

ESPON project 3.4.2
 'Territorial impacts of
 EU economic policies
 and location of
 economic activities'
 Draft Final Report
 May 2006

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Volume 1
Executive summary



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This report represents intermediate results of a research project conducted within the framework of the ESPON 2000-2006 programme, partly financed through the INTERREG programme.

The partnership behind the ESPON programme consists of the EU Commission and the Member States of the EU25, plus Norway and Switzerland. Each partner is represented in the ESPON Monitoring Committee.

This report does not necessarily reflect the opinion of the members of the Monitoring Committee.

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Table of Contents

1	Executive Summary	6
1.1	Always changing and still the same: the economic geography of Europe	6
1.2	From regional production to regional disposable wealth	9
1.3	Regions embedded in nation-states	15
1.4	Towards complementary indicators of regional economic regulation	17
1.5	Small is beautiful: Regional policies.....	27
1.6	So what is regional competitiveness? : a concluding concept discussion.....	28
1.7	Policy recommendations	30
2	Scientific summary	37
2.1	Main concepts	37
2.2	Methodologies	38
2.3	Typologies	42
2.4	Indicators used/developed	43
3	Networking	45
3.1	Further research issues and data gaps to overcome	45

WP 3.3 – Case study VALLE d’AOSTA

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Historical heritage and regional specificity

The mountain is the characteristic element of the landscape of the Region Valle d’Aosta. The higher tops of Europe are present (Monte Bianco, Monte Rosa, Cervino, Monte Gran Paradiso). The territory extends for 3262 kmq and 60% are situated above the 2000 s.l.m.. The 50% of the territory is used in pastures and forests, while an equal percentage to 8.7% is inhabited stably. From the morphologic point of view, the area is structured around to the fluvial system of Dora Baltea. The central valley, just Valle d’Aosta, is the main settled axis, not only for obvious orographic reasons, but also thanks to the greater street accessibility. In this valley is concentrated beyond to 79% of the population, 73% of the local units and 82% of the employment.

More than 5% of the territory it is classified like reserve for the flora and fauna protection and, approximately, 1200 km of ski tracks are within regional valleys. The tourism cover a role key in the regional economy, contributing to elevate the income of the inhabitants, one of highest of Italy. The abundant presence of water increased the development of the hydroelectric industry, but also the mining irons worker and chemistries industries are important. The cultivated areas are dedicated in maximum part to the forage for the breeding of bovines that favours also one rich production of butter and cheeses. Valle d’Aosta has progressively acquired a meaningful role in the economy of the Italy, thanks to the realization of railways connections that concurred in the relationships between Italy, France and Switzerland.

Earth of encounter and cultures that has rendered the region Valle d’Aosta a bilinguist community, in which the perfect parity of Italian and French languages exists. The daily speech language is the franc-provenzale and in Lys valley is present also a Germany minority: the Walser. From always the region it has been placed as earth of communication in the Europe map-road, through the two alpine passes the Small and the Great San Bernardo or the Monte Bianco Tunnel, that have transformed the region in an important corridor of international traffic. Valle d’Aosta is traditionally an hinge region between the Mediterranean world and the center European and francophone regions.

Territory and governance

Territorial unit

Italy is subdivided in 20 administrative regions (NUTS 2), grouped in five great geo-economic areas. Each administrative region is subdivided, at NUTS 3 level, in province. Region Valle d'Aosta is placed to North-West of the Italian Peninsula and confines with France to West, Switzerland to North and the Piemonte Region to South. By special Statute of 26 February 1948 (into National Constitution), Valle d'Aosta is constituted in independent Region, with particular legislative and administrative autonomy.

In order to analyse territorial impacts of EU economic policies, all Italian regions, included Valle d'Aosta, are NUTS2 level. Particularly, Valle d'Aosta is alone region in Italy having a single province at NUTS 3 level. It coincides with the NUTS 2 level.

