newly accessed to the European Union Countries – Tadeusz Zoltowski, Polish Academy of Sciences, Poland.**

Tadeusz Żółtowski analysed the potential evolution of Cohesion Policy after 2006 from the accessing countries point of view. At first he provided an overview of the historical development of social regional development and the Cohesion Funds in the European Union, the main beneficiaries as well as the macroeconomic impact on the Gross Domestic Product in these countries. He stressed that the evolution of sustainable policy in an enlarged European Union is difficult to assess due to an extended use of economic instruments in current environmental policy and a reorientation of policy towards technological criteria. Under these circumstances environmental protection will depend on an effective spatial planning. He pointed out that the main financial support for Sustainable Development in an enlarged European Union will come from Cohesion Policy. After the presentation of some outcomes of the Lisbon Strategy (Lisbon Summit, 2000), the Second Progress Report on Economic and Social Cohesion (European Commission, 2003) and the Sapir Report (economic experts, 2003), Żółtowski analysed the scenarios for a Cohesion Policy. While the European Commission, the Committee of the Regions and the majority of the Member States support the cohesion approach, the Sapir Report, prepared by a High Level Group of economic experts, is more closely to the convergence approach. The flexible cohesion approach is coherent with the scenario of an integrated European Union and strongly oriented towards regional cooperation. It focuses on least developed regions. The convergence approach, supported by the United Kingdom, the Netherlands and partly by the Sapir Report, concentrates limited resources on the poorest Member States according to the objectives of the Lisbon Agenda. It is based on the assumption that it is the Member State itself who can deal the best way with problems of regional disparities. The Sapir Report additionally proposes the creation of three funds: a growth fund, a convergence fund and a restructuring fund. Critic from the neo-liberal circles contains the problem of limited economic development in the accessing countries due to the necessary adoption of numerous European standards and norms. He concluded that it is very difficult to assess to what extent the proposed changes in the cohesion policy includes more opportunities or threats. However, investment in knowledge, research, new technologies and communication will become more important. Such a re-allocation of financial resources together with a small group of recipients the most competitive as well as the total reduction of the community budget in the 2007-2013 perspective were discussed as dangerous.

### **Presentation: Regional Sustainable Development as a cross-sectoral task – Timothy Moss, Institute for Regional development and Structural Planning, Berlin, Germany.**

Timothy Moss talked about Regional Sustainable Development as a cross-sectoral task. He pointed out that Sustainable Development depends to a particularly high degree on creating and maintaining effective integration and coordination across multiple policy arenas. He provided a summary of the various dimensions of institutional interplay (functional, political, membership linkages as well as vertical and horizontal interaction) and illustrated them with examples. He then briefly explored two recent policy initiatives across the European Union which aim to improve cross-sectoral coordination of water / land use at regional level: institutionalising river basin management via the Water Framework Directive and floodplain restoration as a component of preventive flood management. In both cases concerted efforts have recently been encouraged to overcome problems of institutional interplay. Steps to more integrated forms of managing water and land use mark a substantial departure from past practices. However those entrusted with promoting greater cross-sectoral integration often lack necessary resources, skills and / or convictions. Moss particularly stressed the gap between policy design and project management and pointed out that concerted efforts are crucial to address institutional interplay in response to European requirements and local pressures for change. What is lacking is a more systematic analysis of the nature of cross-sectoral coordination. Finally he suggested that the IDGEC (Institutional Dimensions of Global Environmental Change) concept of institutional interplay provides useful guidance for more detailed analysis.

## **Discussion**

Concerning a cross-sectoral approach it was remarked that integrated thinking is not filtering down to actors on the ground. A communication gap between the policy level and project managers was observed.

It was mentioned that the discussion focuses around institutions, structures, etc. As institutions are only existing because of people working for them the discussion should rather focus on people. It was replied that communication between institutions is also possible and that it is important to define clear roles for institutions, understand how institutions work and find out who institutions represent. Furthermore it was emphasised that institutions and their actions are always shaped by the people working for these institutions.

