

REGIONAL DIAGNOSIS

PARTNER ORGANISATION

University of Latvia

Country/Region

Latvia, Riga

Executive Summary

This regional diagnosis analyses the model of strategy-making in the Riga Planning Region (RPR), focusing on how territorial strategies are designed, governed, and implemented. The findings show that RPR represents a **conceptually strong, well-structured, and policy-aligned regional model**, characterised by integrated planning, functional territorial logic, and multi-level coordination.

At the core of the model is a **layered planning framework** that connects long-term strategic vision with medium-term programming and implementation. The Sustainable Development Strategy 2030 defines overarching goals—focused on a knowledge-based green economy, social inclusion, and ecological resilience—while the Development Programme 2022–2027 translates these into concrete priorities, actions, and monitoring mechanisms. This ensures continuity and alignment with national and EU frameworks, including Cohesion Policy and the European Green Deal.

A key strength of the model is its **functional, place-based territorial approach**, particularly the focus on the Riga Metropolitan Area as an integrated development space. The model effectively links urban, peri-urban, and rural areas, supporting balanced territorial development and strong urban–rural linkages. However, despite this strategic clarity, implementation remains uneven. Suburbanisation pressures, fragmented spatial patterns, and infrastructure challenges indicate that metropolitan coordination is not yet fully operational.

The governance model is based on **multi-level coordination and stakeholder engagement**, with RPR acting as an intermediary between municipalities and national authorities. While cooperation platforms and participatory processes are well established, the system relies heavily on voluntary coordination. The lack of formal authority over funding and implementation limits the region’s ability to enforce strategic priorities, and stakeholder feedback identifies multi-level coordination as a key weakness.

Cross-sectoral integration is strongly embedded in strategic design, combining economic, environmental, and social objectives. However, similar to governance and territorial coordination, integration is less evident in implementation. Sectoral approaches continue to dominate at the local level, and there is a lack of practical tools to support integrated project delivery.

The financial model is **multi-level but highly dependent on external funding**, particularly EU instruments. While this ensures access to resources and alignment with European

priorities, it constrains regional autonomy. The absence of regional financial instruments further limits flexibility and innovation in funding approaches.

Monitoring systems are in place and aligned with national frameworks, ensuring structured reporting and accountability. However, they remain largely administrative and lack advanced analytical tools and feedback mechanisms, reducing their effectiveness in supporting adaptive governance and continuous improvement.

Overall, the RPR model demonstrates a **strong strategic foundation and forward-looking vision**, but its effectiveness is constrained by limited implementation capacity, fragmented coordination, and financial dependency. The model can therefore be characterised as strong in design but still developing in delivery.

Looking ahead, the key priorities for improvement include strengthening metropolitan governance, enhancing implementation capacity, improving coordination across governance levels, and developing regional-level financial and operational instruments. Greater emphasis on data-driven governance and innovation ecosystems will also be essential to support more effective and integrated territorial development.

To sum up, the Riga Planning Region has established a robust and coherent strategic framework aligned with European territorial development principles. The next phase should focus on strengthening implementation and governance capacity to fully realise its potential as a competitive and integrated metropolitan region within the Baltic Sea Region.

1. Introduction

1.1 General regional context

The Riga Planning Region (RPR) is the economic, demographic and institutional core of Latvia and a key development hub in the Baltic Sea region. Although it covers only around 5% of Latvia's territory, the region is home to approximately 915,000 inhabitants and generates more than two thirds of national GDP, reflecting a strong concentration of population, enterprises, research capacity and public institutions (RPR Development Programme 2022–2027 Strategic Part). This centrality makes RPR the main engine of national growth, while also creating territorial imbalances between the capital city and surrounding municipalities.



Figure 1. Riga Planning Region territorial boundaries (RPR web page, 2026)

From a socio-economic perspective, the region is characterised by a diversified, knowledge-based economy dominated by services, ICT, logistics, creative industries, biomedicine and advanced manufacturing. Riga and its metropolitan area host the majority of Latvia's universities, research institutes, foreign investment and high value-added enterprises, providing strong foundations for smart specialisation and innovation-driven development. At the same time, suburbanisation and demographic trends—including population ageing and

uneven migration patterns—pose challenges for spatial cohesion, transport systems and access to services across the metropolitan area (RPR Development Programme 2022–2027 Strategic Part). Priorities of Riga Planning Region can be seen in Figure 2.



Figure 2. Priorities of Riga Planning Region (RPR web page, 2026)

Environmentally, RPR combines a dense urban core with extensive green and blue infrastructures. Forests, wetlands and agricultural land cover more than half of the region, while the Gulf of Riga coastline, major rivers and inland waters form an ecologically sensitive system of high strategic value. (RPR Development Programme 2022–2027 Strategic Part). These assets support recreation, tourism and quality of life, but are increasingly exposed to climate change impacts, flooding risks and development pressure, making climate resilience, sustainable land use and green mobility key priorities for territorial development.

Institutionally, RPR functions as a coordinating level between national policy and local governments. The Planning Region is responsible for strategic development planning, inter-municipal coordination and implementation of EU and national priorities, including smart specialisation, climate policy and balanced territorial development. This multi-level

governance role enables RPR to address cross-boundary challenges—such as transport, environmental protection and economic competitiveness—that cannot be effectively managed by municipalities acting alone.

1.2 Scope of the analysis

The analysis/diagnosis of the Riga Planning Region (RPR) is framed around the **regional development planning system** that links (i) long-term strategic direction, (ii) medium-term programming and project pipelines, and (iii) monitoring and evaluation. In the current cycle, the core territorial strategy is the **RPR Development Programme 2022–2027**, a **regional medium-term territorial development planning document** that operationalises the long-term commitments of the **RPR Sustainable Development Strategy 2030**. The Development Programme is structured in **three volumes—Strategic Part, Action Plan, and Monitoring Procedure**—explicitly designed to connect priorities to implementable actions and indicators.

1.2.1. Types of territorial strategies and their role in policy frameworks

RPR's strategy mix combines:

- **Place-based territorial strategy** (Sustainable Development Strategy + Development Programme), setting strategic goals and integrated priorities (social inclusion, green/innovative economy, ecologically tolerant living) (RPR Development Programme 2022–2027 Strategic Part, 37). **Metropolitan-area programming**, via the **Action Plan for Riga Metropolitan Area (RMA) development**, addressing functional urban–rural linkages and investments that exceed single-municipality boundaries.
- **Innovation/smart specialisation orientation**, where RIS3 principles are embedded into regional documents and governance routines, aligning innovation priorities with territorial development.

Positioning within **Cohesion Policy** is twofold: (1) the strategies translate EU priorities into region-specific objectives and project pipelines; and (2) they provide a coherent basis for using EU funds consistent with **Cohesion Policy 2021–2027** and its **five policy objectives** (Smarter, Greener, More connected, More social, Closer to citizens). The RPR Development Programme explicitly references alignment with EU macro/strategic frameworks such as the **European Green Deal** and the **EU Strategy for the Baltic Sea Region (EUSBSR)**.

1.2.2. Programming process, adoption, implementation

The programming process is described as **interdisciplinary and multi-level**, and grounded in Latvia's planning/legal framework (including public participation requirements) (RPR Development Programme 2022–2027 Strategic Part, 37).

