Public-private cooperation scheme between **culture, tourism** and **industry** in **South-East Europe**

PRACTICAL HANDBOOK

CONTENT

1.
INTRODUCTION

The CMC PPC Handbook is a tool prepared to help various actors in culture, tourism and industry in South East Europe in the preparation of a specific public private cooperation (PPC) agreement. This document details a comprehensive vision that considers all development aspects of the PPC process, providing practical insights into case studies. Its main objective is to enable initiators and other actors to integrate all development steps into a unique plan through a common vision shared by all participants. The main goal of this handbook is to allow the target groups to investigate:

- which are the best opportunities of development and cooperation between the productive sector (usually organized into clusters, but not exclusively), culture and tourism;
- how to exploit culture and cultural heritage in order to create new business opportunities; and
- various models of PPCs that have ended up creating direct links between the tourism sector and the productive sector, enhancing the multiplier effect.

In addition, the handbook also provides an overview of the CMC Project Cycle.

Although there is broad diversity inside the different CMC case studies analysed in terms of location, ownership, legal backgrounds and broader economic, social and urban contexts, implicating a broad variety of actors to be involved at various stages of planning and implementation of PPC processes, it should be emphasised that all cases have been selected because they specifically represent initiatives connecting industry, tourism and culture. In case of all CMC PPC case studies, municipalities, local or regional governments played a crucial role in the PPC process. This is particularly true for the preparatory activities and initial planning, where broader political, economic, social and urban objectives related to PPC have been established and pursued. There is no "correct" public, private or business cluster actor to start the PPC process, but it is crucial to approach the phasing and engagement with commitment and pragmatism. All stakeholders, be them public institutions, private organizations, or local government, need to have a clear and unambiguous role in identifying, selecting and implementing project idea proposals. Proposals should make it clear that building a cooperative project among private and public actors is a comprehensive and demanding undertaking. It is clear that local or regional governments need to build a convenient framework for local investments, in which transparency, definition of the goals, legal clarity, economic incentives, public agreement and consensus-building play key roles. The CMC PPC Handbook thus tries to present a complex process of PPC planning in a systematic way. Due to an extremely complex matrix of issues and steps, keeping the handbook short and simple has been the guiding principle in order to provide the reader with clear references. In order to keep the basic structure clear and avoid redundancy, additional references are provided (internet resources and background documents).

SUPPORT TO THE PLANNING PROCESS: A FLEXIBLE MODEL ADAPTABLE TO THE DIVERSITY OF CONTEXTS

A methodology has been created in order to cover all stages of the PPC planning process, thus providing a basic but comprehensive "planning tool" even if there is a great variety of PPCs analysed in terms of location, historical background, legal, institutional, economic and social frameworks and/or stakeholder preferences. It is clear that this methodology can be used in a different way according to the stage of PPC process in which the reader is actually involved. Some processes that have already begun might build

on previous decisions and might involve only selected stages/items from the present methodology that would best fit their individual needs.

In order to use the present methodology, it is important to underline that the process (no matter which stage the PPC is in) is based on:

- A **thorough understanding** of the cooperation or partnership, its qualities and constraints against the needs and preferences of a broader community
- **Involvement of stakeholders**, individuals and entities, in a constructive way
- **Clear vision** and sufficiently **flexible strategy**
- Well–organised and **coordinated action** among all involved stakeholders
- Focusing on **quality** throughout the process, and
- **Monitoring** the achievements against measurable planned outcomes.

CULTURE, INDUSTRY AND TOURISM: NEW BUSINESS OPPORTUNITIES

In a volatile economic and business environment with an unpredictable future, planning and implementation of new entrepreneurial ideas is done under stress. Limited financial resources create even more tension and competitiveness among business ideas/opportunities identified by entrepreneurs. On the other hand, to ensure proper investment, ideas have to be competitive and provide detailed business plans with expected return on investment. In such business environments, precaution with investments demands clear and strong management of risks even if some uncertainties remain. Cultural heritage represents a strong asset not only for attracting people and increasing tourism services but also as a way to improve and strengthen sales of local and regional products. The UN World Tourism Organization is claiming that "the first eight months of the year 2013 saw a record of 747 million international tourist arrivals (overnight visitors) worldwide in absolute terms, some 38 millions more than in the same period of 2012, equivalent to a 5% increase." Europe benefited the most, with 5% growth. "Given that Europe is the world's largest destination region with many comparatively mature destinations, this is particularly encouraging."[1] South East Europe also has its share in such developments. Similar conclusions are set in the ITB World Travel Trends Report published by Messe Berlin:[2] "In the medium term, the experts believed that important changes in travel demand and supply will emerge. One trend will be that consumers will seek new and more authentic experiences. More people would turn their backs on artificial 'travel worlds' and instead seek authentic holiday destinations and experiences with more interaction with local communities, for example." This is bringing a much wider scope to the CMC – Clusters meet Culture project. There are numerous business opportunities in developing destinations bringing together industry, cultural heritage, creative production and tourism in the SEE region. By strengthening cooperation and partnership developments, the CMC survey showed that bringing together entrepreneurial spirit and initiatives boosts creativity and strengthens the tourism multiplier effect. Plenty of material and immaterial cultural heritage can be connected to existing industrials or handicrafts products, providing numerous opportunities for further development of a destination.

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1) UN WTO World Tourism Barometer, Volume 11, October 2013, http://www.wtoelibrary.org/content/l8262h5q52514363/fulltext.pdf?page=1
2) IPK International, ITB WORLD TRAVEL TRENDS REPORT, Messe Berlin GmbH, December 2012, p. 18

2.

DEVELOPING PUBLIC PRIVATE COOPERATION BETWEEN CULTURE, TOURISM AND PRODUCTION CLUSTERS

2.1 A THREE-STEP METHODOLOGY

The project has gathered some empirical data on existing cooperative efforts among culture, tourism and industry (organized as cooperative efforts in the form of clusters or similar) in the SEE region. Partners provided data on 14 cases of private public cooperation and/or partnerships implying synergies between culture, industry and tourism. These data were collected through a questionnaire and analysed through multidimensional scaling and SWOT analysis in order to build descriptions of CMC PPC models.

To be able to identify the content of existing PPC model methodology, several steps have been developed for deeper study of the existing best practices in the project countries.

FIRST STEP

Identified cases were analysed in depth to define some basic concepts of PPC models. A questionnaire was developed to provide the required information. The questionnaire was completed by the local stakeholders to obtain an effective territorial survey. The questionnaire contained qualitative questions regarding the forms of cooperation and the types of combinations between culture/tourism/industry.

This qualitative research was developed with eight questions aimed at defining:
- Content and formalization level of the cooperation
- Synergic relations between industry, tourism and culture

The following questions were asked:

Format/Initiator
- Who promoted the partnership first? When? What were the original goals?
- What are the interests, roles and activities of the public/government?
- What are the interests, roles and activities of business and private firms?
- Is the partnership between private and public organized and formalized?

Content
- Is there a dimension of tourist attractiveness and role of the hospitality sector?
- What is the relevance of the design, artistic production and creative industries?
- Are there heritage sites of monumental, historical or archaeological relevance?
- Are there features of the landscapes and/or local traditions worth preserving?

Second step

In the second step, a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis was made to study the role of public stakeholders and the role of private stakeholders involved in each case.

Third step

All relevant information achieved and identified through step 1 and step 2 were summarized to fill the specific PPC models matrix organized around the key model elements: conditions, characteristics, performances and processes.

Key axes of the PPC models matrix were identified regarding:

- the **leadership** of the cooperation (public, private) and
- the **level of formalization** of decision-making processes (low, high).

3.
BEST PRACTICES ANALYSIS OF SYNERGIES BETWEEN INDUSTRY/ TOURISM/CULTURE

In this chapter, descriptions of the best practices are presented. Practices are distributed by country. In the introductory table, an analysis of the best practices of synergies between industry, culture and tourism is presented, [3] followed by the narrative presentation and SWOT analysis in selected cases.

3.1 HUNGARY

Country	HUNGARY	
Code	HU1	HU2
Project-name	"Self-Starting" Program - Hungary	KOHÓ Co-working Space - Hungary
Aim	Increasing local craftsmen and artists' income and entrepreneurial activity	Increasing the activity and networking of local entrepreneurs
Capabilities	• trained craftsmen and artists • local business services, education and consultants	• local business services • an unoccupied building • local "neo-nomadic" entrepreneurs
Process	Train local craftsmen and artists to give them entrepreneurial skills	Transforming a building into a co-working service space for entrepreneurs, trainers and consultants
Results	Low motivation to apply the newly learned entrepreneurial skills	Low entrepreneurial activity occupying the co-working space

3.1.1 SELFSTARTER (HU1)

The Self-starter program supported 20 job seekers in launching their business in the creative industry. The program was implemented by the joint co-operation of the Baranya County Government Offices Labour Centre, the Chamber of Commerce and Industry of Pécs-Baranya and the Cultural Creative Industry Cluster.

The majority of the decisions are made by the public partner. The public partner provides a detailed strategy. The plans are sent as finished and revised versions. The private partner will decide whether cases are ranked with low importance or are considered emergency matters.

The procedures are highly formalized and prepared to cover almost every issue, the reports and the attendance registers are checked regularly. The schedule of the training is fixed and punctual. The program was well documented by the management board.

The program was announced for creative industry candidates who were expected to apply with a business idea. The candidates' personality and entrepreneurial attitudes were assessed by representatives of the organizations implementing the program through a short interview.

The self-starter training course consisted of 500-hours of complex business training. During the 150 hours of theoretical training, the participants attended lectures held by 10 outstanding instructors.

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3) Source: own edition based on CMC Technical Meeting Pécs: Mind Map; CMC Best Practices, WP3

The 350-hour practical training was led by two economists. During the program, the participants were supported by mentors and coaches with many years of business expertise.

The hosting venue of the program was the KOHÓ CoWorking House Pécs, an open, creative, co-working office. When the theoretical section ended, work-stations and meetings were formed on the first floor of the public office, to work, hold business meetings and keep in touch with the management after the launch of the individual Self-starter enterprises.

Report of the first phase of the program in numbers:

- 40 candidates, 20 participants
- 16 participants decided to start their own business
- 10 of them applied for the 2 million HUF support
- 150 hours of theoretical training, 10 instructors
- 350 hours of practical training in 18 weeks
- Individual weekly training with all 20 participants
- 8 mentors – 35 hours of consulting

Representation at fairs: Szentlőrinci Gazdanapok, Csupanő! – HungExpo, OMÉK – HungExpo

SWOT

STRENGTH	WEAKNESSES
• innovative model • operative model • broad partnership, PPP • sustainable, self-sustaining businesses	• candidates were too broad (some of them had weak business ideas) • limited financial resources • Some candidates lost motivation • no repetitions section included
OPPORTUNITIES	**THREATS**
• the program could be increased to the national level • it can be transferred to other sectors • increase the amount of support • organization of start-up funding	• the public sector could terminate the agreement (termination of financing) • public actors displace the private actors • not sufficient future candidates • increasing lecturing costs

3.1.2 KOHO - The CoWorking House Pécs (HU2)

The CoWorking House Pécs was founded in 2011. This organisation was established with the aim of filling out the market niche of CoWorking. The KOHO is a Coworking space. These people represent the type of people who work where, when and how they want to work, though they often have problems of loneliness, bad time management, blurring the line between work and private life and lack of inspiration. They now regard KOHO as their new workplace and their community.

The decision-making is in private hands but supported by public institutions. The KOHO is a private company initiated by the CICC association. The business idea and strategic planning are fully autonomous. The CICC has realised a market niche in the Coworking sector in the region, especially at Pécs. The CICC cluster activities often require conference facilities and creative offices. The KOHÓ was the best solution, and even opened up new networking opportunities.

The procedures are not formalized in written from. The daily routines and rituals create guidelines by which to work. These common guidelines are able to serve as a management corporate culture in which every ad hoc problem can be solved within minutes.

The focuses are:

- *Community:* The KOHO 's mission is to build and maintain a friendly and responsible social group. The corporate culture and the house rules are the safeguards of a supportive community in both business sense and etiquette.

- *Openness:* The KOHO is open for artists, businessmen, trainers, students, and entrepreneurs from any field. Anyone can work as he wants as long as he does not disturb the others.

- *Collaboration:* The KOHO provides the infrastructure and the opportunity to collaborate and exchange ideas, transfer knowledge and inspire innovations.

- *Accessibility:* The KOHO is open from 9:00 to-18:00 on weekdays. It has a very good proximity to public transportation, the University, public institutions, and cultural centres.

The Services:

- *Smelter*: a customer can take a seat at any free table + basic services

- *Brigade:* at least 2 customers are needed to get a private desk + basic services

- *Maestro:* one private table provided, you can leave documents there + basic services

- *Meeting and presentation room*: Any co-worker can rent a room for meetings or presentations, (projector included)

- *Coaching and Benchmarking service:* successful creative industrial experts can coach customers on how to reach their aims. Coaching is not free but is inexpensive.

- *Basic services:* WiFi, coffee, tea, sparkling water, printing, copies, scanning, mailbox, document storage box

Every service can be bought in 1hour, 4hour, 1 day, 5 day or 20 day intervals. There is a discount on longer passes.

SWOT

STRENGTH	WEAKNESSES
• prime model • good public image, website, good communication • loyal customers • good location logistically • good proximity to city centre • Affordable pricing strategy	• few customers • moderate workstation capacity • low international visibility • not very much offline marketing • cannot offer computer • limited parking area
OPPORTUNITIES	THREATS
• finding new customers through existing partnerships • The brand could be protected by intellectual property rights • the license can be sold • introduction of new professional programs (moderation of brainstorming events) • organising professional training programs • increase the number of loyal customers	• indirect competitors: neighbouring office buildings are rental offices that rent in intervals of 1 hour) • plans for a government-funded CoWorking House in the Zsolnay Cultural Quarter • Economical and social changes • Low entry barriers, new competitors can easily penetrate the market. • may run out of space • increasing fixed costs reduce the ROA

3.2 ITALY

Country	ITALY						
Code	IO1	IO2	IO3	IO4	IO5	IO6	IO7
Project-name	Archeological Multimedia Exhibition Centre	Villa Foscarini Rossi Footwear Cluster	Venissa Project	Industrial Tourism Vicenza Website	Sportsystem Cluster of Montebelluna	Motterle Experience Villa Zileri	Wine and Taste Road of the Rimini Hills
Aim	Promote archaeological areas and tourism of the local territory, Attract potential tourists to the shopping centre	Give added value to products by increasing visibility of local industry, inserting it in the territory	Economically effective usage and development of the lagoon	Increase incomes of the involved local businesses	Gaining global importance for the Sportsystem cluster and represent local products and culture worldwide	Finance restoration of patrimonial heritage (Venetian villas) through private funds, renting offices to enterprises	Affirm the historical, cultural, environmental, economic and social identity of the Rimini Province area, through the valorisation of the food and wine industries of the area.

