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Abstract

According to general acceptance, territorial pact is a contract between a different country's level of government (local, regional, national), a formalized local partnership on different market. This contract represents the relationship between governance and widespread participation of different social group, for different objectives (economic, social, and cultural).

In the context of an enlarged European Union and Strategy 2020, cultural/natural heritage plays an important and clear role in at least four initiatives: innovation union, the digital agenda, and an industrial policy for the globalisation era and an agenda for new skills and jobs. The one important instrument for sustain these initiatives is territorial pact, also, a new mode of governance in European Union.

This paper presents the general specification concerning to relation between heritage and territorial pacts in context of Europe 2020.

Key words: territorial pact, cultural heritage, regional development, Europe 2020

1. Introduction

In context of Europe 2020, Territorial Pact can be a useful tool in promoting local and regional heritage, regardless of its nature. In order to support the high quality of live, local and central authorities support and promote the heritage (natural, historic, cultural). A heritage can be defined as a greater or lesser area such a feature or building, which is important by people for its natural and/or cultural significance.

In the context of an enlarged European Union, cultural/natural heritage plays an important and clear role (economic, social and spiritual) in at least four initiatives: innovation union, the digital agenda, and an industrial policy for the globalisation era and an agenda for new skills and jobs*.

During present period, European Union set of strategic objectives - *Strategy Europe 2020* - with the important territorial impact in relation with regional heritage. These objectives are:

- a. *smart growth* - by strengthening knowledge and innovation;
- b. *sustainable growth* - assumes the realisation of the economy based on efficient, sustainable and competitive use of existing resources;

* http://ec.europa.eu/culture/our-policy-development/cultural-heritage_en.htm

c. *inclusive growth* – implies the development of inhabitants' knowledge, full employment of labour force, competences development, poverty alleviation, etc.

In this context, territorial pact foresees national and regional strategic aims, contributes to the implementation of flagship initiative, identifying obstacles to the put in practice the targets at different levels and permits the governments (national, regional and local) to facilitate, implement, and monitor the progress of Europe 2020 objectives.

Territorial pacts can be useful tools in furthering the cohesion at EU level and, which generated the spatial synergies able to guarantee the coherence and convergence between regions and member state.

In context of the new European social and economic policy, cultural heritage has an important role to play in and have many possibilities for financing (Structural Funds) under the instruments, in specially, Territorial Pact. Cohesion Policy for 2013-2020 aims at fully mobilising culture, cultural heritage and creativity for regional development and job creation.

2. Territorial Pacts and cultural heritage – concept definition

In the specific literature, the territorial pact is defined as a concept of negotiated planning of regional/local development that joins other concerted actions: contracts, the district contracts and the agreement programme, using the bottom-up approach. It is wide network of stakeholders in the territory willing to plan and implement projects impacting on the level of development in local area.

The theory regarding territorial pacts is presented in a lot of definitions:

- A form of social dialogue that could change classical model of social implication with important effects (Pedersini, 1997);
- Territorial pact is one of the tools for exercise the principle of subsidiary, an instrument which relies on local ownership in the formulation choices of their own development, all within a framework consisted with the general provincial planning (Experts from Autonomous Province of Trento); the agreement is an important component in foundation of pact;
- The territorial pact represent sui generis concept of local development, since it empowers bottom-up approach to local development, represent top-down delegation of bottom-up initiatives;
- The territorial pact is a component of integrated development model at regional/local level, based on endogenous development (Christofakis, 2001). One of the most important effects of the pact is resolve social issue (Elisei 2012, European Commission, European Employment Pact 1996);
- The territorial pact is a tool through which territorial development strategies are implemented, promoting growth by building partnerships between public and private actors an different levels of space (Agenda 2020);
- Territorial Pacts can be presented as a stimulation policy of endogenous development, addressed to a particular delimited territory. The national or the European decision maker provides resources to finance a local coalition among the various actors of the civil society (social partners, local administration, nonprofit organizations, etc.), who are then in charge of stabilising such coalition and improve the local economy and society (Bottazzi, 2005);
- Another definition of the territorial pacts is make distinction between distributive and integrative pacts (Barbera, 2001). The former definition is addressed to those experiences where local actors do manage to have access to resources and distribute them over the territory, but they do not necessarily improve their mutual relationship; the latter are those pacts where consultation process are improvement on, or it generates from stable cooperative and trustworthy coalition between local actors (Galetto M, 2008);
- From Europe 2020 perspectives, territorial pact is an agreement between the governmental levels of a country (local, regional, and national), then the parties signing it undertake to coordinate

