

Urban Development Strategies: Navigating the Complexities of Multi-Level Governance in Northern Italy

Sarah Isabella Chiodi, Lorenzo Liguoro

Politecnico di Milano, Department of Architecture and Urban Studies
sarahisabella.chiodi@polimi.it; lorenzo.liguoro@polimi.it

Abstract (up to 125 words)

This study examines multi-level governance in Sustainable Urban Development Strategies (SUDs) across Lombardy, Veneto, Emilia Romagna, and Piedmont in Northern Italy. Utilising stakeholder interviews, document analysis, a CAWI survey, and a thematic laboratory, it explores regional implementation of SUDs. Despite regional variations, two primary needs emerge: policy and planning reforms towards participatory, integrated, and strategic approaches aligned with multi-level governance principles, and strengthened institutional capacity through training to integrate SUD principles and assess their impact. The study concludes by advocating for a cohesive SUD framework with enhanced regional collaboration and capacity building.

Keywords:

Sustainable Urban Development Strategies, Multi-Level Governance, Regional Managing Authorities, Cohesion Policy, Northern Italy

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1. Introduction

This contribution delves into the intricacies of multi-level governance for Territorial Strategies (TS) in Northern Italy, with a particular focus on the four key regions of Lombardy, Veneto, Emilia Romagna, and Piedmont.

Our analysis draws upon a rich tapestry of data sources:

- **The EU-funded REPLACE project:** This project provides valuable insights through stakeholder interviews, source analysis of Sustainable Urban Development Strategies (SUDs) in Northern Italy, a nationwide urban data collection via a Computer-Assisted Web Interview (CAWI) survey, and an operational thematic laboratory dedicated to urban and non-urban areas within the four target regions.
- **Author expertise:** The authors' professional experience with TS in Veneto and Lombardy further strengthens the research foundation.

Qualitative research forms the backbone of this study, incorporating principles of grounded theory. Additionally, elements of action research are employed.

It's important to clarify that our primary focus is on **Urban Strategies**, not non-urban strategies. We aim to dissect the political and administrative approaches adopted by each region, specifically examining the governance and development process of their urban strategies within the 2021-2027 programming period. This focus stems from two key considerations:

- The urban strategies and their associated actions are yet to be implemented.
- Our primary objective is to navigate the complexities of multi-level governance and assess institutional capacities for planning and managing SUDs effectively.

This exploration will offer valuable food for thought, informing future strategies and strengthening institutional capacities for successful SUD implementation.

The first part lays the groundwork by examining the broader context. It explores the role of Territorial Strategies within the framework of the EU Cohesion Policy, highlighting the goals and funding mechanisms that support regional development. This is followed by a section dedicated to Sustainable Urban Development Strategies themselves. Here, we'll delve into the principles and requirements that guide these strategies, emphasizing their focus on integrated and sustainable urban development.

The core of the analysis lies in Chapter 4. This section zooms in on the specific approaches taken by the four Northern Italian regions. We'll explore how each region implements SUDs, examining their political and administrative frameworks. This chapter draws on a rich data set, including stakeholder interviews, document analysis, and potentially survey data and thematic laboratory findings (depending on availability). Through these diverse sources, we aim to understand the intricacies of multi-level governance within each region.

Finally, the concluding section synthesizes the key findings and takeaways. By analyzing how each region tackles SUDs, the article aims to provide valuable insights for future strategies and strengthen institutional capacities for effective urban development.

2. The Territorial Strategies within the EU cohesion policy

The European Union's cohesion policy, as is known, develops along a seven-year programming timeline. It is structured on the basis of agreements concluded between the EU and individual Member States (so-called Partnership Agreements - PA) in compliance with shared rules (so-called regulatory package) and it assigns to each programming cycle the

European financial resources of the Structural and Investment Funds (ESI Funds, ESIFs) to which national and regional ones are added. ESIFs includes five main funds, among which two are involved in the SUD: the European Regional Development Fund (ERDF), aimed to promote balanced development in the different regions of the EU, and the European Social Fund (ESF), aimed to employment-related projects throughout Europe and invests in Europe's human capital, focusing on young people, on all those seeking a job, on fragile populations etc.

The 2021-27 programming sets 5 Policy Strategic Objectives (PO) to be pursued through various National and Regional Programs. Territorial Strategies falls within the scope of PO 5 "Europe closer to citizens" through sustainable and integrated development of urban, rural, and coastal areas through local initiatives. The PO 5 supports tailor-made investment strategies at the territorial level, in cities and local communities, to address their diverse challenges, and tap into their development potentials. It offers local authorities or territorial bodies opportunities to build their policy mix to the challenges they are.

PO 5 is realized by Territorial Strategies (TS). A TS is a document that describes (as defined in Article 28 of EU Regulation 2021/1060¹): the geographical area affected by the strategy (e.g. a specific neighborhood of a city, or an inter-municipal area, if it refers to a grouping of municipalities); the analysis of the development needs and potential of this area, including economic, social, and environmental interconnections (with the support of statistical data, indicators, maps, etc.); the description of the integrated approach to address the identified development needs and to realize the potential of the area (which would be the actual description of the strategy that is intended to be pursued in relation to the achievement of some specific objectives, and through the implementation of a list of operations/actions/projects as well); and the description of the involvement of partners in the preparation and implementation of the strategy. Normally the document includes attachment such as territorial framing maps, project diagrams and tables (especially in relation to the financial plan), and the list of the implementation projects with further detailed information.

Specific Objective *SO 5.1* is focused on "Fostering the integrated and inclusive social, economic, and environment development, culture, natural heritage, sustainable tourism, and security *in urban areas*". On the other hand, the specific objective *SO 5.2* aims to address the unique challenges and potentials of *non-urban areas*, promoting their sustainable development and enhancing their cultural and natural heritage. Notably, in Italy, has been promoted the National Strategy for Internal Areas (NSIA), which is an innovative policy for development and territorial cohesion that aims to counteract the marginalization and demographic decline typical of the internal areas of the country. National resources have been made available in addition to the allocations from the ESI Funds and other public and private funds, pursuing social cohesion objectives and aiming to slow down and reverse the depopulation phenomena of the Internal Areas in Italy. The NSIA will not be taken into account in this contribution, because it refers to specific objectives and peculiar found mix which differs from urban areas, which are at the core of this research.