Governance structure

In Valle d'Aosta, the system of the local autonomies is confirmed by a regional law at 1998. This law has produced a complete reorganization of the regional government towards the federalism. This new organisation is based on the subsidiarity principle, participation and solidarity. This law identifies: i) **municipality** as basic level of government, attributing it a great part of administrative and regional functions; ii) **Mountain Community** as intermediate level for the services organization delegated from both the municipalities and the Region. Mountain Communities are a reference subject of the local autonomies system and have got some legislation tasks in matter of planning and coordination of economic and social activities. Moreover the Valle d'Aosta Region is composed (Figure 30) from 74 municipalities, 8 Mountain Communities and the capital region, Aosta.

As autonomous Region at NUTS 2 level, Valle d'Aosta delivers laws in matter of:

- Employment
- Urban and rural local policies;
- Agriculture and forestry, environment;
- Roads, railways and transport, public services, urban planning
- Mineral and thermal waters, public waters, hunting and peach, increment of the typical products, handicraft;
- Tourism and protection of the landscape;
- Technical/professional instruction, cultural activities, libraries and museums of local agencies, fairs and markets;
- Guides, schools of ski and the alpine bearers;
- Toponymie.

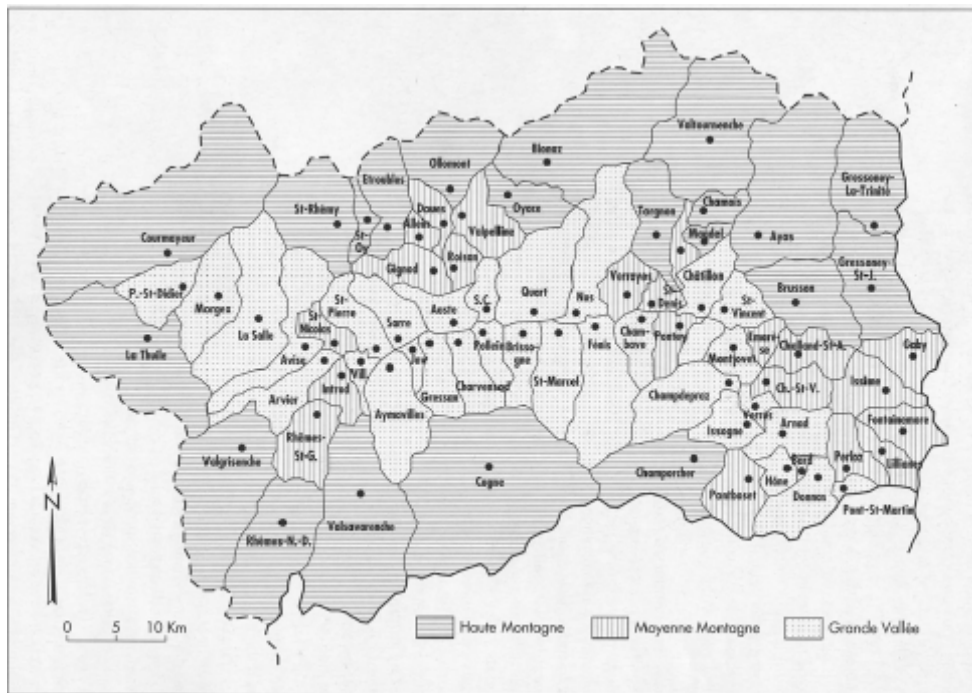


Fig. 8. - Les communes valdôtaines.

Source: 'Preliminary Strategic Document' All. A-source Janin 1991

Figure 30 Administrative division of Valle d'Aosta

Socio economic fundamentals

Population

Valle d'Aosta is the smaller Italy's region, with 122.040 habitants (source Eurostat, 2004), equal to 0,21% of national population. Valle d'Aosta population density is 37,4 inhabitants/kmq, while the national average is 192,11 inhabitants/kmq (source Eurostat, 2004), therefore Valle d'Aosta is a low density region.

However, in last the ten years the percentage of population over 60 is increased of 2.7%, catching up 25.9% of the total population of the region (Source Istat, 2004). Population under 20, after a decreasing, is recommenced to grow until regional 18.2%.

Wealth creation capacity and economic structure

In last ten years (the 1995-2004) GDP to going rates is increased from 2714 (MIO eur) to 3680 (MIO eur), becoming equal to 0.28% of the national GDP.