and synchronize their political agendas to focus on objectives and targets through actions and financial resources (C.E, Territorial Pact for Europe 2020¹);

A “technical” definition of territorial pact as one of the instruments of the “negotiated budget planning” (programmazione negoziata), where a bottom-up approach is introduced and local administrations are invested with major role and power of initiatives.

A number of features of the territorial pact can be mentioned here (Ecotec, 2002): bottom-up approach, formal and broad based partnership, coordination and integration, innovation and appropriate spatial scales.

Pacts were inserted into a wide variety of contexts, covering different populations and spaces (from a single municipality to region). The number of partners varied and differed in the extent to which they were able to live in additional resources. The type and ambition of goals and objectives propose by territorial pacts present considerable variability. Also, there is a big variety in the achievements and results from the pacts.

The territorial pact is influenced by a lot of factors, which included: the governance context, the level of governance, the economic factors, the geographic factors, the market conditions and infrastructure.

Using the definitions of concept, we can summarize the findings that territorial pacts is an added-value policy instrument, in special of regional policy, an agreement between the different level of governance for synchronize their political goals to focus on objectives and targets through actions and financial resources. One of these objectives is to promote the cultural heritage, defined as architecture or archaeology or movable objects.

In present, ‘heritage’ includes urban area, countryside, maritime sites, buildings, monuments, landscape. Now, ‘Historic environment’ or ‘place’ represents common terms. These trends can be traced in the European Conventions (at regional and local levels) as well as in thinking about World Heritage which is moving from defining another type and categories. Actually, the culture and heritage are the basic needs for European society.

Cultural heritage can contributes to regional and local identity and represent the base for sustainable and endogenous development and Territorial Pact can sustain cultural capital by establishing rules and regulations for:

- Built environment (buildings, townscapes, archaeological remains);
- Natural Environment (rural landscapes, coasts and shorelines, agricultural heritage);
- Artefacts (books & documents, objects, pictures etc.).

At regional level, the territorial pact can prevent a number of factors related to human pressure on heritage sites and its negative effects (development of infrastructure, the expansion of urban areas, intensive agriculture, deforestation, mass tourism in some heritage cities and sites).

3. Territorial Pacts in context of cohesion policy

In 1988, “cohesion pact” gives a new dimension for the regional policy, because represents a balance between solidarity and responsibility (at local and regional level). This fact conducted to diminishing the tensions resulted from territorial discrepancies that make European integration so special (Vignon, 2011).

Through Structural Funds, the cohesion policy sustains the achievement a significant level of solidarity. The amount of money allocated to this policy went from ECU 69 billion for the 1988-1993 periods to ECU 168 billion for 1994-1999, then €213 billion for 2000-2006 and finally €347 billion for 2007-2013. Transfers towards lagging development regions an rose to €143/capita for the 1989-1993 period, then €187/capita for 1994-1999. They reached a growth in 2000-2006 with €217/ capita then fell to €167 in 2007-2013.

The transfers for regions are influenced by three areas: the obstacles that could threaten cohesion, the instruments proposed to prevent this threat and the mechanisms for allocating funds. The financial

¹ <https://portal.cor.europa.eu/europe2020/news/Documents/Territorial%20Pacts%20Brochure%20for%20the%20WEB.pdf>.

instrument is created or the criteria for eligibility for existing funds are adapted according to new conditions (Table 1).