ESI funds finance the SUD strategies through multi-year Regional and National Programs. At regional level, they are fund by the RP ERDF and, since the new programming period (2021-

¹ The REGULATION (EU) 2021/1060 of the European Parliament and of the Council lays down common provisions on all the ESI Funds (the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy).

2027), by the RP ESF+ as well. The Regional Programs are promoted by each region autonomously and they are submitted for approval to the European Commission. Along with the RPs, SUD strategies in Italy are also funded by the new National Programme referred to metropolitan cities and extended to medium-sized cities in less developed regions (NP Metro Plus e Città Medie Sud 2021-2027) and, at the European level, by the Urban Innovative Actions through the European Urban Initiative (EUI). All these programs² are sustained by ESI Funds and notably by the ERDF.

3. The Sustainable Urban Development Strategies

The SUDs consolidate the EU perspective on the urban question (*urban acquis*) starting from the 2007-2013 programming (Fioretti et al., 2020). Since the ratification of the Leipzig Charter on sustainable European cities in 2007, the European cohesion policy has integrated into its regulatory framework the article relating to Sustainable urban development: first in an optional form (EU Regulation 1080/2006, art. 8), then in a mandatory form in the subsequent 2014/2020 (Regulation 1301/2013, art. 7) and 2021/2017 (EU Regulation 2021/1058, art.11) programming periods. In order to address the economic, environmental, climate, demographic, and social challenges posed by the tendency of ‘the complete urbanisation of society’ (Lefebvre in 1970), the EU promotes integrated local development strategies for the sustainable development of urban areas; where “integrated” means capable of combining a multi-sectoral approach, multi-level governance, and multi-actor participation. The innovation of this perspective lies in the consolidation of this specific approach and its institutionalization within the cohesion policy (through ESI funds), such as recognising it as an ordinary one instead of an extraordinary one, as it was before. Indeed, this approach found reference in the 90s in the Urban Pilot Projects and in the Urban programs financed by the ERDF; which, in turn, moved within the so-called Italian season of “complex programs” partly related to the French policies of the *quartiers en crise* (Saccomani, 2004).

This approach, as implemented by the Urban Agenda for the EU of 2016, suggests integrated strategies for the most disadvantaged urban areas. It follows some fundamental criteria that we can summarize in three points:

- (i) the respect for the principle of *partnership*, according to a multi-level governance approach. It respects the principle of subsidiarity as well, which is implemented through the involvement of the local stakeholders and the civil society, making them collaborate in the preparation and implementation of the local development strategies; and
- (ii) *the integration* between different sectors of intervention (operating the strategy’s objectives and projects not only in different fields and sectors, but also integrating various objectives and projects of the same strategy each other); and the integration between different sources of financing (ERDF + ESFplus + other sources), which also imply a logic of integration between the physical dimension and the social dimension of the interventions; and
- (iii) *a place-based approach* (Barca, 2009) focused on the socio-economic, institutional, and spatial peculiarities of places, as well as on local resources and capacities; allowing to develop unique solutions for the specific needs of each territory.

² To have an idea of the amount of money involved for SUD within these programs, consider that the EUI involves up to 5M € for all the European cities; while at national level, the NP Metro plus involves for SUDs (referring to the Priority n.7 Urban regeneration of the NP) in metropolitan cities around 10M € (medium cities don’t have to develop territorial strategies but sectorial actions), the PRs total size is almost 2B€, and the NSIA’s amount is 797.250.529€.

Through territorial instruments (such as Integrated Territorial Investments (ITI), which are the most common in Italy, or Community-Led Local Development (CLLD) or other territorial tools), the SUD can be funded directly from other specific objectives under Policy Objectives (PO) 1-4, in addition to PO 5. They can provide linkages already at specific objective level, which ensures that sustainable urban development strategies demonstrate their contribution to EU and global agendas. Support to territorial instruments under PO1 and PO2 complies with thematic concentration, or with the thematic enabling conditions linked to specific objectives of PO1-4.

The SUDs can be co-financed by additional autonomous regional funds and local funds. The co-funding depends on the type of programme (RP, NP) or action (European Urban Initiative - EUI) which is promoting the SUDs: for example, some regions subsidize 100% of the costs, while other regions subsidize different percentages (from 50% up to 100%) depending on the type interventions; and EUI offers 80% of direct co-funding.

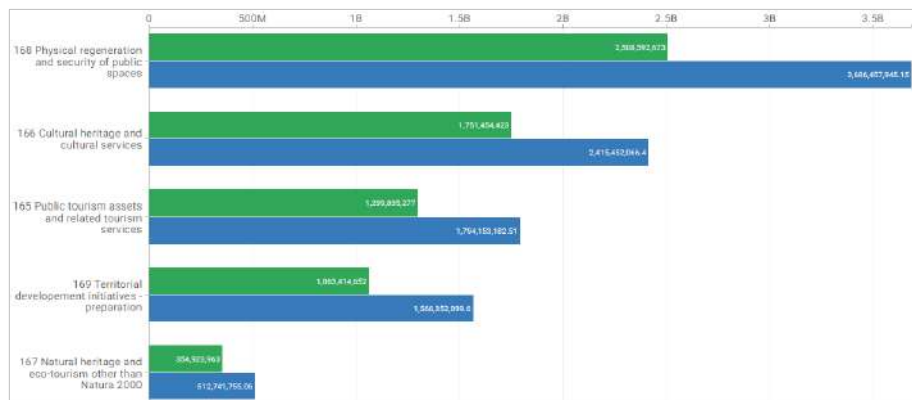


Fig. 1. Sustainable urban development - SO 5.1 Intervention fields and funding³

4.1 Regional SUD Strategies in northern Italy

In the 2021-2027 Partnership Agreement (PA) between Italy and EU is taken into great consideration the concept of integrated territorial development, increasing 3 points over the 8% target⁴ required by EU the national allocation to support Sustainable Urban Development (Cohesiondata, 2023)⁵. In this contribution, as we pointed out in par.2, we will focus on territorial strategies in urban areas, and precisely the ones managed at regional level, without considering the NP Metro plus or the Innovative Actions from the EUI.