The **Development Programme** was prepared under RPR administration leadership with involvement from municipal planners and project managers, sector experts, and representatives of scientific institutions, national administration and NGOs. (RPR Development Programme 2022–2027 Strategic Part, 37). Inputs come from multiple levels: international (e.g., Green Deal, EUSBSR), national (Latvia 2030, National Development Plan 2021–2027, sector guidelines), regional strategies, and municipal plans.

Implementation follows a **portfolio logic**: the Action Plan aggregates mid-term actions and includes **RPR action programmes** (existing thematic programmes and prospective integrated programmes), creating links between priorities and concrete measures/projects. Monitoring is systematised through the dedicated Monitoring Procedure, with responsibility placed on the regional administration and periodic reporting.

1.2.3. Institutional actors, coordination, participation, and governance links

Institutionally, RPR operates as a **derived public entity** whose decision-making body is the **Development Council**; the region's status and functions are defined in national law, and the system is overseen at national level by the Ministry responsible for regional development (RPR Development Programme 2022–2027 Strategic Part, 37).

The Development Council's composition reflects multi-municipal governance: under the current arrangement it includes **14 deputies** (Riga city holding a larger share of seats), while the administration executes decisions and coordinates planning and cooperation. Coordination mechanisms include participation in national working groups/committees and structured stakeholder involvement (municipalities, universities, business and sector organisations, service providers such as ports/airport, incubators and clusters), supporting alignment between EU, national, regional and local priorities.

In addition, it is important to note that the content of RPR strategies is explicitly **integrated and cross-sectoral**. The Development Programme sets **three strategic goals** and **seven integrated priorities**, including **climate resilience, nature and energy**, and **climate-neutral mobility and logistics**, while “smart development” (including digitalisation/technology) is treated as a **horizontal priority** embedded across actions and projects. The strategies interact with other regional development instruments by shaping cooperation projects (e.g., mobility hubs, cycling networks, and strategic infrastructure

links) and by embedding innovation priorities (RIS3/blue growth) into territorial planning and investment logic.

1.3. Sources and stakeholders consulted

The development of the regional diagnosis primarily involved all stakeholders identified within the project, including the RPR Development Planners Consulting Working Group, as well as the RPR Spatial Planning Unit, development planners of Riga region local municipalities. It is important to mention that the territorial scope of the RPR includes 9 municipalities, whose representatives were involved in the development process of the regional diagnosis.

2. Analysis of strategies building block

The analysis is organised according to the eight modules with primary focus on RPR Development Programme 2022–2027.

2.1 Strategic Dimension

2.1.1. Strategic vision and territorial framing

Riga Planning Region's strategic model is primarily emphasized in the **Sustainable Development Strategy 2030**, which sets out the long-term vision, development goals, priorities, and spatial perspective for the Riga Planning Region. The document emphasizes that sustainable development cannot be separated from spatial development, and therefore territorial planning is embedded throughout the strategic framework, including settlement structure, mobility networks, ecological systems, and metropolitan cooperation (RPR Sustainable Development Strategy 2030, 4–5).

A key territorial focus is the **Riga Metropolitan Area**, understood as a functional development space extending beyond administrative borders. The strategy highlights the importance of coordinated planning across transport, mobility, public services, recreation, and nature protection, where functional linkages matter more than municipal boundaries. (RPR Sustainable Development Strategy 2030, 5–6).

2.1.2. Long-term objectives across policy planning documents

The long-term development vision of the Riga Planning Region for 2030 determines that the RPR is a globally recognizable, green and high-quality metropolis of Northern Europe. The regional model articulates long-term development objectives in a consistent way across

strategic documents. Both the RPR Sustainable Development Strategy 2030 and the Development Programme 2022–2027 share three overarching strategic goals:

To achieve this vision, three strategic objectives (SOs) have been defined:

- SO 1: Knowledge-based "green", innovative and flexible economy;
- SO 2: Socially inclusive and active society;
- SO 3: Ecologically tolerant lifestyle and places.

These goals form the backbone of territorial strategies and guide the alignment of priorities and actions.

The Development Programme further expands these long-term goals through seven integrated priorities, covering areas such as community sustainability, education excellence, competitiveness, climate-neutral mobility, governance quality, settlement structure, and climate resilience. This creates a structured pathway “from vision to action” within the regional planning system.

The INTEGRA diagnosis also emphasises that while many municipal strategies support entrepreneurship and innovation, the operationalisation of Smart Specialisation Strategy (RIS3) principles at the local level remains uneven. In several municipalities, innovation support actions exist but are not always systematically linked to defined specialisation domains or structured cooperation between businesses, research institutions, and public authorities.

2.1.3. Innovative policy-making approaches

RPR promotes innovative strategic thinking using **scenario-building** as a foresight-oriented planning approach. Strategy 2030 defines three possible regional development scenarios: a baseline scenario, a shrinking scenario, and a qualitative transformation scenario. The region explicitly supports the qualitative transformation pathway, which stresses EU policy adaptation, smart development, social initiatives, trust-building, and territorial balance (RPR Sustainable Development Strategy 2030, 10–13). In addition, the strategy introduces “smart development” as a horizontal priority, emphasizing resource efficiency, education, cooperation, digitalisation, technology, productivity, and sustainable energy systems. This reflects an innovative approach to modern regional governance and transformation (RPR Sustainable Development Strategy 2030, 18–19).

The INTEGRA regional diagnosis further highlights that digital transformation has become a cross-cutting priority for municipalities in the Riga metropolitan area. Municipal strategies increasingly prioritise digital public services, smart mobility systems, and data-driven governance solutions. However, the analysis suggests that stronger metropolitan-level

coordination would be beneficial to ensure interoperability between digital platforms and to avoid fragmented technological solutions across municipalities.

2.1.4. Alignment with global, EU and national agendas

The regional strategic model ensures strong alignment with European and international policy agendas. The Development Programme explicitly incorporates the **European Green Deal**, highlighting the EU objective of achieving climate neutrality by 2050 and reducing greenhouse gas emissions by at least 55% by 2030. These commitments are reflected in regional priorities related to mobility, energy, resilience, and environmental governance (RPR Development Programme 2022–2027 Strategic Part, 17–18). Specific links to the Green Deal are visible in Priority 7 “Climate resilience, environment, and energy”, which addresses climate adaptation, renewable energy systems, circular economy measures, and cross-border environmental challenges such as air, water, and noise pollution (RPR Development Programme 2022–2027 Strategic Part, 36–37). Furthermore, the regional model is designed to align with Latvia’s national development framework, including “Latvia 2030” and the National Development Plan (NAP 2027), ensuring coherence between regional strategies and national territorial policy objectives (RPR Development Programme 2022–2027 Strategic Part, 7; RPR Sustainable Development Strategy 2030, 4).

While the SDGs and Agenda 2030 are not always mentioned explicitly, the strategy’s thematic focus on inclusion, green growth, resilient communities, and climate responsibility corresponds conceptually to such key Sustainable Development Goals as SDG 11 (Sustainable Cities), SDG 13 (Climate Action), and SDG 9 (Innovation) (RPR Sustainable Development Strategy 2030, 16–19).

2.1.5. Coordination mechanisms and avoiding overlaps

A central element of RPR’s strategic dimension is its role as a **coordination platform** between governance levels. The Development Programme stresses that strategic priorities were developed through interdisciplinary cooperation involving regional specialists, municipalities, national ministries, research institutions, and civil society actors. This ensures consistency and reduces duplication between territorial initiatives (RPR Development Programme 2022–2027 Strategic Part, 6–7).