Table 1: The eligibility condition for Structural Instruments

	<i>Before 1993</i>	<i>1994-1999</i>	<i>2000-2006</i>	<i>2007-2013</i>	<i>After 2014</i>
Cohesion policy	Enlargement (Spain and Portugal) Single Market pressure	Reform of Structural Funds EMU	Pre-enlargement	Enlargement to CEECs Loss of competitiveness	Further enlargement Recession Monetary crisis (2011)
Financial instruments	-	Cohesion Fund	PHARE ISPA, SAPARD	Lisbon Strategy's earmarking	Strategy 2020
Eligibility conditions	Per capita (lower than 75% average) Decline of areas Industrial conversion	GDP Employment Cities (Urban Community Initiative) Specific	Areas undergoing economic conversion (including services)	Regions suffering from the statistical effect of enlargement	Per capita GDP between 75% and 90% of EU-27 average

Sources: own preelucations

At Member State level, the experience in implementation of territorial pact is relatively limited, but the main characteristics of existing agreements present the prevalence of local and regional (intra and inter) level. The most relevant experience in this field belong to Italy, during 1990. Thus, Patti Territoriali (Territorial Pacts) was established in 1996 (by National Budget Law 662/1996) and had the main goals: growth and employment in the backward regions from Italy. The pact based on a “bottom-up” approach is an agreement between local governments and representatives of civil society (entrepreneurs and trade unions of a number of neighboring municipalities), which is subsequently endorsed by the central government. The agreement consists of plans for the development of the zone that includes private and public investments financed by European Union.

From a regional development perspective, the Europe 2020 Strategy continues the direction of Lisbon Strategy, but with supplementary conditions. Recipient regions are considering 11 new thematic priorities:

- 1) strengthening research, technological development and innovation;
- 2) enhancing access to, use and quality of information and communication technologies (ICT);
- 3) enhancing the competitiveness of small and medium-sized enterprises (SMEs), the agricultural sector (for the EAFRD) and the fisheries and aquaculture sector (for the EMFF);
- 4) supporting the shift towards a low-carbon economy in all sectors;
- 5) promoting climate change adaptation, risk prevention and management;
- 6) protecting the environment and promoting resource efficiency;
- 7) promoting sustainable transport and removing bottlenecks in key network infrastructures;
- 8) promoting employment and supporting labor mobility;
- 9) promoting social inclusion and combating poverty;
- 10) investing in education, skills and lifelong learning;
- 11) enhancing institutional capacity and an efficient public administration.

In context of Europe 2020, the strategic objective of cohesion policy is to reduce the important economic, social and territorial disparities (that still exist between regions NUTS 2, especially between new and old state member). If the objective will not be achieved, is already talking about a failure of EU cohesion policy (single market and its currency, the euro), one of the pillar in implementing Europe 2020.

In the 5th Cohesion Report, the European Commission establishes to strengthen the focus on results and added-value. In particular, it will propose important changes to the way cohesion policy is designed and implemented. Thus, funding will be concentrated on a smaller number of priorities, progress towards agreed objectives will be monitored more closely and strict conditionality will be established in partnership contracts with the Member States. This will allow Europe 2020 to contribute to economic and social territorial cohesion, growth and jobs creations, and reduce the effects of current global crisis.

Europe 2020 defines the next five common collective goals based on “result-oriented approach”:

1. employment: 75% rate of employment for men and women aged 20-64 years;
2. research-innovation: mixed investment for research and innovation – 3% of EU;
3. energy and climate change: reduction of GHG emission by 20%, increasing share of renewable by 20% and growth energy efficient by 20%
4. education: reduction of school drop-up rates below 10% and at least 40% of 30-34 year-old population with third level of education;
5. poverty-social exclusion – 20 million fewer people in or at risk of poverty and social exclusion.

The collective goals will be transpose into National targets and, where relevant, into regional targets. For each goal deriving in more detail from EU 2020 objectives, there will be secondary targets and indicators.