Within the discussion of cooperation on different spatial levels it was raised the question whether interregional or international cooperation is easier to accomplish. It was argued that the answer to this question leads to the future development of the European Union as a EU of regions and regional interests or the European Union of the nations and national interests. This basic question concerning the discourse on democracy within the European Union is characterised by the power struggle between nations and regions. The point was made, that the nations and not the regions have the power as they finance

the contributions towards the European Union. However it was underlined that the regional approach will be the future especially for the accession countries.

Against the background of a required decentralisation of political power structures in the accession countries it was asked about the premises to bring these new institutions into work. The problem of institutional interplay on the basis of a fragmented administrative structure was stressed. Comments were made on the appropriate spatial scale of regionalisation and it was remarked that the limiting factor for the building of institutions are qualified people on the different spatial levels.

The point was made that Sustainable Development will happen, if people are brought together and if people are learning from each other within a region. This led to the question of development after the networking of regional actors. As key question was identified how it will be possible to transfer social capital into institutional learning.

## **Session 2: (cont.)**

**Presentation: Funding Guidelines: Regional policy and Sustainable Development –**  
Michael Roth, DG Regional Policy, European Commission, Belgium.

Michael C. M. Roth reflected on the EU Regional Policy and Sustainable Development. He argued that Sustainable Development is based on the integration of the three pillar approach of the UN definition: economic development, environmental protection and social cohesion. Roth briefly outlined the present instruments of regional policy in the European Union. He stressed that all Structural and Cohesion Fund interventions must be in accordance with the principle of sustainability. To explain the integration of Sustainable Development into regional policy, a horizontal approach was used by Roth. He divided this approach into sectoral policy and regional policy. The horizontal approach shows positive effects on integration of Sustainable Development into Structural Funds but Sustainable Development is often perceived as a complicating supplementary aspect. Therefore, Roth argued that there is a need for better integration of and focus on Sustainable Development in regional policy. He then moved on to the strategic elements towards more Sustainable Regional Development which are the Lisbon and Gothenburg Strategies, the European Spatial Development Perspective (ESDP), and the Acquis Communautaire. Further elements towards more sustainable regional development derive from sectoral policies, e.g. the ETAP, the 6<sup>th</sup> Framework Programme, the 6<sup>th</sup> EAP, etc. Roth then explained the Lisbon and Gothenburg Strategy in more depth. He moved on to the future of European structural policy and examined the three new objectives of the Structural Funds. In his conclusion, Roth outlined the dimensions of future Regional Sustainable Development policy. These are the enlargement of the European Union in

quantitative dimension, the ESDP Guidelines in spatial dimension and the Lisbon Strategy in qualitative dimension.

**Presentation: Cooperation, Information and Transfer** – Robert Lukesch, ÖAR Regional Consulting, Austria.

Robert Lukesch talked about cooperation, information and transfer for Regional Sustainable Development. At first he outlined cooperation as a concrete activity as well as an operational principle that occurs if there is a gain for each actor involved. It is either a complementary - buyer-seller-relationship and relationship of mutual exchange and transfer - or a supplementary – vertical / horizontal partnership and network - form of interaction. To overcome the shortcomings in the set up and functioning of vertical partnerships in the context of Structural Funds, he proposed operative and strategic partnerships of institutions. He stressed the importance of horizontal partnerships (LEADER action groups, EQUAL partnerships or Territorial Employment Pacts) as decentralised negotiation for bringing the top-down programme closer to real needs and aspirations of potential beneficiaries. Networking or second order cooperation is often pointed out as elementary structures for regional governance, providing a better frame for open participation, innovation, growth and solution-oriented strategies than partnerships. Lukesch regarded networks, accompanying structures for e.g. the Structural Funds programmes, as an essential European added value of regional development funding. Secondly he talked about the exchange of signals which are transformed into information by the receiver in the context of actual problems with monitoring. Monitoring and evaluation problems should be dealt with a better structured evaluation process, divided up into three elementary parts as short and long learning cycles and financial control. Thirdly a climate of trust and empathy as well as a certain maturity of the seeker is needed in activities paid from the Structural Funds. In these activities, a third party pays for the transfer of knowledge, experience and good practice from a knowledge provider to a knowledge seeker. Lukesch concluded that successful transfer happens along personal bonds, embedded in a common spirit.

