In the last two decades or so, the concept of governance has found a central place in social science debate, focusing in particular on the shift from government to governance. In the debate, government refers to the dominance of State power organised through formal and hierarchical public sector agencies and bureaucratic procedures, while governance refers to the emergence of overlapping and complex relationships, involving “new actors” external to the political arena. The shift to governance has not only led to changes in government, it has also led to disruption of established channels, networks and alliances through which (particularly local) government linked to citizens and businesses. Hence, the challenge of governance is how to create new forms of integration out of fragmentation, and new forms of coherence out of inconsistency.

In this framework, the role of territory is considered, seen as a complex set of values and resources, a common good of fixed assets, material and immaterial, an exhaustible resource, a political and economic “fact”, or a “social construction” deriving from the collective action of groups, interests and institutions. The main definitions of territory that allow us to deal with the issues highlighted in the international debate on governance are: the territory as a “social and political construction” and the territory as “territorial capital”.

The concept of the territory as a social and political construction mainly stresses collective action, that is the actions undertaken by a set of actors that are related to the solution of a collective problem. The collective action springs from the mobilisation of groups, organised interests and territorial institutions, in a process in which actors’ interactions can lead to different results (confrontation, cooperation, conflict). In this perspective, territorial governance is what makes it possible for territories, at different levels (from the EU to the local level), to behave and act as “collective actors”. Governance is the capacity of public and private actors to build an organisational consensus involving different actors in order to define common objectives and tasks, to agree on the contribution by each partner to attain the objectives previously defined, and to agree on a common vision for the future of their territory.
The second issue highlighted in the international debate on governance is “territorial capital”. Applied particularly to the local or regional level, this concept is similar to that of ‘endogenous potential’. The presence of distinct territorial capital would make investment, for example, more effective in one region than in another. Elements that make up a region’s territorial capital can be divided into a) structural characteristics, and b) characteristics associated with its spatial position. These elements can be identified as a localised set of common goods, producing non-divisible collective assets that cannot be privately owned; immovable goods, that are a constant part of specific places; place-specific, that is they are almost impossible to find elsewhere with the same features; and heritage goods, that is, they are produced and stored over a long period and cannot be produced easily in a short time.

The different objectives and issues that characterize a governance process, and that come from the different roles played by the territory in the process, can be summarized by considering territorial governance as the process of territorial organisation of the multiplicity of relations that characterize interactions among actors and different, but non-conflictual, interests. This organisational dimension refers to the construction of a shared territorial vision, based on the recognition and valorisation of the territorial capital to create sustainable territorial cohesion at different levels. In other words, territorial governance is the condicio sine qua non to guarantee more balanced development across Europe and to achieve territorial cohesion.

In summary, territorial governance can be defined as the process of organization and coordination of actors to develop territorial capital in a non-destructive way in order to improve territorial cohesion at different levels.

If the key challenge of territorial governance is to create the conditions that allow collective action to take place in order to create territorial cohesion at different spatial scales, the critical question is: what are the key factors for creating such conditions? To describe, analyse and evaluate territorial governance actions we can consider 3 types of factors:

1. Context: to describe the general structural conditions, features and dynamics of the territory. Describing the favourable territorial preconditions for defining and implementing territorial governance actions (institutional thickness, innovative milieu, territorial capital, etc.);
2. Policies: to describe the institutional frameworks of territorial policies, instruments and procedures for governance (i.e. the “governing” of governance);
3. Territorial governance actions, defined as the experiences, projects, programmes, etc., that need or stimulate a territorial governance approach: to evaluate governance processes and results, at different levels, considering both process criteria and results criteria, and their interaction (does a good process always correspond to a good result?).

The analysis of the factors outlined above are assisted by the consideration of four issues: vertical coordination, horizontal coordination, the participation and involvement of civil society and organised interests, and territorialized actions.

Vertical coordination refers to both actors and policies. It is linked to the principle of subsidiarity, and of the so-called re-scaling process (i.e. the reorganization and redefinition of
the scales involved in territorial transformations and of the levels of government associated with them). Coordination among actors mainly refers to public actors in the process of the “hollowing out” of the State. Vertical coordination among policies can be seen as the political translation of the subsidiarity principle, i.e. of the constitutional European Union principle that, together with the proportionality and additionality principles, defines the ways through which is obtained the better allocation of powers to improve the efficiency and democratic basis of policies. Vertical subsidiarity refers to the criteria of competences distribution in the framework of the definition and implementation of policies among the EU, the central government and local authorities. Moreover, vertical coordination from the point of view of policies should be seen as the coordination of sectoral policies with a territorial impact, as in the case of infrastructural policies. From this general perspective, vertical coordination concerns not only coordination problems between various administrative levels (from EU to local level), that we might consider as the first step, but also, following on from that, the quality of connections and relations to be established between sectoral policies at different spatial levels to make them converge towards common objectives (‘diagonal’ relations).

**Horizontal coordination** among actors could refer to public actors or to public/private actors. The former refers to more or less institutionalised/formalised forms of cooperation among local authorities in which voluntary participation is considered as added value. A distinction can be made between “management oriented” aggregations and “ proactive aggregations”. The capacity to produce and implement coordinated strategies and to reproduce them can then be considered as an added value of governance actions. The horizontal coordination of public and private actors is linked to the subsidiarity principle too, specifically to horizontal subsidiarity that defines regulative criteria for the relations between the State, civil society and citizens (multi-channel governance).

