

# ***ASSESSING TERRITORIAL ATTRACTIVENESS IN SOUTH EAST EUROPE***

*Results of the Attract-SEE Project*



***Assessing Territorial Attractiveness  
in South East Europe  
Results of the Attract-SEE Project***



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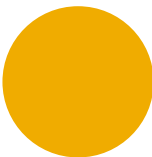
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## 1. FOREWORD

Transnational cooperation under the Attract-SEE project Assessing Territorial Attractiveness in South East Europe (SEE) has moved into the final period of activities in 2014. Diverse partnership and observer organisations have worked intensively on two main themes - establishing a common territorial monitoring system, and improving the policy coordination process. I can say that two years of leading the activities of the Attract-SEE project have provided a fascinating assortment of events and activities offering a wide exchange of knowledge and discussion of various topics within the framework of territorial monitoring.

Concerning the development of a common territorial monitoring system, we have focused on the needs of policy and decision makers in South East Europe. Since the project is based on real needs expressed by policy and decision makers, we have developed tools and approaches that will enable policy makers to enhance the quality of development decisions. We have implemented concrete outputs, such as the development of a common territorial monitoring framework and action plans for establishment of territorial monitoring systems in the involved regions. We have created trans-national as well as national and regional territorial quality and attractiveness reports. Each project partner has prepared a National Territorial Attractiveness Report (eight reports) using a common methodology, and based on these reports we have produced a synthesis report for partner countries/regions (Trans-National Territorial Attractiveness Report). These reports are intended to be the "zero reports" for the future compatible monitoring systems covering the region.

Trans-national workshops and stakeholder involvement workshops organised by the project partners in the SEE countries have led to the creation or strengthening of permanent stakeholder networks and the improvement of policy coordination of different development and sectoral policies. All the partners agree that we have reached the level of improvement of the policy coordination process that will lead to a greater number of high-quality decisions based on territorial knowledge and hence to more effective implementation of territorial cohesion goals.

Attract-SEE has organised and participated in a number of events where we have presented our outputs and results.

In the course of the implementation of the project to deliver the planned results and achieve the project objectives we have been working on

ideas for new projects in the future. Our common results will be used as a platform for new transnational cooperation.  
We wish you enjoyable reading,

Blaž Barborič,  
on behalf of the Lead Partner,  
Geodetic Institute of Slovenia.

## 2. REASONS FOR DEVELOPING THE ATTRACT-SEE PROJECT

### 2.1. IDENTIFIED PROBLEMS IN THE SEE REGION

In all the SEE countries it is becoming increasingly evident that achievement and **implementation of territorial cohesion goals is threatened by poor coordination among policy makers** in different sectors and among different levels of administration. The goals set in EU policies and trans-national strategies can only be met using integrated and evidence-based development planning and implementation at national, regional and local levels.

In the field of territorial monitoring many different activities and projects have already been initiated and implemented. Much good practice exists, but at the national and regional levels in the SEE countries **there is still a lack of knowledge, harmonised methodologies, and efficient tools for monitoring current territorial development status and trends**. There is also a deficit of normative solutions for establishment of TA monitoring framework/system - a deficit of enabling legal environment. This results in a limited understanding of territorial development among policy makers, and a lack of awareness on how sectoral policies can affect the territory as a whole.

To minimise unwanted development impacts in SEE territories, an evidence-based policy process is necessary, including monitoring of the current status and trends. In order to achieve the set territorial cohesion goals **it is necessary to involve sectoral policy and decision makers in the monitoring process** both as active participants and as a target group needing support in understanding concrete territorial effects of their policies.

Effective development processes rely on proper knowledge about territories based on up-to-date and ready-to-use answers to relevant questions on actual trends and drivers of territorial change. **The Attract-SEE project has addressed the following specific problems:**

- **Lack of common methodologies/instruments** among territorial development planners for analysis of the status and trends in their territories. This is especially important in a trans-national

context and results in a lack of harmonised territorial data and monitoring tools to support decisions of policy makers.

- **Lack of integrated and common understanding and knowledge on present trends** in the territory and about the territorial dimension of development policies among different policy makers and different levels of administration.
- **Lack of knowledge and skills of territorial development** experts in communicating territorial trends, resulting in inadequately communicated territorial trends to policy makers and administrators.
- **Lack of consideration of the territorial dimension** in policy development and implementation by policy and decision makers.
- **Lack of coordination among sectoral policy makers** and among different administrative levels in policy development and implementation.



## 2.2. APPROACHES TO THE SOLUTION

The aim of the Attract-SEE project was to establish a territorial monitoring and policy coordination framework, as well as tools with which policy and decision makers could enhance the quality of their development decisions. Taking into consideration the limited timeframe of this project, the scope of the project was narrowed to "territorial quality and attractiveness" as the common, relevant cross-sectoral thematic area. Territorial attractiveness was chosen as a theme that was broader than local problems and narrow sectoral interests, demanding wider territorial scope and joint solutions or actions.

The following steps were taken:

- Identification of **common** territorial development and related policy process **problems/challenges** within the SEE trans-national area;
- Setting shared **territorial development monitoring indicators**, according to the characteristics of the different information bases;
- Establishment of a harmonised **spatial evidence-based monitoring framework** applicable in the wider SEE region, by which it is possible to ascertain and understand the status and trends of the drivers of territorial change;
- Evaluation of the status of the territory and **identification of trends** with specific reference to territorial quality and attractiveness;
- Raising the **awareness of policy/decision makers** on the importance of coordination and consideration of the territorial dimension in the development and implementation of policies;
- Increasing the **knowledge and skills** of territorial development experts to communicate information on territorial status and trends more effectively to the relevant policy/decision makers in order to achieve improved integration of policies;
- Establishment of a framework for the policy coordination process in each country that would be supported by **networking of relevant policy/decision makers**;
- Coordination of the process of policy preparation/implementation in the thematic area of territorial quality and attractiveness.



An additional objective was the identification of common challenges and problems in the trans-national area and their observation with uniform indicators. To support monitoring with indicators, a common information database was developed, designed in a way to allow alterations and upgrades dependent on the concrete needs of the specific territories.