Capabilities	Archaeological site. Multimedia skills and activity. Famous shopping outlet, situated in a trafficked corridor (highway).	Local shoe industry cluster. Heritage buildings (Venetian villas).	Unoccupied municipal island estate. Food and wine industry in the region.	Great variety of local industrial activity. Cooperation between entrepreneurs (chamber of commerce).	Sport-systems cluster. Museum of boot and sport.	Venetian Villa (to be restored). Industrial surrounding area.	Food and wine industries of excellence. Tourism network, cultural, food and wine organizations.
Process	Multimedia companies and the public sector created a multimedia-intensive archeological exhibition	The cluster organized local theatre pieces in international show rooms and arranged a heritage building for the shoe industry museum.	A local entrepreneur funded the recovery of the estate, and established accommodation and a food and wine education and research centre.	Entrepreneurs established a common website to communicate with each other and potential partners	The cluster supports the museum with financial resources and training programs (international research pole) to represent their local cultural and industrial values.	A private firm has ventured into the renovation and re-use of a prestigious venetian villa. The renovated office spaces are made available primarily to creative and service firms	Implementation of itineraries, to link culture and tourism with food and wine. Organization of promotional and cultural-based events; participation at international fairs or exhibition.
Results	High interest from clients in the museum; museums begin to attract new tourists	Increased visibility of the products in the international market generating a satisfying magnitude of growth in value added; attraction of tourists in the territory	Required return on investment with good business results		Long term revenue surplus on tourist/ visitors/ purchasers of the museum relative to support of the museum.	Excellent return on investment with high level of occupancy	Spreading knowledge and improving visibility for the excellence of food and wine products of the area. Increase in number of visitors to the industries.

3.2.1 CEMA MUSEUM (I01)

The idea of a Multimedia Exhibition Centre of Archaeology in the Veneto Region, at the Veneto Designer Outlet in Noventa di Piave, was born in collaboration with the Municipal Administration of Noventa, the management of BMG and the Superintendent of the Archaeological Heritage of Veneto. The proposal to contribute to the recovery of research and enhancement of the archaeological area of San Mauro in Noventa di Piave, already the subject of excavations by the Superintendent in the early 80s, has been approved. This museum, a multimedia showcase of Venetian archaeology areas, promotes the extensive unknown archeological heritage in an ideal location. The Multimedia Exhibition Centre of Archaeology is managed by a private company called Culture Active Srl. The Veneto Designer Outlet in Noventa di Piave, a private important stakeholder and investor also participates in the Centre. However, the project has been developed with the support of several public stakeholders: the Municipal Administration of Noventa, the Veneto Region Cultural Heritage DG, the Superintendent for the Archaeological Heritage of Veneto and the Noventa di Piave Art and History Association, University of Padova. The role of public stakeholders has been crucial to gain the authorization and the material to be exhibited and to obtain strong cooperation within the entire territory and connection to the archaeological sites. Financing sources have been mainly private. The public and the private partners have signed an official Memorandum of Understanding in order to clearly formalize their partnership. The Multimedia Exhibition Centre of Archaeology is a very specific example of synergy between traditional culture, represented by the archaeological heritage of the Veneto Region, and the industrial sector, represented by the outlet itself. It is therefore a very interesting example of how clients can become tourists and vice versa and how purchasing goods (clothes, shoes, etc.) in a given territory can be a better experience if connected to a cultural experience.

SWOT

STRENGTH	WEAKNESSES
Conditions: • first virtual museum opened in Italy and set within a shopping center *Characteristics:* • it is a non-commercial site within the largest outlet of Noventa, immune from any interference by its nature, culture and landscape past • a non-cultural place, where the project is based on some purely virtual and evocative suggestions of the real situations and archaeological museums in Veneto *Performance:* • combining virtual representations and scientific rigor • combines culture and shopping • new life for ancient history through installations, Venetian touch screen, wall and floor interactive virtual tours and 3D effects • virtual museum accompanied by a space that housed the exhibition *Processes:* • managed by a private company called Culture Active Srl • signed memorandum of Understanding with the Superintendent for the Archaeological Heritage of Veneto • support of several public stakeholders	*Characteristics:* • difficulty in coordinating the activity of business firms that compete against each other for the attraction of visitors but at the same time need to cooperate

OPPORTUNITIES	THREATS
• the Museum and Shopping centre are located close to Venice and Lido, quite near Padua and other regional attractiveness *Conditions:* • ideal location - located in a commercial area *Performance:* • Potential to increase visits in the archaeological areas of the region • Potential to increase visits and sales of the outlet shops	

3.2.2 FOSCARINI ROSSI E RIVIERA DEL BRENTA SHOES CLUSTER (i02)

The shoes manufacturing industry in the Veneto Region is very important and well settled in the territory thanks to a long tradition of shoe production and the involvement of around 1,000 enterprises with 20,000 employees gathered into the Shoe cluster of Riviera del Brenta and its Association (Associazione Calzaturieri della Riviera del Brenta).

In recent years it has become more and more important for the cluster to create synergies and connections with the surrounding areas and the historical beauties represented by the important Villas located in the Riviera del Brenta and to take advantage of the close proximity of Venice.

For this reason, the Riviera del Brenta shoe cluster proposed several twinning approaches between industry and culture:

- Every year, it finances several competitions among them 'Scarpetta d'oro', a story telling competition, which focus on the subject of shoes.
- It promoted the realization of a theatre representation called 'Riflessi Veneziani' presented in show rooms in Italy and abroad (for example in Canada) with the aim of presenting the local culture, traditions and values. In Canada, for example, the show anticipated the opening of a dedicated show room with concrete benefits in terms of visibility and increase of demand.
- It cooperates with the Rossi family, owner of Villa Foscarini Rossi and shoe cluster entrepreneur. The Villa is a prestigious complex consisting of three buildings: the main villa, Guesthouse and Stable. The set hosts the 'Museo della Scarpa' (Shoe History Museum), a very positive example of the connection between industry and cultural heritage related to the possibility of simultaneously valorising the product and the traditional architecture present in the territory, making these synergies a value added.

The Riviera del Brenta Shoe Cluster's experience is a very positive example of how investing in culture can bring added value to local production and give wider visibility abroad to final clients who look for experience and historical details in a single pair of shoes.

The presented case study is a specific example of the influence that a large cultural centre can have on surrounding areas not only in terms of tourist flow but also in terms of attractiveness and promotion

of local products. The private sector is the promoter of the proposed initiatives and the main actor. The public sector has been involved in several of the proposed initiatives; in particular, the Veneto Region has supported the proposed actions through local public funds and by financing specific project initiatives.

SWOT

STRENGTH	WEAKNESSES
Conditions: *Characteristics:* Importance of the shoe manufacturing industry in the Veneto Region A long tradition of cooperation of around 1,000 enterprises with 20,000 persons employed and represented by the Shoe cluster of Riviera del Brenta and its Association (Associazione Calzaturieri della Riviera del Brenta) *Performance:* The Riviera del Brenta shoe cluster proposed several winning approaches between industry and culture: • Annual competitions, among them 'Scarpetta d'oro'. • 'Riflessi Veneziani', a theatrical representation with the aim of giving the public an experience of the traditions and values of trade of the Venetian territories • Establishing 'Museo della Scarpa' (The Shoe History Museum), while simultaneously valorising the industrial product and the traditional architecture present in the territory	*Conditions:* Entrepreneurs have formal association and the regional government has legally recognized that the cluster does not have a specific partnership in place with the public sector. Cultural initiatives are always financed through regional public funds (through a specific call for proposals).
OPPORTUNITIES	THREATS
Conditions: Riviera del Brenta is near Venice and easily accessible *Characteristics:* • The shoe manufacturing industry is gathered in one district and willing to promote it from a cultural perspective. • Creating synergies and connections with the surrounding areas and the historical Villas located in the Riviera del Brenta. • Taking advantage of the close proximity of Venice. • The public sector has been involved in several of the proposed initiatives; in particular, the Veneto Region has supported the proposed actions through local public funds and by financing specific project initiatives.	

3.2.3 VENEZIA NATIVA CONSORTIUM – VENISSA PROJECT (I03)

The Venissa project is a very interesting example of public and private partnership.

The project took root after the competition was announced for the management of an old Venetian villa of the 500 A.D. (Scarpa volo) published by the Municipality of Venice, who are the proprietors of the entire estate, in 2006. Bisol, a local entrepreneur first had the idea for the project and wanted to make a contribution. He had many business partners, including: The Veneto Slow Food branch, the Interdepartmental centre IDEAS of Ca' Foscari University of Venezia, the T.U.B. university of Berlin, "Dante Alighieri" of Venice, etc,

The project is centred on the integration between the recovery of production and development of the Lagoon's traditional vegetable and wine making activities of which the Scarpa-Volo estate and the development of an "Environmental Promotion Centre" aimed at the exchange of culture and experience in the environmental sustainability sector. Venissa is now a structure dedicated to tourism excellence, offering accommodation in the former manor house with rooms overlooking the estate and the lagoon and a top quality restaurant, based on typical local delicacies.

The Venissa project is an example of synergy between private stakeholders (coming from the food and wine industry and interested in promoting and enhancing their production) and local cultural heritage. It represents an example of investments put not only toward material goods and assets but also toward the value added by the territory itself (immaterial culture) and the location in the very important context of Venice. The Venissa project is a very interesting example of public and private partnership: the project is managed by Consorzio Venezia Nativa - Venezia Nativa a new consortium, constituted on July 31 2012, which aims to develop the three islands of Burano, Torcello and Mazzorbo and to promote the economic development of the northern lagoon of Venice. The Consortium is chaired by Louis Vidal - President of the Cooperative San Marco Burano and Fishermen - and its board of directors involved in the main promoters of the initiative, including Gianluca Bisol. The Municipality of Venice is the owner of the compendium. Because of the strong role of private promoters within the project, the Venissa experience is a sustainable one.

3.2.4 VICENZA È (I04)

The Consortium Vicenza

VICENZA È was constituted in 1997 following the directives of the regional law 13/94, and in full agreement with the Vicenza è Convention & Visitor Bureau, with whom it has collaborated since the beginning, thereby integrating the regional intervention for the tourist promotion of the land

Vicenza è has set up a new website called Turismo Industriale Vicenza:

http://www.turismoindustrialevicenza.it

The website aims to:

- allow companies to promote and sell local products directly

- demonstrate abilities/skills, enhancing corporate culture and a positive image
- create new and different opportunities to meet with industry professionals and partner companies
- create synergy with the territory: the territory gives added value to products
- as part of its activities, it has involved private companies, museums, archaeological sites, outlets for the express purpose of opening the territory to new types of tourists and consumers.

The existing website links industrial products with local cultural heritage and attractiveness, while also considering the potentials of industrial tourism. Information related to local museums, traditional manufacturing areas and other cultural attractiveness is well represented and targeted at tourists, making it easy for them to find contacts and addresses of local companies and outlets

3.2.5 SPORTSYSTEM MONTEBELLUNA CLUSTER – SHOE MUSEUM (I05)

The Sportsystem Cluster of Montebelluna, covering an area of about 320 square kilometres, mainly includes the towns of Valdobbiadene, Pederobba, Monfumo, Montebelluna, etc. The Sportsystem Cluster of Montebelluna is specialized in the design, manufacture and marketing of sports articles: specialized footwear, apparel and equipment designed for sport. The Museum of the Boot and the Sports Shoe was opened in 1984, housed in the centuries old villa Binetti Zuccareda, owned by the Montebelluna Municipality.

The foundation running the museum counts more than 60 companies among its members including large, medium and small companies operating in the shoe cluster. One of its aims is to be the keeper of history of the area (with its around 2,000 pieces). The Museum maintains a Patents Archive, a Catalogues Archive, Booklets on Teaching and Technology, and a Stock Photo Historical Library. The Museum programme is also prepared to help strengthen the managerial and entrepreneurial elements of the shoe business. With the agreement signed on June 3, 1996 and valid for thirty-five years, between the town of Montebelluna and the Foundation, foundations have been laid for a future of more tangible collaboration between all players in the Montebelluna cluster in several fields: management of the Museum, training activities and restoration of the whole complex with a commitment of several million euro.

The Museum and the Foundations are promoted by private stakeholders; however, several initiatives are now managed in synergy with the public sector: for example, the Foundation is now working on a territorial strategic plan to promote the Montello hill as a strategic location for outdoor activities in cooperation with local municipalities and other relevant stakeholders.

STRENGTH	WEAKNESSES
Conditions: Cluster is fully recognized by the national law. *Characteristics:* • Within the Cluster of Montebelluna Sportsystem, the Museum of the Boot and the Sports Shoe, housed in the century-old villa Binetti Zuccareda, purchased by the town of Montebelluna, run by a foundation counting more than 60 large, medium and small sized companies operating in the shoe cluster of Montebelluna. • The Museum is the international ambassador of the "Made in Montebelluna" brand. Among its stops are Cortina, Italy, Essen, Genoa, New York, Chamonix, Japan, Grenoble and Moscow. Every year the museum participates at the ISPO, the most important European trade fair in sporting goods. *Performance:* One of its aims: be the historical memory of the area (about 2000 pieces). The Museum maintains a Patents Archive, a Catalogues Archive, Booklets on Teaching and Technology, and a Stock Photo Historical Library. It also hopes to help strengthen the managerial/entrepreneurial business of shoes. *Processes:* With the agreement signed June 3, 1996 and valid for thirty-five years, between the town of Montebelluna and the Foundation, they have laid the basis for a future of more concrete collaboration between all players in the district Montebelluna is several fields: management of the Museum, training activities, restoration of the whole complex for a commitment of several million euros.	*Conditions:* Lack of financial funds to develop touristically the area
OPPORTUNITIES	**THREATS**
Conditions: The territory has so far mainly devoted its attention to industry and is only now starting to be concerned with tourism *Characteristics:* The Museum of and the Foundations are promoted by private stakeholders however several initiatives are now managed in synergy with the public sector: for example the Foundation is now working on a territorial strategic plan to promote the Montello hill as a strategic location for outdoor activities in synergy and cooperation with local municipalities and other relevant stakeholders. *Performance:* *Processes:* The cluster is participating intensively in the Montello-Piave-Sile Area Programmatic Agreement and wants to develop Montello has a sportive tourism destination.	*Conditions:* The experience is sustainable thanks to the involvement of private stakeholders, the existing territorial strategic project is still under progress and therefore the sustainability of the project hasn't been tested yet.