## **Discussion**

Concerning the EU's instruments for spatial development it was argued that these instruments are not fostering development on a spatial level. The Structural Funds are only aiming at the reduction of economical differences and not at the promotion of spatial development. Furthermore it was remarked that the instruments are not conform to the objectives of the ESDP. It was concluded that these instruments are potentially or desired but not real instruments for spatial development. As a reply it was admitted that the effectivity of these instruments are not at its best, but it was also emphasised that this is an evaluative view to the topic. Additionally it was remarked, that the effectivity of EU instruments is currently increased as impact assessment is applied.

It was pointed out that it would be helpful to develop 'Good Practices' to increase transfer between multiple regions. Against this background the differences between copying and emulating were stressed: the transfer function of 'Good Practices' should not be about copying, but about emulating. This means achieving the same results with other programmes or other instruments than in the original case. At this the focus should be on the understanding of the own inherent programmes, systems and procedures and their functioning.

The discussion continued on possible help from the European Union to new policy actors on the regional level to be more appropriate for upcoming evaluation processes. Furthermore, it was mentioned that the application for most funding programmes as well as the funding programmes themselves are too complicated and bureaucratic, especially due to the addition of EU, national and sub-national regulations.

The point was made, that with occurring problems during the implementation of Sustainable Development in the accession countries the concept of Sustainable Development could also be diminishing in the EU 15. It was replied that with the preparation of the ground for Sustainable Development in the accession countries the process has to be seen as a general benefit for Sustainable Development.

### **Session 3: Getting to know RSD in Europe**

Chair: William M. Lafferty, ProSus, University of Oslo, Norway.

**Presentation: Impact Assessment** – Pierre Valette, DG Research, European Commission, Belgium.

Pierre Valette (Head of Unit European Commission, DG Research, Environment) talked about different aspects of Sustainable Development including Sustainable Development targets, prevention and adaptation strategies as technologies and economic instruments and monitoring. Innovative methods and tools for Sustainability Impact Assessment integrate the economic, social and environmental perspective as well as the global, regional and local level. Furthermore they are participatory and account for the principle of foresight. In general policies and measures to implement Sustainable Development strategies are technological options, economic instruments as well as land-use practices. What followed was an analysis of different sectors with regard to Sustainable Development issues. First Valette analysed land use and sustainable development. He pointed out that Sustainable Development strategies for sensitive regions should consider multifunctional aspects as landscape, rural development, land use (infrastructures), environmental protection and agriculture / forests. Analysing agriculture and Sustainable Development Valette discussed the top down and bottom up link between the micro and macro perspective. The micro perspective farming systems consists of benchmarking, behavioural changes and externalities. The strategies of the macro level include land use strategies, rural development, public good strategies and the dimension of international cooperation. Valette then presented Sustainable Development aspects of the forestry wood chain including solid wood chain, fiber chain, bio energy chain and bio composites chain. Actors involved are industries, public authorities and civil society coping with local, regional, european and international regulation. Multifunctionalities in this sector are land-use, landscape, rural development, environment, sinks and biodiversity. The last sector Valette analysed was the Integrated Coastal Zone Management (ICZM) with regard to Sustainable Development.

### **Presentation of the major outcomes of the National Reports**

**Poland** – Stanislaw Walukiewicz, Polish Academy of Sciences, Poland.

Stanislaw Walukiewicz presented the National Report of Poland in the session “Getting to know Regional Sustainable Development (RSD) in Europe”. Walukiewicz pointed out that the main objective of the National Report was to provide an integrated and interdisciplinary approach supporting the implementation of Regional Sustainable Development principles in Polish regions. He briefly presented the content of the National Report that is composed of five sections. The first section primarily focuses on how the new Polish administrative structure is prepared for the implementation of the regional

Sustainable Development principles in general and the Structural Funds programmes in particular. The second section reflects upon national and regional initiatives for Regional Sustainable Development. The following section elaborates on the involvement of the different political and administrative levels in policy-making. This section called Multi-level Governance provides a description of the Green Lungs of Poland project (GL project) as an example of multi-level interaction in Regional Sustainable Development policy-making. The description of the GL project contains a short history of initiatives, roles of the main stakeholders and interaction between them in policy-making. The current evaluation methods, tools and indicators used in Poland are described in the fourth section. The last section summarises the practical experiences gained so far in Poland.