Italy in the 2021-2027 includes three levels of regional development, as shown in the image, clearly splitting the country between north and south. This partition implies different levels of EU co-funding and different requirements and targets to observe for the RPs. For example,

³ <https://cohesiondata.ec.europa.eu/stories/s/Sustainable-Urban-development-2021-2027/iw5n-dss9/#:-:text=PO5%20specific%20objective%20is.billion%20to%20this%20specific%20objective>

⁴ This percentage is provided by Article 11 of Regulation 1058/2021, which increases the 5% target of the national allocation of the European Regional Development Fund (ERDF) to sustainable urban development required for the programming period 2014-2020.

⁵ Consider that only 13 countries on 27 overcame the threshold of 8%, outstanding Portugal with 25%.

within the ERDF, the less developed regions will benefit from co-financing rates of up to 85% of the cost of projects, while for transition regions and more developed regions it will be up to 60% and 50% respectively (Europarl, 2024)⁶; and 30% of ERDF should be allocated to PO 2 A greener, low carbon transitioning towards a net zero carbon economy.

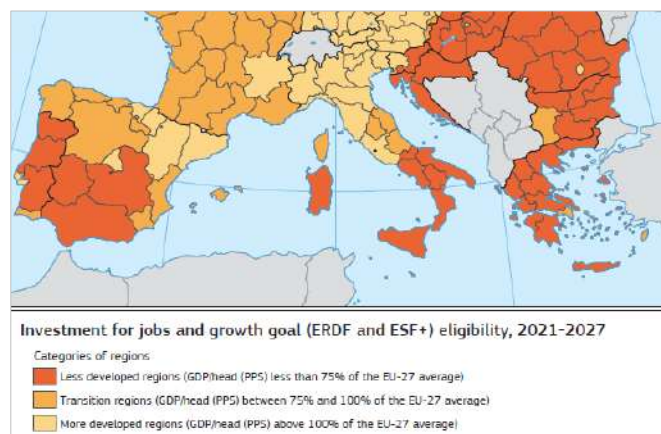


Fig. 2. Level of development of Italian regions within the 2021-2027 programming period⁷

The 2021-2027 SUDs managed by the regions in Italy present different nomenclatures⁸ and a significant variety of approaches, in alignment with the place-based model characterizing the European perspective on the urban issue. This variety affects also the other two criteria (partnership and integration) in each local context. However, the progress of their planning and management is not aligned in all the Italian regions: Lombardy is the first region which approved all the SUD Strategies in December 2022; and Emilia Romagna follows approving them in May 2023; but up until today many regions still have to reach the complete approval of all their SUD strategies, including some of the most developed region, such as Piedmont⁹.

4.2 Insights from stakeholders' interviews and source analysis

In this paragraph, we will focus on the empirical research made through indirect sources analysis and interviews conducted with the stakeholders of the SUSs of the four main regions of northern Italy (Lombardy, Veneto, Emilia-Romagna and Piedmont). The three key criteria of the European approach to the urban issue introduced in the third paragraph (partnership, integration, place-based approach) will be used here as elements of comparison for the regional approaches.

Regarding to the first criteria, each region has activated different procedures for promoting *partnership*:

⁶ <https://www.europarl.europa.eu/factsheets/it/sheet/95/il-fondo-europeo-di-sviluppo-regionale-fesr>

⁷ Extract from EU regional funding 2021-2027 available at https://ec.europa.eu/regional_policy/information-sources/maps_en#1

⁸ Sustainable Urban Development Strategies could be named in different ways in each region. For example, in Lombardy are actually named SUD, but in Emilia Romagna they are called Transformative Urban Agendas for Sustainable Development (ATUSS), while in Veneto are labelled Integrated Strategies for Sustainable Urban Development (SISUS) and in Piedmont Urban Area Strategies (SUA).

⁹ We should consider that this delay is affected by the contemporary approval of many actions from the National Recovery and Resilience Plan (NRRP) all over Italy.

- (i) at the level of strategy programming, by the management authority of the programme, previewing different methods and weights of involvement of the beneficiaries; and
- (ii) at the level of design and then implementation of the single strategies, demanding local authorities the activation of different forms of local partnership, especially in relation to citizen participation; and
- (iii) eventually supporting (also economically) the local institutional capacity for the governance of the SUDs. Indeed, the direct participation of citizens and adequate forms of citizens consultation are not binding for all regions. They are encouraged with different degrees of intensity or autonomously promoted by the beneficiaries.

Regarding the principle of *integration*, the region's approach differs for:

- *Intervention Sectors*: different mix of types of interventions (such as new green areas, energy efficiency, cyclable path etc.) and different combination of Policy Objectives (PO from 1 to 5) are included in the SUDs;
- *Resource Types and Amounts*. SUDs imply: (i) different mix of funds types (ERDF, ESF+, other sources) and different amount of financial resources (depending on the development of the region but also on the regional policy); (ii) different emphasis given to the physical and social value of the urban transformations promoted; and (iii) various percentage of co-funds to the total cost. This last factor implies: (a) a different orientations regarding the commitment of the beneficiaries (if the beneficiaries are required to co-finance the SUDs, according to some, they demonstrate greater commitment and interest in its realization); and (b) a more complex administrative management of resources and targets to be achieved;
- *Programming and Design Procedures*: this aspect refers to the different level of flexibility of planning. Some regions imposed top-down elements, such as the articulation and consistency of funds offered in relation to the already decided sector of intervention, while others chose a bottom-up approach offering a range of free choices in terms of internal articulation of resources and topics, with a total fund cap for each single strategy;

Furthermore, we refer to the *place-based approach*, which recognizes that “strategic policy frameworks that support place-based approaches recognise that urban challenges manifest themselves differently in different places.” (Fioretti et al., 2020, p.13). In this case the variety among regions concerns the type of urban areas involved within the SUDs. This variety depends on the specific territorial context (historical, economic, social, and cultural) of the region, but also on specific policy choices made by the regional authorities. Areas' typology varies between single municipalities, selected by size or administrative hierarchy (eg. medium-size city of 130,000 inhabitants or provincial capitals over 50,000 inhabitants), and coalitions of smaller municipalities led by a main municipality (for a total number of maximum 20,000 inhabitants in general).