3.2.6 METACLUSTER OF CULTURAL HERITAGE AND VILLA ZILERI MOTTERLE BEST PRACTICE (I06)

The metacluster of Cultural Heritage presents itself as unique in the panorama of Italian clusters, as it is the only productive cluster linked to the cultural heritage sector. The Metadistretto promotes and coordinates projects at the national and international levels, promoting the collaboration between companies and Constitutions, supporting research and experimentation, encouraging the exchange of knowledge between the scientific and business communities.

The Metadistretto operates in the following sectors:

- Analysis and diagnostics.
- Cultural Heritage and Information Communication Technologies.
- High-level training in the field of restoration.
- Innovation and technology transfer.
- Internationalisation of companies.
- Management and management of cultural heritage and landscape.
- Research and experimentation of "guidelines" and best practices for restoration.
- Enhancement of cultural and environmental heritage.

The public, represented by the Veneto Region and by the four universities, is an active party in the partnership as a shareholder of the consortium, so it is directly involved in its management. The same importance is held by collaboration with the research departments of the universities, where innovation is a fundamental part of the consortium's core activity. We can say that the consortium is the common platform that the public and private sectors share to develop ideas and then transform them into tangible products.

The organization is structured with four areas of activity:

The Metadistretto works with companies and organizations interested in developing activities and projects relating to the conservation, restoration and enhancement of cultural heritage in Italy and abroad.

The Metadistretto offers coaching for participation in tenders and competitions:

The Metadistretto supports research projects and experiments in the field of cultural heritage, valuing ideas and identifying possible forms of application:

The Metadistretto organizes and promotes diversified courses and training activities in the field of cultural heritage in collaboration with the main universities in Veneto as well as accredited bodies. Training activities include coaching for: FSE Courses, Training for unemployed; training courses for workers, university Master's degree Internships in Italy and abroad.

The Metadistretto works as a partner in the presentation of international projects in the field of cultural heritage: participation in international calls to tender, development of ideas and projects abroad and conclusion of international agreements. The Metadistretto is a partner in numerous European initiatives presented in the following programs: Interreg Italy-Slovenia; Interreg IV Italy-Austria; IPA Adriatic Programme 2007-2013; Alpine Space 2007-2013; Interreg IVC; South East Europe (SEE); Central

Europe; Mediterranean Programme (MED).

The Metadistretto supports companies by:

- Promoting the integration of companies within the local market;
- Facilitating contacts and relationships with authorities.
- Participating in competitions or contests within international organization missions abroad and B2B meetings between foreign entrepreneurs and companies in Veneto,

The partnership is formalized through a shareholders agreement renewed every three years, according to regional law. Since 2004, the district has become a consortium due to its increasing size in order to be able to better negotiate from a juridical point of view as a full legal entity. The public partners are represented by the Veneto Region and the four universities of Venezia, Padova, Verona and Udine. The private party is represented by real estate constructors and restorers associations/confederations at the regional level and by the 8,000 partners that are private firms operating in the cultural industry in the Veneto Region.

The task of the Metadistretto extended to the management of cultural heritage once the restoration process was concluded in order to make it attractive for other purposes, typically in tourism. An example of this would be through the construction of two sites that rebuild the origins of Venice through sound and multi-sensorial effects. Specific historical events are reconstructed by introducing interactive signalling pathways of art, history and everyday life, including information on demand (micro-stories, interviews, news, etc.). This project represents an innovative model to support narrative artistic and historical storytelling about a specific local interest. This is done through signage, interactive micro-stories and all new ways to redefine and redesign the enjoyment of the places of art. Obviously, the performance of this complete cycle of tourist attractiveness is a fundamental ingredient.

Many firms in Veneto are producing raw material for restoration, software and innovation for the arts industry. The most important issue to be highlighted is that these companies have the initiative to innovate for the cultural industry as a consequence of being part of the industry, which means a huge positive outcome for the private and public partners as new products and new techniques are being developed/adapted for the industry as a whole.

Entrepreneurs started to develop a huge passion for the cultural industry and profitability started to have a marginal impact.

Private partners are proud of working in the cultural industry and are willing to exhibit the projects they are working on, so being part of the consortium platform became a marketing strategy to promote the image of their company and the quality of their services/products.

The Consortium operates on the market as a private player. The turnover is around 48 million in financing activities up to now, considering that it works only on private projects, not with public grants. So the consortium's turnover depends exclusively on the project's profitability, on the national/European and international market trends and on the perceived value added by third parties. The Consortium tackles the fact that restoration produces economies and profitability in the long term, not expenses, as the public sector would be keen to see these costs.

Villa Zileri Motterle best practice

The Villa Zileri Motterle's example of best practices is a typical example of connection between entrepreneurship and cultural heritage destination management. This elegant stately residence, surrounded by a beautiful park, was designed by Muttoni and decorated with frescoes by Tiepolo. It is now the extraordinary example of how a historic Venetian villa can live and come to shine through the work of an architectural firm that has designed offices and services to fill the building. The proposed case is an example of revalorisation of existing cultural assets through the intervention of private investors. It is an example of connection between history and tradition and innovation and design. It is a possible answer to the problem of restoration of existing cultural heritage and revitalisation to the benefit of local industrial and entrepreneurship activities. It can also be connected to the tourist sector being able to host tourists in a very interesting and beautiful environment. The private sector plays the key role in the proposed case, as private investments have been carried out to restore the ancient villa and reconvert it to meet modern standards as far as energy savings and construction characteristics are concerned. The Motterle Group, which manages the Villa, is part of the Cultural Heritage Meta Cluster of the Veneto Region. The public sector is not involved in this activity.

3.2.7 WINE AND TASTE ROAD OF RIMINI HILLS (I07)

The Wine and Taste Road of the Rimini Hills was established in 2000 as a Consortium, in close collaboration with organizations, institutions, associations and private companies of the local area, aiming to affirm the identity of historical, cultural, environmental and economic area of Rimini Province. Part of the Wine and Taste Road of the Rimini Hills is composed by mills, wine producers, wine caves, holiday farms, restaurants, artisan workshops, public institutions and trade associations, including Adriatic beaches and historical villages in the hinterlands of the Province.

This land is a precious case of tastes, environmental influences, ancient knowledge and local culture; food tradition represents a significant element of distinction. Olive oil, Fossa's cheese, charcuterie and other products of the dairy industry, well-known wines, together with pastas and main dishes of meat, honey and typical desserts are characteristic products of the Wine and Taste Road of the Rimini Hills. Through its agricultural and wine producing farms, mills and cheese factories, farm holidays, hotels and inns, taverns and restaurants, caves and wine shops, craftsman's labs of fresh pasta and traditionally made desserts, as well as through workshops for the manufacturing of typical craftworks objects, the Wine and Taste Road of the Rimini Hills proposes to the large number of tourists visiting the seaside every year that they journey to discover and enjoy the quality and the natural hospitality of Romagna's locals.

The partnership was first promoted by the Italian State with a national law (L. n. 268 - 27/07/1999) and then by the Emilia Romagna Region (Province of Rimini is part of it) with a regional law (L.R. 23 – 07/04/2000). The Wine and Taste Road was established in July 2000 by the public promotion of the Province of Rimini among others, and its original goals were, using public and private cooperation,

to promote and give value to the hinterlands and to promote food and wine production, as well as handicrafts, especially by promoting typical products. Thanks to tourism attraction, the objective was to bring economic development for private firms and for the overall territory. This development is strongly linked with tourism, culture, environment and history.

All public and government institutions are a part of the partnership as associates or supporting members, but only some of them take part in the decision-making process. The Province of Rimini, who began and has helped the partnership from its beginnings, is still very active in supporting events and promoting the area, but has no formal power among the associates. Other public institution such as Municipalities, Chambers of Commerce, the National Confederation of crafts and SMEs (CNA), and other associations of professionals, can be part of the Boards of Directors: currently, the Municipality of Rimini and CNA are part of the board and so have decision-making powers.

Promotion of the products and consequently of the private firms producing them, especially inside local events or presentation in international fairs and exhibitions, is entitled to its members. Private firms mainly come from the food, wine and handicraft sectors, and rarely from the tourism sector. As well as the public ones, the private firms are associates inside the partnership as active members (not supporting ones). Only when they become members of the Boards of Directors, if appointed, can they have decision-making powers.

To be part of this consortium, private firms must have certain characteristics (linked to their products and activities, which must be related to agriculture, typical food or craft products and, in a smaller percentage, to tourism).

During its life, the Wine and Taste Road has been organizing events throughout the area of the Province of Rimini to promote products of its associates: tasting of wines or other products inside specific events (Calici di Stelle, assaggi di Vino, etc.) or during food and wine initiatives, cultural-based events linked to the tradition and history of the territory (Nights at the museum, open-air cinema), but also participation in international fairs or exhibitions (Vinitaly for example) to show local products to a wider audience. Following these steps, the consortium is implementing an experimental creation of itineraries, within the framework of Expo 2015, with other wine and taste routes of nearby areas, concerning not only visits to see production but also the intertwining of culture and tourism with food and wine.

SWOT

STRENGTH	WEAKNESSES
Conditions: • all firms and institution share common views and goals • all firms are located inside the Province of Rimini territory, with a wide range of services and promotional utilities. *Characteristics:* • Link and relationship with the local area in various terms (culture, economy, society, etc.); • Food and wine particular "identity". *Performance:* • it is possible to book your stay or visits to the firms on the consortium website; • Itineraries are available for tourists. *Processes:* • using public and private cooperation to promote and give value to the hinterlands areas to promote food and wine production, as well as handicrafts, especially by promoting typical products • as well as the public ones, the private firms are associates of the partnership, as active members (not supporting ones)	*Conditions:* • firms are associated in the consortium but not necessarily working together as a team: promotion and tourist packages made for the consortium are for all, but rarely do they involve the firm as an ensemble *Characteristics:* • Firms must have specific features to be part of the consortium: this may cause some firms difficulty entering the PPP without strong efforts, discouraging them to try *Performance:* • Formal reporting or statistics are lacking, it is difficult to find updated data for analysis *Processes:* • private firms are mostly part of the food and wine or handicraft sectors, and rarely in the tourism sector
OPPORTUNITIES	THREATS
Conditions: • the area is near the coast, already known and famous: the firms can use the seaside as leverage to promote themselves more easily *Characteristics:* • tourism attraction • food and wine excellence • heritage and culture *Performance:* • combine tourist packages with tastings, for example, create itineraries to discover not only products but also the territory • The existence of indirect competitors. *Processes:* • create tourist packages that can attract many niches of tourist, not only food and wine or cultural tourists • promote events, tourist packages, etc. on a wide scale	*Conditions:* • difficulties in achieving synergies *Characteristics:* • lack of awareness-appeal and/or lack of proper promotion to enhance awareness of special products of excellence • strong seasonality in the area *Performance:* • lack of/difficulties in creating efficient and effective tourist packages: loss in arrivals and stays. *Processes:* • decreasing support of authorities and/or inefficient promotion and implementation.

3.3 ROMANIA

Country	ROMANIA		
Code	RO1	RO2	RO3
Project-name	**Peasants Market "Transylvania" Sibiu**	**The Cultural Embassy of Sibiu**	**The Tourism Association of Sibiu County**
Aim	Promote local producers of organic produce	Creating communication outpost in Bucharest to attract cultural tourists to Sibiu	Regrouping operators in local tourism to encourage harmonious development and to effectively promote Sibiu as a tourist destination.
Capabilities	• Variety of local organic produce • Proper venue – Transylvania Hall outer platform	• The Cultural Embassy of Sibiu is hosted in Bucharest by Institute, The Café.	• establishing strategic directions, • creation of tourism information center, • development of the signalization system of tourist objects and • promoting thematic roads.
Process	Local producers come together by free will through the free logistics provided by the County Council of Sibiu and are promoting healthy food for better and healthier living	A library coffee shop dedicated to creative people, being an atypical space that invites its guests to stroll in the world of innovation where they may find art, design, branding, publicity and architecture books and where cultural events and educational workshops often take place	Regional and local cluster networking, media platforms, meetings, common participation at tourism promotion events, active website, monthly newsletters
Results	High interest of consumers to enjoy local organic produce and slow food	Private partner Ambient is supporting the main cultural and educational events of the city of Sibiu because they believe in relationships built to last and investment in the future of the community	Dissemination of promotion materials, participation in national and international tourism fairs, dialogue with media established, networking with tourist agencies and travel guides. Association organizes events, and structures, develops and diversifies the services and promotes good practices in tourism.

3.3.1 PEASANTS MARKET "TRANSYLVANIA" SIBIU (RO1)

The "Transylvania" Peasant's Market is the first market open on weekends in Sibiu. It first opened on the 1st of September 2012, operating without interruption every Saturday morning. It is the result of

a political decision of the President of the County Council of Sibiu, following the interest of Sibiu's citizens for fresh and natural, organic agricultural products. It offers: milk, cheese, eggs, honey, fruit and vegetables, natural juices, pastry and bread, butchery products and flowers all cultivated and processed by local producers. Access for producers and customers is free of charges and thanks to this measure, prices remain low.

The cluster of the "Transylvania" Peasant's Market started with 50 local producers and now counts 194 members steadily coming to sell their products. Their farms are between 2 and 5 hectares, ensuring the freshness of products. Before opening this market, they hadn't the opportunity to sell their agricultural products. They are not organized by statute, but it is a structure that functions constantly; the number of customers increasing from week to week and regular buyers being satisfied, became the first promoters of the market.

