Integrated Territorial Investments in Poland: Empowering Local Actors in the EU Cohesion Policy

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University of Strathclyde

RSA Winter Conference
London, 15.11.2018
Plan of the presentation

- Introduction
- Research design
- Implications
- Conclusion
Integrated Territorial Investments

- Fragmentation
- Territory
- Investments
- Place-based approach
- Knowledge
- Governance
- Sustainable Urban Development

Source: Van der Zwet et al, 2017
Source: Wolanski (ed.), 2018
Formal ITI governance

<table>
<thead>
<tr>
<th>Task</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project generation</td>
<td>Mobilising applicants</td>
<td>Supporting project development</td>
<td>Managing project submission</td>
</tr>
<tr>
<td>Managing project appraisal</td>
<td>Formal assessment</td>
<td>More detailed assessment</td>
<td>Recommendations</td>
</tr>
<tr>
<td>Managing project selection</td>
<td>Strategic fit</td>
<td>Project quality</td>
<td>Efficiency aspects</td>
</tr>
<tr>
<td>Application of selection criteria</td>
<td>Ranking of projects</td>
<td>Weighting of different criteria</td>
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<td>Final approval</td>
<td>Signing the contract</td>
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</table>

*Project selection and generation tasks SUD strategies.*
*Source: Van der Zwet et al., 2017*
# Remaining questions

<table>
<thead>
<tr>
<th>What is the informal governance of ITI?</th>
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<tbody>
<tr>
<td>Which local actors got empowered by ITI?</td>
</tr>
<tr>
<td>Which policy aspects do they influence?</td>
</tr>
<tr>
<td>How do they influence the policy in practice?</td>
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</table>
Plan of the presentation

Introduction

Research design

Implications

Conclusion
Research Design

**Aims**
- Explore the role of political factors in ITI implementation;
- Understand and present the process of inter-municipal collaboration from the perspective of local and regional actors.

**Theory**
- Institutional Collective Action Framework (Feiock, 2004; 2013)

**Question**
- What is the role of political factors in solving collective action dilemmas during the implementation of ITI in Poland?

**Methods**
- Data collection: participatory observation, interviews, documents
- Data analysis: qualitative content analysis
- Organisational ethnography
Potential collective benefit

Each actor’s individual risk assessment

Sources of collaboration risk
- Nature of ICA dilemma
- Actor characteristics
- Existing institutions

Collaboration risks
- Incoordination
- Division
- Defection

Transaction costs
- Information
- Negotiation & bargaining
- Enforcement

Integration mechanism

Source: own elaboration on the basis of: Feiock, 2013)
### Case study choice

<table>
<thead>
<tr>
<th>Enforcement method</th>
<th>Embeddedness</th>
<th>Contracts</th>
<th>Delegated Authority</th>
<th>Imposed Authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Encompassing Complex Collective</td>
<td>City-regions/ Network cities</td>
<td>Multi-Purpose Municipal Associations</td>
<td>Regional/ Metropolitan Governments</td>
<td>Forced Municipal Merges</td>
</tr>
<tr>
<td>Intermediate Multilateral</td>
<td>Social Welfare Networks</td>
<td>Single-Purpose Municipal Associations</td>
<td>Inter-municipal Corporations</td>
<td>Metropolitan Transportation Authorities</td>
</tr>
<tr>
<td>Narrow Single Purpose Bilateral</td>
<td>Informal Working Groups</td>
<td>Interlocal Agreements</td>
<td>Municipal Corporations</td>
<td>Cynsorci and Syndicats Mixtes</td>
</tr>
</tbody>
</table>

---Autonomy Costs+++---

Policy instruments for mitigating ICA dilemmas in European countries.
Adapted from: (Tavarez, Feiock 2017, p. 15)
- **Association**
- 2.76 mln people
- 739 mln €
- 81 partners
- Competitive

- **Central Subregion Śląskie**

- **Lublin Functional Area Lubelskie**

- **Agreement**
- 0.55 mln people
- 105 mln €
- 16 partners
- Non-competitive
# Fieldwork in numbers

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
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<tbody>
<tr>
<td>Weeks</td>
<td>6/5</td>
</tr>
<tr>
<td>Interviewees</td>
<td>23/26</td>
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<tr>
<td>Events</td>
<td>18/9</td>
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<tr>
<td>Study Visits</td>
<td>2/8</td>
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<tr>
<td>Municipalities</td>
<td>10/10</td>
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<td>Km</td>
<td>636/428</td>
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<td>Conversations</td>
<td>∞</td>
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<td>Notes</td>
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<td>Category</td>
<td>Subcategory</td>
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<tr>
<td>Potential collective benefit</td>
<td>None</td>
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<tr>
<td>Sources of collaboration risks</td>
<td>Nature of the ICA dilemma</td>
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<td>Existing institutions</td>
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<td>Existing ICA mechanisms</td>
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<td>Collaboration risks</td>
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<td>Defection</td>
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<td>Non-strategic joint project risks</td>
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<td>Transaction costs</td>
<td>Information</td>
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<td>Negotiation &amp; Bargaining</td>
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<td>Enforcement</td>
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<td>Joint project assessment costs</td>
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<td>None</td>
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Agenda

Introduction

Research design

Implications

Conclusion
Accountability
### Who got empowered?