The areas interested by the SUDs differs for an additional factor: the process that has been adopted to select them. The selection has been prior or posterior to the approval of the PRs and it varies by procedure and timing. In most cases, a manifestation of interest has been published, followed by the effective identification of the areas which has been often accompanied by a draft TS. The beneficiaries potentially responding to the call were already identified by name in the most part of cases, with rare exceptions of open call to municipalities not already identified.

Finally, another theme has significant implications in terms of territorialization, it is the institutional capacity:

- (a) of the regional institutions who manage the SUDs and their complex internal organization, which often lacks of integration among the various sectors included in the planning and managing of the SUDs; and
- (b) of the local municipalities beneficiaries, which often shown a lack of human resources and or specific competencies related to European funds. In response to these institutional weaknesses, some regions promoted forms of direct (or indirect) support to urban authorities rather than for themselves, with RP resources or other funds.

4.3 Insights from the questionnaires collected on SUD.

During March 2024, an online questionnaire was administered to explore various aspects related to the process of formulating and approving Sustainable Urban Development Strategies within the framework of the 2021-2027 Programming. The questionnaire was completed by representatives from six Italian regions: Piedmont and Veneto (North), Tuscany and Lazio (Center), and Calabria and Sardinia (South and islands). In total, approximately 22 million people reside in the regions included in the sample, representing 37% of the Italian population.

This paragraph will analyze the responses gathered to the questions related to local partnership and institutional capacity.

The opening question of the survey investigated the role played by Urban Authorities and Municipalities during the development of the 2021-2027 Regional Programmes. The frequency of responses (indicated in brackets) offers valuable insights into their level of engagement.

In the development phase of the 2021-2027 Regional Programmes, what role did the Urban Authorities and Municipalities play?

They have been involved in the evaluation of the past Programming	3
They were consulted for the acquisition of spatial data	3
They have been actively involved in deliberative processes	2
They have been involved in information and communication activities towards citizens and businesses	2
They were consulted for the acquisition of opinions and strategic guidance	2
They were not involved	1

- **Evaluation and Data Acquisition (3 out of 6):** A high level of involvement was evident in evaluating past programs and contributing spatial data. This suggests Urban Authorities and Municipalities played a significant role in assessing past initiatives and informing the new programs.
- **Deliberation and Communication (2 out of 6):** Engagement in deliberative processes and information/communication activities was moderate. This indicates potential for improvement in actively incorporating their perspectives and contributions throughout the development phase.

While Urban Authorities and Municipalities participated in some key areas, the survey results suggest a **moderate level of overall involvement**. There's an opportunity to strengthen their

engagement, particularly in deliberative processes and communication activities. This could lead to richer programme development that better reflects local needs and priorities.

The second question of the survey focused on the instruments used to implement Local Partnerships for the Regional Programmes. The responses, again weighted by frequency (shown in brackets), reveal the prevalence of different tools:

Which of these tools have been implemented for the implementation of Local Partnerships?

Participatory co-design workshops	3
Listening and interest-gathering groups	2
Co-deliberative arenas	1
Not yet activated	1

- **Widely Used:** Participatory co-design workshops were the most frequently employed tool (3 out of 6). This suggests a collaborative approach where stakeholders actively participate in designing the programs.
- **Moderately Used:** Listening and interest-gathering groups were used somewhat frequently (2 out of 6). This indicates efforts to gather input from various stakeholders.
- **Limited Use:** Co-deliberative arenas, which involve in-depth discussions and potential for consensus building, saw the least reported use (1 out of 6).
- **Non-existent Use:** One region reported not yet activating any of these tools.

The emphasis on participatory co-design workshops highlights a focus on collaborative programme development. However, the limited use of co-deliberative arenas suggests there might be less emphasis on in-depth discussions and consensus building. Additionally, some regions haven't yet implemented any of these tools, indicating potential areas for improvement in fostering local partnerships.

The third question of the survey explored the involvement of various actors in Local Partnerships for the Regional Programmes. The responses, again weighted by frequency (shown in brackets), reveal the prevalence of different stakeholder groups:

Which actors were involved in the Local Partnership?

Local Government Bodies	3
Volunteering Groups	3
Nonprofit Organizations	3
Cultural and Recreational Associations	2
Trade Unions and Professional Associations	2
Research Institutes and Universities	1

- **Core Participants:** Local Government Bodies, Volunteering Groups, and Nonprofit Organizations were all involved in a majority of the partnerships (3 out of 6). This highlights the strong engagement of these key actors in fostering local collaboration.
- **Active Participants:** Cultural and Recreational Associations and Trade Unions and Professional Associations were involved in two-thirds of the partnerships (2 out of 6). This indicates their significant role in bringing diverse perspectives and expertise to the table.

- **Limited Involvement:** Research Institutes and Universities were the least frequently mentioned participants (1 out of 6). This suggests a potential gap in incorporating their knowledge and research capacity into Local Partnerships.

The broad involvement of local government bodies, volunteering groups, and nonprofits demonstrates a strong foundation for community engagement. However, the lower involvement of research institutions and universities suggests an opportunity to better leverage their expertise in informing and supporting Local Partnerships.

The fourth question of the survey explored perceptions of the effectiveness of multi-level co-design between the Region and Urban Authorities in developing the Regional Programmes. The results provide two key pieces of information:

From 0 to 10, how effective do you think the multilevel co-design between the Region and the Urban Authorities has been?