The definition of policy packages refers also to horizontal coordination among policies and to two slightly different modes of coordination. The first is concerned with the coordination of policies (referring to the integration of already available funds and resources, implementation of sectoral policies in a coordinated way, and specifically inter-sectoral policies), and the second is concerned with the *continuum* among the ex-ante coordination of policies.

Participative policies allow the inclusion of private actors in territorial governance processes. It is possible to say that there are two levels of participation. The first is concerned with the involvement of stakeholders and interests (public/private partnerships), whose participation is necessary for the design and implementation of the process. The second is concerned with the ‘diffuse’ participation of private actors (generally identified as “citizens”), which is desirable but which has limits in practice, especially if we take into account the object of participation. The differences between these two levels of participation mainly refers to: the involvement and/or participation of actors; the objectives of involvement and/or participation; and the modes through which involvement or participation is promoted.

The last issue is concerned with the **territorialization** of an action. Territorialized actions are actions that are based on the shared valorisation of local specificities and can be recognized by three characteristics: they refer to the territory as a common good; they are concerned with the identification and valorisation of territorial capital; and the territory itself is defined during the action.
The conditions discussed above originate, as already stated, in issues that highlight the general characteristics of a territorial governance action and allow us to evaluate the ways in which the latter is implemented. Nevertheless, when considering the general objectives of a territorial governance action, that is to maximise vertical and horizontal coordination and cooperation, encourage participation and promote territorial development, some of these conditions seem to fit the definition more than others. In other words, a territorial governance action will be more effective in reaching its goal if some conditions, considered as priorities, are respected.

Differences of importance exist among the conditions: some of them can be considered as basic conditions, others are important in building a territorial governance action and in reaching its objectives. Still others, finally, are those that give added value by making the action more effective in achieving its intended results. Conditions that are considered as central in giving added value to territorial governance actions can represent a benchmark for any process occurring in the territory, but, of course, they depend largely on the territorial level in which the action is implemented.

The scalar dimension should be taken into account in defining the conditions appropriate to the level. In addition, at each territorial level it is important to consider different conditions in order to improve the effectiveness of territorial governance actions. At the intra-urban level, for instance, conditions concerned with wide participation are fundamental, while they are less relevant at the national level, even if only for the difficulties in putting them into practice. At the national level, on the other hand, conditions that refer to the role of the State and to the devolution process have a specific importance, although these conditions are fundamental at all territorial levels. It is, then, possible to identify conditions that give added value to territorial governance actions on all levels, while others are characteristic of a specific level.

If we take into account that there are different dimensions to a territorial governance process and if we accept that there are context and institutional framework specificities, it is possible to recognize territorial governance specificities for each territorial level or, at least, for three paradigmatic levels: a macro-level (from the global to the national level), a meso-level (from the regional trans-border to the macro-urban network level), and a micro-level (or local level, from the metropolitan to the neighbourhood level). For each level some of the previously described dimensions are more relevant than others.

Public authorities at all levels are still key actors and hierarchical relations determine many of the preconditions and parameters for decision-making, problem-solving, management and conflict resolution. Yet, while the role of the central government seems to have changed very little, it is possible to identify substantial changes at higher levels (the role of the EU), at lower levels (infra-national levels, whether regional or local), and at the same level (with an increasing threat of disparities among territories at the same spatial scale and the corresponding diversification of development strategies). The national level is clearly recognized as the overall organisational / frameworking level in almost all European countries, the level where conflicts can be resolved. In territorial governance actions, the national/central level has a stronger role as long as it is capable of giving coherent frameworks, in terms of policies and rules, and promoting infra-national or trans-national development strategies through the availability of financial resources. The issue of integration of policies and actions at the same
level is also of great importance. This can be seen in examples (e.g. cross-border regions) where the basis for cooperation comes from networking and collaboration that can support projects and programmes often designed at the EU or national level. Moreover, integrated policy packages are often achieved through the horizontal coordination of public actors, thus recognizing that integrated frameworks are a matter of vertical coordination, while integrated policy packages owe more to horizontal relations among actors that need to give coherence to a multiplicity of ongoing processes. This also means that horizontal coordination will probably most frequently be achieved at levels from the regional to the urban.

As regards involvement and participation, new forms of governance are predominantly partnership-based and seldom oriented towards wide and comprehensive participatory mechanisms. The need for effective participation should take into account the timeframes of the territorial governance action and of the elected representatives. If in governance processes the end is unknown because of the flexible nature of the process, this is a problem because of the need for concrete and effective outcomes in the short to medium term for politicians, and leaders in general. Moreover, the problem of policy coherence is more important for government actions than for governance ones if more attention is paid to the outcomes than to the process itself. This brings into question the effectiveness of the governance process, especially where the issue of accountability is considered.

It is very difficult to define the role played by the territory and its territorial capital in territorial governance actions, mostly because it is seldom considered as an important issue that needs to be highlighted. The relationship of the governance process to the territory could be considered as the basis for any increase in territorial cohesion, yet most cases do not show any clear reference to specificities, characteristics or elements that have made a difference.

The results of this analysis, together with reference to the debate in the international literature, have highlighted two basic, yet fundamental, concepts. The first is concerned with the fact that territorial governance is different from governance because, in brief, its object is the territory, a complex object per se, and its aim is to regulate, to govern, to manage territorial dynamics through the pilotage of a multiplicity of actors. The second concept refers to the meaning, approaches and effects of territorial governance, that are different at different territorial levels, even if there are consistent issues that define territorial governance actions (vertical and horizontal relations, involvement and participation, territorialisation). The importance of these issues differs, depending on the territorial level in which the action is taking place.