The architecture of EU 2020 texts and regulations changes from the previous period. The EU 2020 replaces the former Lisbon and Gothenburg strategies, with the same aim of giving an overall direction. However, instead of two different strategies for rural development and regional policy, there will be one ‘Common strategic framework’ which translates the EU 2020 into a common approach of EU territorial development policies. And this will be extended into a « common provisions regulation » providing common elements to all ‘CSF’ funds (Figure 1, Figure 2).



Figure 1: EU Strategy for 2007-2014

Source: European Commission

After the regulations are approved, the Member State will design a Partnership Agreement with the European Commission. This partnership agreement describe how, in that country, they will contribute to EU 2020 strategy objectives, using EU funds as well as National funds. They will have to say how they will structure their programmes.



Figure 2: EU 2020 Strategy, “INTERREG” “ESPON”
 Source: ESPON Programme

The Territorial Pacts for Europe 2020 can be seen as a multilevel agreement aimed to achieve socio-economic target (similar with the pacts existent in previous period: in Austria - Territorial Employment Pacts 2007-2013, in the UK - The Greater Nottingham Partnership, in France - Territorial Pact for Inclusion, in Germany - The BMBF Innovation Initiative Entrepreneurial Regions and Spain - Catalonia’s territorial pacts for the countryside).

The new regulations sustain the accords implementation projected to help managing authorities and stakeholders, city and local governments, and various territorial institutions to tailor the scale and timing of intervention to the appropriate level, taking into account functional geographies. All instruments can, in principle, be combined and have their own specificities (Table 2) and should be spatially concentrated.

Table 2: The main specificities of the different tools

	<i>Joint Action plan (JAP)</i>	<i>Integrated Territorial Investment (ITI)</i>	<i>Community-led local development (CLLD)/LEADER</i>	<i>Thematic Sub-programmes</i>
Funds concerned	ERDF, ESF, CF	All funds (at least 5% of ERDF for ITI in urban area)	All ESIF funds (at least 5% of EAFRD for LEADER in rural areas)	EAFRD only
Territorial focus	Yes	Territory can be part of an administrative unit, can be cross-border.	Territory defined according to population criteria.	
Other specificities	At least 10m€ and 20% of the related operational programmes—but 1 Pilot JAP >€5m per OP possible - Shorter duration than the OP (3-5 years) - No infrastructure - Simplification : agreement and payment on outputs/results	Operational programmes contributing financially to the ITI can still act on the ITI territory.	Population thresholds - Obligation to submit a local development strategy - Transnational cooperation possible	A sub-section of an existing programme (RDP programmes can be national or NUTS2) - Higher payment rates possible for a list of measures for the sub-group/territory targeted

Sources: *Toward Mountains 2020 Step 1 – Capitalising on Euromontana work to inspire programming Version 1.0 - February 2013, European Association for Cooperation and Development of Mountain areas, www.euromontana.org.*

If «Integrated Operations» are not very well described in the proposals have a great potentially powerful. They try to mix CSF funds with other EU funds (Horizon 2020) and integrated manner to the benefit of one beneficiary (public institutions, private organisms). A sub-section of integrated operations are ‘Joint Action Plans’ that cover the actions carried out by one beneficiary.

Instruments for sustaining these integrated operations are European Regional Development Fund, the European Social Fund and the Cohesion Fund together under a Common Strategic Framework, which will also cover the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund. This will ensure greater coherence between the financial resources and a much concentration on objectives establish, in special on the less developed regions and member states. However, in view of the difficulties experienced by Member States in absorbing structural funding and in raising the necessary co-financing, the cohesion allocation will be capped at 2.5% of GDP.