Average	5,80
Standard Deviation	1,64

- **Average Effectiveness:** The average score was 5.80 (out of 10). This suggests a generally positive perception of the co-design process, with most regions viewing it as moderately successful.
- **Variations in Perception:** The standard deviation of 1.64 indicates some variation in responses across the regions. Some regions have had more successful experiences with co-design than others.

The average score suggests that the co-design approach has been perceived as somewhat valuable in facilitating collaboration between the regional and urban levels. However, the standard deviation highlights potential areas for improvement. Some regions might be struggling with implementing effective co-design practices.

The fifth question delved into the specific methods employed by regions to implement multi-level co-design between the Region and Urban Authorities. The responses, again weighted by frequency (shown in brackets), reveal a range of approaches used:

Through what technical and participatory methods was the co-design of the Strategies concretely carried out?

Technical assistance from specialised professionals or consultants	3
Public consultations	3
Support and coaching from experts	2
Participatory workshops open to stakeholders	2
Online collaboration platforms	2
Regular public meetings for monitoring and alignment	1
Thematic seminars and conferences	1

- **Core Techniques:** Technical assistance from external specialists and public consultations (3 out of 6) were the most frequently used methods. This suggests a reliance on expert knowledge and gathering public input as foundational elements of the co-design process.
- **Supportive Measures:** Support and coaching from experts and participatory workshops (2 out of 6), and online collaboration platforms (score: 2) were also used

by two-thirds of the regions. These methods likely aimed to enhance stakeholder engagement and facilitate collaborative discussions.

- **Limited Use:** Regular public meetings for monitoring and alignment, and thematic seminars and conferences, were used less frequently (1 out of 6). This suggests potential areas for improvement in fostering ongoing communication and knowledge sharing throughout the co-design process.

The survey results indicate a focus on technical expertise and public input, which are crucial elements of co-design. However, the less frequent use of methods like regular meetings and seminars suggests opportunities to strengthen ongoing communication and knowledge exchange between regional and urban levels.

The final question of the survey explored the perceived need for strengthening specific institutional capacities related to planning, management, and monitoring of Territorial Strategies. The responses, again weighted by frequency (shown in brackets), reveal key areas for improvement:

Which of the following institutional capacities would you consider most useful to strengthen in relation to the planning/management/monitoring of Territorial Strategies?

Identify priorities and strategic objectives in line with the principles of Cohesion Policy	5
Develop an implementation plan consistent with regional programming and constraints imposed by Regulations	4
Assess the socio-territorial impacts of implemented operations	4
Monitor the progress of operations and identify effective solutions to unforeseen challenges	3
Collect and identify the needs and opportunities of the territory	3
Evaluate the quality of collected project proposals	3
Analyse data and information	1
Develop transparent and impartial selection criteria	1

- **Top Priorities:** Identifying priorities and strategic objectives aligned with Cohesion Policy principles (5 out of 6) emerged as the most crucial area for capacity building. This suggests a need for stronger skills in aligning territorial strategies with broader European development goals.
- **High Importance:** Developing implementation plans that consider both regional programming and regulatory constraints and assessing the socio-territorial impacts of implemented operations (4 out of 6) were also highly ranked. These highlight the importance of effective planning and understanding the social and territorial effects of strategies.
- **Moderate Importance:** Three areas shared equal weight (3 out of 6): collecting and identifying territorial needs and opportunities, evaluating project proposals, and monitoring progress to address unforeseen challenges. These represent foundational aspects of territorial strategy management.
- **Least Important:** Analyzing data and information, and developing transparent selection criteria received the lowest scores (1 out of 6). This may indicate that some regions already have established data analysis and selection processes, or it might highlight a gap in these areas that requires further investigation.

The survey results suggest a strong desire to strengthen capacities in aligning territorial strategies with broader development goals, effective planning, and impact assessment. While

core management functions are perceived as important, there appears to be less focus on data analysis and transparent selection processes.

4.3.1 Insights and final remarks

This survey of six Italian regions, representing 37% of the national population, provides valuable insights into local partnerships, territorial governance, and institutional capacities for Sustainable Urban Development Strategies (SUDS) within the 2021-2027 Programming framework. The findings reveal a landscape with promising elements alongside areas for improvement.

Local Partnerships: A Foundation with Room to Grow

While Urban Authorities and Municipalities actively contribute spatial data and participate in programme evaluations, their involvement in deliberative discussions and communication during programme development seems limited. This suggests a missed opportunity for richer collaboration.

The widespread use of participatory co-design workshops highlights a commitment to collaborative approaches. However, the limited use of co-deliberative arenas and the absence of these tools in some regions indicate a gap in fostering deeper discussions and consensus building. Additionally, lower involvement of research institutions and universities represents a missed opportunity to leverage valuable academic expertise and research in programme development.

Territorial Governance: Advancing Multi-Level Co-Design

The survey results suggest a moderately successful application of multi-level co-design between regional and urban authorities. However, variations across regions highlight inconsistencies in implementation. This underscores the need for a more standardized approach that leverages best practices in multi-level co-design, ensuring all regions benefit from effective collaboration.

While technical assistance and public consultations are core methods, a reliance on expert knowledge and public input at specific points could be enhanced by fostering ongoing communication and knowledge exchange. Less frequent use of regular public meetings and thematic seminars suggests potential for improvement in these areas. Strengthening these aspects would promote transparency, inclusivity, and a more informed co-design process.

Institutional Capacities: Building on Strengths, Addressing Gaps

The top priority identified by the survey is aligning territorial strategies with Cohesion Policy principles, reflecting a strong desire for coherence with broader European development goals. Additionally, developing effective implementation plans that consider both regional programming and regulatory constraints, alongside assessing the socio-territorial impacts of operations, are seen as crucial for effective planning and impact assessment.