**A basic assumption of the project was that particular solutions (examples of good practice) were already developed, implemented and available for exchange between different SEE countries and partners in the project.**

**The project was implemented by means of the following activities:**

- **Identification of the needs** of decision makers in the process of territorial development. Various policy and decision makers were involved into the process of designing territorial monitoring, providing their needs for information and the way this information should be presented. These inputs were used throughout the project duration for designing the territorial monitoring framework. A policy coordination process was established, running at national/regional levels. A policy coordination process handbook was designed and was regularly enhanced with experience derived from the project.
- **Analysis of existing territorial monitoring frameworks** (TMF) in partner countries leading to a directory of identified existing practice, which serves as an database of expertise for designing TMFs.
- **Development of a common theoretical model** of a TMF, defining the overall process of territorial monitoring, starting with decision makers' needs, data gathering and analysis, indicator preparation and calculation, and concluding with preparation of a territorial report.
- **Implementation of a theoretical model** in partner countries / regions focusing on the cross-sectoral and multi-level theme of "territorial quality and attractiveness". Definitions of attractiveness and quality of territory as well as indicators were prepared, where inputs from involved policymakers and stakeholders were taken into consideration. Attention was given to the existence, availability and quality of data, and for this reason observers (statistical offices and geodetic surveys) were involved and consulted where needed and relevant. Indicators were determined on the basis of the collected data. The proposed data harmonisation and common interoperability model was taken into consideration in finalising the output. Regional/national attractiveness reports for partner regions/countries as well as a transnational attractiveness report were prepared. These reports were discussed with policy

makers in order to improve the usefulness of the project results with regards to their needs.

- **Preparation of gap analyses** in different countries/regions to identify the largest or most important gaps in the country/region and on that basis an action plan was proposed for implementation of a territorial monitoring system - what could already be implemented in the relatively short term (within the project), what were more medium- and long-term actions, again considering local specificities and acceptable solutions for decision makers?
- **Development of policy recommendations** together with stakeholders using the information from territorial attractiveness reports at national, regional and transnational levels.



### 2.3. PROJECT PARTNERSHIP

The ATTRACT-SEE partnership was designed as a combination of different kinds of organisations needed to achieve the project objectives and ensure the durability of the project results:

- **organisations with technical knowledge, which** undertook the demanding tasks of developing the territorial monitoring framework, the accompanying data gathering methodology and indicator definition, as well as shaping the process of territorial cooperation;
- **public bodies in the fields of spatial and territorial development,** which were responsible for establishing and maintaining territorial monitoring systems, following and analysing the development trends and perspectives in its territories, and cooperating in the development of different national or regional policies by establishing and facilitating the policy coordination process;
- **partners with established trans-national networks** that ensured effective dissemination of project results in the SEE.

Because the establishment of territorial monitoring systems and a policy coordination process requires the commitment of regional and/or national bodies, the partnership wanted to ensure good representation in the project at the local level. In the end the effects of the policies are seen at the local level and involvement of local administrators is crucial for policy implementation. To ensure successful implementation of the project, it was necessary that **the partnership comprised those organisations from the participating countries that had the capacity and competence to take over the role of establishing the monitoring systems** in their territories and of facilitating the policy coordination process. Hence the project partners were mostly public authorities dealing with spatial planning and development issues at national and/or regional levels.

Wide geographical coverage of the SEE countries was ensured. The integration into the project of Western Balkan countries, which are facing weak development of national spatial data infrastructure and a significant lack of territorial information, was one of the key drivers for the preparation of this project and for the design of the partnership. Good practice and existing capacities and skills of the partners regardless of their origin were combined to arrive at the best possible solutions to achieve the project objectives.

Vertical cooperation was ensured by the involvement of partners at different levels: international, national, regional and the local level (through association organisations). Horizontal integration was ensured

by involvement of public authorities that deal with territorial development and coordinate different sectors, and through the specific sectoral expertise of the involved partners. Horizontal and vertical coordination was further strengthened during implementation by the involvement in project activities of stakeholders and policy makers from different policy fields and territorial levels.



### 3. ACHIEVEMENTS AND RESULTS OF THE PROJECT

#### 3.1. DEVELOPMENT OF A TERRITORIAL MONITORING FRAMEWORK

**Territorial monitoring is the periodic review of planning proposals** during the implementation of spatial planning policy. Continuous monitoring of spatial development should be a key tool for policy makers to enable them to assess recent development trends, to identify problems and to communicate needs for action. **Quantitative indicators are used to measure and enable evaluation of spatial development trends** in order to ensure realisation or reformulation of spatial planning objectives.

The territorial monitoring framework (TMF) is the model for a territorial monitoring system (TMS). The countries of South-eastern Europe have diverse territorial monitoring systems in different phases of development. Some systems are at the level of model or framework and some of them are more advanced, which is described in the following pages.

##### 3.1.1. Territorial Monitoring Framework

The main elements of a TMF are:

- legal framework;
- institutional framework;
- technological framework;
- financial framework.

**The legal framework** can be recognised at national and regional levels.

National laws relevant to territorial monitoring are:

- in Croatia – Law of physical planning and building, from 2007;
- in Hungary – Law on territorial development and spatial planning, from 1996;
- in Serbia – Law on planning and construction, from 2009;
- in Slovenia - it was the Law on spatial planning, from 2002-2007.
- in Macedonia - Law on the Implementation of the Spatial Plan of the Republic of Macedonia (2004); the Law on Spatial

and Urban Planning (2005) and the Law on National Spatial Data Infrastructure (2014).

At the regional level there are laws in Austria at the level of federal states, but not all have laws regulating territorial monitoring, in Italy there is a regional planning law from 2000 for the Emilia Romagna region, and in the Federation of Bosnia and Herzegovina there is a law on spatial planning and land utilisation from 2006 and cantonal spatial planning laws. Bylaws on territorial monitoring have existed in Hungary from 1997, in Croatia from 2012, and in the Federation of Bosnia and Herzegovina from 2010.

