



The Involvement of Enterprises in Integrated Regional Development - A Contribution to Territorial Cohesion.

Note:

The content of this brochure was created within the framework of the European Young Professionals' Forum (EYF) assisting young researchers and practitioners in their career development.

Lead partner: Academy of Spatial Research and Planning, Hannover, Germany (www.arl-net.de)

Methodology:

The formulation and processing of the content occurred by means of a literature study of key documents on territorial cohesion on European and national level, as well as a case study conducted in the Goere-Overflakkee region in the province of South Holland. The case study examined the involvement of entrepreneurs on the basis of an integrated strategy. For this, interviews with key executives of the process were conducted. At this point, I would like to express my sincere thanks and gratitude to them for the interesting and informative discussions.

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■ Territorial cohesion – the region conquers the EU

Territorial cohesion is an important part of cohesion policy in the European Union. This finding is not new, in fact, it has already been known for several years. With the EU reform treaty, however, the aim of territorial cohesion has advanced to equal rank with the aims of economic and social cohesion.

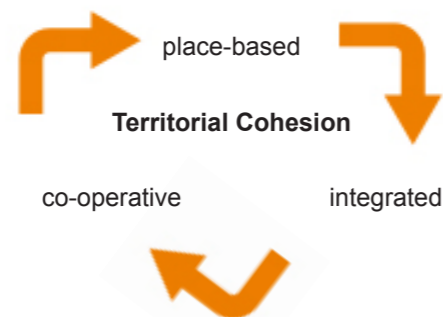
Not only since its inclusion in the reform treaty territorial cohesion has been subject of numerous debates, which revolve around the right understanding and the question of how territorial cohesion can be achieved. In spite of the widespread debate, which is characterised by differing opinions and positions, a sufficient basic understanding of territorial cohesion as well as specific basic elements and principles of a corresponding policy have emerged by now. Accordingly, the concept of territorial cohesion supplements the concepts of economic and social cohesion “by translating the fundamental EU goal of a balanced and sustainable development into a territorial setting.”¹ The aim of territorial cohesion is about ensuring a harmonious development of all regions and about making sure that the citizens are able to make the most of inherent features of these territories. As such, it is a means of transforming diversity into an asset that contributes to sustainable development of the entire EU.²

¹ *The Territorial State and Perspectives in the European Union – Towards a Stronger European Territorial Cohesion in the Light of the Lisbon and Gothenburg Ambitions.* P. 7.

² *Commission of the EC (2008): Green Paper on Territorial Cohesion - Turning territorial diversity into strength.* P. 3.

The key elements of a corresponding policy are, among others, increased coherence and coordination of (European) policies with territorial effects (integrated), horizontal and vertical cooperations between the levels and a more strongly place-based development approach.

Territorial cohesion is to be understood as a multi-level governance approach, in which each country or each region as well as each stakeholder makes his specific contribution and is also enabled to do so.



Authors' design

■ Integrated regional development strategies – a contribution to territorial cohesion

Following the subsidiarity principle, particular importance is attached to the regional level as a steering and working level. “Region” is understood as a level between a state and a municipality. The concept of territorial cohesion has to be embedded locally and requires the mobilisation of regional stakeholders.

The starting point is a place-based development approach, which is based on the idea that each region has a specific **territorial capital**. This does not only include possible physical resources or geographic circumstances, but also regional values, cultures, and networks.

This capital has to be identified and transferred into an integrated strategy, which is the starting point for future development and planning processes in the region. In this context, “integrated” is not to be understood as all-encompassing, but rather as the place-based integration of relevant sectors.

The identification of capital is the task of regional actors. They have the tacit knowledge and the possibilities, power and commitment to jointly implement the devised strategies or concepts. This can neither be a task for individual public nor individual private stakeholders, but rather, must occur through collective action of public and private stakeholders.

■ The involvement of enterprises – a manageable challenge

In regional development, particular importance is attached to local and regional enterprises. They create jobs and invest in the region – key factors that ensure sustainability and liveliness of a region. That is why it is important to involve these enterprises in the regional development, particularly in the development of integrated strategies or concepts.

The integration of enterprises always poses a certain challenge. That can be attributed to a frequently existing mutual scepticism between enterprises and other (social- or ecological-oriented) stakeholders, which, however, is characterised by many misjudgements. Enterprises are frequently accused of only pursuing their own interests and profit-oriented thinking. In contrast, enterprises have the prejudice, that other

stakeholders involved in the process do not take the economic matters into account sufficiently and are only concerned with social or ecological issues of a region. For them, such processes appear to be oriented too much towards the common good.

However, this mutual scepticism quickly appears unfounded, when the numerous similarities between both “systems” are taken into consideration. The development of the region from a social and ecological point of view is relevant also for the enterprises. Through their location, the enterprises are bound to the region. This is where they work and make decisions – which both have effects on the regional environment. At the same time, the people living there rely upon economically healthy and strong companies. After all, what benefit is a good supply of social infrastructure or an attractively arranged cultural landscape, if there are no prospects for the people living there?

This is why it is particularly important to find possibilities to integrate committed and interested enterprises. Otherwise, the previously described mutual scepticism could manifest itself permanently in a region. This could entail the establishment of parallel processes between economic and integrated development with a focus on social and ecological issues, which - in the worst case - could even counteract each other.

The following recommendations point out possibilities regarding the steps that should be considered to better integrate enterprises into the processes of integrated regional development.

■ **talking to one another:** It is important to develop a good understanding of the needs of enterprises right from the start. This requires a dialogue with the entrepreneurs, in order to obtain an impression of their interests and concerns.

■ **together instead of alone:** Enterprises have tacit knowledge that is very valuable for regional development. In order to profit from their knowledge, it is important to involve entrepreneurs. This does not mean the integration of all enterprises of a region. It is much more important to identify committed and interested enterprises that can be integrated into the development of strategies for regional development.

■ **promoting and demanding:** The involvement of stakeholders does not occur unselfishly. This applies just as little e.g. to clubs as to enterprises. Therefore, it is important to offer involved enterprises something that relates to their concerns and interests. They need to see a direct benefit for themselves in their involvement.

However, enterprises need to be demanded to acknowledge that being involved does not only mean business. Enterprises also have to learn to recognise that integrated approaches, which take all dimensions and sectors into consideration - not only their own concrete needs are required for a region's sustainable development.

The steps mentioned are by no means to be understood as a sequence to be completed, but rather, as a long, recurring process. It requires a long-term dialogue in which all parties approach one another in order to sustainably win over enterprises for integrated regional development.