To the date of the Italian National Census at 2001 Region counts beyond 60,800 *attache's*, occupied, for approximately 4.6% in agriculture, for 11.94% in the industry and the part remaining in the services and introduces some fields of specialization: hotel and restaurants, public administration, energetic productions, constructions and extraction of not metalliferous minerals.

Altogether, in terms of Gross Value Added (GVA), in considered period (1995-2004), agriculture has had a constant course. In fact in 1995, it constituted the 1.3%, calculated on the total of the GVA at constant prices, and in 2004 it is increased until to the 1.5%.

The primary activity turns out composed gives approximately 6.600 companies, but their number, therefore like that one of the SAU, appears in tendential contraction. The field is characterized from companies nearly exclusively conduct directly from the cultivator, of limited dimensions and localized in way dispersed on the territory. It is distinguished from high production costs. The breedings, also being still the preponderant activity of the field in terms of PLV, turn out in sensitive contraction. In the herbaceous cultivations the forages prevail, while the seeded ones there are practically absent. The 'fontina' cheese remains the topic product, even if evidences important cryticity; while the screw-wine production and fruit are strategic sectors.

The forest surface covers 27% of the territory; the forest resources are important above all for the action of safeguard acclimatize them and of maintenance of the social functions. Observing the attached table, it is evidenced that the industrial field remains constant, even if in period 1998-2002 has had a decrease, remarkably comes down the field of the constructions, from 10.1% of 1995 to 4.9% of 2004, increases the fields of the transports, the financial services and above all of public administration.

Also the exports have had a remarkable increase in the considered period therefore as the inner investments are increase you of 11%. A contribution clearly negative is given from the productivity (calculated like relationship between GVA and occupied active population) that is diminished of 5.4% arriving in 2003 to 42.877 Euro.

As far as the number and the creation of the companies reference to the data of the census of the industry of 2001 and the intermediate data of 1996 has been made. In this period inter-census they are increases you the workers self-employed but diminish of 10% the *attache's* in the medium small companies, pass from the 70 to 60%. On the contrary they increase from the 6.1 to 15.2% *attache's* in the great enterprise, greater of 200 dependent.

The coherence of the data comes maintained from the percentage of unit that increases of 6% for those constituted from the single owner, diminishes the assigned units from 2 to 49 (from 55% of 1996 to 48% 2001) and increases the great enterprises.

With these considerations it can be noticed that the occupation rate passes from 62.1% of 1995 to 67% of the 2004, while that one of unemployment is halved, passing from the 7,2 to 3%, given that confronts with the national rates demonstrates the advantage to you of the region (Italy unemployment rate is 8%). The conclusion is given from expenses invested for R&D in which it is looked at in a 2003 remarkable jump of quality for the investments realizes to you from the companies, and in proportion also from the public sector. However these investments too much turn out to be low, for which Valle d'Aosta would have to invest mainly in R&D.

Knowledge creation capacity and innovation

As far as the Regional Innovation System, Valle d'Aosta evidences criticality elements that characterize performances regional :

- Valle d'Aosta clearly shows an index of innovation considerably inferior to the national average
- Eurostat data confirm that through the public and private R&D expenses in relation to GDP. Valle d'Aosta only accounts for 0.71%; which is low in comparison to other northern Italy regions (Piemonte 1.65%, Lombardy 1.16%), but not to Veneto (0.53%) (source Eurostat, 2000)
- The number of patents registered at the European Patent Office also confirms the low R&D position of Valle d'Aosta, between 2000 – 2002 only 25 patens, on the contrary in Piemonte 1500.
- Valle d'Aosta is not a part of the Central Government 'Programs for scientific and technological' of 2003;
- The presence of innovation of public only related to Public Administration and to e-governement.

The reduced Region's dimensions, therefore, of the local market are on the side of the question and on the side of the offer (especially of characterized local staff), more rather render the performance than political stiff to realize centers of technological search and the same spread and adoption of the new technologies; the same Valle d'Aosta athenaeum appears oriented towards a varied offer, but it deprives of the technological, present exclusively on the plan of the Didactics in the agreement with the Polytechnic of Turin that locally is involved a limited number much of students. In fact the expense for R&D in 2004 is equal hardly 0.37% of the total GDP.