RPR Sustainable Development Strategy 2030 identifies **cooperation platforms** as the main implementation instrument. These platforms can take formal or informal forms—interinstitutional coordination groups, stakeholder networks, digital collaboration spaces, or thematic partnerships. This flexible governance model supports integrated territorial development and prevents fragmentation (RPR Sustainable Development Strategy 2030, 22–23). In addition, RPR representatives participate in national working groups, monitoring

committees, and commissions, ensuring that regional interests are integrated into state-level policy processes and that strategic initiatives remain coordinated across sectors (RPR Development Programme 2022–2027 Strategic Part, 16–17).

2.2 Territorial Focus

The territorial focus dimension of the Riga Planning Region (RPR) is defined through a regional model that explicitly frames development strategies not only within administrative borders, but also through **functional** and **place-based territorial logic**. The regional planning approach emphasises that Riga is Latvia's metropolitan core, yet its development dynamics extend far beyond the formal boundaries of the planning region. Therefore, RPR strategies are designed to address the region as a complex territorial system, integrating urban centres, suburban zones, rural hinterlands, and coastal and ecological areas into one coherent spatial development perspective (RPR Development Programme 2022–2027 Strategic Part, 9–10; RPR Sustainable Development Strategy 2030, 5).

2.2.1. Functional territories and place-based reference frameworks

RPR Development Programme 2022–2027 clarifies that functional territories are aligned with EU Cohesion Policy definitions and Latvia 2030 national spatial priorities. These territories consist of densely populated urban centres and surrounding commuting zones, where labour markets and daily mobility create strong territorial interdependence. In the case of Riga, the functional perimeter is defined more broadly, including municipalities where at least 50% of employed residents work in Riga, reflecting an explicitly functional approach to territorial planning (RPR Development Programme 2022–2027 Strategic Part, 37).

2.2.2. Balancing territorial scales: metropolitan core and regional diversity

The regional model addresses the balance between different territorial scales by positioning Riga as the national and regional core while recognising the diversity of settlement patterns across the region. The RPR Development Programme 2022–2027 describes Riga Planning Region as a territory characterised by a dynamic capital city of Riga, secondary urban centres (Jūrmala, Sigulda, Ādaži, Salaspils, etc.), and less urbanised peri-urban and rural environments. It is worth noting that Jūrmala is the first city in Latvia with granted official "Resort City" status by the Cabinet of Ministers. This territorial mosaic requires differentiated planning responses across scales (RPR Development Programme 2022–2027 Strategic Part, 9–11).

The RPR Sustainable Development Strategy 2030 notes that, following administrative-territorial reform, the updated strategic focus shifted more strongly toward Riga's functional space and cooperation with surrounding municipalities. This demonstrates an awareness

that development processes operate at multiple scales and require strategic coordination beyond fixed borders (RPR Sustainable Development Strategy 2030, 5).

2.2.3. Urban–rural linkages and territorial cohesion

RPR’s territorial approach promotes strong **urban–rural linkages**, recognizing that the region’s sustainability depends on functional integration between the metropolitan core and its surrounding territories. RPR Sustainable Development Strategy 2030 stresses that planning solutions must be considered at the scale of the functional region, particularly in sectors such as transport, settlement development, public services, tourism, and nature/recreation areas, where rural and urban functions are deeply interconnected (RPR Sustainable Development Strategy 2030, 6).

The RPR Development Programme 2022–2027 similarly highlights the consequences of suburbanisation in Pierīga (Municipalities adjacent to Riga City), including increased private transport flows, fragmented settlement patterns, and infrastructure mismatches. This reinforces the need for integrated territorial governance that links urban growth with rural and peri-urban sustainability (RPR Development Programme 2022–2027 Strategic Part, 11). In this sense, the regional model does not treat rural areas as separate development zones but as essential components of the metropolitan system, contributing ecological resources, recreational landscapes, and spatial balance.

2.2.4. Interregional and cross-border cooperation

The territorial focus dimension of RPR also extends beyond the region itself through an emphasis on **interregional cooperation**. RPR Sustainable Development Strategy 2030 underlines that Riga’s development space must be viewed in a broader Baltic Sea Region context, where competitiveness and sustainability depend on stronger integration with neighbouring regions and Nordic markets (RPR Sustainable Development Strategy 2030, 9–10).

RPR Sustainable Development Strategy 2030 includes spatial perspectives on cooperation with neighbouring planning regions and highlights the importance of shared development directions, especially in mobility corridors, economic networks, and environmental systems. Cooperation spaces and interregional linkages as part of the strategic territorial framework are emphasized (RPR Sustainable Development Strategy 2030, 40–42). Additionally, RPR participates in national and regional working groups, commissions, and monitoring structures, ensuring that regional territorial initiatives are coordinated with wider territorial governance and do not overlap unnecessarily with parallel development agendas (RPR Development Programme 2022–2027 Strategic Part, 16–17).

2.3 Governance

Evidence from the INTEGRA Regional Diagnosis indicates that the governance model of the Riga Planning Region operates within a multi-level strategic coordination framework where regional institutions primarily act as facilitators rather than fund managers. This coordination role is particularly important for aligning municipal development programmes with national policy frameworks and EU Cohesion Policy priorities.

2.3.1. Institutional responsibility and formal steering structures

The formal steering and approval of territorial strategies at the regional level is entrusted to the RPR Development Council, which acts as the political decision-making body representing the municipalities of the region. The Development Programme 2022–2027 was approved by the RPR Development Council following a structured preparation and consultation process (RPR Development Programme 2022–2027 Strategic Part, 5–6).

The preparation of regional strategies is carried out under the framework of national legislation, including the Regional Development Law, the Development Planning System Law, the Spatial Development Planning Law, and relevant Cabinet Regulations (e.g., Regulation No. 402 on planning region development documents). These legal acts define the responsibilities of planning regions and ensure alignment with Latvia's national planning system (RPR Development Programme 2022–2027 Strategic Part, 5).

RPR operates as an intermediary governance level between municipalities and the national level. Its role includes representing regional interests in national working groups, monitoring committees, and commissions, thereby ensuring vertical coordination between territorial and national policies (RPR Development Programme 2022–2027 Strategic Part, 16–17).

2.3.2. Multi-level coordination mechanisms

The governance model of RPR is explicitly multi-level (see Figure 3). RPR Sustainable Development Strategy 2030 emphasises that the region functions as a cooperation organiser between municipalities and state institutions, ensuring that territorial issues exceeding the boundaries of a single municipality are addressed at the appropriate scale (RPR Sustainable Development Strategy 2030, 4–5).

Coordination operates in practice through:

- structured collaboration with national ministries;
- integration of regional priorities into national policy frameworks (e.g., Latvia 2030, NAP 2027);
- participation in national monitoring and policy design processes;

- horizontal cooperation among municipalities within the region (RPR Development Programme 2022–2027 Strategic Part, 7, 16–17).



Figure 3. Multi-level coordination mechanism

The governance model is described as operating according to network principles, with shared responsibility between formal authorities (e.g., RPR and national institutions such as the Ministry of Smart Administration and Regional Development) and informal partners. This distributed accountability strengthens policy integration while maintaining institutional clarity (RPR Sustainable Development Strategy 2030, 23).

Additionally, RPR's governance framework ensures coherence with European-level strategies such as the European Green Deal and EU Cohesion Policy, thereby embedding regional strategy-making within international governance structures (RPR Development Programme 2022–2027 Strategic Part, 17–18).

