



Panel

Title of the session: Territory as a basis for innovation and economic, social and environmental reactivation.

Thematic Line: 1- Territory as a basis for innovation and economic, social and environmental reactivation.

Organizers: UCLG

Date: 26 May, 2021

Time: 10:30- 12:00 ART/ 15:35 – 17:05 CET

Platform: Streaming

Capacity of the session: N/A

Registration needed: YES

Language: English, Spanish and French

Short summary of the session (*max. 250 words*):

The session will address the reflection on the elements capable of driving innovation and economic recovery - as the application of knowledge and the valuation of care to the improvement of people's quality of life - to foster resilience and cohesion, even in the current health and economic crisis.

The capacity of a territory to convert the knowledge and experiences of communities into social, economic, and environmental innovation, ensuring its transfer, the enhancement of endogenous resources, collaboration between actors or the generation of smart specialisation strategies and



systems are fundamental variables for its development.

Local and regional governments are the public actors that encourage and support territorial development. With the "pact for the future", local and regional governments are demonstrating a paradigm shift in the concept of territorial economic development by promoting resilient recovery in all its dimensions.

The session focuses on the perspectives and visions of leaders from diverse regions and contexts, showing inspiration for local and global economic development from their territories.

1. Conceptualization of the session *(max. 1000 words)*

Territory is a source of resources and innovation. Above all, the territory is a place of gathering, coexistence, and culture. Ultimately, social practices take place and it is the place where people and institutions live together.

From a territorial approach to development, people produce and consume goods and services within the framework of institutions that regulate social, economic, and environmental practices. This relationship between actors and institutions makes the territory a space for dialogue and coexistence, as well as a place of conflict. Co-responsibility and willingness to reach consensus are key when searching for solutions to achieve free and cohesive societies.

The impact of the pandemic is mainly reflected in local environments. Meeting basic needs and seeking strategies for recovery show the need to reinforce public resources and public-private cooperation. The local response to recovery will be decisive to finally reach levels comparable to the situation prior to the health crisis.

The capacity of a territory to convert knowledge into social, economic, and environmental innovation is one of the fundamental variables that will determine its development. Innovation, as the application of knowledge to improve people's quality of life, is a fundamental route in the process of transformation towards more cohesive territories. To guarantee economic growth and social cohesion, it is essential to enforce mechanisms for collaboration, governance, and participation between territorial governments, technology and research centres, universities, enterprises, and civil society.



Promoting territorial innovation processes is dependent on financial and budgetary resources. However, other variables such as the degree of trust and co-responsibility between public-private actors are involved. For instance, the capacity to value endogenous resources; the existence of collaboration and information exchange nodes between companies, institutions, academia, and civil society; and the capacity to generate smart specialisation strategies and systems that make the most of local opportunities. Times of transition and recovery, as the current situation, affect social institutions in the fields of politics, economics, technology, education, among others. They require reflection for successful renewal and transformation as well as reconsidering the concept of innovation itself and how to guarantee its effect on citizens and their institutions.

Topic 1 "the territory as the basis for social, economic and environmental innovation" analyses the innovation processes that have a territorial basis in their development. The interaction between local, public, and private institutions, along with civil society organisations, is a determining factor.

Topic 1 shows the relevance of developing a Pact for the Future for local and regional governments collectively. A human and planetary commitment, driven by solidarity, equality, culture and accountable institutions that leaves no one and nowhere behind. Topic 1 covers the three themes of the Pact, including Planet, People and Government, with a focus on territorial innovation.

The leaders of the municipal movement are convinced the outcomes of shared debates and experiences must feed into and shape global agendas. This Pact is meant to reflect the shared principles, values, and aspirations of our communities, and indeed go beyond international agreements. The Pact will challenge the international community to go further and show the commitment and capacity of all actors.

Innovation also involves searching for new paradigms and models of production, distribution, and consumption that guarantee fair, balanced, and sustained growth. First order issues include the intelligent specialisation of the territory, the quality commitment in both processes and products, knowledge application to economic and social processes, use of new communication technologies aimed at improving the quality of life and environmental sustainability, and the co-responsibility of all the actors that make up the territory.

Public-private partnerships are fundamental within the framework of strategic planning oriented towards innovation and social cohesion. Local governments have an unquestionable responsibility in this regard. The public sector must not only guarantee basic resources to all citizens, so that no one is left behind, but also be capable of innovating processes, techniques, and outcomes.

2. Objectives (max. 100 words)

1. The articulation between actors and the role of the private sector, academia, and civil society. Sustainable development and local economic development require a system of actors to support and strengthen local productivity along with employment, knowledge, and innovation.



2. Pandemic challenges and recovery. The emergency requires alternatives to the economic model of global growth and finance, largely driven by speculative cycles that unfolded after World War II. What are the innovation processes led by local governments? What are the support measures local, regional, and national governments can provide?
3. Do we have references or examples of innovation towards sustainable and inclusive growth processes – local-based circular economy, resilient economy, urban/rural economic systems?
4. Regarding Territorial Innovation Systems, transforming knowledge into innovation. In this case, a major change can be observed - connectivity was associated with technology farms and tax incentives. Today, new variables appeared - data is key, how is investment in Smart Specialisation?

3. Main points of discussion (max. 150 words)

Ultimately, Topic 1 is based on the fact that innovation is a term widely used in a variety of contexts. The plenary provides the framework from a political and territorial leadership point of view, with the following discussion points:

- 1) The territory is a space for dialogue and coexistence, as well as a place of conflict. Co-responsibility and availability between actors are key to promoting social innovation.
- 2) Knowledge - involves both recognising needs and identifying potentials - comes from the territory. The capacity of territories to manage and convert knowledge into innovation.
- 3) A territorial or urban innovation system, beyond financial resources, can add value to resources and generate strategies and systems of distributed specialisation.
- 4) Innovation also involves searching for new paradigms and models of production, distribution and consumption that guarantee fair, balanced, and sustained growth.
- 5) Strengthening the local and regional public sector to provide and guarantee public services is a priority to ensure the provision of basic resources and services. The role of local and regional governments in regards to healthcare caused by the COVID-19 crisis has positioned them as key actors in the day-to-day management of the pandemic and in the reaction to respond to the immediate needs of citizens, in some cases piloting a paradigm shift in local economic development.

4. List of speakers and moderator

- Moderator: Emilia Saiz, Secretary General UCLG
- Juan Espadas, Mayor of Seville
- Carolina Cosse, Mayor of Montevideo
- Eugène Aka Aouélé, President ARDCI
- Mr. Michael Fakhri, UN Special Rapporteur on the Right to Food, Associate Professor at the University of Oregon School of Law
- Mr. Francesco Rampa, G20 Sherpa Office, Prime Minister's Office
- Mr. Gabriel Ferrero, Director DGPOLED Spain



- Mr. Manuel Calvo, Vice Governor of Cordoba, Argentina

5. Relevant documents *(if applicable)*

UCLG Decalogue and Policy Brief on Emergency Governance.