OECD recommends national governments to empower cities and regions, because local development

Makes an important contribution to national economic performance

Reduces disparities between poor and rich places

Adds to the stock of locally-generated jobs and firms, increases overall private sector investment,

Increases the coherence and confidence with which local economic strategy is pursued.

Gives rise to better diagnostic, assessment of local economic assets and distinctive advantages, and lead to more robust strategy
OECD recommends local development to be orchestrated as:

A partnership activity between public, private, and institutional sectors, with substantial vertical and horizontal collaboration on the public sector side, and where stakeholder engagement is both effective and efficient;

A long-term effort and shared strategy (that will also produce important progress within short time pans)

An activity supported by appropriate organizational vehicles such as a territorial development agency, that is customer- and investor-oriented
OECD recommends the definition of the LEDAs as the one proposed by ILSLEDA, that is:

**A local development agency is a legal, non-profit structure, generally owned by the public and private entities of the territory, through which local actors plan and activate, in a shared way, initiatives for territorial sustainable and inclusive development; identify the most convenient instruments for their realization; and enhance a coherent system for their technical and financial support, with special reference to the weakest part of the population.**
The experience in France

Development Agencies and Development Committee are officially born in 1954, through a decree. They are currently governed by the Decree of May 5, 1995 and by a ministerial circular of 17 July 1996.

In reality these structures existed in the late '40s, especially in Britain, or Alsace, with a goal of

“brining together people who would work together to study the present situation of our regional economy, to discern the dangers which threaten it and the opportunities available to them, finally to determine the actions to be undertaken in order to promote economic development”

The current institutional role of agencies and committees has to assist local authorities in the development and implementation of their economic development strategies.
The experience in France

Development Agencies (DA) in France have almost exclusively an association status. They are federated at the national level within the NCRE (National Council of Regional Economies).

Each agency or committee is in fact backed by one (or more) local authority which provides the bulk of its funding.

The act of July 17, 1996 establishes the governance of agencies through a governing body or committee composed of four colleges:

- the college of representatives of local governments
- the college of chambers of commerce
- the college of employers' organizations and trade unions
- the college qualified individuals representative of education, banking, transport,

Agencies are then places of dialogue, but also operational structures that develop and implement strategies and actions on their territory.

They are relatively light structures that include, depending on the size of the territory and tasks assigned, between 8 and 30 employees.
The experience in France: the case of MIDER- PACA
Provence-Alpes-Côte d'Azur

Mider- PACA’s Mission is to promote PACA as one of the strongest economic regions in Europe

MDER PACA is a catalyst organisation with the following tasks:

- Strategic analysis
- Support to regional structures/partnership projects
- Promotion of PACA’s regional economy
- Production of marketing documents
- Supporting the restructuring of business sectors
- Promotion
- Networking

Board Members
- Eurocopter
- Regional Council of Paca
- Mediterranean Technologies
- Chamber of Commerce and Industry Nice Côte d'Azur
- PACA Bank Committee of the French Banking Federation
- Regional Employer Union
- Secretary for Regional Affairs
The legal form adopted almost unanimously is the public company, subject to private law.

The reason for choosing this method reflects the need to give them more autonomy in managing their daily activities, such as hiring and patrimonial management.

Funding for Agencies come from the regional administration annual budget.

Other ways to obtain financing are:

- loans received from public and private financial institutions,
- project financing,
- grants and contributions from other institutions,
- income from services performed and
- income derived from goods and values of their heritage.
The experience in Spain

The main objectives by the RDAs for improving the productive and territorial competitiveness regard the following key areas:

1. Fostering and promoting socio-economic development in a more balanced way
2. Promotion of R & D and technological innovation,
3. The provision of industrial and technological infrastructure (I)
4. Promoting and supporting Internationalisation
5. The provision of business services
6. Supporting investment, mainly access to finance for SMEs and new initiatives
The experience in Spain

The National association of Spanish regional development agencies, considering at the end very positive their impact on regional development, argues about critical constrains, such the following ones:

1. First, the lack of "management autonomy" of RDAs against regional political power invalidates an efficient and effective action in the medium to long term.

2. The regional government commands appointing and removing directors, and this recruitment from other regional organizations and public bodies depending on politically “marriages” causes the serious disadvantage of the lack of previous experience in the agency management.