Summary and policy implications

Valle d'Aosta is low density region into mountain and border territory; it has got small and very small size municipalities and these poles are not able to generate city/urban effect. On the other hand, Valle d'Aosta has got some important places of weakness and productive systems, characterized from a high standard of living and life-quality. Their safeguard and strengthening could constitute some difficulties towards the change.

The regional border has allowed a sure cultural symbol, as well as the proximity to the 'francophone' world, that translate itself in economic-productive advantages. After the allargement, the regional fiscal benefits (i.e. international trade) reduced and this new condition risks to reveal a weakness point. As well as it is reducing the idea of Valle d'Aosta as a central European region (the 'crossroads of Europe' remains a theoretical idea), not only because the center of Europe is placed elsewhere, but also because the spatial and economic localisation vantages prefer more accessible areas.

The main economic-productive benefit that traditionally derived to the region from geography has been in fact its proximity to the rich markets of the Pianura Padana and to the Turinese manufacturing system; on the contrary, its being bridgehead towards the French market can be considered more a objective that a data, much more than the tracing of the transeuropean corridors that interest the national territory determines ulterior marginality to the region, than it directly does not turn out been involved, on the contrary of that it happens to the adjacent regions (Piemonte, Rhone-Alpes and Switzerland).

Other element that hinders the economy of the Val d'Aosta, is the increased competitiveness of tourist localities in European regions (new competitors) that uncovered and they have asserted the vocation for winter sports and that they propose a lot winning, is like quality of the services but above all like prices (Pyrenees, Tatra Mounts, Slovenia).

Finally, the infrastructural level must rather be considered low, with regards to both airport and railways, and the rather elevate costs for tunnels crossing. Valle d'Aosta is therefore a region that has lost competitive advantages in order to discover one far region from the fast ways of the European communication, also being inside of it but however alpine region.

Regional development priorities, policies and impacts

Policy strategy

It objects to you main of the region Valle d'Aosta, in period 2004-2006, have been above all revolts towards the cohesion and labor market. The main objective was that one to

contribute to the development of the occupation favoring the employment, the equal opportunities, the entrepreneurship and the investment in the human resources. The P.O.R. (Operations Regional Plan) it established therefore three priorities of participation, to level of objects to you total:

- Equal opportunity
- Local Development
- Society of the information

In chapter following the participation axes are described better.

As a result of the previous experiences, the strategic document for 2007-2013 has thought fundamental, to stress and emphasise the following priorities fields:

- Tourism
- Infrastructures' valorization
- Diversification of the agricultural activity
- Globalization and market
- Entrepreneurship and competitiveness
- Ability to programming
- Culture and environment

These topics are partially converge towards the new Structural Funds goals.

The modifications of economic and social context carry to consider as crucial some challenges for future regional development: the opening of applying some models of governance; a focalized policy on young people (Lisbon Strategy); the definition of an urban-rural integrated model based on agriculture, tourism and culture; network systems. The strategic vision of Valle d'Aosta as 'node of nets and excellence center' emerges, in the next years to develop both inside an integrated region; outside a totally interconnected one; and an active role and attractive ability. Valle d'Aosta retains these as its quality and excellence values to obtain competitive advantages on the base of own resources' sustainable use.

Regional policies and Drivers of regional competitiveness

Public expenditures structure 2004-2006

In order to estimate destined expenses in biennium 2004-2006 Regional Operating Program (P.O.R has been considered.). For this period it is previewed for objective 3 the appropriation of 94.325.874 million Euro of resources totals, of which 93.248.981 million

public resources and 1.076.893 million private resources. These priorities are developed inside of a program structure that is articulated in AXIS, object specific and measures.

The total objects identify the five priority AXIS:

AXIS A – development and political promotion of the labor market in order to fight and to prevent unemployment.

AXIS B – promotion of equal opportunity for all in the access at the market of the job, with particular attention to the social exclusion.

AXIS C – promotion and improvement of the professional formation

AXIS D – force promotion competent job of the innovation and the adaptability in the organization of the job.