Core areas like identifying territorial needs, evaluating projects, and monitoring progress are considered moderately important, suggesting a foundation for territorial strategy management. Interestingly, data analysis and developing transparent selection criteria received lower importance scores. This might indicate either existing competency or a gap requiring further investigation.

A Call to Action

The survey results paint a picture of regional administrations that are engaged but face challenges in fostering deeper local partnerships, implementing consistent territorial

governance practices, and strengthening certain institutional capacities. The emphasis on capacity building, particularly in aligning with Cohesion Policy and improving planning and impact assessment, reflects a commitment to enhancement.

However, the moderate success of multi-level co-design and the mixed use of participatory tools suggest that significant room for improvement exists. By strengthening local partnerships, promoting more consistent and inclusive territorial governance practices, and enhancing institutional capacities, regions can develop more effective and sustainable SUDS that are better aligned with local needs and broader European objectives. This, in turn, can lead to more innovative, evidence-based, and impactful urban development strategies.

4.4 Findings arisen from the thematic laboratory on the territorial development strategies

4.4.1 Introduction and Methodology

A workshop titled "Territorial Strategies of Cohesion Policy" was held in Milan, Italy on April 15, 2024. Organized by the Craft Competence Centre Anti-Fragile Territories and the Politecnico di Milano's Department of Architecture and Urban Studies, the event brought together 54 stakeholders from diverse backgrounds for a series of afternoon workshops. Representatives from local authorities, trade associations, universities, research centres, and private companies participated, contributing a wealth of experience in territorial governance, cohesion policies, and local development. This rich mix of professions fostered lively discussions on key challenges.

The workshops employed a structured approach, focusing on identifying thematic challenges and then discussing four key aspects of intervention logic: evidence, objectives, solutions, and strategies. Evidence involved analysing data and identifying the consequences of inaction. Objectives outlined desired outcomes and benefits. Solutions centered on the tools and resources needed to achieve the objectives. Finally, strategies focused on the methods for implementing these solutions.

4.4.2 Participation, Governance, Capacity: Building Blocks of Territorial Strategies

Topic 1: Participation and Engagement of Local Actors

Workshop 1 explored the heart of territorial strategies – the involvement of local actors. Participants examined the structure of local partnerships, delving into the extent of civil society's engagement and the mechanisms in place to ensure the inclusion of vulnerable and disadvantaged groups. The workshop delved into the conditions necessary to guarantee broader participation in the development of strategies, paying particular attention to discriminated or at-risk groups. Methods for addressing informational asymmetry across different levels of the institutional architecture were also explored, ensuring that all voices are heard and considered.

Topic 2: Territorial Governance and Policy Integration

Workshop 2 shifted the focus to the governance and integration aspects of territorial strategies. Participants explored whether regional administrations had the opportunity to fully express their strategic and political vision in defining territorial strategies and how this integration with European and national provisions was achieved. The importance of strengthening policy integration within territorial strategies by creating synergies between

sectors from the outset was highlighted, promoting a holistic and coordinated approach to public policy planning and implementation.

Topic 3: Institutional Capacity for Development and Cohesion

Workshop 3 placed institutional capacity at the forefront, recognizing its pivotal role in developing and implementing territorial strategies. The workshop took the premise that the institutional capacity of entities and actions aimed at its reinforcement, particularly in the context of developing and implementing territorial policies and utilizing European funds, is essential for success. Participants discussed the identified weaknesses in the institutional capacity of regions and local entities during the programming and development of the 2021-2027 territorial strategies, comparing them with the previous 2014-2020 programming period. The workshop also examined the actions taken to address these weaknesses, including collaborations with external entities.

The thematic workshops revealed strong interconnections between the explored topics, and the emphasis on inclusive participation and engagement, which underlines the need for strong territorial governance and policy integration. All workshops highlighted the crucial role of institutional capacity as a foundation for effective policy development and implementation.

4.4.3 Overcoming Challenges in Participatory Processes for Territorial Development

The challenges identified from **Thematic Workshop 1** revolve around the critical themes of inclusivity and standardized practices, insufficient time and resources, and difficulty in demonstrating impact. The workshop highlighted the need to design participatory processes that are inclusive of marginalized populations and youth, while also establishing standardized tools and methodologies to ensure consistency and accessibility. Additionally, effective facilitation of participatory processes requires addressing limitations in time and resources, including securing adequate timeframes, budget, and skilled personnel. Finally, there is a need to design clear and measurable indicators to demonstrate the impact of participation on project outcomes, supported by robust monitoring and evaluation frameworks to track progress and communicate results effectively to stakeholders.

Challenge	How might we design participatory processes that are inclusive of marginalized populations and youth, while also establishing standardized tools and methodologies to ensure consistency and accessibility?
Evidence	Marginalised populations and youth face difficulty in engaging with current participatory processes. Lack of standardised tools and methodologies leads to inconsistencies and exclusion of certain groups.
Objectives	Increase participation from marginalized groups and youth. Develop standardized tools and methodologies that are inclusive and adaptable.
Solutions	Implement targeted outreach campaigns and alternative engagement methods. Develop a toolkit of standardized methodologies for inclusivity.
Strategies	Partner with civil society organizations experienced in working with marginalized groups. Organize training workshops for regional authorities on inclusive participatory methodologies.
Challenge	How might we ensure effective facilitation of participatory processes with limited time and resources, including securing adequate timeframes, budget, and skilled personnel?
Evidence	Time constraints hinder meaningful participation. Insufficient budget and personnel for facilitation are identified as obstacles.

Objectives	Allocate sufficient time and resources for participation. Secure budget and personnel for effective facilitation.
Solutions	Define realistic timeframes and allocate sufficient budget. Secure dedicated personnel with necessary skills.
Strategies	Develop clear timelines for each stage of the process. Conduct cost-benefit analysis to justify budget allocation. Advocate for dedicated positions within regional authorities.