- Mayors (ITI Board/ITI Assembly, SMALL MUNICIPALITIES)
- Metropolitan administration (identity)
- Local civil servants
- Local councillors
- Local NGOs, private companies, universities
- Local citizens
Which policy aspects do mayors influence? And how?

| ITI strategy          | • Exchanging data, analysing joint problems  
                        | • Preparing joint objectives                 |
|-----------------------|-----------------------------------------------|
| Preselected investments| • (Some) partnership/coordinated projects     
                          | • (Some) planning of the whole area          |
| Funds division        | • Per capita allocation (fair,strategic/pork-barrel)  
                          | • Thematic division                         |
| Selection criteria    | • Prioritised groups of beneficiaries (ITI, small, recommended)  
                          | • Preferred kinds of investments            |
| Scope of collaboration| • Mutual learning, avoiding duplication, functional coordination  
                               | • Scale effect initiatives: Joint expertise, procurement, services |
ITI limiting regional ‘pork-barrel’ politics?

I do not belong to any party, I’m telling you. If we really think in terms of strategic development of the region, it is difficult not to recognize our municipality as one of the most important elements of its development. Unfortunately, we are not perceived by the voivodship board as strategic. If you saw the targeting of ROP funds, there are mostly municipalities that follow the party line. And with ITI we finally have the same chance for EU funds as everybody else. The Marshal has nothing to say. (Interview L_Mayor_M2_17.11.2017)
Conclusion

Not only formal task delegation, also informal role in policy

Most empowered actors: mayors, metropolitan administration

Important role of politicians in ITI – require collaboration, strategic decisions and negotiations

Important to invest in leaders representing agglomeration’s interests: ITI office and board – trust building, broader interest


THANK YOU!

Contact:
sylwia.borkowska@strath.ac.uk
Potential collective benefit

Each actor’s individual risk assessment

Sources of collaboration risk
- Nature of ICA dilemma
- Preference diversity
- Existing institutions

Collaboration risks
- Incoordination
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Integration mechanism
Potential collective benefit

‘We can be an oasis of prosperity here, but you cannot be happy if there is poverty around’
(Interview S Mayor M5, 31.10.2017)

‘Nobody saw any other interest in it than extra money’
(Field note L, 13.12.2017)
Sources of collaboration risk

Nature of ICA dilemma

Preference diversity

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Collaboration risks

Incoordination

Division

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Transaction costs

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Enforcement

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Each actor’s individual risk assessment
# Sources of collaboration risk

## Nature of ICA dilemma

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<th>Coordination gains</th>
<th>Economies of scale</th>
<th>Common-pool resources</th>
<th>Integrating externalities</th>
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<td>Complementary investments</td>
<td>Joint public procurement</td>
<td>Common-pool resources</td>
<td>Integrating externalities</td>
</tr>
<tr>
<td>Inspirations, learning, avoiding duplication</td>
<td>Joint service operator</td>
<td>Common-pool resources</td>
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## Preference diversity

### Participants divergence

| Participants divergence (mayors, local administrators, metropolitan office employees) |
| Mayor’s party affiliation | Implementation efficiency | Level of trust among collaborating actors |
| Mayors geographical origin, capital status | Metropolitan office employees origin | Personal relations of collaborating actors |

### Community homophily

<table>
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<tr>
<td>Size of municipalities (population, HR)</td>
</tr>
<tr>
<td>Cultural differences between area parts</td>
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## Existing institutions

### Higher-level rules

| Higher-level rules (EU, national and regional level) |
| Scope of LG decentralisation | Available integration mechanisms |
| Tasks delegation, decision-making | Available joint project forms |
| Thematic scope of collaboration | Joint project selection mode |

### Political structure

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<td>Electoral system (mayor, council)</td>
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<td>Political stability (terms, changes)</td>
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### Existing ICA mechanisms

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<td>Previous joint initiatives</td>
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### Sources of collaboration risk

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| Common-pool resources | Integrating externalities |

#### Preference diversity

- Participants divergence (mayors, local administrators, metropolitan office employees)
- Community homophily