AXIS E – improvement of the access and the participation of the women at the market of the job.

AXIS F - accompaniment of the programs operated to you.

For every AXIS they have been shared the following percentages of financing, regarding the total of the P.O.R.:

AXIS A	€ 30.683.685	32,9%
AXIS B	€ 5.923.553	6,4%
AXIS C	€ 22.053.843	23,7%
AXIS D	€ 22.614.750	23,1%
AXIS E	€ 9.404.780	10,1%
AXIS F	€ 3.645.263	3,9%
Total	€ 94.325.874	100%

Public expenditures structure 2006-2007-2008

As far as multi-years budget 2006-2007-2008, of the region it can be seen as it concentrates itself on expenses to support in next the three years. In particular the budget is articulated on four large ones understood them of expense, of continuation these comes described with the relative engagements of expense for the three years indicates:

	2006	2007	2008
OPERATION EXPENSES	340683242	328274712	335353901
% of total	15,16	14,61	14,73
PARTICIPATION EXPENSES	981472667	1008808219	1013630278
% of total	43,69	44,90	44,52
NOT DIVISIBLE COST	160844091	135417069	153715821
% of total	7,16	6,03	6,75
SPECIAL ACCOUNTING	774239000	774142000	773965000
% of total	34,46	34,46	34,00
Total (Eur)	2.257.239.000	2.246.642.000	2.276.665.000

We then consider the inserted expense in chapter of participation expenses. These are the sum of two tipologie of participations:

PARTICIPATION EXPENSES	2006	2007	2008
PARTICIPATIONS TO GENERAL CHARACTER	243.381.896,00	228.648.613,00	233.497.341,00
PARTICIPATIONS TO SPECIFIC CHARACTER (SECTOR)	738.090.771,00	780.159.606,00	780.132.937,00
Total	981.472.667,00	1.008.808.219,00	1.013.630.278,00

The participations to specific character evidence, which it will be the model of development of which the region it means to equip itself and describe the participation fields. In these specific participations it is possible to estimate the priorities that Valle d'Aosta previews to respect. The participation fields are therefore:

SECTOR 1 ORDER OF THE TERRITORY AND PROTECTION OF THE ATMOSPHERE

SECTOR 2 ECONOMIC DEVELOPMENT

SECTOR 3 SOCIAL EMERGENCY

SECTOR 4 SOCIAL PROMOTION

SECTOR 5 PROFESSIONAL FORMATION

In these fields of participation, the relative data can be expressed to following drivers of competitiveness, with the percentages reported to the participations of budget, in the course of next the three years:

For instance, social security expenses should not be included in the Social Capital driver.)

DRIVERS	2006	2007	2008
Hard or tangible infrastructure	34,05	40,46	38,36
Social capital	19,38	21,47	21,62
Human capital	20,07	17,87	18,03
Fiscal and financial interventions	4,94	1,16	1,06
Innovation support	0,63	0,49	0,46
Amenities	20,93	18,55	20,47

It is evidenced that the greater part of expenses concentrates on the voice 'Hard or tangible infrastructure.

Coherence of regional policies

In Italy, some European Directives and Programms (e.g., Urban II, Interreg III, Leader +, Cades, etc.) are also realised by special strategic Ministerial planning as the Accordo di

programma/1995 (programmatic agreement) or the PRUSST/1998 (Urban restructuring programme for the sustainable development of territory).

Italian national laws, such as 142/90; 241/90; the 'Bassanini' (laws 59/97 and 127/97, L.D. 143/97), the *Delegation Decree* created by Bassanini (L.D. no. 112 of 27/1/98 par. 55), L.D. 60/98 (created on the subject of agriculture and fishing), law no. 34 of 20.11.98, law 265/99 and law 267/00 have been overlapped and replaced through the integration of the plan regulation, in which a series of tools have been set up in order to put into effect the fundamental, negotiate programming for metropolitan governance:

institutional understandings for programmes, only between the State and regions for long-term, action plans agreements for framework programmes, State/regions/provinces for defining an executive programme by means of territorial pacts (local bodies and public and private parties on a specific objective), area contracts (entrepreneurs/unions for developing crisis areas), programme agreements, programme contracts (State/businesses or DIM for industrial development), articles of intent, services conferences⁸⁴.