Challenge	How might we design clear and measurable indicators to demonstrate the impact of participation on project outcomes, while also developing robust monitoring and evaluation frameworks to track progress and communicate results effectively to stakeholders?
Evidence	Difficulty in demonstrating the impact of participation on project outcomes. Absence of proper monitoring and evaluation practices.
Objectives	Establish clear indicators to demonstrate impact. Develop robust monitoring and evaluation frameworks.
Solutions	Establish clear indicators to demonstrate impact. Develop robust monitoring and evaluation frameworks.
Strategies	Conduct pilot projects to refine frameworks. Regularly monitor and evaluate processes. Communicate impact effectively to stakeholders.

4.4.4 Enhancing Participatory and Collaborative Frameworks for Effective Territorial Governance

The challenges identified from **Thematic Workshop 2** focus on designing a participatory and collaborative framework for territorial governance, achieving cohesive territorial development through integrated policies, and ensuring transparency, accountability, and efficiency in public resource management. These challenges underscore the importance of inclusive engagement of diverse stakeholders to enhance policy effectiveness, the need for integrated policies and collaborative governance to achieve territorial development objectives, and the necessity of transparent and accountable management of public resources to build trust and ensure impactful interventions.

Challenge	How might we design a participatory and collaborative framework for territorial governance that effectively integrates diverse stakeholders, considering the complexity of their involvement and the potential for increased policy effectiveness through inclusive engagement?
Evidence	The complexity of the stakeholders involved necessitates inclusive engagement. Lack of participation can undermine policy effectiveness.
Objectives	Strengthen territorial governance through a participatory and collaborative approach.
Solutions	Establish negotiation and consultation forums. Promote online platforms to facilitate collaboration.
Strategies	Conduct awareness campaigns; promote training on participatory practices. Develop collaborative networks among entities and organisations.

Challenge	How might we achieve cohesive territorial development through integrated policies and collaborative governance?
Evidence	Lack of integration can hinder the achievement of territorial development objectives.
Objectives	Promote integration between policies and levels of government to maximise the impact of interventions.

Solutions	Foster collaboration between public, private, and third-sector entities; adopt evaluation and monitoring tools.
Strategies	Develop coordinated planning and programming tools; create networks of entities and organisations for the exchange of experiences.
Challenge	How might we ensure transparency, accountability, and efficiency in public resource management for territorial development?
Evidence	Lack of transparency can generate distrust and inefficiency. Dispersing resources on minor projects reduces the overall impact of interventions.
Objectives	Increase transparency and accountability. Focus resources on high-impact interventions.
Solutions	Publish accessible data and information. Establish clear criteria for project selection.
Strategies	Implement a system of participatory governance. Establish a guarantee fund for multi-year projects.
Challenge	How might we design interventions that are adaptable and sustainable over time, ensuring informed political decisions and achieving lasting impact?
Evidence	Discontinuity in interventions can hinder the achievement of objectives. Lack of political involvement in the technical phase can lead to uninformed decisions.
Objectives	Ensure the stability and sustainability of interventions. Base political decisions on a deep understanding of issues.
Solutions	Fund multi-year projects; promote continuous learning and capacity-building for policymakers and technicians.
Strategies	Promote co-design and co-management of interventions; develop evaluation and monitoring tools to measure impact.

4.5.5 Strengthening Institutional Capacity and Collaboration for Effective Territorial Strategies

The challenges identified from **Thematic Workshop 3** emphasize the need to bridge gaps in institutional capacity within public administrations, overcome siloed knowledge and limited tools, streamline territorial strategy implementation, and enhance collaboration on supra-municipal strategies. These challenges highlight the importance of capacity building, knowledge sharing, and collaboration to ensure effective management and implementation of territorial strategies, thereby promoting cohesive and sustainable development across regions.

Challenge	How might we bridge the gap in public administrations' institutional capacity to effectively manage territorial strategies?
Evidence	Need for strengthening institutional capabilities. Emphasis on structural changes in policy programming and planning. Need for updated recruitment profiles and cultural training identified.
Objectives	Strengthen capacity and foster a collaborative culture. Implement structural changes for better efficiency.
Solutions	Develop and implement capacity-building programs for public administration staff involved in territorial strategies. Invest in cultural training programs to equip staff with the necessary skills and knowledge. Review recruitment profiles to prioritize skills relevant to territorial strategy development and management.
Strategies	Partner with universities and research institutions to design and deliver capacity-building programs. Establish mentorship programs to allow experienced staff to share knowledge with new recruits. Advocate for policy changes that promote collaboration and knowledge exchange across different sectors of public administration.

Challenge	How might we overcome the siloed knowledge and limited tools that hinder territorial development efforts?
Evidence	Need for sharing existing analytical tools. Emphasis on developing new integrated tools and indicators.
Objectives	Establish knowledge-sharing platforms. Develop new tools and indicators.
Solutions	Create a central repository for sharing existing analytical and evaluative tools. Invest in research and development to create new integrated tools and territorial indicators. Foster collaborative projects between public administrations and research institutions.
Strategies	Develop an online platform for sharing resources, case studies, and best practices in territorial development. Organize workshops and training sessions on the use of existing and new territorial development tools. Establish joint research projects between public administrations and universities to address specific territorial development challenges.
Challenge	How might we streamline territorial strategy implementation by addressing workload, skill gaps, and reliance on external expertise?
Evidence	High workload and lack of personnel. Weak technical skills and over-reliance on consultants.
Objectives	Reduce workload and strengthen technical skills. Reduce reliance on external consultants.
Solutions	Streamline administrative procedures for territorial strategy implementation. Invest in training programs to improve the technical skills of public administration staff. Explore alternative models for accessing expertise, such as knowledge-sharing networks or secondments.
Strategies	Conduct a review of administrative procedures to identify and eliminate redundancies. Develop training programs tailored to the specific needs of staff involved in territorial strategies. Establish partnerships with other public administrations or research institutions to share expertise and resources.
Challenge	How might we bridge the gap between public administrations to enable effective collaboration on supra-municipal territorial strategies?
Evidence	Difficulties in cross-boundary collaboration. Individual interests prevailing over collective benefits.
Objectives	Promote systemic approaches and collaboration. Reduce dependence on external assistance.
Solutions	Develop guidelines and frameworks for inter-municipal collaboration in territorial strategy development. Establish mechanisms for conflict resolution and consensus building among stakeholders. Invest in capacity building for inter-municipal cooperation and joint planning.
Strategies	Organise workshops and training sessions on inter-municipal collaboration and shared vision building. Develop model agreements and best practices for collaboration between different levels of government. Provide incentives for local entities to work together and share resources.