2.3.3. Stakeholder review about territorial-scale governance

On 28 November 2025, the Centre for European and Transition Studies (CETS) of the Faculty of Economics and Social Sciences of the University of Latvia (UL FESS) together with the Riga

Planning Region organised a meeting of the RPR Development Planners Consultative Working Group. Within this framework, the first Latvian stakeholders' meeting of the Interreg Europe INTEGRA project took place.

Representatives of the municipalities of the Riga Planning Region and the Ministry of Smart Administration and Regional Development of Latvia (MSARD) participated in the meeting. Participants were introduced to the INTEGRA project, its partners and planned activities, highlighting the synergy of cooperation between the University of Latvia and the Riga Planning Region. Following the project presentation, a workshop was held during which participants responded to questions on regional policy. Key findings from the survey of local government representatives in the Riga Planning Region:

- ☐ Weakest point: The weakest rating was given to multi-level coordination mechanisms between the national, regional and local levels.
- ☐ Strongest point: The highest rating was given by respondents to the role of institutions in implementing strategies at the territorial level.
- ☐ Innovation: Respondents generally appreciate the model's ability to promote innovative policy approaches.

2.3.4. Stakeholder and citizen participation

Participation is embedded in the governance framework through legally required public consultation processes. The Development Programme refers explicitly to Cabinet Regulation No. 970 on public participation in development planning, ensuring that public consultation is institutionalised rather than ad hoc (RPR Development Programme 2022–2027 Strategic Part, 5).

The preparation of the RPR Development Programme 2022–2027 involved regional specialists, municipal planning experts, sectoral experts, representatives of state institutions, research organisations, and NGOs. This indicates a structured and interdisciplinary consultation process during the design phase (RPR Development Programme 2022–2027 Strategic Part, 6).

2.3.5. Organisational structures and administrative capacity

The organisational backbone of the regional governance model is the RPR administration, which coordinates strategy preparation, stakeholder engagement, and monitoring. RPR Development Programme 2022–2027 notes that strategy preparation was led by the RPR administration in cooperation with municipalities and sectoral experts, indicating internal coordination capacity (RPR Development Programme 2022–2027 Strategic Part, 6).

However, the RPR Sustainable Development Strategy 2030 also recognises risks related to limited institutional resources and the need for stronger trust, coordination, and adaptive

governance to avoid fragmentation. This indicates awareness that integrated territorial governance requires continuous institutional development (RPR Sustainable Development Strategy 2030, 12–13).

Riga Planning Region (RPR) does not hold the status of a Managing Authority or a Lead Intermediary for EU funds. It is not involved in the central management, financial distribution, or regulatory oversight of the EU Structural and Investment Funds at the national level.

2.4 Cross-Sectoral Integration

2.4.1. Integration at the strategic design level

The three overarching strategic goals — socially inclusive communities, a knowledge-based green economy, and ecologically tolerant lifestyles — are not sector-specific objectives but integrative constructs that combine social cohesion, innovation, mobility, environmental protection, governance quality, and spatial planning. This multi-dimensional framing demonstrates that cross-sectoral synergies are embedded at the highest strategic level (RPR Development Programme 2022–2027 Strategic Part, 28–31). Furthermore, RPR Sustainable Development Strategy 2030 explicitly notes that each priority reflects an integrated perspective, linking other priorities and action directions across sectors. Integration is therefore conceptualised as a horizontal organising principle rather than a secondary coordination tool (RPR Sustainable Development Strategy 2030, 19).

There is a connection between long-term goals, medium-term priorities, and operational measures as a structured “roadmap from vision to action”, ensuring that sectoral interventions remain aligned with integrated development objectives (RPR Development Programme 2022–2027 Strategic Part, 26–27).

2.4.2. Procedural tools and interdepartmental coordination

Procedural tools supporting integration include interdisciplinary working groups and seminars during the preparation of both RPR Sustainable Development Strategy 2030 and the RPR Development Programme 2022–2027. These processes involved municipal planning specialists, sector experts, state institutions, and NGOs, facilitating cross-sector dialogue at the planning stage (RPR Development Programme 2022–2027 Strategic Part, 6).

At the project level, cross-sectoral integration is encouraged **through functional territory approaches**, particularly in the **Riga Metropolitan Area**. Here, transport, housing, environmental protection, and economic development projects are expected to be coordinated within a shared spatial framework (RPR Sustainable Development Strategy 2030, 5–6).

2.4.3. Monitoring and evaluation of integration

Integration is supported by a monitoring framework that defines responsibilities, indicators, and implementation oversight. The Development Programme includes a dedicated supervision and monitoring system to ensure that strategic priorities are tracked systematically (RPR Development Programme 2022–2027 Strategic Part, 7).

Although the documents do not describe a separate “integration index” or formal cross-sector evaluation mechanism, the integrated structure of priorities and reporting suggests that monitoring focuses on combined outcomes rather than isolated sectoral performance.

2.4.4. Support for innovative approaches: policy mixes and partnerships

The regional model supports innovative cross-sectoral approaches through the promotion of:

- cooperation platforms and stakeholder networks;
- integration of climate, economic, and technological measures;
- metropolitan-level thematic clusters (e.g., mobility, competitiveness, environmental resilience).

These elements align with the concept of policy mixes and multi-sectoral partnerships (RPR Sustainable Development Strategy 2030, 22–23; Development Programme 2022–2027, 36).

In addition, the horizontal priority of “smart development” promotes digitalisation, technological innovation, resource efficiency, and knowledge integration across sectors, strengthening the innovation dimension of cross-sector governance (RPR Sustainable Development Strategy 2030, 18–19).

2.5 Funding and Finance

According to the INTEGRA Regional Diagnosis, the implementation of regional and municipal development priorities is strongly supported by EU funding instruments, particularly the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund Plus (ESF+), and the Recovery and Resilience Facility (RRF). While the Riga Planning Region does not act as a Managing Authority, these funding sources provide the primary financial basis for innovation investments, digital transformation, climate resilience, and integrated territorial development projects.

The funding and finance dimension of the Riga Planning Region (RPR) is structured within a multi-level financial framework that combines European Union resources, national funding instruments, municipal budgets, and complementary investment mechanisms. The regional model does not function as an independent funding authority but rather as a coordinating

and strategic alignment platform, ensuring that available financial instruments are channelled towards integrated territorial objectives. The financial architecture is therefore embedded within Latvia's national planning and EU Cohesion Policy systems (RPR Development Programme 2022–2027 Strategic Part, 7, 17).

2.5.1. Main funding sources mobilised

RPR Development Programme 2022–2027 explicitly situates regional financing within the framework of EU Cohesion Policy 2021–2027, referencing instruments such as the European Regional Development Fund (ERDF), the Cohesion Fund (CF), and the European Social Fund (ESF). These funds are aligned with national priorities under the National Development Plan (NAP 2027) and are intended to support integrated territorial investments within functional areas (RPR Development Programme 2022–2027 Strategic Part, 3, 37). In addition, the document refers to the Recovery and Resilience Mechanism (RRF / ANM), which forms part of the broader EU financial response framework. This indicates that RPR territorial strategies are expected to mobilise both traditional Cohesion Policy funds and recovery-related instruments (RPR Development Programme 2022–2027 Strategic Part, 3, 17–18).

At the national level, financing is linked to sectoral ministries and state programmes, particularly through alignment with NAP 2027 and national policy guidelines. Municipal budgets constitute an additional co-financing layer, especially for infrastructure, service provision, and metropolitan coordination measures (RPR Development Programme 2022–2027 Strategic Part, 7).