The **Institutional Framework** is composed of institutions at different territorial levels which are intended to cooperate horizontally and vertically: institutions at the national level (Ministries in Bosnia and Herzegovina and Slovenia), specialised institutions for spatial planning (OROK in Austria, HZPR in Croatia, VATI in Hungary, AAP in Macedonia and RAPP in Serbia), and regional institutions and their departments (Austria, Emilia Romagna, Croatia, Bosnia and Herzegovina).



Horizontal cooperation takes place not only at national and regional levels, but also at the local level, and in cross-border areas. NALAS and its members support cooperation among local communities. Vertical cooperation concerns not only cooperation between different levels in national frameworks, but also at international level in transnational cooperation.

**The Technological Framework** depends on the software that is used, based on a GIS platform, as well as on a relational database, such as Oracle or SQL Server. Open Geospatial Consortium standards are used. The Directive INSPIRE offers a common technological framework for South-East European countries.

**The Financial framework** depends on available resources defined by national, regional or local budgets. Foreign investment can be provided from international organisations, institutions or banks (UN, WB, IMF, EBRD, EIB, etc.). European Union support can be obtained through different programmes and funds (ERDF, IPA, Cohesion Fund, Social Fund, etc.). Private investment can be independent or realised in partnership with public investment. Different forms of investment are available, such as concessions, donations, credits etc.

### 3.1.2. Territorial Monitoring System

The TMS is directly linked to spatial planning documents, spatial development reports and the spatial development information system. Its main elements are:

- spatial planning objectives;
- spatial planning proposals and priorities;
- territorial monitoring indicators;
- spatial development information system model.

**Spatial planning** documents in partner countries contain the spatial planning objectives and planning proposals. The following types of spatial plans have been identified in the partner countries:

- National Spatial Development Concept, Strategy or Plan;
- Spatial Plan of the Federal Unit;
- Regional Spatial or Development Plan;
- Provincial Coordination Plan;
- Special Purpose or specific Area Spatial Plan;
- Local Spatial or Development Plan;
- Urban, Zoning or Land-use Detailed Municipal Plan.

**A common set of indicators** for territorial attractiveness has been selected during the project. Indicator values were collected in order to prepare the National Territorial Attractiveness Reports. The Territorial Attractiveness Reports have four main parts: introduction, indicators, attractiveness in existing development policies, and territorial attractiveness priorities focused on population, tourists, investment and knowledge and innovation. National Territorial Attractiveness Reports feed into the Trans-national Territorial Attractiveness Report. The aim of the Trans-national Territorial Attractiveness Report is to give an overall picture of

the attractiveness topic across South-East Europe, by supporting the policy makers on territorial attractiveness, providing integration and cross-cutting analysis of project outputs.

**Good practice** from all partner countries is briefly presented in the Report on Territorial Monitoring Systems. Different types of territorial monitoring practices have been collected: national, regional, sectoral and cross-border. These examples of good practice give an overview of the state of territorial monitoring in the partner countries. The common territorial framework for the territorial attractiveness monitoring system proposed is based both on the previous experience of partners and on the results of the Attract-SEE project.

### 3.2. SHAPING THE PROCESS OF TERRITORIAL COOPERATION

In order to resolve commonly identified problems in the area of spatial development planning and management, Attract-SEE project partners have identified and developed the elements of a regional territorial monitoring framework that are needed for coordinated development of territorial attractiveness in South East Europe in the future.

**The developed regional territorial monitoring framework includes eight elements that provide a sufficient and relevant basis for building a distributed information system for territorial monitoring in the South East Europe region.** Once established, this common territorial monitoring system should present a reliable information source and platform for evidence-based, timely and coordinated decision-making and translation of EU policies both at trans-national and national, i.e. regional, levels.

Furthermore, the proposed Attract-SEE regional territorial monitoring framework provides the details necessary for the development of interoperable territorial monitoring systems at the level of each partner, and also leaves enough space to accommodate the specificities and particular needs of each country or region. Alongside the territorial attractiveness monitoring, the Attract-SEE regional framework and information system concept could be adapted and applied to other territorial development dimensions and features.

In order to implement the results and guidelines developed during the Attract-SEE project, and realise the advantages of territorial development and management in South East Europe region, each project partner has developed an action plan. The action plans include a list of activities and solutions that need to be completed by each partner in the areas of

legal, technological, financial and organisational frameworks in order to integrate the common territorial monitoring framework elements into national and/or regional frameworks. Following implementation of the action plans, all Attract-SEE partners should in future be able to communicate and coordinate territorial planning and development ideas, initiatives and activities efficiently and effectively, and thus build development actions and key stakeholder synergy towards achievement of the Europe 2020 Strategy vision.

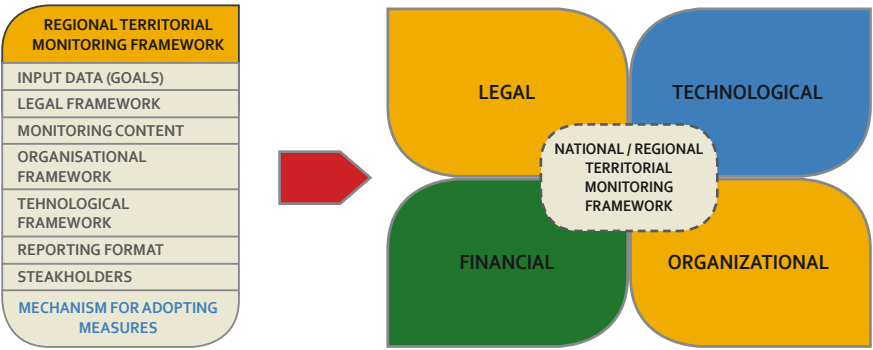


Figure 1: The developed regional territorial monitoring framework provides platform and guidelines for building or enhancement of national/regional territorial monitoring framework in four areas: legal, technological, financial and organisational)

### 3.3. TERRITORIAL ATTRACTIVENESS

#### The Concept of territorial attractiveness

The methodological approach to reach the objective of a common framework of territorial attractiveness included three steps, developed complementarily.

**Step 1** involved looking through official documents (strategic and/or operational plans and programmes) adopted by partners’ countries/regions, with an eye towards seeing what “territorial attractiveness” means according to the different characteristics.