Under these conditions, there are several policy positions. They require flexibility and an open system as well as the capacity to co-operate on different levels according to the various principles:

1. *of subsidiarity* that entrusts the treatment of governmental problems to a lower, efficient administrative level and relaunches the planning of vast areas and sustainable development;
2. *of sustainability* also shared by the Maastricht Treaty in terms of ethic principle. Establishing itself on options of inter-generation ethics on environmental subjects imposes governing the spontaneous forces present on the market, by placing constraints on the consumption of natural resources and adopting long-term, efficient, fair allocation criteria. These criteria should only be translated into coherent plans and projects on an adequate scale: over-municipal and local (e.g. inviolability of periurban spaces, fight against social segregation, economic development promotion);
3. *of new territorial scales* pertinent to policies, since obsolescence was decreed, not only technical but also political-institutional, on the binomial combination *structural planning* (of the over-local area)/*planning of the uses of the land* (communal level);
4. *of the amplitude and peculiarities* taken on by settlement diffusion processes in the territories surrounding large cities, seeing that polycentric urban structures in small/medium sized networks show the same occurrences as suburbanisation and periurbanisation in large-sized networks (favoured by the bottom up development of

⁸⁴ These are examples of the new trend *Agreement for the metropolitan city of Bologna in 1994* (Bologna and 49 communities) divided into three areas: **a)** economic, territorial (from ec. devel. to strat. plan. of occupation and infrastructures); **b)** social-cultural (health, sports, assistance, etc.); **c)** administrative-financial (taxes, management, etc.), which experimentally produce the *Report on conditions of sustainability of the expectations of the vast Bologna area*; the *Territorial Metropolitan Outline Director* in 1997; the document for *the global region in 1997*. A polycentric view arises from here (10 areas of intercommunity aggregation) with Bologna as the *gateway* to Europe.

economic activities that consumes rural territory and unites settled areas) and interurban mobility grows as relations become complex. This has already caused crises in historical polycentrism in many European regions.

The Italian subsidiary organisational and the relevance of different administrative bodies are explained in the setting up of so many political 'arenas' with a precise perspective on geographic scale, though in different contexts (Prezioso, 2000, 2003, 2006):

- a) international/continental = State
- b) sub-national = region
- c) intergovernmental in vertical relations = State and regions
- d) intra-State in horizontal relations = Ministerial
- e) interlocal
- f) intersectoral
- g) of relations between executive and legislative powers
- h) of ideological/party-political competition
- i) of public/private relations

into which occurrences are inserted that have been treated in a sectional manner to date:

- *interurban mobility*
- *extensive suburbanisation* caused by planning deregulation, new location preferences of businesses and families, growing territorial specialisation and the intensification of real estate competition and spatial segregation. This outlines a scenario that opposes EU principles of sustainability (Cf. Doc. SDEC – European Spatial Development Outline, 1997)
- *the integration of relations 'from the top' and 'from the bottom'* for governing the complexity on a national scale. This concerns an interactive model (diagonal model) for integrating policies of the centre with those of local systems in order to safeguard specificities by creating large options (as in France, Holland, Great Britain) (Gibelli, 1998). For example, plans for transport can be integrated with those for the land (the right business in the right place)
- *the structure and management to be handed over to metropolitanisation*

The **polycentric issue** takes its place in the global-local debate as well as the constitutional debate on federalism, being the place of an evolution of scattered settlements (both urban and others) whose systems are reorganised, but still maintain features and an individuality capable of connoting vital self-production.

Consequently, the relative planning regime is the scheme of regulations that brings the identity of the places and their resource potentials to the attention of decision-makers/strong powers; it is the 'bottom up' plan that makes balanced relations (environmental and economic) **sustainable** with other identities.

There are no limits on threshold or economic and pre-established quantitative capacities that are capable in themselves of making a plan sustainable and predictively imposing geographic borders to support administrative borders. But limits do exist other than those already established by the settled population over time. Only preliminary knowledge of the initial, total environmental values (natural and anthropic) can supply such limits.