**Italy** – Corrado Diamantini, University of Trento, Italy.

Corrado Diamantini presented some positive and negative aspects of Italian regions and regional initiatives linked to Sustainable Development. As regions in Italy are endowed with administrative and legislative powers they have enough power to activate all sustainability policies. Due to different political and administrative capacity, large disparities in Gross Domestic Product per capita as well as different covering of the Structural Funds the regional initiatives linked to Sustainable Development are very heterogeneous. Following that Diamantini briefly analysed positive aspects emerging from regional initiatives. First a group of regions with a long tradition of self-government have explicitly chosen the sustainability paradigm replacing the conceptual framework of good government. Furthermore a new programming season in the south of Italy seems to mark a sharp departure from the traditional passivity. The application of good practices like the cross-sector policy integration and the vertical coordination as well as the diffusion of new tools are further positive aspects. Moreover, the implementation of EU programmes like URBAN, INTERREG and LEADER has stimulated the involvement of local actors and has innovated the territorial government practices. However, there are also negative aspects as a lack of coordination on the regional and local level as well as concrete steps towards sustainability. Furthermore Diamantini criticized the weakness of evaluation practices, the ongoing practice of command and control along governance building processes and the fragility of those participatory mechanisms that enable local population, at various levels, to take decisions.

**Ireland** – Gerard Mullally, University of Cork, Ireland.

Gerard Mullally presented the outcomes of the Irish National Report on Regional Sustainable Development. For further details, please see the REGIONET homepage: [www.iccr-international.org](http://www.iccr-international.org).

**France** – Corinne Larrue, Université de Tours, France.

Corinne Larrue presented the outcomes of the Irish National Report on Regional Sustainable Development. For further details, please see the REGIONET homepage: [www.iccr-international.org](http://www.iccr-international.org).

**Hungary** – Miklós Bulla, Széchenyi István University, Hungary.

In Hungary one of the main problems is that the real meaning of Sustainable Development has not been come to stay yet. Hungary has no National Sustainable Development Strategy (though there are initiatives to elaborate it). Lack of it causes the absence of sectoral and cross-sectoral sustainability strategies as well. Therefore the aspect of sustainability has not been integrated into sectoral and regional development plans. The cross-sector policy integration in the implementation of Regional Sustainable Development is also missing. The other important problem is that the regional level is still rather weak in Hungary. On the one hand, we have a 1000-year county system: they are the traditional units of the Hungarian public administration. On the other hand, the NUTS 2 regions have no historical background: they exist only for 10-years, and were created because of the EU-funds. There are efforts in order to have only four levels (like in the European Union): national, regional, micro-regional and municipal. To realise it, an actual micro-regional network should be established and the 1000-year county scheme should disappear. This is the source of many conflicts. Although the regional development institution scheme practically institutionalised and obligated the horizontal and vertical cooperation and partnership, the Hungarian regional development is centralised: the majority of the regional development organisations at regional level are deconcentrated but not decentralised sub-unit of a central organisation. Regarding the main impact of the Pre-Accession Funds on Regional Sustainable Development we can establish that Sustainable Development was rarely a central objective of Pre-Accession Funds. Generally the aim was only economic sustainability of the new processes generated by the developmental projects. According to our opinion the main future tasks in Hungary are the followings: (i) real rights are required for making development decisions on regional level as real decentralisation is missing; (ii) need to re-think and clarify the competence, sources, status etc. of NUTS 2-3-4 regions, (iii) the role of NUTS 2 Regions (Regional Development Councils) has to be strengthened; (iv) improvement of indicators for monitoring both the planning and implementation processes is needed. The REGIONET project in Hungary has been an option to face the real situation, to survey the conditions of missing tools and contradictions, to involve both the academic sphere and 'regional' decision-makers.

## **Discussion**

It was remarked that regionalisation is easier in bigger countries, because there exists an intermediate approach which corresponds to the need of a holistic view in contrast to the approach on the local level.

Once again the lacking of a coordinator or a coordinating institution for Regional Sustainable Development was criticised.