The success of the project of the "Transylvania" Peasant's Market has developed local patriotism concerning the choice of consuming organic food; citizens from Sibiu are confident and delighted that they can buy local products of high quality, traditional and ecologic products directly from the producers.

3.3.2 The Cultural Embassy of Sibiu (RO2)

Sibiu is at present a well-known cultural tourism location both at a national and international level. This is the brand that began to be shaped in 2004, defined in 2007 through the European Capital of Culture Program and promoted in the years that followed as well as those to come. The City Hall financially encourages the highest quality cultural events, which attract a growing number of tourists to Sibiu. The tourist development strategy of the city is to generate growth in the field of tourism through culture.

Generically entitled the Cultural Embassy of Sibiu, the main purpose of the partnership between the City Hall of Sibiu and the enterprise "Ambient" was to create a communication context for the cultural field in Bucharest meant to highlight once more the attractiveness of the city of Sibiu. Sibiu has proven its tourist appeal with the growing number of tourists from Bucharest who visit the city and participate in the cultural events taking place.

The Cultural Embassy of Sibiu was inaugurated on April 15th, 2013 and is hosted in Bucharest by Institute, The Café. This café is a library coffee shop dedicated to creative people, being an atypical space that invites its guests to stroll in the world of innovation where they may find art, design, branding, publicity and architecture books and where cultural events and educational workshops often take place.

Ambient offered this space to the City Hall of Sibiu to serve for the promotion of the cultural events of the city, as well as a setting for the press conferences organized in Bucharest by cultural operators from Sibiu.

Ambient is a 100% Romanian company, its main activity being the sales of construction materials,

finishing materials and interior decorations. Founded in 1993, Ambient inaugurated the first DIY store in Romania in April 2002, in Sibiu. Over the last 10 years, the company has frequently supported culture, being a constant sponsor of the "Radu Stanca National Theatre" and of the International Theatre Festival in Sibiu.

"We decided to continue our support of the main cultural and educational events of the city of Sibiu mainly because we believe in relationships that are built to last. We are considering this to be an investment for the future of the community." Ambient.

Under the circumstances of the great promotion events, the company wishes to demonstrate its financial and social maturity by taking part in activities that promote the local culture in Bucharest – the capital of Romania, in order to attract as many tourists as possible in the city; at the same time, the company creates for itself a positive image associated with culture.

The partnership has not been formalized because it does not suppose financial values, but an exchange of material. It is a simple agreement in which the partners have decided to follow a common direction, parallel but coordinated so that each of them fulfils its goal. The aim of the town of Sibiu is to attract as many tourists as possible from Bucharest through constant information regarding the cultural events. For Ambient, this proves to be a great exercise in promotion.

SWOT

STRENGTH	WEAKNESSES
• Both brands are well known (Cultural Sibiu and Ambient) • Both entities use innovative and complex promotion systems • There are continuous promoting efforts coming from both partners	• Time limited partnership (one year) • Weak control coming from Sibiu about how the image of Sibiu is conveyed by the Cultural Embassy (80% of information is in written form, brochures, etc.) • Lack of immediate feedback from the users of the Cultural Capital Embassy
OPPORTUNITIES	THREATS
• First in' advantage. Sibiu is the first town of Romania promoting itself in this manner in order to attract tourists. • Waves of sympathy among the target group (age 35-50). • Exigencies and consumption habits of Romanians are changing in favour of quality brands.	• Lack of continuity of the partnership • Non-formalized partnership between the two partners, Sibiu City Hall and Ambient; in case of changes in high level management, the partnership may end in an abrupt manner

3.3.3 Tourism Association of Sibiu County (RO3)

Created in 2005 as an NGO, this tourism association is organized according to PPP principles. The purpose is to implement the tourism policy of Sibiu County.

Main activities: creating a reflection and expression framework for tourism structures, elaborating proposals and applying tourism development policies in Sibiu county. For this purpose, the Association cooperates with public and private entities, including the creation of partnerships, supporting public

and private entities that are active in the field of tourism, setting up brand tourism sites by observing the legal framework; organizing different tourism types (cultural, entertainment, spa and wellness, business, agro-tourism); enhancing the quality of tourism services in the region with training programs; setting up a database; encouraging quality services and best practices by awarding quality and green labels.

Members of the Association are public local bodies, tourism operators, Lucian Blaga University, museums and individual persons. The main contribution of the members is financial and knowledge-based for tourism and tourism research. The Association was born as a response to the community's need for developing specific tourism projects and common promotion of tourist and cultural products. The latest activity is the promotion of small producers of bio-food and traditional crafts.

The benefit of PPP for each partner is creating a network of partners with similar interests, objectives and exchange of expertise. The expected result is to develop a more coherent platform to promote local and regional services, products and crafts.

SWOT

STRENGTH	WEAKNESSES
• definite and diverse cultural tradition • multilingualism • fine location	• lack of proper legal framework • lack of information about advantages
OPPORTUNITIES	THREATS
• enlarge existing networking platforms • creating working spaces • enhancing SME.	• globalisation • generalisation effect

3.4 SLOVAKIA

Country	SLOVAKIA
Code	SK1
Project-name	Košice–Turizmus
Aim	Mutual promotion and propagation of tourist destination of the city of Košice as a touristic cluster.
Capabilities	• Dedication to cultural-cognitive tourism • Comprehensive development and management of the Košice destination • communication with targeted visitors and tourists – marketing of tourist services
Process	Founded by the municipality of the city of Košice and 27 entities operating in the city of Košice. Established as tourist cluster of PPP. The public sector is covered by the city of Košice, museums and galleries. The private sector includes hotels, restaurants, travel agencies, carriers and operators of various tourist attractions.

Results	Increasing of numbers of visitors and tourists coming to Košice, especially in 2013 when Košice was officially the ECoC, increasing of members of the cluster to 38. One of the member hotels received the award for Best Hotel 2011 in the category Programs of Excellence at the Hotel Performance Awards. A cook from a Košice restaurant won the Best Cook in Slovakia Award, 2012.

3.4.1 KOŠICE TOURISM (SK1)

The "Košice–Turizmus" Regional Tourism Organization (RTO-OOCR),[4] (English: Košice-Tourism) was founded by Municipality of the city of Košice and 27 entities operating in the city of Košice under Law No. 91/2010 - Call on the promotion of tourism of February 28, 2012. However, the tourism association "Košice-Tourism" was established as a touristic cluster in 2010 with the aim of mutual promotion and propagation of the city as a tourist destination. The organization is dedicated to cultural-cognitive tourism, comprehensive development and management of the Košice destination. The organization is an NGO (PPP form, membership on a voluntary basis, membership fees). The RTO is entitled to financial Contributions from the Government (on a regular annual basis) - the same amount as that of collected membership fees in the RTO. There is a ceiling of contribution: the amount of collected revenues from the accommodation tax of member municipalities for previous calendar year (Regional TO-OOCR = 90%, County TO-KOCR= 10%). The RTO Košice-Tourism is the best practice example of public-private cooperation in destination management in Slovakia. The regional tourism organization (RTO-OOCR) "Košice-Tourism" is an example of good cooperation between the public and private sectors (PPC) in the field of cultural tourism and the creative industries.

The RTO Košice-Tourism (as the Košice Tourist Board) offers a portfolio of products that cover and guarantee their quality. Košice destination management by the Municipality in partnership with Košice-Tourism organized a targeted and effective communication campaign and ensured visitors that their experiences would be good, unique and memorable.

There are 38 key players in the association, coming from different business providers (private sector), such as hotels, restaurants, carriers, travel agencies, operators of various tourist attractions and the public sector. The public sector is covered by the city of Košice, the public cultural institution (Museum of East Slovakia, East-Slovak Gallery and Technical Museum) and the non-profit organization 'Košice 2013'. Košice-Tourism cooperates with the non-profit organization 'Kosice 2013, n.o.', which implements the project - European Capital of Culture - Košice 2013 along with the Municipality of Košice, the Department of marketing, culture and foreign affairs, which covers marketing activities towards citizens and organizes a number of traditional events in the city.

Košice-Tourism invited visitors to visit the European City of Culture – Košice 2013 from Slovakia and from Europe to uncover the stories of all the senses, discover the creative atmosphere of cultural events, enjoy local gastronomy and unforgettable experiences during the Festival of Art in public space ("Use the City", during the Festival of Contemporary Art), White Night/Nuit Blanche – the art

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4) Register oblastných organizácií cestovného ruchu - Ministerstvo ... Register of regional tourism organizations – Ministry of transport..., http://www.telecom.gov.sk/index/index.php?ids=117872 14.11.2012 - Usmernenie k zmenám údajov vedených v registri *OCR ... Košice Turizmus ... Oblastná organizácia cestovného ruchu.*

and light festival or in the location of the oldest Peace Marathon in Europe. Košice is the city with the largest historical centre in Slovakia, inviting tourists to walk in the footsteps of artists like Andy Warhol in the multi-functional centre, the Kunsthalle/Hall of Art (including the reconstructed old indoor pool), or in Kasárne/Kulturpark (Barracks/Culture Park - revitalized former barracks at the Cultural Centre).

The partnership was established for managing the European Capital of Culture project in Košice, namely to combine marketing of the project with actors from the tourism sector (organizations, hotels, guesthouses, travel agencies, restaurants, etc.) - around 2008 and 2009. The partnership is generally formal, but synergies and partnerships are further developed in other activities.

The measurable expected outcomes of the partnership are: to increase the number of visitors; to prolong their stay from several hours to (at least) 1-2 days; to monitor partner organizations data in terms of increase of sales, traffic and click-throughs on the website.

SWOT

STRENGTH	WEAKNESSES
• operative model • broad partnership, PPP • sustainable, self-sustaining businesses • experience in the field (Destination Marketing) • long-term vision and objectives • competitive advantage of services • creativity of and innovation in services • IT communications + E-marketing of Tourism • cooperation with foreign partner organizations of tourism • definite and diverse cultural tradition • multilingualism • fine location	• companies aren't filtered perfectly (some of them changed their position and don't want to start a business) • few financial sources (the organization could be 5 times bigger) • Gaps in staff capacity and capabilities • Irregular flow of money from public and private sources • continuity and sustainability of supply chain capacity • strength and sustainability of partnerships between the public and private sphere (PPC) • instability of the regulatory environment to promote tourism • lack of proper legal framework • lack of information about advantages
OPPORTUNITIES	THREATS
• the program could be increased to the national level • transfer the program to other sectors • increase the amount of support • organization of start-up funding • the introduction of the Internet and the creation of CTO-OOCR´s website • increased interest in issues of cultural tourism in the region related to ECoC_Košice 2013 • a financial inflow of EU structural funds. • foreign tourists and visitors interest in top events of the ECoC_ Košice 2013 • state financial subsidy (share on sojourn tax from the region) for CTO-OOCR • enlarge existing networking platforms • creating working spaces • enhancing SME	• the public sector backs out of the agreement (termination of financing) • public actors displace the private actors • sustainability of internal capacities and competencies of staff • insufficient developed infrastructure and quality of support services for tourism in the region (transportation exhibition and Events premises, accommodation and meals) • lack of interest in long-term contracts • engagement of industry and business in cultural tourism events in the region • inadequate and variable funding of CTO-OOCR´s services from the public and private sources • globalisation • generalisation effect

3.5 SLOVENIA

Country	SLOVENIA
Code	SI1
Project-name	**Veržej Art & Craft Centre - Slovenia**
Aim	Increasing income and visibility of handicraft producers
Capabilities	• regional craftsmanship • exhibition area • organization of training programs and events
Process	A local community helps craftsmen with organizing and financing exhibitions and presentations of traditional industry
Results	Satisfying number of visitors and revenues on sale

3.5.1 VERŽEJ ART & CRAFT CENTRE (SI1)

Veržej Art & Craft Centre is the domestic and arts crafts centre for the handicraft heritage of Eastern Slovenia. It is the first centre of its kind in Slovenia and has, from its start, been supported by the local community and other active participants of regional development in Eastern Slovenia.

The partnership was first promoted by the Municipality of Veržej in 2011. The original goals were:

Accomplishment of international applicative research about the needs for preservation, implementation and further development of handicrafts on the cross-border area, digitalisation of Slovenian handicraft cultural heritage, transfer of endangered handicraft exhibits to new workshops and restoration of existing crafts workshops, establishment of basic infrastructure of the international Handicraft Academy, establishment of international handicraftsmen network, transformation of existing training programs for handicrafts to suit modern needs, joint development and implementation of new educational content for various handicraft professions and target groups, development of new applicable handicraft products and packaging.

The current role and activity of the public sector in the partnership is to provide professional support (legal), infrastructure, image and financing.

The current roles and activities of private firms in the partnership are production, promotion and sale of handicraft products.

The public and the private parties signed a cooperation agreement for a certain period of time in order to clearly formalize their partnership.

The measurable outcomes of the partnership are: a positive impact on the promotion of handicrafts among young people, improving employment skills of the rural population, social inclusion of vulnerable groups in society and development of regional tourist destinations, environmental protection and preservation of cultural landscapes.

3.6 BEST PRACTICES SUMMARY MATRIX

Best practices have been analysed regarding:

- Content and formalization level of the cooperation, and
- Connection of the case to culture elements (attractiveness, creativity, heritage, landscape)

The following questions were asked:

Content and format

- Who promoted the partnership first? When? What were the original goals?
- What are the interests, roles and activities of the public/government?
- What are the interests, roles and activities of business and private firms?
- Is the partnership between private and public bodies organized and formalized?

Culture elements

- Is there a dimension of tourist attractiveness and role of the hospitality sector?
- What is the relevance of the design, artistic production and creative industries?
- Are there heritage sites of monumental, historical or archaeological relevance?
- Are there features of the landscape and/or local traditions worth preserving?

In the following table, all practices are summed up according to the matrix foreseen and all points were evaluated regarding the level of importance from the PPC point of view.