For this purpose a ‘Tool of Inquiry’ was developed addressing the following issues:

- a) the territorial monitoring systems in use in the partners’ countries/regions and the identification of examples of specific good practice;
- b) the definition of territorial attractiveness by means three assessment questionnaires concerning the concept, the assets, and (if any) the specific indicators that emerged from the survey on available datasets.

**Step 2** aimed to assess the answers provided by partners with a first look at the concept of Territorial Attractiveness (TA) in use within each context and its implications (e.g. attracting whom, where, how, etc.) and a preliminary classification of the territorial capital assets to be considered. The analysis of official programme documents highlighted a general lack of specific policies focused on attractiveness in the SEE area. Attract-SEE partners did tend to identify similar assets that needed to be “classified” and ordered according to a common perspective. These elements have been considered as a basic condition for establishing a common framework for the concept of attractiveness.

**In Step 3** international stakeholders and partners were asked to express their opinion on the relevance of the territorial assets identified for the Territorial Attractiveness assessment, in order to obtain an updated overview of the TA concept and of the assets to be considered, adjusted to the perspectives and needs of each partner.

#### Usability of the results

A key assumption of the project is that changes in the forms of territorial capital and the ways in which they are mobilised in particular places (regions and cities in this instance) bring about shifts in the relative “positioning” of regions in terms of their attractiveness and development potentials. Given this, policy makers need to understand what constitutes the attractiveness of European cities and regions and the implications for the development of policies designed to enhance the impact of European Spatial Directives, at a variety of scales (from the local to the EU level), as well as the importance of sectoral (non-spatial) policies and the implications of more overarching policies such as Europe 2020.

We have argued that:

- the complex relations (interactions) between the different forms of territorial capitals explain the differential ability of places to attract and retain different target audiences;
- however, we have also argued that the more presence of the necessary territorial capitals does not automatically lead to their attraction and retention;
- of utmost importance is the capacity of the local government to mobilise the assets, both with regard to existing and potential users or investors.

### 3.4. DEVELOPMENT OF COMMONLY ACCEPTED INDICATORS

#### Checking the availability and characteristics of input data

The process of gathering and processing data to create territorial attractiveness indicators started after a common set of these indicators was selected. The first step was a search for available data and the collection of detailed metadata. An overview of data for each country/region was prepared to gather the information necessary for the preparation of a consistent common methodology for the determination of indicators for all the project partners. Each overview consists of sets of basic information on the datasets available. A common document template was used to prepare consistent reports for each country/region. Datasets are grouped according to the aspects covered (economy, society, environment, heritage, others). The basic information on each dataset consists of:

- dataset name and translation (official register name, common dataset name, or keywords);
- dataset source (institution, data owner or data provider; institution status);
- related regulations (laws, acts, other legislation);
- standards used (international or national standards, guidelines, codes etc.);
- availability and access information (personal, business, military data restrictions; free of charge; payable + type of fees; downloadable; deliverable + type of storage media);
- spatial coverage and maintenance period (country, land/region, province/county, municipality, selected areas only);
- contents (data layers, data themes, data tables, data features, important attributes);
- quality of information – level of detail, accuracy (data resolution, scale of mapping, data capture spatial unit or positional accuracy for data geolocated with coordinates);
- notes/remarks;
- indicators for which the data could be useful. The last section is used to define the relation to potential indicators that could be calculated using the data.

#### Methodology for determination of territorial attractiveness indicators

The common methodology for the calculation of territorial attractiveness indicators reflects the availability, timeliness, and spatial resolution (level of detail) of the datasets described in the data overviews. **For the**

**determination of common attractiveness indicators, NUTS 3 units or equivalents were chosen.** Where data was lacking at this scale level, the indicator was processed at the national level or – in some cases – for other spatial units/locations (e.g. region, towns). **An annual period was chosen for the determination of indicator values and 2013 was chosen as the reference year.** For the “zero reports”, data was collected over at least a five-year period (2008–2012), if possible. The time series for each indicator were processed to estimate linear trends using the method of least squares. **An annual indicator trend was determined as a percentage of the growth/decline of the indicator value per year.** The reports include for each indicator:

- dataset resource title(s) and responsible organisation(s);
- dataset resource locator(s) – the direct web links to access the data;
- dataset spatial and temporal information;
- dataset download settings (if relevant);
- indicator definition and indicator unit (e.g. unitless, %, µg/m<sup>3</sup>, l/cap);
- description of the indicator calculation and steps of data processing;
- description of the indicator trend estimation;
- characteristic (e.g. min, max) indicator values;
- characteristic (e.g. min, max) annual indicator trends;
- charts and/or maps showing the differences in indicator between the regions and their changes with time (spatio-temporal comparisons);
- general remarks on the indicators (basic interpretations).

A common template was used to prepare consistent sets of territorial attractiveness indicators for each country/region.



Presentation and interpretation of territorial attractiveness indicators

Each territorial attractiveness indicator was considered a new meta dataset and was documented in accordance with the INSPIRE rules for metadata. Most of the indicators are based on more than one dataset, usually originating from more than one data provider. The full calculation procedure is evident from the indicator calculation spreadsheet reports, which include formulas and graphs/charts created from the resulting indicator values and indicator annual trend values. The most common charts describing the indicators were:

- bar chart with indicator values for the most recent period or the reference period (forecast);
- line chart with indicator changes for the periods considered (showing the trend);
- pie chart for a detailed indicator analysis (e.g. by impact categories);
- bar chart with annual indicator trends (in %) for the periods considered.

As outputs of the project, each project partner prepared (National) Territorial Attractiveness Reports using this common methodology (eight reports). Based on these reports, a synthesis report was prepared for South East Europe - (Trans-National) Territorial Attractiveness Report. These reports are intended to be “zero reports” for the future compatible monitoring systems covering the region. For the territorial attractiveness reports, cartographic presentations were used in addition to the charts mentioned above. As an example of the presentation of a national attractiveness report indicator, consumption of water per capita in Slovenia is shown by region in Figures 2 to 4.