Thus, the financial model is explicitly multi-level, relying on vertical integration of EU, national, regional coordination, and local budgetary contributions. The Riga Planning Region (RPR) does not possess the mandate of a Managing Authority or an Intermediate Body for EU structural funds. Consequently, it is excluded from the financial management and decision-making processes regarding the allocation of EU funding. The RPR functions solely as a regional coordinator and project applicant; it does not oversee, distribute, or manage the national EU fund portfolio.

2.5.2. Multi-fund and blended approaches

The regional strategy encourages integrated and complementary use of funding streams rather than isolated sectoral investments. The RPR Development Programme 2022–2027 emphasises the link between long-term strategic objectives and operational programmes, including both thematic and integrated RPR action programmes. This indicates that interventions funded under different financial instruments are expected to contribute jointly to shared territorial results (RPR Development Programme 2022–2027 Strategic Part, 7, 26–27).

Although the planning documents do not describe a formally established “multi-fund instrument” managed directly by RPR, they clearly promote financial complementarity and policy coherence across funding sources.

2.5.3. Accessibility and administrative burden

The regional model primarily acts as a coordination and facilitation structure rather than a direct managing authority of EU funds. However, RPR plays an important role in improving access to funds by:

- aligning regional priorities with national and EU funding frameworks,
- participating in national working groups and monitoring committees,
- and ensuring that regional projects are strategically positioned within funding calls (RPR Development Programme 2022–2027 Strategic Part, p.16–17).

Public participation and stakeholder engagement during strategy design also contribute to accessibility, as potential beneficiaries (municipalities, NGOs, business actors) are involved early in the identification of priority actions (RPR Development Programme 2022–2027 Strategic Part, 6).

While the policy planning documents do not explicitly mention administrative burden reduction tools (e.g., simplified cost options or one-stop-shops), the coordination role of RPR — particularly in functional territories — suggests that the region helps beneficiaries navigate complex funding systems through strategic guidance and cross-level cooperation.

2.5.4. Innovative financial instruments

The reviewed documents do not provide explicit references to revolving funds, financial guarantees, or dedicated regional-level financial engineering instruments. The financial architecture remains largely embedded within standard EU Cohesion Policy and national public funding frameworks.

Although innovative financial instruments are not explicitly institutionalised at the regional level, the strategic priorities are compatible with PPP models and co-financing schemes within national and EU regulatory frameworks.

2.5.5. Adequacy of resources relative to strategic ambition

RPR Sustainable Development Strategy 2030 recognises the structural challenge of limited national and regional resources. It notes that insufficient investment capacity and dependence on external resources can constrain territorial development ambitions (RPR Sustainable Development Strategy 2030, 12–13). At the same time, the strong alignment with EU Cohesion Policy and the European Green Deal suggests that RPR strategies are designed

to leverage supranational funding to compensate for limited domestic financial capacity (RPR Development Programme 2022–2027 Strategic Part, 17–18). The successful execution of the Riga Planning Region’s development strategy is contingent upon the securing of external financial resources. Without dedicated funding, the RPR lacks the fiscal capacity to transition from strategic planning to the active implementation of regional growth initiatives.

2.5.6. Monitoring and financial oversight

RPR Development Programme 2022–2027 includes a structured supervision and monitoring framework, defining responsibilities and indicators to track implementation progress. While primarily focused on strategic outputs and results, this monitoring structure indirectly ensures that financial resources are used in alignment with integrated territorial objectives (RPR Development Programme 2022–2027 Strategic Part, 7).

The absence of a distinct regional financial authority suggests that financial accountability is largely governed through national and EU regulatory mechanisms, with RPR acting as a coordination and alignment layer rather than a direct financial controller.

Based on the analysis of Riga Planning Region’s municipalities alignment with Riga Planning Region’s strategic priorities, RIS3 and Cohesion Policy (2021-2027), key alignment strengths and main gaps have been identified (see Annex 1).

2.6 Monitoring

The monitoring dimension of the Riga Planning Region (RPR) reflects a dual structure: on the one hand, monitoring of individual projects financed under EU and national programmes, and on the other, monitoring of the regional strategy as an integrated territorial framework. While project-level monitoring is embedded in the broader EU and national regulatory systems, the monitoring of the strategy as a whole represents a more complex governance task, requiring coordination, indicator systems, and feedback mechanisms at the regional level (RPR Development Programme 2022–2027 Strategic Part, 7).

2.6.1. Monitoring Framework of the Riga Planning Region in the Context of National Regional Development Law

The monitoring and operational framework of the Riga Planning Region (RPR) is fundamentally anchored in the Regional Development Law (2002) and the associated regulations of the Cabinet of Ministers. Within this legal architecture, monitoring is defined not merely as a data collection exercise but as a strategic mechanism designed to ensure the region's sustainable growth. According to the Regional Development Law (2002, Section 12, para. 3), the planning region is responsible for the local implementation of national development objectives. A primary focus is directed toward the supervision of core planning

instruments: the long-term Sustainable Development Strategy and the medium-term Development Program. Through systematic evaluation, the RPR prepares periodic progress reports that analyze the efficacy of implemented measures and determine whether specific performance indicators align with projected outcomes (Cabinet Regulation No. 568, 2014, p. 12, para. 45).

In the contemporary planning landscape, digitalization is a cornerstone of regional oversight, resulting in the integration of RPR monitoring activities with the Territory Development Planning Information System (TAPIS). This digital infrastructure facilitates a continuous, "bottom-up" data exchange between local municipalities, the planning region, and national state institutions. Under this model, municipalities provide empirical data regarding territorial development, which RPR specialists then aggregate to synthesize a comprehensive overview of growth trends within the Riga metropolitan area (Cabinet Regulation No. 568, 2014, p. 15, para. 58). Furthermore, this process involves a granular analysis of regional development indicators in collaboration with the State Regional Development Agency (VRAA), focusing on socioeconomic metrics such as demographic shifts, unemployment rates, and the accessibility of public infrastructure (Regional Development Law, 2002, Section 13, para. 1).

The monitoring process also encompasses a critical institutional dimension governed by the Riga Planning Region Development Council. Composed of the heads of the region's constituent municipalities, the Council is responsible for the formal review and approval of development monitoring reports. Should the empirical data indicate that initial targets are not being met—such as population outflow from peripheral rural areas—the Council maintains the authority to update strategic priorities or realign development goals (Regional Development Law, 2002, Section 17.1, p. 8). This structured coordination with the Ministry of Smart Administration and Regional Development ensures transparent oversight of state budget grants and provides the necessary evidence base for securing European Union structural funding, which remains vital for the region's long-term competitiveness.

2.6.2. Distinguishing project-level and strategy-level monitoring

Project-level monitoring is largely governed by EU Cohesion Policy and national regulatory frameworks. Since RPR strategies are aligned with the EU programming period 2021–2027 and linked to NAP 2027, operations funded through ERDF, ESF, CF, or Recovery and Resilience Facility mechanisms are subject to standard reporting, output, and result indicator systems defined at national and EU levels (RPR Development Programme 2022–2027 Strategic Part, 3, 17–18). This form of monitoring is mandatory and externally structured; beneficiaries report progress according to programme rules, and national authorities compile aggregated data for the European Commission. In this respect, RPR

operates within the established vertical monitoring architecture of EU operational programmes.