	Title	Who promoted the partnership first? When? What were the original goals?	What are the interests, roles and activities of the public/government?	What are the interests, roles and activities of business and private firms?	Is the partnership between private and public bodies organized and formalized?	Is there a dimension of tourist attractiveness and role of the hospitality sector?	What is the relevance of the design, artistic production and creative industries?
HU1	Self-starter programme at KOHO	From the public and private side the goal was to establish support for new creative start-up businesses.	The program was financed by the Baranya County Government Office Employment Centre	operated by the Chamber of Commerce and Industry of Pécs-Baranya and The Cultural Innovation Competence Centre Association. New actors in the field of cultural creative industry	The programme is formalized in the form of a contract, having 5 head the implementation team	The Zsolnay Guild is part of the program (Outlet and Open Workshop)	The program was made for actors of the Creative Industry Cluster
HU2	KOHÓ – The CoWorking House Pecs	The partnership was promoted by the regional government and a private competence centre to create a workshop/workplace in the cultural creative industry.	The program was financed by the Baranya County Government Office.	Operated by The Cultural Innovation Competence Centre Association. Production of revenue/income for the Creative industry community space	The partnership has been formalized through a contract. The city of Pécs will support the KOHO co-working house in the five years following the CMC project.	The KOHÓ is aiming to be used by business people from other cities/countries (business trip)	Create a creative space for fostering entrepreneurship in creative industries.

I01	Archeological Exhibition at Noventa Designers Outlet (web)	Private initiative. Highly successful fashion design outlet that has created CEMA, a multimedia archaeological museum (free entrance) to promote archaeological locales in Veneto	The local Heritage Authorities have been involved in a supervisory role but the initiative remains private	The private interest is to attract potential cultural tourists to the shopping centre, increase sales and promote the archaeological sites of Veneto	There is a formalized agreement of supervision and control by the heritage authorities although the initiative remains public	The Outlet is strategically located at the crossroads of the major tourist tracks of Jesolo and the Venetian riviera	Best designer output is exhibited
I03	Venezia Nativa Consortium	Private public initiative, constituted to develop three islands and to promote economic development of the northern Lagoon	A building belonging to the municipality of Venice chose to give the concession of the building to a private company for developing a tourist project	A wine maker of the Prosecco district has acquired property in the Venetian lagoon following a public tender in order to develop a hotel and restaurant	The project originates from the call for partnership issued by the Municipality and implemented by the private actors	The property is being developed as a restaurant and resort for sustainable tourism	Murano glass making and Burano lace are nearby.
I04	Industrial Tourism Vicenza web-site	Initiative of the Chamber of Commerce	As an initiative of the Chamber of Commerce the project appears to be largely driven by the public side	A limited company of the Chamber of Commerce of Vicenza with public and private stakeholders	The initiative is largely public (chamber of Commerce) and involves private actors only to the extent that it promotes the attractiveness of the province	The aim is the promotion of "industrial tourism" following the track of old industrial heritage in the province	Although not mentioned in the project, the province of Vicenza is the home of several top brands in the fashion industry
I05	Sportsystem cluster Montebelluna	The initiative is mostly private. The shoe museum has been developed to promote the brand and to promote sport tourism in the Montello hill.	Initiatives are supported by the Area Programmatic Agreements (coordination table) promoted at the regional level	The cluster is one of the most important worldwide for the design and production of sport shoes and equipment	Entrepreneurs have a formal association and the regional government has legally recognized the cluster.	The territory has so far mainly devoted its attention to industry and is only now starting to be concerned with tourism	Design and creativity are crucial for the success of the product.
I06	Villa Zileri Motterle	Private initiative. Objective: Renovate an old Venetian villa	The National Heritage Authorities have been involved in a supervisory role to agree on architectural changes	A private firm has ventured into the renovation and re-use of a prestigious Venetian villa to host private apartments and firms	The project consists of full private real estate development with no traces of partnership with the public.		The renovated office spaces are made available mostly to creative and service firms
I07	Wine and Taste Road of Rimini Hills	Promoted by state, then region, established in a form of consortium in 2000 to promote and give value to the hinterlands areas	All public institutions are inside the partnership as associates, or supporting members, only some take part in the decision-making process.	Private firm products are those that are promoted inside the partnership, where they can be associates of supporting members	Cooperation is formalized as a consortium. Public and private firms are associates of the partnership. The consortium is led by the Boards of Directors.	The wine road is all about tasting wines, during specific events or food and wine initiatives, cultural-based events linked to tradition and history of the territory	Deseasonalization is key to boost both production and tourism
RO1	"Transylvania" Peasant Market, Sibiu	Public initiative	Public authorities established a market for local producers, providing space for free	Local producers provide fresh and organic agricultural products	"Transylvania" has a network of more than 50 producers, however no statute has been developed	Partially adds to the variety of Sibiu tourism	Small relevance, although not without impact

RO2	Cultural Embassy of Sibiu in Bucarest	Private initiative by local company	The Local Council finances the Cultural Agenda of the city of Sibiu	Ambient (local company) offers the municipality of Sibiu the necessary location for the promotion of the Cultural Agenda in Bucharest	Although not formalized, it consists of a simple agreement to follow a common direction, so that each partner fulfils his goal.	Cultural tourism is a cornerstone of the Sibiu tourist and development policy	City Cultural Agenda and the Embassy support all forms of creativity
RO3	Tourism Association of Sibiu County	Public private partnership, creating a network of partners and a coherent platform	Implementing the Sibiu tourism policy	Cooperation with the association, participating in branding process	Partnership is formalized in the form of an association with public and private members	Cultural tourism is a cornerstone of the Sibiu tourist and development policy	Strong emphasis on cultural and other creative industries/ events
SK1	Košice Tourism	Founded by the Košice municipality and 27 other entities, for mutual promotion of the tourist destination of Košice	Destination management, including cultural tourism and creative industries Create the conditions for cooperation with private companies	To acquire visitors in the future – It is worth visiting Košice	The partnership is formalized only in general terms. To increase the number of visitors; to prolong their stay; increase of sales, traffic	Existence of tourist attractions helps the intentions of the public-private partnership	Facilitating projects in the field of social and community arts in intercultural exchange
SI1	Veržej Art & Craft Centre	The partnership was first promoted by the Municipality of Veržej in 2011 to connect and strengthen handicrafts	Key role is to provide professional support (legal), Infrastructure, Image, Financing	Interest is in production, promotion and sale of handicraft products	The public and the private parties signed a cooperation agreement for a certain period of time in order to formalize their partnership	Promoting handicrafts, improving employment skills, social inclusion, regional tourist destinations	Manufacturers of arts and crafts present the manufacture methods of different handicraft products.

LOW   INTERMEDIATE   HIGH

Table 1: Best practices summary matrix

4.

CMC MODELS OF PUBLIC-PRIVATE COOPERATIONS

The previous chapters presented several conclusions regarding existing experience in creating a private and public cooperation among industry, culture and tourism aiming to create new business opportunities

4.1
AIMS, PROCESSES AND RESULTS OF COOPERATIONS

Analysed practices showed that cooperation is strongly dependent on:

       a. the level of development of the tourist or culture destination as such;

       b. strength of the public and private investors

       c. continuity of tradition of cooperation among private actors and public authorities

       d. level of regional cohesion

       e. existence of industrial or artisan tradition

       f. strength of the creative industry

Public private cooperations have been formalized under various forms (contract, agreement, partnership, company, association, consortium), while some remained non-formalized cooperations or partnerships.

In all cases, these PPCs have various **aims**:

- Improve tourism attractiveness

  - *Restoring attractiveness of heritage sites*
  - *Promoting archaeological areas*
  - *Promoting cooperative use of historical areas*
  - *Restoring heritage sites through public and private funds*

- Boost creative industry,
- Create additional jobs
- Preserve and strengthen artisan or industrial production
- Improve level of cooperation on local and regional levels by use of existing public and private assets

A variety of different business and management **processes** were developed to fulfil the aims of the identified practices. Practices involve simple donations to the private or public initiator of the cooperation among industry, culture and tourism to private investment in cultural heritage restoration:

- renovation of paintings,
- organizing a regional theatre festival,
- full scale business models of comprehensive cultural events,
- activating historical buildings as cultural and industrial heritage centres,

- strengthening cooperation and communication channels among stakeholders,
- revitalizing public spaces (industrial and cultural heritage sites, city centre),
- bringing together artisans and craftsmen to a wider public (cooperatives, guilds).

Best practices have also given variety of positive **results** including:
- improving magnitude of attractiveness,
- creating additional flow of tourists,
- achieving financial sustainability of the cooperation and required return on investment,
- achieving high level of occupancy of tourist facilities,
- creating and linking local and regional products with cultural and industrial heritage.

4.2 CMC Models

Case study analysis, following qualitative research methods (i.e. questionnaire) have to be considered with cum grano salis, meaning that the interpreter shall develop some kind of a benevolent approach to identify misleading attributions as a consequence of respondents (mis)interpretation of the question. **Who were the initiators?** Public institutions promoted five of them; private companies or organizations promoted four and the rest six were considered as a mutual public-private enterprise from the early beginnings.

On the other hand, formal status of each PPC study case has been analysed in terms of **degree of formalization** and has been distributed along a formalization axis. Eleven case studies have a formalized cooperation's (in various forms: contract, agreement, partnership, company, association, consortium), one with an informal agreement (providing public space for marketing local products) and two are non-formalized. In those two cases, the initiator is the private sector that decided to develop existing cultural assets (sites or traditions) for further local or regional tourist development.

Defining the formalization degree of each PPC is an arduous task. Cooperation can be formalized in different ways. Contract is a broad legal form. If we define partnership as an "agreement among two or more parties to cooperate to advance their mutual interest", this implies some level of equality and freedom (non-obligatory) among parties. Partner's roles in cooperation (i.e. full or supportive member) influence its rights and decision power (i.e. voting power). This means that cooperation and/or partnerships forms we identified through questionnaire results shall have a decisive weight in placing specific case into the modelling matrix below.

The first **objective** (or common denominator) of these initiatives was to improve the tourist attractiveness of a destination, and secondary for some of them, to boost creative industry.

Regional differences have been identified in the way to build partnerships and cooperative efforts. In example, almost all cases from Italy are being distributed on the "private" half of the matrix, indicating

the strong role of the private engagements in building partnerships. Although many of them were initially promoted, initiated or enabled in cooperation with public organizations, private actors are carrying out the core activities. In other countries, the role of public institutions is central. Those cases, being promoted and financed by the public resources, are also more formalized.

Cases have been distributed in accordance with two criteria: leadership and level of formalization. Multidimensional scaling (MDS) has been chosen to present and visualize the level of similarity/ difference between the individual cases datasets. The resulting perceptual map shows the relative positioning of all objects/practices.[5]
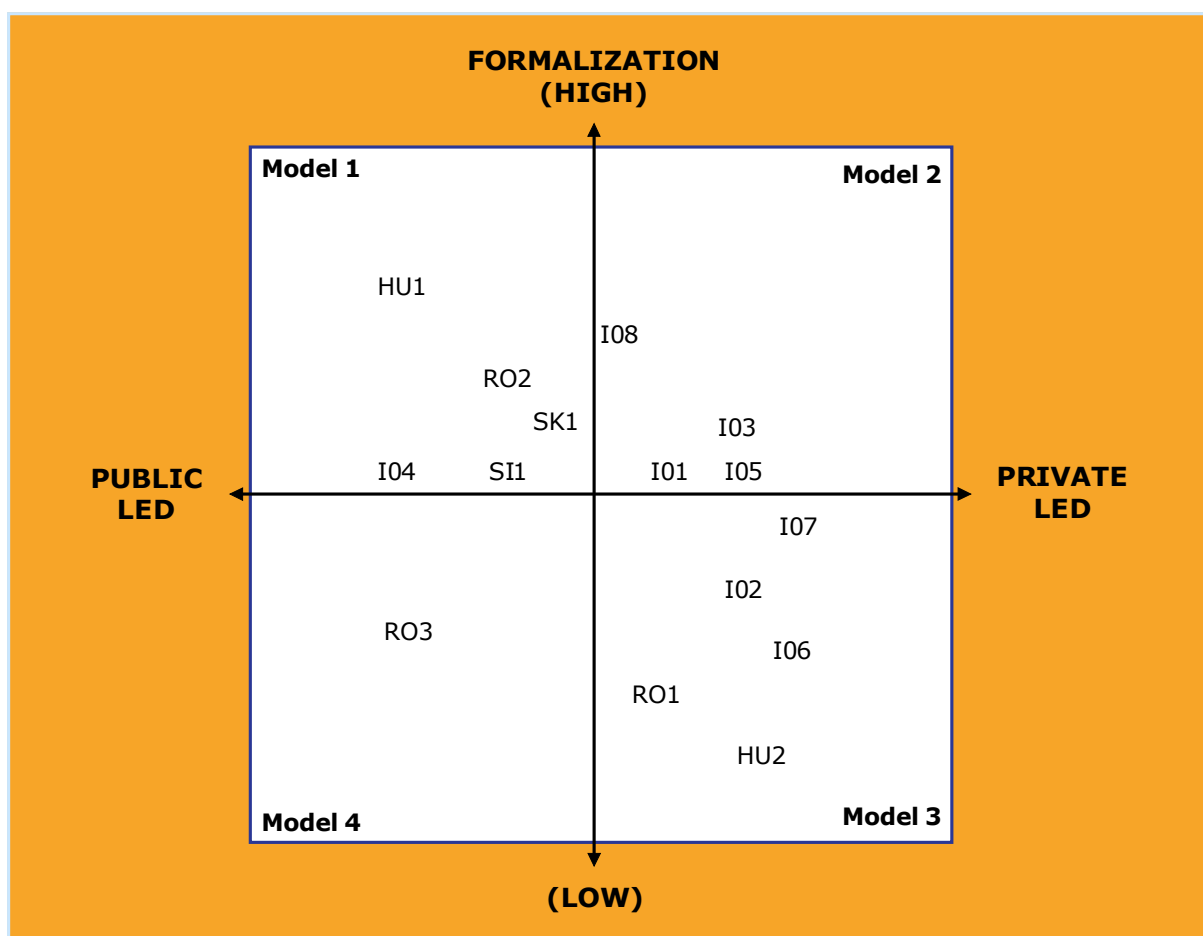
Graphic 1: CMC Public Private Cooperation models – distribution of best practices

5) See Paul J. Holmes, Lectures on MARK 9650: Applied Multivariate Methods, Notes, http://www.terry.uga.edu/~pholmes/MARK9650/Classnotes4.pdf, on 4.12.2013

This matrix presents four basic models of cooperation:

Model 1: Public led and highly formalized PPC   **HU1, I04, RO2, SK1, SI1**

The case studies that were analysed focused on establishing a basic framework to enable further business developments by:

- using cultural heritage as a premises for industrial and cultural activities
- establishing a local or regional tourist association to improve and strengthen networking in the cultural sector and promote the industrial/handicraft sector
- creating an art and craft centre to provide support to local and regional artisans to create new sales channels targeting tourists
- establishing public initiative to foster tourism at industrial heritage sites

Model 2: Private led and highly formalized PPC   **I03, I05, I08, I01**

Private led and highly formalized PPC are built on existing and already well-known tourism or cultural destinations with strong brands, private investments and long traditions of cooperation, focusing on:

- Creating regional products and services under a common umbrella, i.e. wine roads or promoting new destinations inside an existing brand
- Use of local culture as a pillar for fostering a strong product identity and enhancing its competitiveness and attractiveness. The product is the result of the local cultural history (industrial history and territorial culture).