#### Existing institutions

- Higher-level rules (EU, national and regional level)
- Political structure
- Existing ICA mechanisms
Sources of collaboration risk

Nature of ICA dilemma

- Coordination gains
- Economies of scale
- Common-pool resources
- Integrating externalities

Preference diversity

Participants divergence
(mayors, local administrators, metropolitan office employees)

- Mayor’s party affiliation
- Mayors geographical origin, capital status
- Implementation efficiency
- Metropolitan office’ employees origin
- Level of trust among actors
- Personal relations of actors
- Community homophily
- Size of municipalities (population, HR)
- Cultural differences between area parts

Existing institutions

- Higher-level rules (EU, national and regional level)
- Political structure
- Existing ICA mechanisms
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## Preference diversity

- Participants divergence
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## Existing institutions

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<th>Available joint project forms</th>
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### Political structure

- Electoral system (mayor, council)
- Political stability (terms, changes)

### Existing ICA mechanisms

- Previous joint initiatives
- Personal experience of collaboration
Potential collective benefit

Each actor’s individual risk assessment

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Integration mechanism
## Collaboration risks

### Incoordination
(between partners, with other organisations)

| Functional coordination of investments | Operational coordination of projects |

### Division

| Available financial resources | Scope of decision-making power |
| Available thematic interventions | The number of partners |

### Defection

| General trust among collaborating actors | Level of approval of division mechanism |
| Time pressure on joint projects | Level of interdependency |
Potential collective benefit

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Integration mechanism
## Transaction costs

### Information

<table>
<thead>
<tr>
<th>Frequent information exchange on mutual plans &amp; progress</th>
<th>Transparency, training, equal access to knowledge</th>
</tr>
</thead>
<tbody>
<tr>
<td>External projects coordination method</td>
<td>Joint data monitoring system</td>
</tr>
</tbody>
</table>

### Negotiation & bargaining

<table>
<thead>
<tr>
<th>Formal division of resources</th>
<th>Informal division of resources method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Division of tasks among joint projects</td>
<td>Territorial vs. party-based joint executive</td>
</tr>
</tbody>
</table>

### Enforcement

| Formal rules and sanctions                               | Informal rule and sanctions                      |
Potential collective benefit

Each actor’s individual risk assessment

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Integration mechanism
Integration mechanism

Association

Agreement
Plan of the presentation

- Introduction
- Research design
- Results
- Conclusion
Contribution

Political factors in solving collective action dilemmas within ITI implementation in Poland...

- Can be effectively studied within the ICA Framework
- Partially fit in the existing Framework’s elements
- Partially do not fit in the Framework’s elements
- Are different at various stages of collaboration

- New context, empirical evidence
- Deepening, new indicators
- Extension, new elements
- Dynamic, cyclical dimension
References


Mayors and political parties

Source: www.mojapolis.pl
ITI added value – initial observations

- Local administrative capacity
- Building relations among mayors and coordinators
- The habit of exchanging information
- Testing various cooperation models
- (a few) Partnership projects in FUAs
- Good practices by ITI Offices
ITI failures – initial observations

<table>
<thead>
<tr>
<th>Mostly short-term effects: unexploited chance</th>
<th>Limited ITI priorities failed to solve key FUA problems</th>
<th>Late start, ambiguity, change of rules – not strategic projects</th>
</tr>
</thead>
</table>

Need to start from joint analysis of problems and joint documentation. Need to take transaction costs into account to predict ITI behaviour.
Sanction: absorption or recommitment

Guideline: integrated = in partnership

Push for quick contracting
Push for integrated investments

Problem of unequal speed of partners
Problem of demanding internal procedures

ITI Lubelskie: creating additional procedures
ITI SLASKIE: resigning from formal partnerships
ITI Pomorskie: limiting quality demands
Researcher’s dilemmas

Me as a...

Temperament
Ethics
Friendships
Location
Assigned role
Time

Access to data
Wyzwania dla ZIT – obserwacje

Aktualne

• Zmiana zasad gry w trakcie gry, chaos informacyjny, wymiana kadr w IZ
• Wzrost cen usług, niedoszacowane kosztorysy, nieaktualne dane
• Przyspieszenie kontraktacji, trudne relacje z IZ i MR

Polityczne

• Lokalnie: ordynacja wyborcza, zmiana partnerów, dyrektorów biur ZIT
• Regionalnie: wymiana kadr w IZ, zmiana zasad współpracy i układ sił
• Krajowe: reformy krajowe, wymiana kadr w MR

Organizacyjne

• Finansowanie po 2018 r.
• Ujednolicenie struktur (stowarzyszenia)
• Przyspieszenie certyfikacji – weryfikacja jakości projektów i partnerstw

Strategiczne, zintegrowane działania w MOF – wspólne analizy i plany