

Euromountains.net Project – theme 2

INTERREG III C

The Role of Territorial authorities in Developing and Promoting Mountain Resources and Quality Products

*Conclusions and Main Lessons Learned from
the Thematic and Consultative Seminar
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Introduction

The thematic seminar in Flaam was the final step in the process of getting results and conclusions on the theme 2. This consultative seminar provided various opportunities to the 80 participants from various EU countries to discuss, exchange and express their views on the topic. The draft results of analysis of the project circulated in advance to all the participants and were also presented during the seminar, along with local experiences and case studies. The audience was invited to react during workshops, a round table and open discussion sessions. This document aims at synthesising in 6 key ideas the exchanges made during the seminar.

1/ A Specific Feature of Mountain Area Projects: Diversity. Public-Private Partnerships are Essential

Over time, many mountain areas – such as the Aosta Valley Region in Italy – achieved a degree of financial independence thanks to once-flourishing industries. Those regions now need to set a new course and identify a new role for their mountain territories; very often, this role is multifunctional. WNRI Research Centre in Norway also underscored that multidisciplinary and multi-sectoral approaches bringing together a variety of competences to bear on a single project were more likely to succeed than projects focusing on one single activity. This is however not necessarily a realisation that is reached in other regions, as emphasised by the importance seasonality in mountain areas.

Some participants insisted on the need to avoid applying across Europe a one-size-fit-all approach to regional development that would lead to a tendency toward uniformity in regional innovation and development. Consequently, there is need to accept and recognise that all regions have specific features and strengths to be leveraged, as well as specific cultures whose uniqueness must also be encouraged. Therefore, public partners must be invited to work as closely as possible with private regional bodies and businesses in order to bring out local competences and specificities.

For this reason, territorial dynamism is crucial to project development and requires collaboration and cooperation among a variety of local economic sectors, the commitment of the population and business community and the activation and maximisation of local competences. The bottom-up approach, which the EU Commission so vocally advocates, must find its place in Public-Private Partnerships (PPPs) with the active involvement of the local population.

A participant raised the issue of potential conflicts between environmental and regional development policies. For one thing, the seminar discussed development projects addressing mountain quality products and resources targeting niche markets, in which it is deemed easier to include the extra cost of environmental protection in the sales prices of products. For another, mountain areas are fragile spaces where greater specific attention must be paid to the issue of environmental protection, and this dimension must be taken into account in development projects. While there is a widespread belief that “quality production” implicitly carries “appropriate consideration of environmental concerns”, there may actually be a need to confirm this assumption in some instances.

2/ Cooperation between Territorial Authorities and Project Stakeholders: Mixed Experiences

While recognising that projects need to fulfil a number of criteria to secure funding, it was emphasised that local authorities also need to develop very specific competences. For instance, territorial authorities must have, either in-house (elected representatives or officials) or externally (subcontracting organisation) the skills needed to assess project feasibility. It is also important for public authorities (elected representatives and technicians) to be able to interact with project stakeholders at their level to facilitate procedures that can be both tedious and off-putting. Also, territorial authorities must be flexible enough to ensure that projects succeed.

On the other hand, also essential is the convergence between the policy objectives of local and regional authorities and the expectations of individual project stakeholders. There is therefore a need for territorial authorities and project stakeholders to cooperate and discuss. This means that territorial authorities are not just a funding source: *“While territorial authorities must be able to produce a cheque book, they should also be expected to produce a notepad to discuss projects with citizens”*.

For territorial authorities, while administrative and financial data (schedules, justificatory evidence, etc.) to monitor projects is easily managed, it does not in itself adequately ensure proper use of public funding. Several participants from smaller regions mentioned the importance of tailored project monitoring including provisions allowing public funding sources to adequately check objectives and resource deployment. This makes it possible to mainstream actual project contents (with their strengths, weaknesses, successes and failures) beyond the financial dimension.

What is actually in discussion here is indeed cooperation among public services and project stakeholders. A relationship of trust between these two players is essential to build a dynamic environment for regional development policies. To develop such a relationship, public services (or designated subcontractors) involved in project delivery – and therefore in direct contact with project stakeholders – must be able to play an awareness-raising role and delegate the control function to other services.

Territorial authorities also need to provide a favourable environment for project stakeholders, which requires: acquiring competences (training policy), developing a capacity to spot potential projects and good ideas and implementing a regional development strategy that mainstreams needs, priorities, etc. Such a regional strategy facilitates the selection of relevant projects.

Also in evidence is that upstream of project stakeholders, it is often concept developers who turn to local and regional authorities. It would be useful for local authorities to help field players during the essential stage of clarifying objectives. There have to for instance, be able to tell the difference between what project stakeholders want and what they need; and that difference may be quite substantial. It was also pointed out that the duties of advisors also include daring to tell potential project stakeholders that their concept, the competences they intend to bring into play or the activities they plan to conduct are not appropriate.

Moreover, the participants underscored the need for the measures taken in an area to be coherent, which requires improved cooperation among the different territorial authorities or their respective competent services involved in the policies being conducted (see the example of the power line ruining a view appreciated by tourists).