It was inevitable that the necessity arise to repropose the location as a central place in more recent metropolitan policies in terms of value (cultural, political, social). Hereto is added a historical sign over and above those of the project, in order that not one but several cities be visible once again as agoras (recentralisation of the decision-making space, valid for both large-sized businesses and capital cities) that are open to innovative impulses and conflicts that culture and social hardship generate without losing the possibilities to decide and control.

Thus, in federalism, a political region cannot exist without location and political reason cannot surpass the location.

Therefore, the search for a location as a sector of the plan was unsatisfactory. On the contrary, federalist experiences made them a unifying element linking the various beliefs that concur and will continue to concur in defining an operative formula for wide-spectrum governance.

In Italy, the experience of structural funds, social cohesive funds, PRUSST (plan for urban renewal for a sustainable development of the territory) and programme agreements has often referred to 'deterritorialisation' of economic and social development due to 'lack of environment' as if all programming in progress did not need contextualisation and did not originate from this.

Contrary to environmental territorialisation, there is the action that transforms a place into a centre, which is perhaps immediately thereafter decreed abandoned (the population moves its residence or domicile, as shown by censuses), because knowledge of the acceptance or refusal of the development model or relative plan may already be inherent in the action that concludes the process.

To date, the political and scientific culture of the plan has only partially admitted the existence of these conditions and only in abbreviating the aggregate forms of their type or typicality or in the conservation of the landscapes.

The absence of these and other, even minimal, references in the plans produced in recent years for vast areas has limited the possibility of reaching the objective of integration. This objective can only be reached through direct survey of the data and/or occurrence, by placing the weight of responsibilities on another integration variable against which the plan has always indirectly been measured: the economy.

Thus, the economy has 'gone through' the plan counting on a dimension – the homogenous space – that has no territory, by dictating general laws that the market transforms into

particular behaviour; at the same time, it organises the market by operating on production supply and demand and therefore, directs production by dictating market laws. If this is true, then the economy also directs territorial behaviour of production, which is almost always in visible forms of economic landscape, i.e. in places.

In the past, the economy tended to ignore this syllogism because it did not seize short-term temporal simultaneity, seeing that the type of landscape or its typicality answers to laws of long-term change. Such laws hinder the morphology of locations from being remodelled in the immediate future when market conditions change.

In more than one argument/suggestion as well as plan, the network model has been resorted to, or rather locations (junctions) that are organised hierarchically to reply to functional needs. This is done if it will lead to draining the demand for the economies (on an external scale) of urbanisation that entrepreneurial activity demands of the originating territory

EU Level

Dir. CEE/92/43 – ecological network and Protection Special Zones (in Valle d’Aosta called ‘Natura 2000’)

National Level

- Law 17 August 1942, n. 1150 – National urban and territorial planning
- Law 59/1997 – Public administration reform
- D. Lgs. 112 /1998 – Delivery of national functions from the State to regions and local bodies
- L. 265/1999 - local autonomies
- L. 267/2000 – Unique Text about the local autonomies (provincial, metropolitan and municipal levels)
- D. Lgs. 42/2004 - Cultural Heritage (landscape and environment included)
- ARTT. 117 e 118 of Italian Constitution and their recent revision 2001 (n. 3) and 2005
- SEA and EIS Unique Environmental Ministry Text, February 2006

Regional Level

- L.R. n. 14 del 18/06/1999 – EIA regional law
- L.R. 15/2001 - Regional Development Programm
- R.L. 19 December 2005, n. 35 – Regional territorial government

Conclusions

In conclusion, it has been thought useful to compile a SWOT analysis of the Region. It has evidenced, at the present moment, what are the regional characteristics (strengths, weakness, opportunities, treaths), considering the future challenges that will regulate the markets:

Strengths:	Weakness
<ul style="list-style-type: none"> • High level of environmental protection • High level of employment • High GDP • Good equipment of infrastructures • Strong Social Cohesion • Borderline with Swiss and French centers of research • recent institution of University • urban-rural woven • trans-national cultural interests • High quality of the food producing 	<ul style="list-style-type: none"> • reduced territorial dimension • limited demographic density; • fragmentation and the dispersion of the population in small urban centres • tourist offer tipologies based on small isolated locations • dearth of level lands • low level of infrastructures with particular regard to railways and airports • low approached at wide band nets • mountain position and morphology of • insufficient interrelation with the over border centers • insufficient interest of the SMEs for the innovation • elevate costs in order to cross mountain passes • limited integration between agriculture and tourism
Opportunities	Treaths
<ul style="list-style-type: none"> • tourism • development tourist reception and adequate structures • University development • high specialization industry development • major Participation to Co-operation networks and projects • Use of Directed Foreign Investments • Development Transnational Agreements • Tourist development in row optical • Globalization of the tourist offer 	<ul style="list-style-type: none"> • competitiveness loss of the regional enterprises • Competition of other countries • technological Gap with other regions • Isolation • Excessive tertiary • Marginalization in R&D • Insufficient attraction for foreign SMEs takeover • decrease in productivity • expencive prices with regard to tourist Offer

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Appendix

Breakdown of budget into drivers

Budget	2006	2007	2008
Hard or tangible infrastructure (HTI)			
PROGRAM 03 VIABILITY	14.797.700	30.066.500	27.989.500
PROGRAM 05 OTHER PUBLIC WORKS INTERVENTIONS	2.633.853	7.817.853	12.567.853
PROGRAM 06 SOIL'S DEFENCE	13.565.000	13.015.000	12.415.000
PROGRAM 02 AGRICULTURAL INFRASTRUCTURES	43.695.680	53.531.680	58.952.680
PROGRAM 14 TRANSPORT'S FIELD INTERVENTIONS	37.671.400	55.039.400	39.860.400
TOTAL	112.363.633	159.470.433	151.785.433
Social capital (SC)			
PROGRAM 02 CONSTRUCTION HOUSING INTERVENTIONS	8.226.785	9.676.785	3.616.785
PROGRAM 02 HEALTH STRUCTURES	8.775.000	26.050.000	31.760.000
PROGRAM 03 SOCIAL WELFARE	45.036.500	46.167.000	47.355.000
PROGRAM 04 SOCIAL SERVICES	1.930.743	2.725.000	2.825.000
TOTAL	63.969.028	84.618.785	85.556.785
Human capital (HC)			
PROGRAM 08 COOPERATION ACTION	8.115.600	7.535.600	7.565.600
PROGRAM 16 JOB'S POLICIES INTERVENTIONS	5.186.659	18.091.946	18.091.946
PROGRAM 01 CULTURE & EDUCATION - SCHOOL MANAGEMENT	5.394.500	6.271.000	6.759.500
PROGRAM 02 CULTURE & EDUCATION - STUDY'S RIGHT	4.388.000	4.329.500	4.339.500
PROGRAM 03 CULTURE & EDUCATION- SCHOOL STRUCTURES	5.923.000	7.385.500	7.281.500
PROGRAM 04 CULTURE & EDUCATION- SCHOOL INTERVENTIONS	17.783.500	21.248.000	21.733.000
PROGRAM 01 PROFESSIONAL FORMATION	19.432.741	5.555.663	5.555.663
TOTAL	66.224.000	70.417.209	71.326.709
Fiscal and financial interventions (FFI)			
PROGRAM 17 PROGRAMMI COMUNITARI COFINANZIATI	16.298.796	4.588.844	4.205.000
TOTAL			
Innovation support (IS)			
PROGRAM 03 AGRICULTURAL GROWTH INTERVENTIONS	1.108.820	1.318.820	1.278.820
PROGRAM 04 TECHNICAL CARE	845.500	530.500	530.500
PROGRAM 06 AGRICULTURAL INNOVATIONS	114.226	88.148	21.021
TOTAL	2.068.546	1.937.468	1.830.341
Amenities (A)			
PROGRAM 07 FOREST PRESERVE	3.180.018	5.244.139	5.523.439
PROGRAM 08 PARKS, REVERSES, ENVIRONMENTAL GOODS	7.590.900	8.540.900	9.415.400