2.6.3. Regional monitoring framework for the strategy

The Development Programme 2022–2027 includes a dedicated section on supervision and monitoring, indicating that strategy-level monitoring is institutionalised within the regional model. This framework defines responsibilities, reporting procedures, and performance indicators associated with strategic goals and priorities (RPR Development Programme 2022–2027 Strategic Part, 7).

Monitoring is structured around:

- strategic objectives and priorities;
- measurable indicators aligned with national development planning;
- periodic reporting and review processes;
- institutional responsibility within the RPR administration.

The indicator system is connected to Latvia's national planning indicators (NAP 2027), ensuring vertical coherence between regional and national evaluation systems (RPR Development Programme 2022–2027 Strategic Part, 7, 26–27).

Thus, a common monitoring framework exists at regional level, though closely aligned with national data systems rather than functioning as an entirely autonomous regional monitoring mechanism.

2.6.4. Indicators, data collection, and analytical capacity

The strategy refers to measurable indicators linked to thematic priorities such as climate resilience, mobility, competitiveness, governance quality, and social inclusion. These indicators are typically derived from national statistics, sectoral databases, and EU programme monitoring tools (RPR Development Programme 2022–2027 Strategic Part, 26–31).

Therefore, data collection is largely based on:

- national statistical offices;
- sectoral administrative data;
- EU programme reporting systems;
- and municipal-level information.

While the planning documents do not describe a separate regional data platform, the integration of regional monitoring into national planning systems suggests sufficient methodological alignment and data availability.

Administrative capacity for monitoring is anchored in the RPR administration, which coordinates data collection, reporting, and analysis in cooperation with municipalities and sectoral institutions (RPR Development Programme 2022–2027 Strategic Part, 6–7).

Monitoring results are intended to feed into periodic strategy reviews and updates. The RPR Development Programme 2022–2027 functions as a medium-term operational document that translates the long-term RPR Sustainable Development Strategy 2030 into specific actions, thereby serving as a built-in feedback loop between long-term vision and short-term implementation (RPR Development Programme 2022–2027 Strategic Part, 26–27).

This layered planning structure — long-term strategy combined with medium-term programme — enables adaptive adjustments without requiring a full revision of the overarching vision.

2.6.5. Capacity and tools for monitoring

The monitoring system relies on the institutional capacity of RPR as a coordination body. RPR Development Programme 2022–2027 notes that interdisciplinary working groups and cooperation mechanisms were established during strategy preparation, which implies similar cross-sector coordination during implementation and monitoring phases (RPR Development Programme 2022–2027 Strategic Part, 6).

However, the planning documents do not describe advanced digital dashboards, performance-based budgeting tools, or independent evaluation bodies at regional level. Monitoring appears primarily administrative and coordination-based rather than supported by sophisticated regional analytical infrastructure.

At the same time, RPR's participation in national monitoring committees strengthens its ability to influence evaluation frameworks and ensure that regional interests are reflected in national assessments (RPR Development Programme 2022–2027 Strategic Part, 16–17).

2.6.6. Stakeholder and citizen involvement in monitoring

Public participation is regulated under national legislation (e.g., Cabinet Regulation No. 970 on public participation in development planning), which ensures that consultation is not limited to the design phase but may extend to evaluation and review processes (RPR Development Programme 2022–2027 Strategic Part, 5).

RPR Sustainable Development Strategy 2030 highlights the importance of civic engagement and community capacity as central components of sustainable development. This implies that monitoring is not only technical but also social, relying on feedback from communities and active stakeholders (RPR Sustainable Development Strategy 2030, 13).

While the planning documents do not describe a formal participatory monitoring system (e.g., citizen panels or participatory audits), the cooperation platform model provides a structure through which stakeholders can provide feedback and influence strategic adjustments (RPR Sustainable Development Strategy 2030, 22–23).

2.7 Transformative Capacity

The transformative capacity of the Riga Planning Region (RPR) strategy-making model can be understood as its ability to promote systemic change rather than merely incremental adjustments. Both the Sustainable Development Strategy 2030 and the Development Programme 2022–2027 frame regional development not as routine policy management but as a structured response to deep socio-economic, environmental, and geopolitical transformations. The strategy explicitly acknowledges external shocks (e.g., demographic decline, climate change, geopolitical instability) and positions the region within broader European transitions, thereby signalling an ambition for structural transformation (RPR Sustainable Development Strategy 2030, 10–13).

2.7.1. From incremental growth to qualitative transformation

A key indicator of transformative intent is the scenario-based approach adopted in RPR Sustainable Development Strategy 2030. The document outlines three development scenarios — baseline, shrinking, and qualitative transformation — and clearly advocates for the qualitative transformation pathway. This scenario is defined by active adaptation to EU policies, knowledge-intensive development, social innovation, and smart governance rather than passive continuation of existing trends (RPR Sustainable Development Strategy 2030, 10–13).

The emphasis on “qualitative change” demonstrates that the regional model is designed to promote systemic reorientation, particularly in economic structure (knowledge-based sectors), social cohesion, environmental resilience, and governance culture. The narrative goes beyond incremental infrastructure improvements and calls for shifts in values, attitudes, and institutional behaviour (RPR Sustainable Development Strategy 2030, 11–12).

2.7.2. Institutional and governance innovation

Transformative capacity is also visible in the governance model. RPR Sustainable Development Strategy 2030 introduces cooperation platforms as core implementation instruments, promoting network-based governance instead of rigid hierarchical

coordination. These platforms enable flexible collaboration between municipalities, state institutions, NGOs, businesses, and knowledge organisations (RPR Sustainable Development Strategy 2030, 22–23).

This approach supports institutional innovation by encouraging cross-sector dialogue, shared responsibility, and adaptive coordination mechanisms. RPR Development Programme 2022–2027 further strengthens this by involving interdisciplinary working groups and sectoral experts in strategic preparation, suggesting that innovation is embedded in institutional processes (RPR Development Programme 2022–2027 Strategic Part, 6).

Such governance arrangements create favourable conditions for experimentation in policy design and implementation, particularly at the metropolitan scale.

2.7.3. Support for social and technological innovation

The transformative orientation of RPR is particularly evident in its focus on knowledge-based economic development and “smart development” as a horizontal priority. RPR Sustainable Development Strategy 2030 promotes digitalisation, resource efficiency, technological modernisation, and productivity growth as foundations for long-term competitiveness (RPR Sustainable Development Strategy 2030, 18–19).

RPR Development Programme 2022–2027 aligns this with investments in education excellence, research capacity, innovation ecosystems, and competitiveness clusters. These measures are designed to create systemic shifts toward higher value-added sectors rather than maintaining traditional economic structures (RPR Development Programme 2022–2027 Strategic Part, 29–31).

These priorities create enabling conditions for technological experimentation and green transition projects.

RPR Sustainable Development Strategy 2030 explicitly situates RPR within the Baltic Sea Region and Nordic integration processes, suggesting openness to cross-border knowledge exchange and policy learning (RPR Sustainable Development Strategy 2030, 9–10).

Thus, the transformative model is not territorially isolated but embedded within broader regional networks that enhance scalability.

The layered planning structure — long-term strategy complemented by medium-term development programmes — allows for periodic reassessment and recalibration of actions (RPR Development Programme 2022–2027 Strategic Part, 26–27).

Although explicit experimentation funds or regulatory sandboxes are not described, the overall institutional design supports continuous learning and incremental scaling of successful practices.