3. It is resurging a certain bureaucracy and "conservative" attitudes that prioritise legal control of spending on higher efficiency and effectiveness.

4. The dependence from the public budget is generating problems in these crisis period and the reduction of budget, without custom of external fiannement
The experience in Spain: the case of IMPIVA Valencia

IMPIVA:
• Promotes a network infrastructure of technical support services to the Smmes, such as Technological Institutes: technological assistance, and BICs

• Collaborates with business associations in developing strategic actions envisaged in the plans drawn up for better competitiveness

• Collaborates with public entities (universities, university institutes, public research centres, chambers of commerce, professional, local development agencies,) and private (business schools, associations, foundations and corporate Clubs) for generating and transferring Knowledge and skills.

• Collaborates with the Ministry of Industry, Tourism and Trade to coordinate actions and facilitate access by SMEs to Valencian programs and services.

• Coordinates the participation of corporations and other entities of the Comunidad Valenciana in EU programs.
The experience in Italy

We can summarize three types of models:

- A first type is a purely financial model: born in the '70s and more in the 80s to channel resources for development, with logics and practices close to those of traditional financial intermediaries.

- A second model is linked to the prospective of industrial development at regional level and predominantly it borns together with the configuration of industrial development consortia (Italian districts), and the specific aim of promoting and developing new industrial areas or recovering them.

- The third model emerges where the processes of development have been guided by strategic plans that rooted local development. In this case fall all the early experiences of territorial strategic development and marketing. (many coming from the territorial pacts)

In Italy exist almost 46 territorial development agencies, of which 20 are established at local level (in the majority of the cases intermunicipal), 6 at provincial level, and 20 at regional level.
The experience in Italy

The regional development agencies are of two types: integrated regional development agencies in 7 regions, but also 13 specialized development agencies in fields such as agriculture, innovation, environment, attraction of investment.

The main tasks of the Italian territorial development agencies are:

- Support to territorial planning
- Promotion and support for research and education
- Accompaniment of business initiatives
- Provision of services

They perform primarily through connecting and building a network of relationships between different companies, different institutions and different skills (including organizations located in other areas), and integrating research, training and support services.
The experience in Italy: the case of SVILUPPUMBRIA
Umbria region

Sviluppumbria was established by the regional law of 1973. It is the “in house” regional society for the promotion of economic development in Umbria. Its capital is entirely public.

The shareholder group is made up of public services including local authorities, business groups, institutions credits and private actors.

Thus, since the launch of its activity, Sviluppumbria is defined as an instrument of regional planning, and it has important roles in advising the Region and government agencies in many areas.

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**Sviluppumbria S.p.A provides the following services**

- Development and implementation of programs and measures to support and promote development within the regional planning;
- Development and implementation of local development projects;
- Animation and economic with particular reference to innovation and internationalization;
- Activities related to projects of international development cooperation;
- Activities related to policies to prevent socio-economic risks.
The experience in the United Kingdom

Nine Regional Development Agencies covering the English regions were established in April 1999 under the Regional Development Agencies Act 1998 and are Non-Departmental Public Bodies (NDPBs), sponsored by the Department of Trade & Industry.

The statutory purposes of RDAs are:

- to further economic development and regeneration
- to promote business efficiency, investment and competitiveness
- to promote employment
- to enhance development and application of skill relevant to employment
- to contribute to sustainable development

Board members or RDA shall be at least the Regional Council, the representative of entrepreneurs, and the representative of workers.
The General Director is appointed by the Ministry of Trade and Industry

*The RDA’s employ around 3,400 people*
The experience in the United Kingdom

THE CRISIS

The Government announced the abolition of the Development Agencies on 22 June 2010., through a Public Bodies Bill

The TPA (Tax Payer Alliance) argues their performance have been an expensive failure. Over £15 billion of taxpayers’ money has been spent over the past nine years, with little discernable impact.

The TPA considers that causes of this failure are:

1) RDAs were not local bodies, but part of central government, only properly accountable to Whitehall departments, their key executives and board members were selected by Ministers and their objectives set by ministers.

2) Many RDA responsibilities are duplicated by other organizations, creating significant waste.

3) There has been improper use of the funds, either realizing a lot of waste,
The new slogan for the industry will be: "Light, Smart, Small and Green".

Role of the meso economy

It will increase.

Regions will need to exist on global markets thanks to local niches sector of differential excellence while meeting the wellbeing needs of their citizens.