Model 3: Private led PPCs with low formalization   **HU2, RO1, I02, I06, I07**

They are built on strong private initiative to improve attractiveness of a concerned destination for private investments:

- Using existing and renewed facilities to foster new business opportunities (exhibitions, meetings, etc.)
- Extending existing PPCs through private investments strengthening promotion of local and regional cultural assets nationally

Model 4: Public led PPCs with low formalization   **RO3**

Their aim is to strengthen the private public response to improve conditions for further cooperative practices by:

- Providing market space for local services and products, strengthening local producers
- Providing space and programs to enhance local creative potentials

Analysis of the case study shows effort of the public authorities to strengthen existing local and/or regional cooperative practices. They are focused on a specific target group, providing them with a public space for free with little formalization, aiming to achieve long-term sustainability.

	CONDITIONS	CHARACTERISTICS	PERFORMANCES	PROCESSES
Model 1: Public led, highly formalized	• existing industrial clusters • existing cultural heritage • strong political support for development of existing assets	• rather weak networking, co-operation of private actors • tourist destination or branding underdeveloped • weak private investors • strong creative industry potential	• developing the existing assets • improving networking, cooperation capacity of public and private actors • strengthening consensus on the local or regional level • improving level of confidence • focus on existing products and services	• need for formalization of cooperation in the form of an agreement, partnership or similar • building a sustainable management team • establishing financial support • maintaining public and political support by transparent management • regular monitoring and adapting strategy
Model 2: Private led, highly formalized	• strong private initiative • existing brands and destinations on industrial and culture • strong regional dimension • tradition of cooperation	• well known tourist destination • strong cultural and industrial assets in place • high regional cohesion • concentration of possible actors • strong private investors	• developing additional offer • cooperative practice with public institutions • improving synergies among actors • performance based investment	• establishing legally formalized partnerships • maintaining strong private initiative • enhancing supervisory role of public institutions (heritage)
Model 3: Private led, low formalization	• strong private initiative • tradition of cooperation • local industrial and cultural products	• existing industrial/cultural heritage location • localized destination • strong creative dimension • private investors	• developing additional cultural/industrial offer • improving attractiveness of the destination • performance based investment	• establishing private cooperation • enhance supervisory role of public institutions (heritage)
Model 4: Public led, low formalization	• identified public need for strengthening local or regional actors • local programmes	• weak private investors • low level of actors networking • traditionally weak cooperative efforts • need for developing basic support	• supporting existing initiatives • enhancing cooperative practice • improving working conditions by creative use of public space	• contracted implementation • clearly defined goals, tasks and timeframes

Table 2: CMC PPC Models summary

5.
CMC COOPERATION CYCLE

PHASES	I. Iniziative	II. Planning	III. Implementation	IV. Monitoring
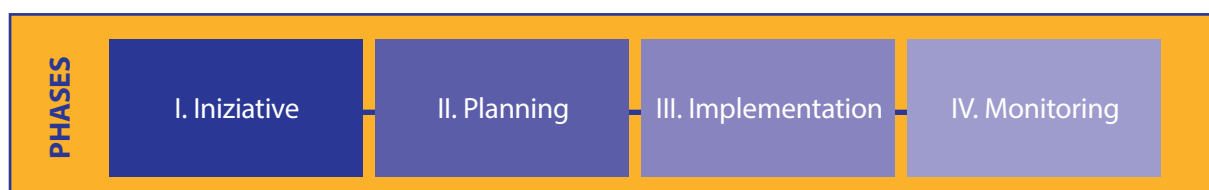
Graphic 2: CMC Public Private Cooperation cycle

First phase:

initiating an idea. Being cooperative means engaging stakeholders in the earliest phase of the process into a basic organizational structure. This phase encompasses a situation analysis, developing tools and methods for its implementation, assessing the needs of various stakeholders, defining the overall values of the PPC project. This stage also includes a risk analysis and management.

Second phase:

planning and decision phase: Includes definition of the PPC, development of the vision, possible development scenarios, establishment of development objectives, definition of future functions, analysing, evaluating and ranking alternatives, including exploration and presentation of potential financial options, and finally, a decision on the selected scenario.

Third phase:

implementation phase: Includes detailed planning of functions to be developed under the PPC process, including identification of the target users and actions to be accomplished to achieve the planned function. In this stage, the legal and ownership structure, image building, marketing issues, promotion actions and organisational aspects, i.e. management and staff involved, and not least, the financial planning should be considered in detail.

Fourth phase:

monitoring: it covers the whole process indicated above, including special monitoring plans for planning each stage (e.g. monitoring plan for planning, communication and stakeholders' engagement, measuring satisfaction of target groups and stakeholders, etc.)

Starting something new always implies expecting change from ourselves and others. Changes in tourist behaviour is opening new windows of opportunity for using cultural heritage as a business opportunity.

Who are the initiators of the process and how can this process be facilitated? CMC analysis is showing that there are a wide variety of PPC stakeholders' initiators.

In reality, these processes are based upon existing fertile grounds: the presence of business associated locally or regionally in a formal or less formal way, existence of cultural heritage needed to be conserved or promoted, existing institutional and governmental framework set-up in the field of cultural heritage conservation. A lot of decision-making or permitting actors are needed to engage the process and be involved in planning and communication. Major cultural tourist destinations have a strong potential to expand the tourism economic impact on their hinterlands, not only by attracting tourists but also by attracting other human and financial resources.

SUPPORTING DIVERSITY

To establish a public private cooperation (PPC) project or process, many characteristics have to be considered regarding the priorities, scope, stages and contents. The initiator will have to consider the diversity of stakeholders' aspirations.

5.1 INITIATING AN IDEA

Although several cases in Europe demonstrate successful partnerships and cooperation based on private initiatives and private investments, it is clear that local communities have an important role in this process, as owners and stakeholders, either through:

- planning and implementing PPC activities and thus providing conditions for **taking control** over future functions of the PPC,
- **taking an active role** in the planning process in order to create conditions for establishing any form of private-public cooperation for the planned project
- **indirectly influencing** the PPC process through issuing mandatory permits and other administrative interventions.

Initiative means to start something new, from the beginning (to start it before someone else does) and have the ability to start independently. There are many favourable circumstances that can trigger such initiatives – presence of a built heritage or a potential site to be valorised, strong regional or local tourist organisation, etc. Before jumping into the planning phase, some preparatory work is needed, developing a situation analysis, a work plan and an engagement strategy including status and stakeholders needs.

> **HINT:** Planning and managing communication from the beginning is crucial for the successful implementation of the project idea. Early involvement of the community and co-authorship of all the stakeholders is crucial.

At the beginning of a project, the initiator should set up a management structure with human resources and funds to support the cooperation process, or a 'Start Team'.

5.1.1 SITUTATION ANALYSIS

Situation analysis is a generic tool to improve understanding and identify barriers and deficiencies of the internal and external environment.

A SWOT Matrix is a method used to evaluate the Strengths, Weaknesses, Opportunities, and Threats that influence a project.

- **Strengths:** characteristics of the business or project that provide advantage over others
- **Weaknesses:** characteristics that place the team at a disadvantage relative to others
- **Opportunities:** elements that the project could exploit to its advantage
- **Threats:** elements in the environment that could cause trouble for the business or project

Graphic 3: SWOT analysis

The situation analysis of a comprehensive PPC project should take into account the following main aspects:

- A socio-economic and cultural context
- Legal and ownership issues
- Stakeholder analysis
- Financial issues (budget and funding)
- Branding and imaging
- Organisational and management aspects

5.1.2 ESTABLISHMENT OF THE START TEAM

At this point the project initiator or manager knows what is the scope and the role of the management structure. The decision-making process has to be clear and the necessity of a Start Team has to be evaluated. It is a critical decision to be made, as every decision-making body is immediately understood by stakeholders as a power body, creating new expectations and potential reactions to

power structures. It is up to the PPC initiator to decide which approach should be used to create and boost the process.

The PPC Start Team is a management structure established by the initiator or other project stakeholders through a common agreement.

The PPC Start Team is expected to:

- Prepare a work plan
- Prepare an engagement strategy and other supporting media and communication programs
- Identify and promote opportunities
- Communicate and report the process to the stakeholders
- Develop a financial framework
- Work with regional governmental representatives and community stakeholders.
- Provide feedback during the public consultation process
- Establish an active communication and involve the local community
- Offer stakeholders a mechanism for meaningful participation
- Develop awareness and understanding of the benefits associated with PPC
- Allow the local government to gain insight into the stakeholders' expectations and needs.

The PPC Start Team is typically a mix of public and private actors, based in the local community, who have an interest in developing the project. The team can be large or small, formal or informal. The team can bring valuable perspectives from each member's area of expertise to help determine long and short-term goals based on the community's PPC needs and desires.

5.1.3 DEVELOPING WORK PLAN

It is essential to have a work plan for the whole project implementation process with measurement tools. The work plan sets forth process stages, timeframes and initial budgeting. The work plan can be divided into smaller manageable units, phases or work packages and then divided into operative tasks taking into account costs and time constraints.

HINT: Early engagement, quality and timely communication are crucial at this stage.

Project management checklist	☐ Has a project schedule been prepared for your project? ☐ Have key milestones been identified that impact on deliverables? ☐ Have activities been identified that are on the critical path? ☐ Have key risks been identified that could disrupt the project outputs and objectives? ☐ How does funding affect the timing of the project work plan?

5.1.4 Engagement strategy

The Engagement strategy shall be prepared as part of the work plan or parallel, in order to ensure stakeholder engagement in the whole decision-making process, from the beginning. Engagement strategy is a management document bringing together information relevant to project objectives, and communication tools, including decision-making framework of the project. It shall be based on the information gathered from stakeholders collected through stakeholder analysis in the initial situation assessment. The strategy aims to:

- Establish early on in the project the means and forms of stakeholder engagement in all stages of the project cycle and its decision-making process,
- Identify the relationship between the engagement and decision-making process and
- Clarify the roles and responsibilities of project staff regarding the engagement tasks.

> **HINT:** Engagement strategy shall be linked with the media and communication strategy, to enable the project initiator to monitor, review and assess the achievements of the project.

Below are the checklists for the work plan and engagement:

Engagement checklist	☐ At what stage of the process is engagement occurring? ☐ Are engagement activities early enough to help identify all issues relating to the project? ☐ Is engagement sufficient enough early in the process for stakeholders to see that the project team is genuinely interested? ☐ Or is engagement being undertaken mid-way through the project process and therefore merely seeking comment on identified issues?

5.2 Planning

This stage is usually the most demanding one, as it entails building an agreement around a common vision, which means reaching agreement on common goals related to PPC and identification of strategies to be implemented, outcomes to be provided and actors to be involved in all stages of the PPC planning process.

Expected outcomes are:

- Common vision on the PPC being developed and agreed upon

- PPC scenarios developed, discussed and evaluated with an agreement reached among stakeholders
- Complete work plan developed: objectives (measurable), actions (projects), processes and actors identified, costs and financial resources determined
- Decision-makers endorsement in place as they have the authority for adopting decisions that affect any further action and finally determine the procedures related to the launch, implementation and funding of PPC process.

5.2.1 Vision and Goals

A clear vision about the future of the PPC in a broader context, agreed upon among all involved parties, is a vital act of the planning process.

DEVELOPING A VISION

Development of the vision might not always be the first stage in the process of strategic planning. Depending on the nature of the PPC, its influence on a broader community and the actors involved, part of a vision (either agreed or just envisaged) may already be in place. However, considering a complex PPC project influencing a broader public, it is inevitable to check the initiators vision against the expectations of the broader community, embrace eventual changes and alter the vision accordingly, in order to ensure the conditions for a successful implementation of the project and avoid possible opposition and obstructions at later stages.

Development of a common vision may take place through various methods and tools, such as stakeholders creative sessions. The most common steps for developing a new common vision to be agreed upon by general consensus of a broad public should involve the following steps:

- Identification of stakeholders and development of a clear plan for stakeholders' engagement including objectives, processes and type of events envisaged
- Preparation of information and promotional materials and campaigns to motivate stakeholders and public participation
- Obtaining commitment of the initiator to take-up the results of the stakeholders' engagement

5.2.2 Scenario development

OVERALL SCENARIO DEVELOPMENT, EVALUATION AND SELECTION PROCESS

Regardless of whether the planning process is based on an agreement among a few major actors or it involves a larger group of stakeholders, it is recommended that several scenarios considering different goals and objectives be developed. These scenarios should be discussed and eventually improved upon through the setting of priorities.

SCENARIO DEVELOPMENT AND DEFINITION OF DECISIVE FACTORS

In the scenario identification stage, all possible (feasible) alternatives in terms of the future functions in the PPC have to be defined. The main elements of such scenarios should include:

- Description of the main goals of the PPC, summarised and presented in a simple and understandable way
- Envisaged image of the PPC after the project is completed (PPC established)
- Implications about economic status and trends
- Expected socio-economic impact on the area
- Main interventions envisaged
- Time frame (for attainment of the final goal and interim objectives)
- Measurable indicators to ease evaluation
- Rough estimation of costs for each specific scenario.

Scenarios might be developed from scratch through stakeholders' engagement sessions (e.g. expert panel, using creative techniques), but even in this case, some background materials (maps, figures, statistics, etc.) should be prepared by experts in order to ease and support the discussion; the process should also be properly planned, designed and backed-up.