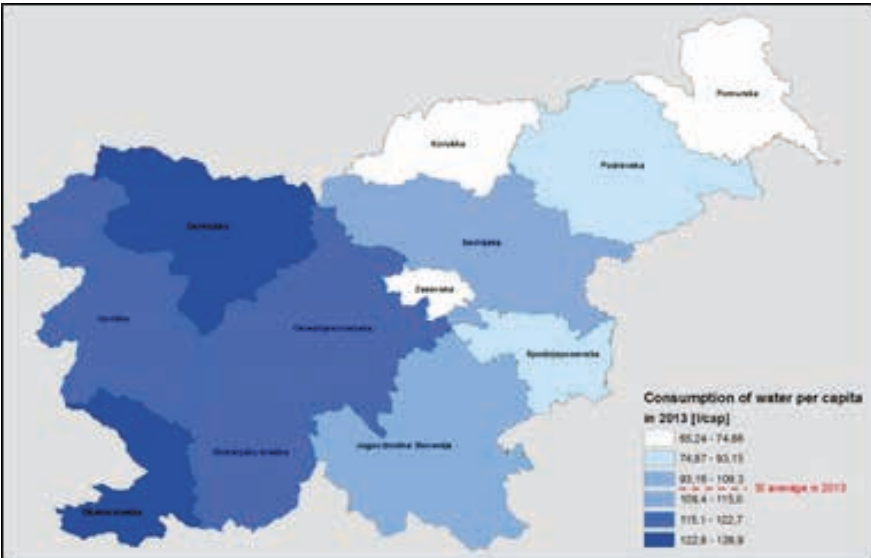


Figure 2. Daily consumption of water per capita in Slovenia by region in 2013.

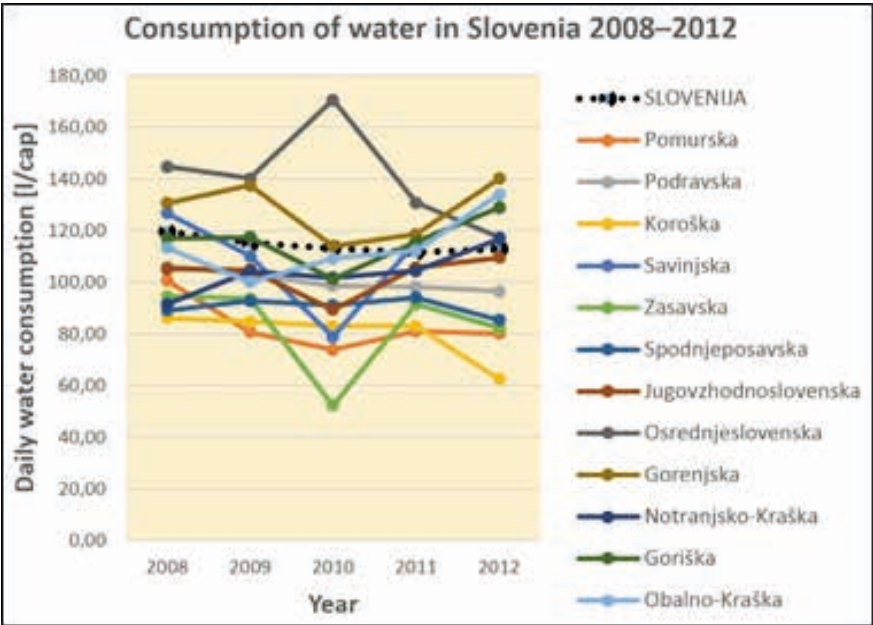


Figure 3. Daily consumption of water per capita in Slovenia by region in the years 2008–2012.

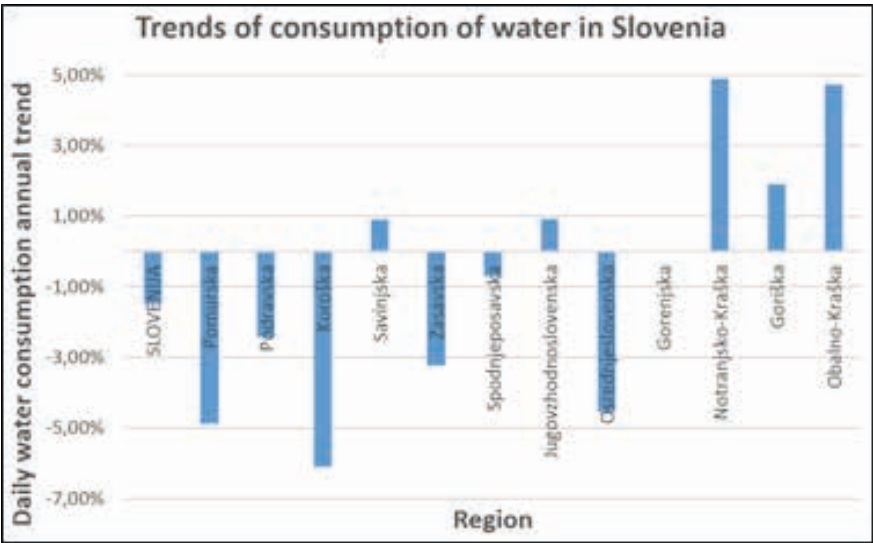


Figure 4. Annual trends of daily consumption of water per capita by region 2008–2012.

The corresponding general remarks (basic indicator interpretation) would appear as follows:  
“The average daily water consumption in Slovenia was about 113 l/cap in 2012. However, this indicator varied substantially between the statistical regions. The minimum water consumption was observed in the Koroška Statistical Region (~53 l/cap), while the maximum was observed in the Gorenjska Statistical Region (~140 l/cap). The general trend of water consumption in Slovenia can be described as slightly decreasing – the annual trend was –1.49 %. However, for five of the regions the water consumption trend was still increasing. The worst statistical region in this

respect was the Notranjska Statistical region with an annual trend of +4.90 %. The most favourable region was the Koroška Statistical Region with an annual trend of –6.12 %."