2.8. Riga Metropolitan Competitiveness in the Baltic Sea Region

Planned INTEGRA project's activities will help to overcome challenges for ensuring sustainable development by improving planning and design processes of the integrated territorial strategies to enhance favourable business environment and **promote competitiveness of enterprises**.

The Riga metropolitan region represents the dominant economic and functional core of Latvia. In 2023, the Riga region generated approximately 65.8% of national GDP, confirming its central role in the country's economic structure (Central Statistical Bureau of Latvia, 2024). At the same time, Riga recorded the highest GDP per capita among Latvian regions (EUR 30.4k), reflecting strong national-level competitiveness (Central Statistical Bureau of Latvia, 2024).

However, when assessed in a wider Baltic Sea Region (BSR) metropolitan context — alongside capitals such as Stockholm, Copenhagen, Helsinki, Oslo, and Tallinn — Riga's position is more complex. While it functions as a strong national growth pole, it remains a mid-tier or catching-up metropolis in European metropolitan competitiveness terms (Eurostat, 2023).

2.8.1. Economic performance and productivity

Eurostat metropolitan comparisons show that Riga's GDP per capita in purchasing power standards (PPS) is below the EU metropolitan average, placing it among the lower-income capital metropolitan regions (Eurostat, 2023).

This illustrates a persistent income gap between Riga and leading Nordic metropolitan economies. The difference is not only statistical but reflects structural variations in productivity, innovation capacity, and sectoral composition.

OECD metropolitan analysis confirms this pattern. Riga region accounts for:

- about two-thirds of national GDP;
- more than half of national employment (OECD, 2022).

Yet despite this strong national centrality, Riga still belongs to the bottom 30% of OECD metropolitan areas in GDP per capita levels (OECD, 2022).

Encouragingly, Riga shows strong convergence dynamics. Between 2000 and 2018, the Riga metropolitan area ranked among the top 5% of OECD metropolitan regions for GDP per capita growth (OECD, 2020). This indicates that while Riga lags in absolute performance compared to Nordic capitals, it is catching up relatively quickly.

2.8.2. Metropolitan competitiveness fundamentals

The EU Regional Competitiveness Index (RCI 2.0) provides a useful structural comparison. In the 2022 edition Stockholm and Copenhagen ranked among the top 10 regions in the EU with index values of 138.9 (Stockholm) and 137.7 (Copenhagen) where EU average = 100. (European Commission, 2022)

These high scores reflect strong performance across innovation, labour market efficiency, infrastructure, and institutional quality.

However, Riga does not appear among the leading European regions in this index, signalling structural gaps in advanced competitiveness dimensions such as innovation ecosystems and productivity-intensive sectors (European Commission, 2022).

2.8.3. Innovation capacity

Innovation performance represents one of the clearest divides between Riga and Nordic BSR metropolises. According to the European Innovation Scoreboard 2024:

- Denmark, Sweden, and Finland are classified as Innovation Leaders;
- Latvia is classified as an Emerging Innovator (European Commission, 2024).

Latvia's innovation performance stands at 53.6% of the EU average (European Commission, 2024).

Key structural constraints identified include low business R&D expenditure, limited access to innovation finance, digital skills gaps (European Commission, 2024).

Because Riga concentrates the majority of Latvia's knowledge economy and innovation infrastructure, these national-level weaknesses directly affect its metropolitan competitiveness relative to Helsinki, Stockholm, or Copenhagen.

2.8.4. Labour market and human capital

Metropolitan competitiveness also depends heavily on labour market quality and talent attraction.

Eurostat data indicate that capital metropolitan regions with stronger innovation systems typically display higher productivity, stronger labour market resilience, better employment outcomes (Eurostat, 2023).

Riga's labour market dynamics reflect structural transition pressures typical of catching-up metropolitan regions, including suburbanisation-driven spatial productivity shifts, skills mismatches, challenges in scaling high-value knowledge sectors (OECD, 2022). In fact, OECD analysis shows that during 2010–2019 productivity growth was strong in Pierīga, but weak in Riga itself (OECD, 2022).

This suggests that metropolitan competitiveness increasingly depends on functional integration of the wider Riga metropolitan area, rather than core-city performance alone.

The core strategic challenge is not basic economic growth, but **structural upgrading** — particularly in:

- innovation capacity;
- digital skills;
- business R&D intensity;
- metropolitan governance integration (OECD, 2022).

To develop the Riga Planning Region (RPR) and its metropolis into a tier-one European hub, the strategy has shifted from "city-only" planning to metropolitan-scale integration.

2.8.5. Potential future direction to enhance competitiveness in Riga Planning Region

To enhance its competitiveness within the Baltic Sea Region, the Riga Planning Region should prioritise **strengthening metropolitan productivity** by better integrating the wider functional urban area, thereby improving labour market efficiency and business performance across the metropolitan scale. At the same time, it is essential to **scale innovation finance** by expanding access to venture capital and increasing investment in research and development, enabling local firms to grow and compete internationally. Riga should also introduce a structured benchmarking approach against Tallinn and Vilnius by establishing clear Baltic metropolitan competitiveness indicators to monitor progress and identify strategic gaps. In addition, the region should actively **monetise its strong connectivity** by leveraging Riga Airport and the future Rail Baltica network as platforms for attracting investment, logistics activities, and international business functions. Finally, Riga must translate its smart city progress into tangible economic outcomes by ensuring that advances in digital governance directly contribute to productivity gains, business innovation, and long-term economic growth.

According to the *Riga Development Programme 2022–2027* and the *Riga Smart City Guidelines 2025–2030*, Riga is prioritising a set of integrated actions to narrow the gap with Nordic metropolitan regions. A central focus is on strengthening metropolitan **mobility** by treating Riga and its surrounding Pierīga municipalities as a single functional system through expanded micromobility infrastructure, rail-centric transit solutions linked to Rail Baltica, and the introduction of a Low Emission Zone to reduce car traffic and improve urban air quality. In parallel, the city is advancing economic modernisation by shifting towards an **innovation-led model**, including the development of high-tech industrial clusters such as Kundziņsala, the digitalisation of governance through “single window” data platforms, and stronger alignment between SMEs and national smart specialisation priorities in fields such as biomedicine and smart energy. Efforts are also being made to enhance urban quality and climate resilience through brownfield regeneration, major infrastructure upgrades, and the application of nature-based solutions to address heat and flood risks. Finally, Riga is moving towards formalising a **metropolitan governance model** by strengthening institutional cooperation with surrounding municipalities and supporting SME integration into global value chains through financial instruments, in line with OECD recommendations.

2.9 SWOT analysis of the regional territorial tools

The SWOT analysis (see Figure 4) shows that Riga Planning Region has **strong conceptual territorial tools** (functional territories, integrated planning, cooperation platforms), but their effectiveness is limited by **institutional capacity, fragmented implementation, and lack of financial autonomy**. The main development opportunity lies in **strengthening metropolitan governance and operationalizing integration tools**, while the key risk remains **coordination failure across levels and territories**.



Figure 4. SWOT analysis of regional territorial tools in Riga Planning Region

3. Conclusions

The analysis of the Riga Planning Region (RPR) reveals a regional model of strategy-making that is conceptually well-developed, strategically coherent, and strongly aligned with European and national policy frameworks. The region demonstrates a clear long-term vision supported by integrated planning documents that effectively link strategic objectives with medium-term development priorities. This coherence reflects a mature planning approach, where economic, social, environmental, and spatial dimensions are addressed in a coordinated manner, consistent with contemporary EU territorial development principles.

