



'Local endogenous development and urban regeneration of small alpine towns'

FINAL CONFERENCE

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WORK Package 5

ECONOMIC DEVELOPMENT

















Introduction - Aims of the WP

The objective of the work package is to promote the local economic development of small mountain towns by studying actual cases and actively involving a diversity of local subjects.

The WP project studied real examples of small mountain communities (with resident populations of less than 5,000 or 2,000 inhabitants) in the alpine arch in critical contexts, analyzed diverse economic realities and launched several methodological experiments that made it possible to start up development actions with immediate benefits, in the general context of the project, and identify best practices and new models of development to propose in contexts that show similarities.

Preliminarily, it is important to remember that the conditions that create economic development must always be placed in relation to the tangible and intangible resources of the sites as well as the opportunities given by proximity to other economic, tourist or cultural systems.

A role of primary importance was played for each project, from the phase of analysis of the available resources and the opportunities for development.

Tangible and intangible resources in mountain contexts are derived from the landscape and environmental quality of the sites, from agriculture, from the skills and traditions of craftsmen, from the opportunity to market and sell goods and services, from the skills of the resident population, from their entrepreneurial skills and from their employees. As regards the businesses that supply services to the residents (which is trade), the target for success of the initiatives might be looked for in the composition of the population and in understanding the habits of the residents.

Methodology

Analyses were conducted in the traditional form through data collection as well as by taking surveys of sample groups in interviews and questionnaires. All the interested parties involved in local development were consulted through inquiries and surveys. The idea-generating and planning phases were done in all cases using the method of participatory planning by involving local parties in identifying actions and strategies in the short and long term.

A special feature of the Economic Development Work Package is the consideration given to the transversal role that actions involving the economy play with respect to other types of actions. In nearly every case, analyses of the case studies revealed the need to take integrated design actions to ensure lasting economic development.

In particular, the analysis highlighted several aspects that represent important connections and strengths between the four Work Packages of AlpCity.

1) The resident population in mountain areas is generally small; to be sustainable, economic systems are based on supply pools or production districts based on a critical minimum number of users/consumers/professionals. As a result, creating a network of cities and services (link to WP 8 Cooperation between towns) becomes fundamental in building sustainable economic development.

- 2) On par with the quality of the natural sites, the quality of the urban space is an important factor of tourist attraction. Therefore, an adequate and harmonious development of cities, increasing the value of the traditional building systems and the architectural heritage in general, in addition to adequate promotion and management of open urban spaces are important promoting factors toward development of the businesses operating there (link to WP7 Urban Environment).
- 3) By and large, mountain areas are inhabited by older people with fewer skills. The services must be adjusted to the needs of the residents, but can also be factors of economic revival if planned with a view to attracting functions and users, by developing virtuous cycles for local economic development (link to WP 6 Services and Quality of life).

Summary of the case studies

The case studies analyzed by the five project partners are:

- Municipality of Grainau creation/implementation of new businesses and development of the tourist industry;
- Municipality of Saint Maurice attraction of small-business and development of tourism:
- Municipality of Tschlin conversion of uninhabited buildings for new tourist uses;
- Region of Lombardy, Business, Fair and Market Bureau Experimentation on innovative models in support of neighbourhood business in Valcamonica and in Valvestino in the Province of Brescia;
- Region of Lombardy, Skilled Trades and Services Bureau Experimentation on integrated actions in support of skilled trades and business in the Municipality of Dazio (Province of Sondrio);
- Region of Piedmont –2006 Winter Olympic Games Ski Events an opportunity or threat for development in the municipalities of Pragelato and Prali

In particular, the case studies involved several issues that can be defined as "red lines" of the WP for local development:

- Sustainable development of tourism as an opportunity to raise the value of local resources;
- Business and skilled trades as service activities but also qualities to attract an interest in and promote local production.

<u>Tourism</u>

Tourist promotion is an opportunity to increase the value of local landscape and environmental resources as well as an opportunity to shine attention on the skills and cultural vocations of each locality.

This was the idea behind the plan to develop tourism and local businesses in St. Maurice and Grainau and the case of Tschlin. In Tschlin, an unused building was converted into a theatre for concerts, with a view to reinforcing the identity of the locality (Tschlin as a city of music) and as a new tourist attraction.

In Pragelato and Prali, town leaders studied the opposing effects of a momentous event, the Olympic Games ski competitions in 2006 - opportunity for development, as well as a threat to the physical location and local economy.

The project verified the possibility of creating a model of sustainable development as an alternative to decline and as a way of promoting stronger relationships with the nearby French valleys.

Business and skilled trades

This particular area was studied in the Municipality of Grainau, Valcamonica and Valvestino and the Municipality of Dazio. Initiatives to raise the value of business ranged from promoting urban spaces to experimenting on innovative new sales methods to ensure that all residents have access to basic supply services. Opportunities for development were found in the possibility of revitalizing local production while the plan would also promote entrepreneurial training actions and cooperative models between diverse sales methods.

Lessons Learned

Participatory planning

An analysis of the means for increasing development found that primary importance lays in actively involving local populations; this consideration was a common factor in all the study actions and case planning.

"Participatory planning" yielded positive results where local authorities were cooperative and willing to experiment and in crisis situations triggered by specific events (such as shutdown of a factory) or in localities that have suffered severe depopulation.

In general, several specific factors were identified as vital to achieving positive results with this operating method:

- The composition of the work group (the number of participants and the role of each member are essential)
- How the initiative is communicated
- Analytical capabilities and specific skills involved in the group
- A guiding role played by the municipality or the proponent administration
- Integrated design of the initiatives and identification of funds to accomplish them.

Use of models for the experiments

The case studies were opportunities for finding that in many cases, endogenous development of small municipalities can be improved by more training and more information about best practices to emulate to overcome several gaps that are commonly found in mountain areas:

- Lack of entrepreneurial encouragement to begin experimentation
- Low levels of training
- Insufficient knowledge about reference models to emulate
- Poor propensity to join associations or become involved in cooperation to promote initiatives, thereby increasing strength
- Lack of capability to integrate initiatives and resources in the region