3/ Knowledge and knowledge management as a success factor for promoting mountain products

Raised initially by Western Norway Research Institute (WNRI), the topic of knowledge and knowledge management was discussed in one of the workshops. We live in a “knowledge society” and mountain areas are by some believed to be “low-knowledge-societies”. Mountain areas have a specific knowledge resource base – “mountain knowledge” - that is a crucial input factor for producing genuine quality mountain products. This is a type of knowledge, “tacit” knowledge, which is different from the dominant “scientific” type of knowledge. Tacit knowledge, not codified but experience-based, acquired and passed on from generation to generation, is often put under pressure and challenged by systems and regulations based on the dominant type of knowledge.

People in mountain areas need to be all-rounder and are often multi-occupied. Therefore, mountain people as well as the territorial authorities need a broad range of knowledge: knowledge “in”, “for” and “about”. Knowledge, whether tacit or scientific, can in different ways be applied as means for promoting mountain products and development in mountain areas:

1) Knowledge as a means of public steering: Evaluation and monitoring in order to assess if we are doing the right things (e.g. How to maintain high quality on mountain products and to stay within the sustainable development limits)

2) Knowledge as a means of production: Knowledge on historic production techniques and the use of local resources as a means of local production (E.g. taking up traditional ways of producing cheese from non-pasteurized milk at Undredal in Sogn og Fjordane). Knowledge on local qualities, which in principle can be used in branding of all types of products and services

3) Knowledge as a commercial artifact in itself: Knowledge-based tourism (e.g. Nature information centers and commercial information centers of all sorts, which can provide guides with sufficient knowledge, act as resource base for local business development processes, etc)

4/ Evaluating and Supporting Projects: The Holistic Approach Is Essential

Project evaluation cannot exclusively concern itself with project nature and contents. There is also a need to consider the structure as a whole, its competences and potential for growth, management and organisation. Thanks to this holistic approach to evaluation, it is possible to identify the strengths and weaknesses of individual projects as a whole and therefore to devise a specific project support strategy tailored to the needs of the initiative. Public authorities must provide a range of appropriate tools - i.e. adjusted to the requirements of individual projects - over a suitable period of time including finance, networking, training, monitoring, advice, services, etc.

Finance

Territorial authorities are not the only possible financial partners. Other potential sources of funding generally exist (banks, corporate sponsoring, etc.). There may be a need for project stakeholders to turn to these sources of funding when they are better suited to the requirements of their project.

It is also perfectly possible for the financial format of PPPs (Public-Private Partnerships) to evolve in the course of the project lifecycle. For instance, an entrepreneur may be considered uninteresting at first by the private sector because his project lacks concreteness. In such a case, public authorities may provide support (for a year) to allow stakeholders to develop a prototype, attend training and establish contacts, after which business angels may take over in a second stage to grow the project and possibly tackle the international market

(example raised by the representative of Highlands and Islands Enterprise –HIE, body supporting projects developments for the enterprises of the Highland Council).

The Human Dimension

The participants also put considerable emphasis on human resources. Passionate, determined and properly supervised field teams considerably improve the odds of success. Local authorities must facilitate project ownership by field players and this may include the need to rely either on local development bodies or on bodies developed by the local authorities – such as HIE for instance.

Training

The importance of project stakeholder competence in delivering projects was underscored. Skills notably take training, which forms an important part of project execution and must be tailored to the needs and provided over short periods of time. In some cases, training involves a combination of meetings and on-line sessions providing easier access for mountain stakeholders who are physically remote from training centres.

All specific training packages must address a range of technical and cultural issues from a local perspective in order to rely on and leverage local assets and potential. Being and acting different to innovate is a skill that needs to be learned and it is important for regions to give themselves the means to do it.

This being said, training does not necessarily have to be technical: it may also quite simply target civics and citizen-based organisations with the aim of encouraging local initiatives, as is the case in Northern Portugal.

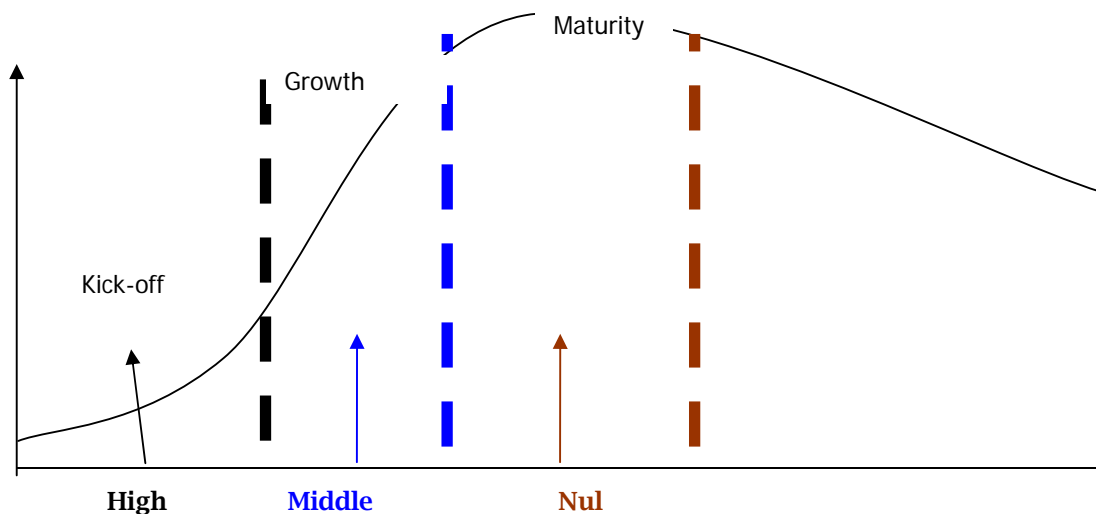
5/ The Mission of Territorial Authorities: Effectiveness in the Use of the Public Founding of course, but there is also a Need to Accept Risk Taken