A defining feature of the regional model is its emphasis on a functional, place-based territorial perspective. The recognition of the Riga Metropolitan Area and the broader functional urban region illustrates an understanding that development processes extend beyond administrative boundaries. This approach enables the integration of urban, peri-urban, and rural dynamics within a single strategic framework, supporting balanced territorial development. At the same time, the analysis indicates that while functional territories are clearly defined, their operationalization remains incomplete. Suburbanization trends, fragmented spatial development patterns, and increasing commuting pressures suggest that coordination at the metropolitan scale is not yet fully effective. The challenge, therefore, lies not in conceptualising functional territories, but in establishing governance mechanisms capable of managing them.

The governance model of the region is characterised by a collaborative and multi-level approach, where the RPR plays a coordinating role between municipalities and national authorities. The use of cooperation platforms and stakeholder engagement mechanisms reflects an inclusive and flexible governance culture. However, despite these strengths, coordination across levels of government remains uneven in practice. The absence of formal decision-making authority at the regional level limits the ability to enforce strategic priorities and ensure consistent implementation. As a result, the model relies heavily on voluntary cooperation, which can lead to fragmented outcomes and varying levels of commitment across municipalities.

A similar pattern can be observed in the field of cross-sectoral integration. The regional strategies clearly promote integrated development, combining multiple policy domains and encouraging synergies between sectors. Nevertheless, while integration is well articulated at the planning level, it is less evident in implementation. Sector-specific approaches continue to dominate at the local level, and the lack of dedicated instruments for integrated project development limits the practical realization of cross-sectoral objectives. This highlights the need to complement strategic integration with operational tools that can support joint interventions and coordinated investments.

The financial framework supporting the regional model is closely linked to European and national funding systems, which provides access to significant resources but also creates structural dependencies. The strong alignment with EU Cohesion Policy and related programmes ensures strategic consistency, yet the limited role of the region in funding allocation reduces its capacity to direct investments according to regional priorities. This dependency constrains the flexibility of the model and may affect its long-term sustainability, particularly in the absence of regionally managed financial instruments.

Monitoring and evaluation mechanisms are in place and aligned with national systems, providing a structured approach to tracking progress. However, the current system remains largely administrative and focused on compliance rather than learning. The limited use of advanced analytical tools and the absence of real-time data systems reduce the potential for adaptive governance. While monitoring results are formally integrated into planning cycles, their practical impact on strategic adjustments appears limited.

Overall, the regional model demonstrates a clear ambition to support structural transformation, particularly through its focus on innovation, sustainability, and metropolitan development. The strategic vision is forward-looking and consistent with broader European policy directions. However, the capacity to translate this vision into tangible outcomes is constrained by institutional, financial, and operational limitations. The model is therefore best described as strong in design but still evolving in terms of delivery.

Looking ahead, strengthening the effectiveness of the regional model requires a shift from strategic coordination towards more operational and outcome-oriented governance. In particular, the region would benefit from reinforcing its ability to implement integrated solutions at the metropolitan scale, improving coordination across administrative levels, and enhancing its capacity to mobilize and direct resources in line with its strategic priorities.

Recommendations

1. **Strengthen metropolitan governance structures** by moving towards more formalised cooperation mechanisms within the Riga Metropolitan Area, including shared planning tools and joint decision-making arrangements.
2. **Enhance implementation capacity** by developing clearer project pipelines, strengthening inter-municipal cooperation, and ensuring better alignment between strategic priorities and concrete actions.
3. **Improve multi-level coordination** through more structured cooperation between national, regional, and local levels, including clearer allocation of responsibilities and stronger institutional linkages.

4. **Develop regional-level financial instruments** to reduce dependence on external funding and support integrated and innovative projects, including pilot initiatives and co-financing mechanisms.
5. **Advance cross-sectoral integration in practice** by introducing tools and incentives that enable joint implementation across policy areas, particularly in fields such as mobility, energy, and economic development.
6. **Strengthen data-driven governance and monitoring systems** by developing digital platforms, improving data availability, and using monitoring results to support adaptive decision-making.
7. **Support innovation ecosystems at the regional and local level** by strengthening cooperation between businesses, research institutions, and public authorities, and improving access to innovation financing.

In conclusion, the Riga Planning Region has established a solid and forward-looking strategic framework that aligns well with European territorial development principles. The next phase of development will require a stronger focus on implementation, institutional capacity, and coordination mechanisms. By addressing these areas, the region can enhance its ability to deliver integrated, efficient, and competitive territorial development outcomes within the Baltic Sea Region.

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Annex I

Municipal Alignment with RPR Priorities, RIS3 and Cohesion Policy (2021–2027)

Municipality	Key alignment strengths	Main gaps to be addressed	Key Cohesion Policy SAMs	RRF contribution (⚡)
Rīga	● RIS3 innovation ecosystem ● Smart city & digital services ● Metropolitan anchor (SM2, P3, P5)	● Spill-over effects to surrounding municipalities insufficiently structured	SAM 1.1.1; SAM 1.2.1; SAM 1.2.2; SAM 5.1.1	⚡ Large-scale digital public administration reforms; ⚡ smart service platforms; ⚡ energy efficiency in public buildings
Jūrmala	● Health tourism & environmental quality ● Smart tourism potential (SM1, SM3)	● Weak linkage to RIS3 innovation and research ecosystems	SAM 1.2.2; SAM 5.1.1	⚡ Digital health and tourism service modernisation; ⚡ energy efficiency upgrades
Ādaži	● Community safety & quality of life ● Resilience orientation (SM1, P1, P5)	● Economic priorities weakly linked to RIS3 value chains	SAM 5.1.1; SAM 5.2.1	⚡ Civil protection and preparedness reforms; ⚡ energy-efficient public infrastructure
Mārupe	● Strong SME & logistics base ● RIS3-relevant business growth (SM2, P3)	● Governance and infrastructure pressure from rapid growth	SAM 1.2.1; SAM 1.2.3; SAM 1.2.2; SAM 5.1.1	⚡ Digital permitting and planning systems; ⚡ green mobility and building efficiency
Ķekava	● Industrial & business development ● Transport accessibility (SM2, P3, P4)	● Limited participation in metropolitan integrated projects	SAM 1.2.1; SAM 1.2.3; SAM 5.1.1	⚡ Energy efficiency in industrial/public buildings; ⚡ digital service upgrades

Salaspils	● Strong research & science base ● High RIS3 potential (SM2, P3)	● Role in regional innovation ecosystem insufficiently articulated	SAM 1.1.1; SAM 1.2.1; SAM 5.1.1	⚡ Research infrastructure modernisation; ⚡ digital research administration
Olaine	● Manufacturing & employment base ● RIS3 industrial relevance (SM2, P3)	● Climate and environmental integration in industry insufficient	SAM 1.2.1; SAM 1.2.3; SAM 1.1.2	⚡ Energy efficiency and green transition in industry; ⚡ workforce upskilling reforms
Ropaži	● Balanced territorial & service development ● Governance & resilience focus (SM1, SM3, P5)	● Innovation and competitiveness underrepresented	SAM 5.1.1; SAM 5.2.1	⚡ Digital service roll-out; ⚡ resilience and preparedness investments
Sigulda	● High-quality living environment ● Tourism & place-based development (SM1, SM3, P6)	● Weak linkage between tourism and innovation/digital products	SAM 1.2.2; SAM 5.1.1	⚡ Smart tourism digital tools; ⚡ energy efficiency in public facilities