### Proposed common set of asset indicators

To find appropriate indicators for individual assets within the project, existing databases were used. These databases were from Eurostat, OECD, European Commission, European Environmental Agency, United Nations, UNESCO, World Bank, and ESPON projects.

The selection of the indicators was also dependent on the type of indicator. **It was important that for each asset at least a couple of core-indicators was identified, one "state"** (indicators that aim to provide a simple description of the current state of development) **and one "pressure"** (these indicators are used to diagnose and gauge the process that will influence the state of progress) **indicator. Some of the selected indicators were "target, response of performance indicators"** (these assess the impact brought by policy changes).

The first list of indicators contained 41 indicators at the trans-national level. The final selection was made after an analysis of data availability.

### Analysis of the availability of data sets

The main aims of the data availability analysis were to check (for each country/region):

- availability of data sets for the proposed set of indicators;
- maintenance frequencies for the data sets;
- available scale levels of the data sets.

There were two steps in the data set availability analysis:

- estimation of the reported availability of data sets;
- final assessment of the availability of data sets.

For the first step, only the Metadata Overview Reports prepared by the project partners for their own countries/regions were used.

For the final assessment, information on the availability of data sets was extended using international data providers listed in the preceding section.

The results of final assessment of data set availability show that:

- 6 indicators (of 41) could be computed by less than 50 % of project partners;

- 5 indicators could be computed by 50 % of project partners;
- 30 indicators could be computed by more than 50 % of project partners.

### Analysis of maintenance frequencies for the available data sets

The aim of maintenance period analysis for the available data sets was to be able to define 'commonly acceptable maintenance frequencies' (of computation) for the particular indicator from the common set of indicators on the SEE scale.

The reported maintenance periods are arranged (logically) according to the period (from shortest to longest). Median maintenance frequencies were:

- **daily** for 2 indicators;
- **annually** for 33 indicators;
- **every few years** for 3 indicators;
- **not known** (NN) for 3 indicators.

### Analysis of scale levels for the available data sets

The aim of scale level analysis for the available data sets was to be able to define 'commonly acceptable spatial units' (of computation) for the particular indicator from the common set of indicators on the SEE scale.

Scale level was reported by the project partners (country, region, federation area, federal state, macro-region, province, statistical region, county, NUTS2, NUTS3, city, municipality, settlement, or not known).

The problem here was that the scale levels were hard to compare. The NUTS system is not yet defined for Serbia, and Bosnia and Herzegovina. For the latter two, a few studies are available, so that a comparison could be made, but this system is not used for statistical processing.

The reported scale levels are arranged (logically) according to the area covered (from smallest to longest). Median scale levels were:

- all scale levels for 1 indicator;
- country/region or NUTS2 or NUTS3 for 2 indicators;
- country/region or NUTS2 for 9 indicators;
- country/region for 29 indicators.

### Final list of the common set of indicators at the transnational level

The basis for the final selection of indicators at the transnational level was an analysis of metadata overviews. The selection consisted of indicators for which data were available for the majority of the project partners. Indicators which were eliminated could be placed on a national level 'wish list' or on a project partners' wish list for each country/region.

The final count of indicators was 31 for ERDF partners and 29 for IPA partners. The final list of common set of indicators at the transnational level is given in the following table. The two indicators that were available for ERDF partners only are shown in grey.

Table 1. Final list of common set of indicators at the transnational level

#### Environmental capital

Environmental quality		Type
1.	Greenhouse gas emission (Europe 2020 indicator)	State
2.	Air pollution: PM10	State
3.	Air pollution: Ozone concentration	State
4.	Population connected to urban wastewater treatment with at least secondary treatment	Response

Territorial/ecosystem integrity		Type
5.	Artificial surface by Corine Land Cover	Pressure

Natural resources and energy		Type
6.	Electricity generated from renewable sources	Response
7.	Consumption of water per capita	Pressure

#### Anthropic capital

Urban quality		Type
8.	Urban/rural population (or urban rural classification)	State

Landscape quality		Type
9.	% of terrestrial area protected (total and by ecological region)	State

Infrastructures		Type
10.	Population (or households) with accessibility to high-speed broadband (1 Mbit/second up and down)	State

#### Socio-cultural capital

Culture		Type
11.	Number of theatres, museums, galleries and public libraries per 10,000 inhabitants	State
12.	European cultural sites on the Unesco World Heritage List, 2010	State

Quality of life		Type
13.	Life expectancy at birth by sex (Europe 2020 indicator)	State
14.	Gross disposable household income	State
15.	People at risk of poverty or social exclusion (Europe 2020 indicator) or % in risk of poverty	Pressure

#### Economic/human capital

Knowledge & Innovation		Type
16.	Population aged 25-64 with tertiary education	State
17.	Numbers employed in Research & Development out of the total labour force	State
18.	Research & Experimental Development expenditure as % of GDP (Europe 2020 indicator)	Response
19.	Patent applications submitted to the European Patent Office per million population	State

Employment		Type
20.	Employment rate 20-64 years by sex [%] (regional) (Europe 2020 indicator)	State
21.	Youth unemployment rate	Pressure

Specialisations / Key sectors		Type
22.	Share of employment by sector	State

Tourism		Type
23.	Number of overnight stays of tourists per capita per year	Pressure
24.	Share of tourism related employment in total employment	State

Investment Promotion		Type
25.	Building permits (Commercial, Industrial, Institutional, Residential) [in €]	State
26.	% of GDP of foreign direct investment	Response

Population		Type
27.	Population growth rate	State
28.	% of population in the age range 20-64 years	Pressure
29.	Ageing index	Pressure

**Institutional capital**

Governance		Type
30.	Composition of local government expenditures	State

International relations		Type
31.	Number of foreign students	State



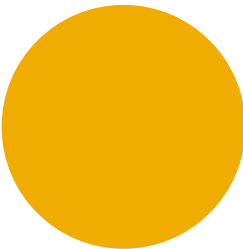
**3.5. POLICY COORDINATION**

The Office for National Economic Planning (ONEP) from Hungary provided **a methodology and tools for policy coordination** of territorial monitoring serving the improvement of territorial attractiveness. ONEP has summarised its findings in a Handbook. This exercise supported other project partners and the progress of other work packages. The Handbook was prepared within the framework of a practice-oriented process: **project activities helped to test our initial principal policy coordination ideas** in a real political and working context in different countries.