The new category of region – ‘transition regions’ – will be introduced to replace the current phasing-out and phasing-in system. This category will include all regions with a GDP per capita between 75% and 90% of the EU27 average and more, in particular:

- Regions currently eligible under the convergence objective but who’s GDP per capita has grown to more than 75% of the EU27 average (these regions will keep two thirds of their current allocation);
- Regions which – although currently not eligible under the convergence objective – have a GDP per capita between 75% and 90% of the EU27 average. The level of support will vary according to the level of GDP, so that regions with GDP close to 90% of the EU average will receive aid intensity similar to that of the more developed regions;
- Competitiveness regions with GDP above 90% of the EU average will continue to receive support from cohesion policy for a limited number of priorities;
- Transition regions and competitiveness regions would be required to focus the entire allocation of cohesion funding (except for the ESF) primarily on energy efficiency and renewable energy; SME competitiveness and innovation. In these regions, investments in energy efficiency and renewable energy will be at least 20%;
- Convergence regions will be able to consider their allocation to a wider range of objectives reflecting their broader range of development needs.

Territorial cooperation will continue to play its role in helping regions overcome the disadvantages of their location on internal or external borders, in contributing to an ambitious neighborhood policy and addressing shared cross-border and transnational challenges.

The cohesion instruments will be used to pursue distinct but complementary objectives:

· **European Regional Development Fund** - aims to strengthen economic and social cohesion in the European Union by correcting imbalances between its regions. The ERDF supports regional and local development by co-financing investments in R&D and innovation; climate change and environment; business support to SMEs; services of general economic interests; telecommunication, energy and transport infrastructures; health, education and social infrastructures; and sustainable urban development. Contrary to the current period, all these types of investment will in future be able to be financed not only by grants but also by financial instruments (capital risk funds, local development funds).

· **European Social Fund** - aims to strengthen economic and social cohesion by supporting employment promotion; investment in skills, education and long-life learning; social inclusion and the fight against poverty; enhancing institutional capacity and efficient public administration. Minimum shares for the European Social Fund will be established for each category of regions (25% for convergence regions; 40% for transition; and 52% for competitiveness regions) and the scope of the European Social Fund will be extended to cover the cost of equipment linked to investments in social and human capital.

· **Cohesion Fund** - helps Member States who’s GNI per inhabitant is less than 90% of the EU27 average in making investments in TEN-T transport networks and the environment. Part of the Cohesion Fund allocation (€10 billion) will be ring-fenced to finance core transport networks under the "Connecting Europe" facility. The Cohesion Fund can also support projects related to energy, as long as they clearly present a benefit to the environment, for example by promoting energy efficiency and the use of renewable energy.

The new policy priorities should include:

1. heritage themes: promoting the interdependencies between cultural heritage and other areas of sustainable development, fostering new narratives and interpretation models, etc.;
2. policy methods: fostering the exchange of good practices among Member States, supporting networks, etc.

4. Conclusions

The Cohesion Policy aims to reduce differences between the 271 regions of Europe, and for the 2013-2020 period will respond to the objectives of Europe 2020 – ‘smart, sustainable and inclusive growth’. The relationship between integrated approach and coordination could be awarded to the Territorial Pact, which could contribute to achieving Europe 2020 target.

Territorial pacts can be useful tools in furthering the cohesion at EU level and, which generated the spatial synergies able to guarantee the coherence and convergence between regions and member state. Also, it gives *for granted that the quantity and quality of heritage, landscape and cultural resources, constitute one of Europe's core assets [and] there is surprise when heritage is neglected in the political agenda.*

In context of the new European social and economic policy, cultural heritage has an important role to play in and have many possibilities for financing (Structural Funds) under the instruments, in specially, Territorial Pact. Cohesion Policy for 2013-2010 aims at fully mobilising culture, cultural heritage and creativity for regional development and job creation.

Territorial Pact represents a proper instrument which should allow the governments (national, local and regional) to draft and implement the national reforms in parallel with Europe 2020 objectives.

Regarding to importance of heritage, we can suggest to promoting the European dimension of heritage and the re-consideration of European narratives through heritage, supporting, recognizing and promoting heritage values related to cohesion policy. The new strategy can be developed to better integrate cultural heritage in other policy areas and mainstream it in the EU-policy framework by using cultural heritage as a resource for promoting another objectives.

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