

## STRATEGIC PLANNING IN TERRITORIAL ECONOMIC DEVELOPMENT

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**Abstract.** *According to the spirit of the Leipzig Charter, urban integrated development is founded on spatial, temporal and thematic coordinations and integrations of the various action and sectorial planning domains. An important role in all these goes to an integral participation also upstream of all the sustainable development actors, including those outside the political and administrative spheres, namely: civil society, economic actors, population. The stakes are [1]:*

- *the passage from a strictly descending - “top-down” - approach to an ascending - “bottom-up” - approach and to the interaction between these two;*
- *orientation of the sectorial objectives, strategies, measures and projects at the scale of the whole city, according to a holistic perspective, and in certain cases at a regional scale;*
- *putting the accent on the sectorial policies and on intervention fields regarding both problems identified in the urban environment and potential problems that can affect all the domains.*

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### 1. General considerations on the strategic planning process

In practice, **the integrated urban development approaches suppose several hypotheses [2]:**

- 1) A territorial approach permits, on the one hand, the identification of the problems and potentialities of the different urban areas (neighbourhoods), and, on the other hand, serves as a **support in the communication and cooperation among the actors involved.**
- 2) **The concentration of the means by the multi-disciplinary collaboration between the political and administrative decisional levels** (European, national, regional, local) is an indispensable condition

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in the success of integrated urban development. What needs to be retained is the fact that national programs should be better coordinated, aiming to integrate the EU funding programs in the national contexts, to connect the sectorial local budgets and to adjust them using funding programs.

- 3) **An active participation of numerous actors**, representing different beneficiaries (politicians, organizations, stakeholders, residents, economic actors etc) helps to meet the existing demands.
- 4) **The creation of administrative and organizational structures**, adapted to the complex problems and local possibilities, **is essential in the approach meant to coordinate the transversal collaboration at the administrative level**, to facilitate communication with and within the local population, to develop a network between the public administration and the proximity entities, and to include the (local) economic, educative and other actors in the planning and implementation of the territorial development projects.

The Toledo Declaration (2010) [3] reiterates the importance of the integrated urban development approaches as a strategic instrument of implementation of the strategy “Europe 2020”, to build a sustainable, socially inclusive city, with an intelligent growth [4]. This requires, above all, the implementation of governance structures at multiple levels, suggested by the Leipzig Charter, in order to use the available means more efficiently in the context of the financial crisis.

The Toledo Declaration highlights the fact that the objectives of the Leipzig Charter were not always applied, partly because of the lack of consensus regarding the concept of integrated urban development (of the neighbourhoods). It was reiterated that the key-elements of this approach are:

- a holistic and transversal approach;
- the creation of horizontal networks at the levels at stake – EU, states (countries), regions, local collectivities (cities), neighbourhoods – and vertical networks between these levels;
- strategic planning, at the scale of the city, by means of integrated urban development projects;
- correlation of the integrated approach with the territorial approach from a spatial perspective;
- correlation of the integrated approach with the inclusion objectives.

The success of the economic development projects for the towns/cities, as the experiences so far have proved it [5], is guaranteed by the care involved in the **search for solutions to a series of obstacles, practices and prejudices that can be met out in the field:**

- **an approach insufficiently focused on the strategic planning principles that postulate the qualities of a good integrated urban government:** the determination of global, structured and synergic actions with sustainable perennial objectives;
- **lack of knowledge and mobilization of the numerous economic actors:** there is no attempt to try and identify their preoccupations, expectations, resources;
- **a thinking on a too restrained geographic area:** the limitation of the urban renovation *stricto sensu* to the area of a neighbourhood (zone), a local development policy (LDE) is not pertinent – to be efficient, it needs to have in view the inter-relations of the neighbourhood with other zones (territories), especially from the perspective of the population migration phenomenon (one ought to retain the number of potential commuters, in both senses - “*in-coming commuters*” and “*out-going commuters*”);
- **inadaptation of the project in relation to its context:** for example, it would be an illusion to revitalize structures designed several decennia ago, which cannot compete with the attractive poles created in the vicinity (proximity) of the neighbourhood;
- **sometimes unfavorable environment:** there appear difficulties that cannot be overcome in point of access and parking areas; an insufficient endowment in services for the companies implanted in the neighborhood...

We need to remember, as very important, the fact that **mechanically importing the successful strategies of other cities, without adjusting them to the local context, has no chance of success.** This is why we need to underline that the good practices promoted by the above-mentioned guides must be considered as comparative landmarks, under the form of tests in various contexts. Consequently, what is needed is an intimate knowledge and a detailed evaluation of the local conditions, in order to establish an efficient territorial development strategy for a local community (town/city).