This creates an unprecedented need for regional policies that can come up with solutions that are adjusted to local circumstances, through developing new assets or specialising existing assets instead of imitating their neighbors or copying models.
Role of government

Promote and facilitate

• Relationship formats between the public and private sector for improving planning and implementation (through regional development agencies)

• Innovative public-private partnerships resting on financial

• Social responsibility

• Coaching regional business developers or financing social enterprises;

• Smart cities, through urban mobility, resource efficient cities (energy, water, etc) digital cities, cultural patrimony-based cities; cities-for-citizens
THE EXPERIENCE OF UNDP AND THE ART PROGRAM
They are focused to facilitate local SME development for favoring the economic inclusion of the poorest.

Strategic focus on value chains and prioritization of what provides territorial development with sustainability.

Territorial development is linked to national policies, and the LEDA role is recognized as strategic propeller. Human development features are included as strategic performance.

More Human Development

Strategic Territorial Marketing

Territorial Systems for innovation

Social and solidarity Economies

Green Economies

1991-1998

1 generación

1999-2003

2 generación

2004-2009

3 generación

2010-?

4 generación
**Territorial Animation**
- Territorial diagnosis for identifying economic potentialities;
- Promotion of a favorable climate for entrepreneurship;
- Promotion of value chains;
- Support to the disadvantaged population;
- Desk for women entrepreneurship.

**Support to planning**
- Support to territorial planning of local administrations;
- Information systems;
- Elaboration and implementation of strategic projects;
- Coordination Project Task Team.

**Business Services**
- Support of feasibility studies;
- Technical, managerial and skill training;
- Information system;
- Promotion of innovation and technological exchange;
- Support to credit access, financial tools (Guarantee Funds).

**Territorial Promotion**
- Territorial marketing;
- Territorial brands;
- Internationalization promotion;
- Support to international partnerships.
LEDA sustainability: Examples
The challenging tasks for RDA in 2013-2020

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<td><strong>Shaping a new future for the region in the global economy</strong></td>
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<td><strong>Promote environmental friendly economy, mainly in the new sectors of alternative renewable energy, green economy, social economy</strong></td>
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<td><strong>Improving the attractiveness of the region</strong></td>
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<td><strong>Balancing intra-regional disparities</strong></td>
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<td><strong>Investing in regional societal responsible strategies</strong></td>
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<td><strong>Support enterprises (bigger or smaller) in neglected (rural or urban) areas and restructure industry, by providing public grants and regional infrastructure.</strong></td>
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<td><strong>Public or public – private support to Small and Medium sized Enterprises (SMEs)</strong></td>
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7 INPUTS FOR A NATIONAL POLICY FPR TERRITORIAL DEVELOPMENT

1. Decentralization

2. A regulatory national framework

3. Combination of competitiveness, environment safeguard, and equitable and inclusive society

4. Territorial strategic planning and its implementation

5. Role of the Albanian Regional Councils (ARC) with full responsibilities in carrying on the decentralized policies, mainly in the planning processes and exercises.

6. They shall promote and facilitate the dialogue with all the other actors, at administrative level (municipalities, communes), and social (business community and civil society) level, and the links with national policies.

7. Territorial Development Agency shall be established as public-private bodies and responsible of the execution of the regional plans, optimizing the existing public and private resources at this aim, channeling additional funds where needed.
Governance

Objectives

Services

Strategy

Administration

Sustainability

The Albanian RIDAs challenges for human development in the prospect of European integration

focus on participatory governance, which includes public, private, and socio-communitarian actors

focus on comprehensive and human development

focus on capacities in administrating a complex multi-purpose and multi-task structure

focus on valorizing the local potential, through a continuous action-research

Comprehensiveness and articulation, with special attention to marginal customers

based on institutional, social, economic, and technical sustainability.

The Eurada-ILSLEDA accreditation system’s six parameters
Eurada - ILS LEDA are implementing the **I-QUAL** program certifying LEDAs’ performance are coherent with the human development objectives, with the support of the UNDP ART Initiative

I-QUAL concerns 23 variables and 75 indicators and assigns the **Sunflower**
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The Leda Profile

- Social Capital
- Relational Capital
- Technical Capital
- Operational Capital
- Portfolio
- Strategic Capital
- Financial Capital
- Area of sufficiency
- Area de excellence
- Area de risk