The Handbook presents a general approach and methodology on policy coordination, focusing primarily on stakeholders and actors in public administration. The Handbook goes through all the relevant aspects of a properly planned policy coordination process: (1) principles and guidelines for implementation, (2) expected benefits, (3) drivers and potential barriers of stakeholder involvement, (4) tools and methods for capacity building, (5) techniques that are currently widely used all over Europe and the world. Besides this general approach, the Handbook pays special attention to policy coordination issues related to territorial monitoring.

In order to make the Handbook relevant in the everyday practice of planners and other professionals preparing decisions, partners' feedback was collected by means of questionnaires. **National stakeholder involvement workshops** were also organised to identify the most interesting and feasible ideas. Project partners provided for the Handbook examples that emerged during project activities related to content-wise or formal issues of policy coordination. The Handbook presents these ideas among its special issues on territorial attractiveness and development. User friendly practical guidelines on organising and managing stakeholder involvement are also provided by the Handbook.

The structure of the Handbook is designed to give wide ranging applicability. Hopefully, it will attract readers' attention by a good balance between explanatory text and informative graphical elements. The Handbook has a solution-centred visual structure, and its table of contents guides users easily among the different coordination messages and issues.



3.5.1. Policy Coordination Process Handbook

The problems and challenges that modern societies face are complex, and solutions cannot be created solely by a narrow group of experts within a specific sector. **Finding solutions for existing problems and meeting real societal needs require cooperation** and coordination at different levels, which starts at the stage of creation of policies, programmes and projects, and continues throughout their implementation, monitoring and evaluation. The awareness of the importance of policy coordination already exists but its implementation in practice is still weak in the project countries. We are faced with the lack of framework conditions for coordination, methodological guidelines, knowledge, skills and good practice. The Attract SEE project has made a step forward towards filling this gap.

The challenge of policy coordination was discussed from different standpoints at the majority of the stakeholders' workshops in the project countries. The experiences gained together with the recommendations for more efficient policy coordination are presented in a Policy Coordination Process Handbook. This section summaries the main highlights of the Handbook.

How do we understand policy coordination?

By definition the coordination of policies is a set of activities which enables different organisations responsible for developing and implementing public policies to cooperate in order to avoid the misalignment of goals and measures, and excess or deficiency in the provision of public services. Policy coordination occurs when sectoral policy development agencies, government authorities, non-governmental organisations and other relevant actors come together to design and implement common policies. All the actors strive towards a common goal, which is a high-quality and feasible policy benefiting from group synergy. Policy coordination is not a centralised process with pre-defined results. It is rather the **management of interdependence between activities that lead to a common vision and common goals**. The results are reached through an interactive multi-stakeholder participatory process, through the sharing of knowledge and experience, through deliberation, negotiation, adaptation and collective learning.



Why is the policy coordination important and beneficial?

Policy coordination brings harmonised and qualitative long-term effects to policies. Different stakeholders involved contribute with their knowledge and experience, which moves the policies closer to real needs, priorities and values of the communities. **It strengthens a common understanding of the policy vision, objectives and measures, and therefore enables smoother implementation and more effective use of human, financial and other resources.**

An effective policy coordination process connects and engages different stakeholders and creates the confidence among them, and it raises the common and individual level of knowledge. The involvement of the actors who will later implement particular policy measures contributes to the feasibility of the policy. Last but not least, the process creates a sense of commitment and ownership of the policy, and increases its acceptability, and stakeholders support putting the policy into practice.

When we speak about spatial policy, good coordination among different development and sectoral policies is a pre-condition for achieving territorial cohesion and territorial development goals at trans-national, national, regional and local levels.

### Who are the stakeholders in the policy coordination process?

In the case of the spatial policy, **policy coordination should include vertical coordination** between different policy-making levels, **horizontal coordination** between different policy areas, **territorial coordination** between different administrative areas or types of territories, **and coordination with stakeholders**, including concerned public, business, research, and civil society.

The following stakeholders are relevant to the policy coordination process:

- The representatives of organisations and agencies responsible for developing and implementing the policies in preparation;
- Representatives of other relevant sectors that have an influence on or could potentially be influenced by the policy in preparation (with regard to identified problems and reasons for the policy, or with regard to the vision, objectives, etc.);
- Creators and implementers of regional policies;
- Representatives of public administration, decision makers at different levels and with different responsibilities;
- Relevant stakeholders from the public and private sector and civil society that are influenced by the policy, or could have an influence on the policy in preparation, or have an interest in being involved in policy preparation.

### What are the success factors of the policy coordination process?

The following factors influence the policy coordination process:

- The level of participatory culture in a society;
- Political will and support;
- Motivation of stakeholders;
- Efficient communication and provision of information;
- Ensured resources, especially a leader of the process;
- Knowledge and skills for multi-stakeholder dialogue;
- Open forums for dialogue;
- Legislative framework and power balance;
- Monitoring, evaluation and mutual learning.

### How can policy coordination be implemented in practice?

Three main steps are crucial for implementing an effective policy coordination process: a good plan of the process, effective informing of all stakeholders, and establishment of consultation forums.

**Stakeholder dialogue should start early** in the preparation of the policy, and should continue through all phases of the process. To this end it is recommended that a **policy coordination body** be established (with a capable lead coordinator and moderator) and a **design for a policy coordination process** be prepared with definitions of the following key elements:

- policy coordination main goals (realistic and understandable to all involved stakeholders);
- relevant stakeholders, with ways of attracting and motivating them to get engaged in the process;
- specific objectives and issues to be discussed at specific stages of policy preparation;
- principles and rules for quality and functional policy coordination to be respected by all stakeholders involved;
- information materials, communication tools and channels;
- consultation / dialogue forums and events together with timetables;
- means of taking into account the consultation results;
- creation of a network of stakeholders engaged for future cooperation.

Information provision should contain **all relevant content-related information** and data as well as information about the whole consultation process and its potential results and impact. **Communication with stakeholders** should be continuous throughout the whole process.