In essence, the territorial development concept is a holistic approach model for the strategic planning policies/programs/process, for the economic changes based on the consolidation of the competitive position of the municipality (or region) in relation with the main factors influencing the production – human resources, information and technology, capital and infrastructure – and based on the collaboration/cooperation of all the partners concerned from the public, private and NGO sector in order to create better territorial development conditions and new jobs, in order to improve the quality of life for everyone.

The present strategic planning methodology, founded on the US and Western Europe experience, underlines the local dimension of territorial development, namely the growth from the inside. Thus, it has been confirmed that about 80% of

the newly-created jobs in towns/ cities are obtained by the expansion of firms already operating in the respective locality. This does not mean that the activities meant to attract direct investments must be neglected, but they need to be considered realistically, in a larger framework of the local priorities [6].

The shorter experience of Central and Oriental Europe shows the fact that when they depend exclusively on a business or an industry, cities are in a situation of economic risk. However, a balanced, sustainable economy needs to rely on the activity of the SMEs providing goods and services in a diversified array, to meet the inhabitants' needs and assure the necessary economic diversity. The essential conditions for the towns/cities to benefit of their own industrial basis and tradition are the development of the services and distribution sectors and the encouragement of the manufacturing companies.

## 2. The great stages of a strategic planning approach for territorial development

The methodology presented in this subchapter represents a framework-scheme helping the organizations and the local communities to think and act according to a certain strategy throughout the cycle of change of a territory considered, respecting a certain plan of the game, established beforehand with all the actors involved. The great stages of a strategic planning approach for territorial development are (Fig.1): Territorial evaluation (in-depth knowledge of the territory); Political initiative and mobilization; Radiography of the environment - diagnosis analysis of the local economy; Strategies and orientations; Actions definitions and strategic plan design; Implementation of the strategic plan and its monitoring.

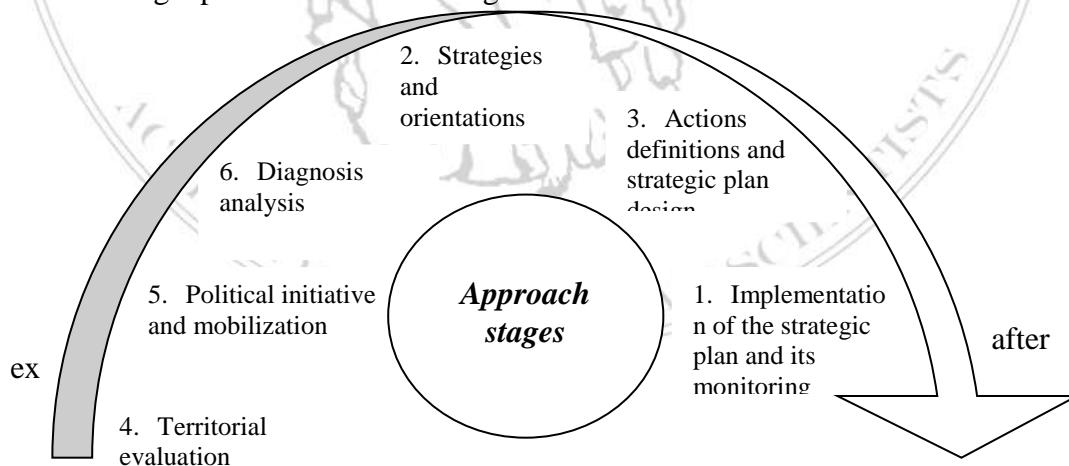


Fig. 1. The great stages of a strategic planning approach for the development of a territory

## Conclusions

Ex ante, in order to launch a strategic planning approach for the development of a territory, there is the issue of the choice of the geographic area (territory) that is going to be integrated in the urban regeneration project envisioned. *A priori*, several areas can be taken into consideration and then evaluated from the perspective of their potential of integration with added value to the benefit of the project that one wishes to implement in the context of the strategic planning approach envisioned.

Consequently, to obtain a pertinent diagnosis, one has to previously know in-depth the territory considered. This knowledge approach involves the identification of the answers to a list of questions recommended to be problematized to constitute an objective and demanding a diagnosis, founded on large openness, reactivity and synergy of the actors concerned (involved).

These questions are grouped into **four domains of analysis**:

- economic dynamics of the territory;
- its development potential;
- stakes and strategy to be followed;
- actors and leadership of the economic project.

Therefore, territorial development is a “transversal” action approach, which means that any strategy it calls for cannot be thought of without the implication, confrontation and cooperation of the multiple actors who need to be mobilized to put into practice a large project, whose strategic objective is the development of an urban territory. It ought to be remembered that the development of a territory only exists if the actors mobilize themselves.

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