This discussion of risk-taking by public authorities in project finance was based on the figure and table reproduced below and suggested by *SUACI des Alpes du Nord* following an analysis of cases studies.

Tableau 1: Expectation of territorial authorities

Government		
Project developed and managed by owner	High expectations Territorial authorities only support projects that are coherent, properly developed and theoretically reliable.	Acceptation for a higher risk-taking Territorial authorities are prepared to support – and even take risks on behalf of – projects of all kinds, even if they look comparatively less coherent.
Strong capacity The project owner is able to define his own strategy and objectives and the means needed to achieve them.	A. The chances of project success – or at least of both achieving the objectives and properly using public funding – are high.	B. According to this scenario, the project owner knows how to put together a project, what public funding he will apply for and will secure it without major problems.
Weak capacity Beyond concept and intent, the project owner is unable to develop a coherent, structured project to which he then commits.	C. As he is unable to meet government expectations, the would-be project owner should logically be turned down when applying for support in the form of public subsidies.	D. There is a sizeable risk that public money will be earmarked for projects that are comparatively more likely to fail.

Figure 1: Financial needs (possibly including public funding) of projects at the different stages of their lifecycle (kick-off, growth, maturity)



The participants reacted on the notion of risk-taking, as the role of territorial authorities is not considered to be limited to supporting solid proposals (cases A. & B. in Table 1). Public authorities only play their role fully when taking risks (i.e. testing and supporting innovative projects), as this kind of intervention alone allows them to retain both the ability to modulate regional development and the ambition to influence outcomes. For instance, even in the case of weakly capable stakeholders (cases C. & D. in Table 1), public authorities should be able to promote and support the emergence of local players who can progressively take over - provided that projects fit in with a local development strategy.

In Norway, the requirements of Innovation Norway¹ vary at the different stages of the project lifecycle. Apparently, while it is quite willing to provide financial support for studies and training at the development stage of projects, it is significantly more particular when it comes to project delivery. The aim of this organisation is to minimise risk-taking. The question was thus raised during the seminar of the likelihood of its intervention effectively promoting the emergence of projects in the territory.

Taking risks is for instance justified when it comes to projects addressing an endangered activity, in which case the role of local authorities, elected representatives and technicians may even include - in certain cases- act as a project stakeholder in the absence of one.

As several participants recalled, a general trend is evident within the EU and associated countries toward sizeable cuts in public spending on project support. One of the challenges of regional development in future will therefore relate to the importance assigned by public authorities to the need to continue to take risks with the projects they support.

¹ National public organisation in charge of project funding (Norway)

6/ Should the Role of Local and Regional Authorities Integrate a Mountain Specificity?

It was first recalled by a *Conseiller Général du Puy de Dôme* (France) that the most important role of regional and local authorities is to provide the best possible service for all citizens regardless of where they live, which requires consideration of the spatial constraints associated with certain areas (e.g. in terms of accessibility). To this, the representative of the Spanish Basque Country added that if such imbalances are to be addressed, it is impossible to enforce strictly equal policies.

According to UNCEM², the mountain economy requires dedicated legislation providing financial, training, networking and other specific arrangements. In Puy-de-Dôme (France), different rates are applicable under spatial planning policies to reflect the specific geographic features of different areas defined using a range of criteria. However, the “Mountain” criterion is not used to date.

According to the representative of the Spanish Basque Country, the difficulties faced by mountain areas essentially relate to spatial planning issues. For this reason, coordination among the different authorities managing different aspects of individual territories is of the essence.

However, care should be taken upon developing mountain policies to recognise that there are a wide variety of mountain environments facing radically different issues. It is also important to define mountain areas not by comparison to or in competition with other European regions, but rather according to their specific features and assets. It is hazardous to leverage the uniqueness of the mountain environment for the sole purpose of securing additional support. However, the very nature of mountain areas means that they should secure specific competences.

On the other hand, *SUACI des Alpes du Nord*, which analysed the case studies, underscored that none of the partners identified any project in which their location in a mountain area led to any special measures being implemented. In mountain areas as in all others, territorial authorities believe that intervention, where needed, should focus on “the right person with the right project or idea at the right time”. Unfortunately, the essential combination of those three criteria is not always in evidence.

² National Association of Mountain Municipalities, Communities and Authorities (Italy)