Stakeholders sessions can bring in fresh ideas and an innovative look on processes. However the expert work should be carried out by the initiator between individual sessions in order to provide the basis for the next steps of the stakeholders engagement (e.g. analysis of ideas and proposals brought-in, checking for feasibility in terms of e.g. legal environment, procedures, cost, time, etc.).

> **HINT:** The number of criteria for evaluation of scenarios must not exceed a reasonable limit. Experience has shown that the maximum number of criteria for an effective evaluation is eight criteria. The decisive factors usually have various importance; therefore, the defining of a weighting system reflecting these differences is highly recommended.

FUNDING AND FINANCIAL ISSUES TO BE CONSIDERED IN SCENARIO DEVELOPMENT

A rough estimation of costs has to be prepared during the initial assessment of the PPC project. Under the stage of scenario development, discussion, ranking and selection, it is necessary to consider funding issues more in detail in order to enable an informed discussion around the various alternatives. However, costs and budgeting are still a rough approximation of the actual costs to be calculated in the last stage (detailed planning) for individual actions/projects.

SCENARIO ANALYSIS AND SELECTION

The aim of this stage is to evaluate and compare possible scenarios of PPC development, and as a result, achieve a decision on which scenario to choose. Under the evaluation step, each scenario is assessed against the decisive factors (i.e. the evaluation criteria).

METHODOLOGICAL TOOLS

Several methodological tools, among which the most common are SWOT and multi-criteria analysis, can support this stage.

> **Multi-criteria analysis** is used to make a comparative assessment of alternative scenarios. Using this tool, several criteria can be considered simultaneously in a complex situation. The technique is designed to help the decision–making group to integrate different options reflecting the opinions of the stakeholders concerned into a single framework.

A decision on selecting the best scenario can be made based on ranking the outcomes of scenario evaluation.

5.2.3 THE FINAL WORK PLAN

The final work plan should include vision, strategic goals and functional objectives together with the actions foreseen to attain them.

DEFINITION OF STRATEGIC AND FUNCTIONAL OBJECTIVES

Based on the conclusions of the CMC cases, the objective tree for a PPC work plan shall include three levels.

Strategic objectives
Strategic aims should define the expected benefits of the PPC. The key strategic objective targets, the socio-economic level (impact level objectives); all the other objectives are just partial ones aimed at supporting the main objective.
Functional objectives
Functional objectives define the expected functions of the PPC as a result of the developed actions such as appropriate image and marketing, solid stakeholder networks or a sound financial management system.
Short–term goals, outputs
At this level, expected outputs of specific actions have to be defined. In addition to development–type actions (establishing, creating), short–term goals should also cover remediation and preparatory actions, which represent a pre–requisite for development.

Table 3: The three levels of the PPC Plan[6]

The three levels of objectives aiming at ensuring the measurability of the objective tree should be defined as follows:

- The strategic aim is based on the expected socio-economic impact of the PPC,
- Functional objectives are based on the outcomes of the analysed alternatives (scenario selection), and
- Expected outputs or short–term goals correspond to specific actions foreseen for a PPC project

Three levels of objectives shall be arranged in one single logical structure to establish clear and logical cause–and–effect connections between the elements that are forming a structured objective tree.

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6) Guide for Revitalisation Development Plan (Model Masterplan), ReTInA project, 2011, p. 40

DEFINITION OF INDICATORS FOR MEASURING THE PROGRESS AGAINST OBJECTIVES

Goals, objectives and outputs should be realistic, feasible and measurable.

In the planning process, it is crucial to set precisely defined and measurable objectives. For this purpose, appropriate indicators have to be defined and attributed to each objective at each level:

- Impact indicators for strategic aims
- Result indicators for functional objectives, and
- Output indicators for expected outputs.

The indicators should meet:

- the **SMART** criteria,[7] where SMART stands for: **S**pecific, **M**easurable, **A**vailable, **R**elevant, **T**imely
- and **QQTTP** criteria for **Q**uality, **Q**uantity, **T**ime, **T**arget group, **P**lace.

5.2.4 STAKEHOLDERS AND PARTNERS

STAKEHOLDERS AND INITIATORS

In the context of public participation, a stakeholder can be defined as any person or group of persons that is interested in the project or could be potentially affected by its delivery or outputs. Stakeholders are also persons and groups holding political leverage in the region.

The groups of stakeholders that should be considered for the implementation of planning and implementing processes in PPC projects might include:

- **Institutional stakeholders:** Elected decision-makers inside local authorities (municipality, city, regional government) and public officers employed in local/regional administration;
- **Directly involved groups** including interest groups and leaders, investors, associations, etc. All of these groups can be directly involved in the PPC process;
- **The general public**, including various groups of citizens (e.g. residents, employees) that might have direct interest in the PPC process or its result (e.g. jobs, new functions) or expect to be directly influenced by the change or the intervention envisaged.

The process of stakeholders' engagement starts with the identification of stakeholders and mapping of their interests, determining their roles in supporting the PPC process.

The key stages of stakeholder engagement entail different levels of intensity to be achieved through activation of individual groups of stakeholders, ranking from the provision of information through consultation, control of opposition and grievance in various stages of the planning process, cooperation and formation of strategic partnerships. This process has to be monitored in order to provide transparency and credibility to the process.

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7) You might also apply the SMART**ER** approach; it gives two additional criteria, **evaluate** and **reevaluate**, intended to ensure that the goals of the PPC are not forgotten.

Engagement objective	Ideas	Responses
Mobilise attention	Re-orientate attention to issues that are not discussed in immediate agendas in order to highlight opportunities and challenges	Express what the current aims, values and directions of main agents seem to be
cope the situation	Identify energy and resource for change and build coalitions	Identify what can be achieved by different agents
Enlarge intelligence	Explore and recast agendas of problems; act by accessing multiple sources of information	Summarize known issues
Create frames	Articulate and prioritise issues given some justified coherence	Provide explicit expression and coherence to the above

Table 4: Objectives in stakeholders' engagement[8]

PARTNERS

In PPCs, involved partners are not limited to a public partner and a private partner as there is also a close connection with civil society, particularly for cultural initiatives. Below, the main reasons pushing each actor to be involved in cultural PPCs as a partner are described.

Public Partner

PPC arrangements are often driven by limitations of public funding to cover investment needed or to increase the quality and efficiency of existing services (provided by the public or the private actor). This is especially true for cultural activities as they are not necessarily a core service of the public sector. Public participation is often initiated in order to reach sustainable development or increase the quality of life. Examples: securing historical heritage and improving the image/reputation of the whole region.

Private Partner

A private commitment is not necessarily built only on economic value in forms of profit maximization; nevertheless, the cooperation needs to be economically feasible. In fact, the creation of value may not only be directly economical but indirectly through increased promotion, improved image, etc. The enhancement of a destination image able to attract more customers is a common objective and often at the core of corporate social responsibility policy. Companies gain from the valorisation of the territory where they are operating.

Civil Society

Civil society comprises the totality of voluntary social relationships, civic and social

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8) Adapted from Brownfield Revitalization Methodology, ReTInA project, Prepared by the Faculty of Arts of the University of Maribor, April 2012, p. 13

organizations and institutions that form the basis of a functioning society that is different from the force-backed structures of a state and the commercial institutions of the market. As the user or initiator, civil society plays a special role.

COOPERATION AND ENGAGEMENT

Cooperation can be pushed and initiated with a bottom-up approach from citizens' initiatives. The diversity of art and cultural choice influences the quality of life and reflects the social affiliation. The participation of citizens is crucial for additional fundraising, sponsorship and for the final use of the facilities, services or products.

Stakeholder engagement has become a part of mainstream business practice and central in public policy decision-making. It is used as a means to improve communications, obtain wider community support or buy-in for projects, gather useful data and ideas, and provide for more sustainable decision-making.

Why involve stakeholders in the PPC process?

The need for stakeholder engagement becomes larger the more complex a project becomes. Some possible reasons for undertaking stakeholder engagement include:
- To harness other people's energies and resources
- To explore issues and come up with fresh ideas
- To network, share ideas and best practices
- To achieve more sustainable results
- To better understand and monitor community perceptions
- To establish more open communication channels, gain trust or work on breaking down historic barriers.

Engagement supports the perception of outcomes as a justified hierarchical allocation of resources in order to provide multi-level benefits for the local community.

Table 5: Why to involve stakeholders in the PPC process

Many stakeholders should be involved in the process because they bring together industrial, cultural and creative clusters: the Chamber of Commerce and industry/Craft, the Local Employment office, City Council members, Local community groups, neighbours and interested residents.

IDENTIFICATION, STRUCTURE AND PROCESS MANAGEMENT

Preparatory stage

It should be emphasised that engagement of stakeholders requires dedicated time to build trust. If the process is not properly planned and managed, it will not only endanger the PPC project, but can also induce long-term adverse effects in the community. However, if the project is well planned, implemented and reviewed, higher initial investments in time and resources can save resources at

later stages and avoid implementation of unfeasible suggestions. Before opening the decision making process, which benefits the engagement of stakeholders could actually bring into the process and what risks taken by stakeholders it should be established first, along with whether the decision-makers are able/willing to deal with new ideas, accept proposals and change their envisaged decisions. Stakeholder involvement must be considered through the entire life of the project (problem definition, evaluation of alternative solutions, detailed plan and design, project management, monitoring and evaluation).

Key stages of engagement

Different stages of the process require diversified stages of engagement, ranging from simple information to proper involvement and eventually collaboration and empowerment.

Information
When the purpose is transparent and complete information on a project that has been previously determined, constant communication tools must be arranged and planned. Common language and clear concepts are crucial.

Consultation
When the purpose is the collection of technical and informal insight on open issues, appropriate techniques point out different stakeholder roles within the process and determine who must be consulted to add further details.

Participation
When the purpose is to engage stakeholders in shared decisions regarding the whole or some parts of the project, finalized activities to create the right conditions for vis-à-vis confrontation are necessary. Time to evaluate first-hand data and interviews must also be planned.

Table 6: Key stages of engagement

Steps and tools

A set of 9 "scenes" for stakeholder engagement address specific issues that are to be considered throughout the planning process:

- Framework building – an initial scene for all processes
- Targeted listening for head to head meetings with stakeholders
- Thematic exploration of how to address a technical problem
- Needs map – to understand a specific request by a stakeholder
- Visions building in order to develop scenarios
- Final vision sharing – to be used for selecting a scenario
- Community engagement aimed at awareness raising and social cohesion
- Institutional/administrative passage addressing engagement of decision-makers
- Engagement in responsibility/accountability as typically the final stage of stakeholder engagement and is aimed at harnessing responsibility of a stakeholder.

5.2.5 ORGANISATION STRUCTURE

LEGAL STATUS OF THE PPC PROJECT

Cooperation among public and private partners can take various legal forms, from association to new company. By rule, cooperation happens among equal partners, free to form whatever cooperative form they find suitable. From CMC PPC analysis, it can be derived that if cooperation efforts are led or at least initiated by public institutions (local or regional authorities seeking new development opportunities), a higher level of formalization will be requested.

OWNERSHIP ISSUES

Ownership issues have to be clear. If the PPC is organized inside existing facilities (i.e. Archaeological Exhibition at Noventa Designers Outlet) or is based on a privately renovated building like Villa Foscarini Rossi, the private owners will have a decisive role in developing future cooperation and partnerships.

MANAGEMENT STAFF

Decisions regarding the legal status of the PPC project and the ownership issues will influence operative decisions regarding the management staff needed for the implementation of the process.

5.2.6 RISK ANALYSIS AND MANAGEMENT

OVERALL RISK ANALYSIS AND MANAGEMENT

An in-depth analysis of potential risks and identification of adequate remedy actions has to be prepared at the end of the analytical stage of the planning process and reiterated during the process in order to embrace new risks emerging during the process. This activity is crucial for providing a smooth implementation of the process and timely identification of elements that can obstruct the process and/or endanger attainment of the planned objectives.

The methodology for risk analysis is quite standard and includes the following tasks:
- Identification of possible risks and description of their origin
- Assessment of probability of risk occurrence
- Description of effects and their magnitude broken down into main targets
- Identification of possible preventive and remedial actions
- Identification of subjects/persons responsible for risk management.

The type of risks, probability of risk occurrence and their magnitude, effects and targets depend on the nature and complexity of the planning processes, institutions and persons involved and involve timely preventive measures. The main risks related to planning PPC processes might include:
- Loosing sight of the overall aim and/or substantial discrepancy in interests/aspirations between

the initiator, interested parties and/or the broader public

- Risks related to organisational issues (human resources, expertise, timing, commitment)
- Risks related to provision of appropriate actors (e.g. the initiator), including political/personal risks and lack of commitment
- Risk related to process slowdown/suspension due to changed political options
- Risk related to funding and financial issues (lack of finance and/or cash-flow problems)

RISKS RELATED TO STAKEHOLDER ENGAGEMENT

The process of stakeholders' engagement might imply risks occurring from:

- Problems among involved stakeholders (such as distrust, rivalry, grievance, etc.) or
- Opposition from groups not willing/committed to get involved or
- Problems on the side of technical and administrative staff (administrative retards), which, if not properly managed, can obstruct the whole process.

Just as during the design of project planning, appropriate risk analysis and identification of relevant risk management actions and tools have to be included in the stakeholders' engagement plan.

IDENTIFYING EXISTING AND POTENTIAL BARRIERS

Every risk might pose a barrier in project implementation. We can identify two classes of barriers:

- **Contextual barriers**: institutional, legal, financial – those barriers that usually determine the initial situation and set constraints on what can be achieved;
- **Process barriers:** management, communication – barriers that can arise during the course of project implementation and can be appropriately overcome by timely use of management and communication tools.
- **Institutional barriers** might be caused by the unclear distribution of competencies among cultural heritage authorities and the local community.
- **Legal barriers** might be raised through unclear ownership of the destination brand or highly formalized procedures.
- Budget restrictions of the public or private initiator or lack of supporting financial schemes will cause a **financial barrier**.