With the question about the difference of Regional Sustainable Development and Sustainable Regional Development the discussion started to elaborate on the definition of Sustainable Development. It was made the point that Sustainable Development is characterised rather by justice and a long-term perspective than by an integrated approach, comprising ecology, economy and social issues. It was replied that Sustainable Development is rather characterised by responsibility than by justice. Furthermore it was emphasised, that the basis of Regional Sustainable Development is always regional identity.

The discussion was closed with the remark that Sustainable Development could foster the trust into politicians.

## **Session 4: Ways to go: Sustainable Cohesion in an enlarged EU – The future of RSD**

Chair: Ronald J. Pohoryles, ICCR, Vienna, Austria.

**Presentation: The Regions of Knowledge – Pilot Action** – Katalin Aföldi, DG Regional Policy, European Commission, Belgium.

Katalin Alföldi presented the pilot action of the 'Regions of Knowledge'. She talked about the Regions of Knowledge Initiative (KnowREG) which has been introduced in the 2003 Community Budget by the European Parliament. She briefly outlined the Initiative. KnowREG has been implemented outside of the 6<sup>th</sup> Framework Programme and has a budget of EUR 2,5 Million. The initiative aspires to develop experimental activities involving networks of regions of the European Union to create "knowledge regions". It is able to provide model regional implementations of the Lisbon Strategy and demonstrates the central role of knowledge in driving regional development. Alföldi presented the two basic strands of the KnowREG which are the Integrated Regional Technology Initiatives (IRTI) and the supporting activities. The IRTI can be subdivided in three parts: the technology audits and regional foresight; university driven actions for regional development; and mentoring initiatives where technologically advanced regions would cooperate with less advanced regions in a kind of mentoring partnership for a more efficient innovation and technology transfer process. What followed was a detailed description of the IRTI. IRTI are structured around institutions at regional level that can be identified as knowledge creators or knowledge users. Thereby the focus lies on integrated actions at regional level, involving cooperation of local actors, which are affected by creation, uptake or diffusion of knowledge to stimulate regional development. Alföldi then referred to the three parts of the IRTI and provided insight in the realisation in some pilot regions. Important to note are the main objectives of ITRI. As Alföldi made clear that IRTI demonstrate the central role of knowledge in driving regional development. They show how regional actors can effectively participate in formulating their region's future. Finally they catalyse collaboration on transnational / transregional basis to enable learning between European regions.

### **Discussion**

For the concluding panel discussion eight experts were invited to the podium:

- Katalin Alföldi, DG Regional Policy, European Commission, Belgium.
- Harry Coccossis, University of Thessaly, Greece.
- Michael Narodoslawsky, Graz University of Technology, Austria.
- William M. Lafferty, ProSus, University of Oslo, Norway.
- Reimar Molitor, Regionale 2010, IOEW, Germany.

- Michael Roth, DG Regional Policy, European Commission, Belgium
- Marialuisa Tamborra, DG Research, European Commission, Belgium
- Stanislaw Walukiewicz, Polish Academy of Sciences, Poland.

It was mentioned that the people in situ react to projects and are less interested in project management. That is the reason why the transfer level - the translation into normal, non-scientific language - of the project outcomes remains low. It was agreed upon that a lot of knowledge was gathered during the project, but that it is also important to develop new projects with the people in the regions.

Once more the need for an European platform for the exchange between regions was emphasised.

The following discussion focussed on regional identity as a precondition for Regional Sustainable Development. It was stressed that regional identity cannot be built or formed. It is only possible to lay the foundations for the development of regional identity. Comments were made on the connection of the development of regional identity and the interregional competition concerning the performance of Regional Sustainable Development. The question was raised if due to the increased mobility in a lifetime regional identity is more unlikely to develop. The discussion ended with the remark that as soon as anyone talks about identity it becomes an image. It was concluded that due to communication images are built and that these very images are retransferred as identity.

## **Annex 2 – Papers and Presentations – presented at the REGIONET Workshop IV**

The long versions of the papers can be read from the CD-ROM that forms Annex 2 of this report. The presentations held at the Workshop can be downloaded from the REGIONET website under [www.iccr-international.org/regionet](http://www.iccr-international.org/regionet).