4.3.6 Learnings and takeaways

Key Criticisms: Thematic workshops identified several critical issues hindering effective territorial development. First and foremost is the urgent need for inclusive participatory processes that actively engage marginalized populations and youth. Current methods lack the necessary standardized tools and methodologies, resulting in inconsistencies and exclusion of these key groups. Additionally, resource constraints pose a significant challenge. The

facilitation of participatory processes and implementation of territorial strategies is frequently hampered by insufficient time, budget, and skilled personnel.

Another major concern is the difficulty in demonstrating the impact of participation on project outcomes. This is compounded by the absence of robust monitoring and evaluation frameworks, making it hard to track progress and communicate results effectively. Furthermore, the existing siloed knowledge and limited tools are significant obstacles to territorial development. There is a notable gap in effective collaboration between public administrations, especially for strategies that span multiple municipalities.

Identified Solutions and Commonalities: To address these challenges, several common solutions emerged. Investing in capacity-building programs is crucial. These programs should focus on public administration staff, providing cultural training and developing technical skills tailored to territorial strategy implementation. Developing standardized tools is another key solution. Creating comprehensive toolkits and methodologies will facilitate inclusive participation and ensure consistency across processes.

Establishing knowledge-sharing platforms is also essential. These platforms, which could include online repositories, will allow the sharing of analytical tools, resources, case studies, and best practices, thereby fostering a more collaborative environment. Furthermore, promoting collaborative projects and networks between public administrations and research institutions will enhance experience exchange and resource sharing.

Emerging Methodologies: Several methodologies are emerging as effective approaches to these challenges. Leveraging partnerships with civil society organizations and research institutions is a key strategy. These partnerships can help design and deliver capacity-building programs and develop inclusive participatory methodologies. Additionally, pilot projects and workshops are valuable tools. They can refine monitoring and evaluation frameworks while providing training and knowledge exchange opportunities.

Advocacy for policy changes is another important methodology. Promoting policy shifts that enhance collaboration, knowledge exchange, and resource allocation across different sectors of public administration is vital for long-term success. Finally, establishing mentorship programs and exploring alternative models like secondments can reduce reliance on external consultants and foster internal expertise.

5. Final considerations

This analysis has delved into the complexities of multi-level governance within Sustainable Urban Development Strategies (SUDs) in Northern Italy. We examined the approaches adopted by the four key regions of Lombardy, Veneto, Emilia Romagna, and Piedmont, drawing upon a rich data set of stakeholder interviews, document analysis, and potentially survey data and thematic laboratory findings (depending on availability).

Our journey began by establishing the broader context. We explored the role of Territorial Strategies within the framework of the EU Cohesion Policy, highlighting the policy's goals and funding mechanisms that support regional development efforts. We then delved deeper into the principles and requirements of SUDs themselves, emphasizing their focus on achieving integrated and sustainable urban development.

The core of the analysis resided in Chapter 4. Here, we shifted our focus to the specific approaches adopted by each region. By delving into the data, we illuminated the intricacies of multi-level governance within each regional context. This examination revealed a significant variety in how each region implements SUDs, influenced by factors such as nomenclature, partnership approaches, integration of intervention sectors, resource types, and programming procedures.

Key Findings and the Need for Change

The analysis yielded two critical findings that demand attention:

1. **Rethinking Urban Policies and Planning:** The current landscape necessitates a fundamental shift in conventional urban policies and planning practices. The EU's approach to SUDs calls for a more participatory, integrated, and strategic approach grounded in multi-level governance principles. This necessitates a move away from siloed approaches towards a more collaborative and inclusive model.
2. **Institutional Capacity Building:** Strengthening institutional capacities is paramount for effective SUD implementation. This requires comprehensive capacity-building initiatives within institutions, enabling them to seamlessly integrate EU SUD principles into both ordinary and extraordinary urban policies. A particular focus should be on aligning territorial strategies with Cohesion Policy principles, developing effective implementation plans, and assessing the socio-territorial impacts of operations.

These findings raise a crucial question: **how does the diversity of SUD approaches adopted by different regions impact the actual territorial impact of these strategies on SUD and cohesion policy?** Further research is needed to explore this question in greater depth.

The Road Ahead: A Call for Cohesion and Capacity Building

As we look towards the future of SUDs in Northern Italy and beyond, it is essential to address the challenges identified in this analysis. By fostering a more cohesive and effective SUD implementation framework, we can unlock the full potential of these strategies. This necessitates embracing a participatory, integrated, and strategic approach, coupled with robust institutional capacities.

Here are some key recommendations for moving forward:

- **Strengthen local partnerships:** deeper collaboration between regional and urban authorities, research institutions, and civil society organizations is crucial. This can be achieved through co-design workshops, public consultations, and knowledge-sharing platforms.
- **Promote inclusive participation:** it is essential to actively engage marginalized populations and youth in the participatory processes. Developing standardized tools and methodologies can ensure consistency and inclusivity.
- **Invest in capacity building:** programs focusing on cultural training and technical skills tailored to territorial strategy implementation are crucial for public administration staff.
- **Develop standardized tools:** comprehensive toolkits and methodologies can facilitate inclusive participation and ensure consistency across processes.
- **Establish knowledge-sharing platforms:** online repositories for analytical tools, resources, case studies, and best practices can foster a more collaborative environment.
- **Advocate for policy changes:** promoting collaboration, knowledge exchange, and resource allocation across public administration sectors is vital for long-term success.

By implementing these recommendations, we can move towards a future where SUDs are a powerful driver of sustainable and equitable urban development in Northern Italy and beyond.

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