Following is a checklist1 to help identify/avoid various barriers:[9]

Institutional barriers	☐ Have you identified which organisations and which individuals from each organization will take responsibility for each task? ☐ Have you agreed on how often meetings will be held and how they will be organised? ☐ Have you determined how each organisation will monitor its own progress? Who will monitor the progress of the project as a whole? ☐ Have you identified any differences or conflicts in working practices between organisations? ☐ Have you identified who is authorized to make project decisions to ensure that minor issues won't cause bureaucratic delays?
Legal barriers	☐ Are you familiar with the legal regulations associated with a project of this type? ☐ Have you included any legally prescribed waiting periods in your project plan? ☐ Have you remembered to apply for any temporary permits that are required (e.g. for construction) and do you respect the latest planning guidance and building regulations?
Financial barriers	☐ Have you estimated the budget of the project in detail? ☐ Have you determined how you will monitor expenditure throughout the process? ☐ Have you established who will be responsible for meeting any extra costs incurred? ☐ Do you have sufficient funds to implement an appropriate engagement strategy? ☐ Have you planned the cash flow to ensure that the project will be able to meet costs as they arise?
Management barriers	☐ Do you have clearly defined project aims and objectives? ☐ Have you identified the skills and experience required for your project and for the project staff? ☐ Have you divided the work into smaller discrete and measurable tasks? ☐ Have you identified which organisation, department or individual will take responsibility for completing each task? ☐ Have you identified any tasks that must be completed before another can start and what will happen in the event of a delay? ☐ Have you established a procedure for monitoring the progress on tasks so that any problems or delays can be identified quickly?
Communication barriers	☐ Have you identified the correct project stakeholders? ☐ Do you know what the level of opposition is for your project? ☐ Have you designed an engagement strategy for the lifetime of the project? Is it clear how the outputs of engagement will influence the decisions that are made? ☐ Have you remembered to plan your communication with stakeholders such as politicians and interest groups, not just residents or users? ☐ Have you decided how you will communicate technical information effectively to different groups? ☐ Have you planned how you will manage people's expectations of the engagement process and of the project itself? ☐ Have you developed a media strategy? Have you in-house media skills? Have you planned timing and cost of the media strategy? ☐ Is there a single person responsible for contact with the media so that contradictory statements may be avoided?

9) Adapted from GUIDEMAPS Vol. 1, p. 19-20, 2004

5.2.7 INCLUSIVE COMMUNICATION AND CULTURAL COMPETENCY

By definition, **inclusive communication** means sharing information in a way that everybody can understand. By everybody we mean everybody in society, including those who might be overlooked. There might be a legal norm already in place requiring targeted communication campaigns for people with disabilities.

Bringing together industry and cultural industry also means that the initiator must establish a certain level of **cultural competency**. To achieve such cultural competency, the initiator shall consider improving those four elements[10]:

- **Cultural awareness** - becoming sensitive to beliefs, attitudes and behaviours of the stakeholders or target group as well as one's own values, biases and prejudices.
- **Cultural knowledge** - the process of learning about other cultures and views they hold (different beliefs, attitudes, behaviours and problem-solving strategies of a variety of cultural groups). Attaining knowledge about individual differences within cultural communities to avoid stereotyping.
- **Cultural skill** – having the capacity to carry out cultural assessment, which requires trust, respect and empathy within the relationship.
- **Cultural encounter** – requiring cultural skills to be able to respect beliefs, attitudes and cultural lifestyles of the public concerned.

5.2.8 FINANCING

Generally, the preparation of an overall financial plan involves:
- Investment costs (including project management cost, investment and overhead)
- Income and expenses incurred during the project life–cycle (e.g. rental, fees, operating costs, maintenance, management and overhead costs, etc.)
- PPC management, marketing and promotion costs
- Identification of funding sources
- Financial sustainability, cash-flow projections and financial performance indicators.

For the purpose of monitoring, the plan should be broken down by stages and individual years, allowing for flexibility.

SOURCES OF FUNDING

The financial plan has to identify potential financial sources available and accessible to cover the planned costs. The table below shows (a simplified) plan of financial sources.

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10) Adapted from Nora MacLeod-Glover, Communication in a Multicultural Society, Communications Centre National Continuing Education Program, September 2006

Sources of finance for planned investments, Stage I	Investment period			
	YEAR 1	YEAR 2	...	YEAR N
I. PROJECTS				
1. Activity 1: xx				
Local (municipal) funds (50%)				
National funds (15%)				
EU structural funds (if appropriate) (25%)				
Private funds (10%)				
2. Activity 2: xx				
Local (municipal) funds (15%)				
National funds (20%)				
EU structural funds (30%)				
Private investor (10%)				
3. Activity 3: xx				
Private funds – investor (80%)				
Private funds – company (20%)				
N. Activity N: xx				
T**OTAL projects**				
II. MANAGEMENT AND COORDINATION COST				
Depending on the type of investment and planned sources, these costs may be financed by the 'mover' or by (other) public and/or private funds				
TOTAL FUNDS FOR INVESTMENTS STAGE I				

Table 7: An example of planned financial sources

COST AND INCOME FROM OPERATIONS

As required for all investments funded by public funds (and recommended for all other investment projects), operational costs and income should be calculated for the whole life–cycle of an investment. Such plans have to be based on the projections made for each individual investment (i.e. the project), because items of cost and income might substantially differ by individual project due to the nature of the investment, its life–cycle, and the planned uses and users/owners of the investment.

Income and cost from operations	Project life–cycle			
	YEAR 1	YEAR 2	...	YEAR N
I. INVESTMENT OPERATION				
1. Investment in X				
A. INCOME				
Users fees (% for maintenance)	X	X		X
B. COST OF OPERATION				
Supervision and control	X	X		X
Maintenance	X	X		X
2. Investment in X				
A. INCOME				
Purchase price	X			
B. COST OF OPERATION				
Sales or property tax	X			
Other cost, e.g. maintenance	-	-		-
II. SITE MANAGEMENT				
A. INCOME				
Fees for rental (e.g.% for management)	X	X		X
Fees for provision of services to users	X	X		X
Other income (e.g. incentives,% for mgmt)	X	X		
B. COST				
Salaries, fees	X	X		X
Utility cost and fees (e.g. waste, power supply)	X	X		X
Cost of infrastructure & premises maintenance	X	X		X
Marketing and promotion costs	X	X		X
TOTAL INCOME FROM SITE OPERATION	X	X		X
TOTAL COST FOR SITE OPERATION	X	X		X
RESULT: INCOME – COST				

Table 8: An example of a (simplified) plan of costs & income from operations during the investment lifetime

SUSTAINABILITY – CASH FLOW FORECAST

Finally, in order to complete financial planning, detailed cash-flow forecasts will show whether the planned projects (investments and operational cost) and envisaged sources of finance will provide financial sustainability. Such projections of cash flow shall include total income and costs incurred in relation to individual investments during the investment period, as well as cost/income from operations during the investment life–cycle. The table below shows an example of cash-flow projections (simplified).

Cash-flow items	Investment			Operation		
	YEAR 1	YEAR 2	YEAR 3	YEAR 4	…	YEAR N
CASH OUTFLOW						
INVESTMENTS	X	X				
- Project 1 – investment cost	X					
- Project 2 – investment cost						
INVESTMENT OPERATION						
- Project 1 – cost of operations			X	X	X	X
- Project 2 – cost of operations		X	X	X	X	X
MANAGEMENT						
- Project management costs	X	X				
- Site management costs		X	X	X	X	X
OTHER OUTFLOWS						
- …	X	X	X	X	X	X
TOTAL CASH OUTFLOW						
CASH INFLOW						
INVESTMENTS						
- Local funds for investment	X	X				
- Reimbursed investment costs		X	X			
- Proceeds from property sales		X				
INVESTMENTS OPERATION						
- Income from rental		X	X	X	X	X
- Income from services rendered	X	X	X	X	X	X
- Other operating income	X			X	X	X
MANAGEMENT *						
- Project management fee	X	X				
- Income from rental		X	X	X	X	X
- Income from services rendered			X		X	X
- Other operating income				X	X	
TOTAL CASH INFLOW						
NET CASH FLOW						
CUMULATED NET CASH FLOW						

Table 9: Cash flow forecast

5.3 IMPLEMENTATION

5.3.1 IMPLEMENTATION STRUCTURE

At this point, the PPC process will be developed according to the implementation structure set in the planning phase, where some decisions have been made regarding the legal form and ownership of the PPC.

5.3.2 MARKETING STRATEGY

The whole process of PPC planning and implementation must be "market–oriented", otherwise the project will fail to be sustainable. Accordingly, the PPC initiator has to encourage or facilitate certain activities aimed at creating or improving the market in order to motivate the potential beneficiaries (tourists, residents, consumers, etc.) to use the PPC framework products/services.

A PPC project marketing strategy should primarily define the target groups. The most important element is to develop a comprehensive image that will clearly distinguish the PPC objectives – a new brand for the PPC – and to communicate it among interested parties. A PPC project should not compete with existing initiatives or projects but should emphasize bringing in new qualities for creating synergies to foster further local or regional economic development with new services and products oriented toward new customers or new sales channels.

PPC project elements will not usually only relate to the site itself, but will involve a broader context (i.e. active business community, efficient administration, friendly business climate or skilled workforce in order to attract companies, or possibly job opportunities in the vicinity, good educational opportunities, available services and protected natural and cultural heritage to attract residents, etc.).

The key element of the marketing strategy is a communication plan, clearly elaborating the channels and methods to reach and "convince" the identified target groups, including promotion materials (printed/electronic) and advertising actions and events.

> **Three different possible marketing campaigns can be identified:**
> **Institutional marketing**
> Institutional marketing promotes the benefits of a project in order to reduce internal opposition within authorities and municipal administrations. It also aims to create a common attitude towards a project resulting in a more consistent portrayal of the project to the stakeholders that will be affected by it.
> **Information and image campaigns**
> Product or service marketing concentrates on the development of a certain image or

brand value. Market research surveys to identify behaviour and attitudes of the public are an important input for marketing campaigns, as they can provide guidance on the emphasis and direction of the marketing activity, recognising the varying concerns and needs of various stakeholder groups.

Awareness campaigns

An awareness campaign can focus on a very particular issue (or a range of issues) associated with local industrial or cultural heritage related problems, such as level of conservation, visibility of the heritage, etc. These campaigns may not have a direct measurable effect on behaviour, but they can be important in increasing public awareness of the background factors influencing policy or planning initiatives. Raising awareness is part of the marketing mix and can be carried out sporadically or on an almost continuous basis.

The strategy has to foresee appropriate human resources with relevant expertise and experience to carry out marketing activities, and a detailed financial plan including marketing-related costs and envisaged financial sources.

A marketing strategy should aim at:
- Providing information about the project,
- Gathering political support for the project,
- Reducing political and public opposition against the project,
- Improving the image of the project and
- Influencing the public in favour of new and innovative developments.

5.4 MONITORING

5.4.1 MONITORING, EVALUATION, TRACEABILITY

Monitoring and evaluation starts once the project is in full operation. It helps to identify problems, impacts and benefits as well as to ensure the sustainability of the activities. It examines the extent to which the project is meeting its objectives. It should also result in efforts to compensate for weaknesses, correct problems, overcome barriers, etc.

Monitoring and evaluation is a participatory process. All stakeholders should play a role in gathering the monitoring data.

What is Monitoring?

Monitoring is an on-going checking of progress by gathering and analyzing relevant

data to determine whether the project is following its objectives.

What is Evaluation?

Evaluation takes place at regular intervals to determine whether the project has achieved its objectives efficiently and effectively, and whether the project is likely to result in sustainable outcomes.

(REST, 2003)

The monitored aspects include: resource consumption, project outputs, project results, cultural impacts, social impacts, economic impacts and efficacy of the PPC as a development tool.

The tools used for monitoring can include: questionnaires, interviews, checklists, guestbooks, etc.

It is important to ensure that information and data collected are:

- Accurate,
- Timely and
- Representative.

Collected data needs to be brought together, analysed and presented in such a format as to provide partners, stakeholders and the public with useful and understandable information. However, analysis shall be done in such a way that the management of the PPC project is able to evaluate PPC performance and efficacy.

Below is a checklist for monitoring and evaluation regarding management and engagement activities:

Monitoring	☐ Is monitoring included in the project management plan? Is it properly resourced? ☐ Where sources of existing data are being collated, have relevant permissions been obtained? ☐ What data will be provided continuously or on a periodic basis? How does the latter tie into key project milestones? ☐ Who is responsible for ensuring data delivery, analysis and presentation? ☐ How will different stakeholder groups be approached for their views on the engagement process? ☐ How will the findings feed into the project management process?
Evaluation	☐ What are the required outcomes of your project? ☐ What are the key performance standards? ☐ Have evaluation tools and resources been identified? ☐ How will lessons learnt be fed back into the project? ☐ Is evaluation a continuous part of the engagement strategy? ☐ Is there a commitment to undertake evaluations? ☐ How will participants contribute to the evaluation process?

Table 10: Monitoring and evaluation checklist

5.4.2 MONITORING AND EVALUATION INDICATORS

Evaluation is rational if it is connected with the capacity to adapt and improve management of the PPC with the goal being to achieve a better quality outcome. Indicators should be developed to ensure awareness of the management team of the key performance standards required to meet the objectives as set in the work plan.

Below are some possible examples of indicators enabling partners and stakeholders to assess PPC project implementation:

Output indicators	□ Number of engagement processes implemented □ Number of local residents contacted □ Number of cultural actors in the designated area □ Number of cultural heritage sites developed □ Number of cultural heritage buildings renovated (in m^2)
Result indicators	□ Number of enterprises included in the PPC □ Percentage of users satisfied by the PPC □ Number of new services in the destination □ Increase in number of visitors, participants and similar in the designated PPC area □ Percentage of local stakeholders' perception of the PPC
Impact indicators	□ Gross and net employment created or safeguarded after x years □ Value added generated in local business after x years □ Growth of visitors of local cultural events organized by the PPC □ Prolongation of average tourist stays in the PPC area □ Improvement of national visibility of the PPC

Table 11: Output, Result and Impact Indicators

5.4.3 TRACEABILITY

A PPC project will also demand traceability in the form of producing and keeping tangible records on the decision-making process and providing all partners and stakeholders with the necessary level of transparency to maintain management credibility and high level of trust.

On the other hand, to effectively manage monitoring and evaluation activities, suitable data collection and data storage should be established by the management team.

6.
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