Good planning of a coordination process does not mean reaching the final goal, but it is certainly a precondition for effective implementation of policy coordination that follows in practice.

What you read above are only brief descriptions of the main aspects of the policy coordination process. You are invited to learn more from the Attract-SEE Policy Coordination Process Handbook.

## 4. ADDED VALUE AND INNOVATIVE COMPONENT OF THE PROJECT

The Attract-SEE project has introduced a new approach to the partner countries by building up a territorial monitoring framework that is directly linked to the policy coordination process and vice-versa.

The Attract-SEE project was built on the presumption that entering solid territorial information to **discussion with different stakeholders would improve policy coordination process** between various public policies. This presumption lead to very specific project design intertwining two sets of activities – building territorial monitoring system to improve territorial knowledge on one side and involving stakeholders to the discussion about territorial development trends and policy goals on the other side.

Experiences gained during the project implementation proved the presumption.

The Attract-SEE project has increased the participatory culture and sectoral cooperation with involvement of key stakeholders in project implementation, which had no earlier tradition in the SEE countries. At several stakeholder events in all the project countries, policy makers and decision-makers responsible for the implementation of policies as well as representatives of spatial planning and regional development organisations, representatives of local and national authorities and agencies, researchers and civil society representatives joined in a dialogue on territorial development and policy coordination. **New territorial evidence** presented by the project trigger the involvement of stakeholders into a discussion on the state of the territory, discussion of its problems and potentials. Participants expressed the added value of project approach and **usability of territorial information** presented at workshops in their day to day activities as importance of further development of national / regional territorial monitoring systems providing information on local level as well.

The aim of engaging these stakeholders in joint discussions was not only to **bring the new knowledge into the project** implementation process, but also to **bridge the gap between experts** who provide territorial analyses,

and policy and decision makers, who use this information in their part of the policy cycle. This **innovative participatory process** has contributed to better project results and to solving dissemination and communication problems, as well as to saving time. The stakeholders involved contributed their knowledge and data, especially with regard to the needs in their professional work in the area of territorial development. They also commented on the project's intermediate results and made proposals regarding all content-related aspects. In this way, they co created the final project results and made them more usable. Within the project, information was presented to decision makers in an understandable and interactive way, enabling discussions and clarifications. **Stakeholder workshops contributed to an improved common understanding of expert analyses, and to use of a common language.** Decision makers were provided with presentations tailored to their needs to meet unique and specific requests in territorial development policy. Decision makers who usually need information on the fly, are now provided via the web with indicators and accurate spatial data on attractiveness for partners' regions. This **enables decisions to be based on sound evidence** and makes territorial development more effective.

A key subject of the majority of stakeholder workshop was policy coordination, and based on this process it was possible to make a step forward towards improved policy coordination in practice. Stakeholders in all partner countries analysed the actual situation and the barriers to more efficient policy coordination, and discussed ways of strengthening policy coordination in the future. The recommendations and the methodological guidelines are presented in one of the project's outputs - the Policy Coordination Proces Handbook.



LIST OF ABBREVIATIONS

EBRD	–	European Bank for Reconstruction and Development
EIB	–	European Investment Bank
ERDF	–	European Regional Development Fund
EU	–	European Union
IMF	–	International Monetary Fund
INSPIRE	–	Infrastructure for Spatial Information in the European Community
IPA	–	Instrument for Pre-Accession Assistance
NUTS	–	Nomenclature of Territorial Units for Statistics
OECD	–	The Organisation for Economic Co-operation and Development
SEE	–	South East Europe
TA	–	Territorial Attractiveness
TMF	–	Territorial Monitoring Framework
TMS	–	Territorial Monitoring System
UN	–	United Nations
UNESCO	–	United Nations Educational, Scientific and Cultural Organization
WB	–	World Bank

EXPLANATION OF FREQUENTLY USED TERMS

**Territorial monitoring** is the periodic review of planning proposals during the implementation of spatial planning policy.

**Common territorial monitoring framework** is a model of monitoring system created within Attract-SEE project which is based on a set of commonly accepted indicators. The model supports evidence based policy development and implementation in partner states and regions.

**Policy coordination process** is a process that was designed for promoting, supporting and moderating participation and involvement of policy and decision makers from different sectors and administrative levels. It was aimed at improving communication and cooperation among different policy and decision makers.

**Territorial attractiveness** was chosen as a theme that was broader than local problems and narrow sectorial interests, demanding wider territorial scope and joint solutions or actions. It was defined based on the concept, the assets, and the specific indicators that emerged from the survey on available datasets.

LIST OF PROJECT PARTNERS

Lead Partner - GI  
Geodetic Institute of Slovenia, Slovenia  
[www.gis.si](http://www.gis.si)

ERDF Project Partner 1 - CEIT  
Central European Institute of Technology ALANOVA, Austria  
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ERDF Project Partner 2 - ONEP  
Office for National Economic Planning, Hungary  
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ERDF Project Partner 3 - RER  
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[www.regione.emilia-romagna.it](http://www.regione.emilia-romagna.it)

ERDF Project Partner 4 - MzIP  
Ministry of Infrastructure and Spatial Planning, Slovenia  
[www.mzip.gov.si](http://www.mzip.gov.si)

ERDF Project Partner 5 – REC Slovenia  
The Regional Environmental Center, Country Office Slovenia  
<http://slovenia.rec.org/>

IPA-I Project Partner 1 - RAPP  
Republic Agency for Spatial Planning Serbia  
[www.rapp.gov.rs](http://www.rapp.gov.rs)

IPA-I Project Partner 2 - NALAS  
Network of Associations of Local Authorities in South-East Europe, Macedonia  
<http://nalas.eu/>

IPA-I Project Partner 3 - ZAVOD  
Institute for Spatial Planning of the Koprivnica-Križevci County, Croatia  
<http://www.prostorno-kkz.hr>

IPA-I Project Partner 4 - FMPO  
Federal Ministry of Physical Planning, Bosnia and Herzegovina  
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EU Associated 1 - SOS  
Association of Municipalities and Towns of Slovenia  
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