

## Co-Productive Project Development in Urban and Regional Planning

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DOI: 10.48494/REALCORP2026.0028

### 1 ABSTRACT

Co-production is gaining prominence, both as an analytical term and as a conceptual framework applied to urban and regional planning, during the last years (Lee et al. 2024:237). There is no single definition, there are various (Valencia et al. 2020; Bandola-Gill et al. 2023). Often the term is used unspecified.

Here, co-production means the collaborative process where citizens, stakeholders and professionals work together to design, develop, and implement projects or policies to “make a city” or transform regions. Therefore, co-production can be a powerful, people-centered approach to urban and regional planning.

Currently, urban planners, who face complex challenges in terms of population and economic development as well as urban renewal in deprived neighbourhoods, are increasingly discussing planning cultures, actor-specific modes of interaction and communication-based goal achievement. New forms of cooperation can be tested and learning effects generated by examining how mutual expectations, participation and trust-building are handled.

Representatives of private-sector, intermediary or civil society interests are no longer merely the recipients of government procedures, programmes and projects. Rather, as co-producers, they actively shape urban spaces and become relevant cooperation partners for urban planning and economic development. They therefore assume control functions and responsibility for space-forming processes themselves.

The findings of this paper are based on research conducted with qualitative analysis of literature review and of semi-structured interviews with municipal stakeholders and business owners. As a result, a research model for the analysis of co-productive value chains was developed. On behalf of analysis of different examples of value-creation-chains of cultural service and manufacturing firms it is shown that co-production needs equal, networked forms of communication and cooperation as well as specific location conditions.

As a result, co-production should not be seen as a planning tool or technique, but as a paradigm shift for future urban development. It enables to integrate different needs and expectations as well as innovations in all phases of spatial project development at eye level by addressing multi-actor involvement differently from established forms of collaborative planning.

Keywords: Governance, co-production, urban design, collaboration, innovation

### 2 WHAT IS CO-PRODUCTION ?

Co-production is gaining prominence, both as an analytical term and as a conceptual framework applied to urban and regional planning, during the last years (Lee et al. 2024:237). The concept of co-production can therefore be used to examine regional value creation processes. It can also be used as a tool for project development in urban and regional planning.

There is no single definition, there are various (Valencia et al. 2020; Bandola-Gill et al. 2023). Often the term is used unspecified. Here, co-production means the collaborative process where citizens, stakeholders and professionals work together to design, develop, and implement projects or policies to “make a city” or transform regions. This refers to collaborative production processes with reciprocal exchange relationships at a predominantly horizontal level (s. figure 1).

Co-production never proceeds in a linear fashion, but rather involves a wide range of discussions and deliberations, and does not involve any central decision-making positions. As a result, such processes (often) take place outside the formal procedures of urban planning and economic development, which are anchored in building regulations and fiscal policy, among other things.

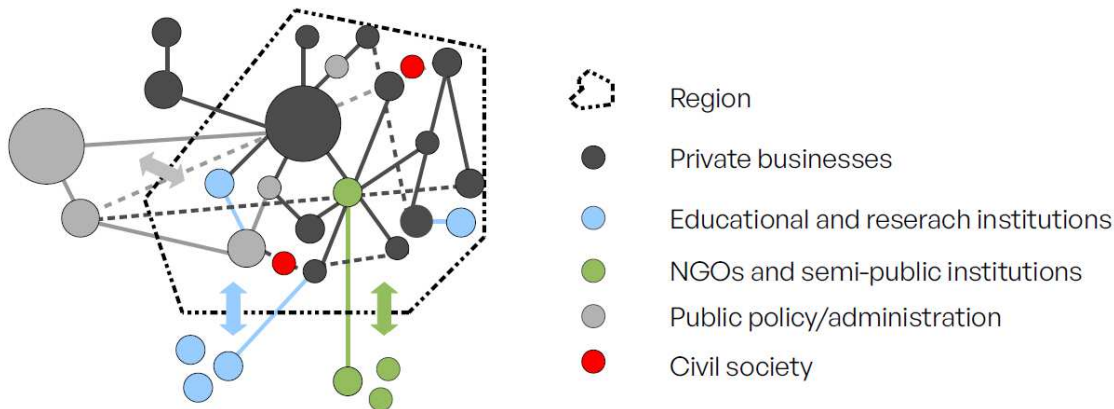


Fig. 1: Reciprocal exchange relationships of various stakeholders within a region (S. Schreiner 2026)

### 3 THESIS AND RESEARCH METHODS

My thesis is: Co-Production functions different from just participation or strategic urban governance – it involves shared responsibility, shared knowledge, shared infrastructure and shared power to produce sustainable space and shape productive livelihoods. New forms of cooperation and co-production can be tested and learning effects generated by examining how mutual expectations are handled, how participation on an equal footing is achieved, and how trust is built.

If conducted right, co-productive project development can supply integrated, innovative and sustainable solutions for reshaping, restructuring and maintaining urban or regional areas. Aim of this article is to inspire and discuss, how co-production can be more than just participation if it involved shared responsibility, shared knowledge, and shared power.

Findings of this paper are based on research conducted with qualitative analysis of literature review, of case studies and of semi-structured interviews with municipal stakeholders as well as business owners.

### 4 WHY CO-PRODUCTIVE PROJECT DEVELOPMENT MATTERS FOR URBAN AND REGIONAL PLANNING

Co-production has been considering to play an important role in dealing with various challenges and complex problems (Lee et al. 2024, Matyushkina et al. 2024:721). Therefore the concept of co-production has become increasingly popular across disciplines. The ambiguity of the concept has increased as well.

The term has been researched in different disciplines and areas, e.g. policy management (as a governance concept), public management and administration, healthcare, environmental science and social care (Brandsen et al. 2017; Bandola-Gill 2023). In the field of urban and regional planning there is literature available especially in relation to digital participation, mobility, cultural economic services, urban living labs and also the role of universities (Lee et al. 2024; Valencia 2020:115 ff.).

The concept of co-production had been first mentioned within planning theory around 1970 in the context of citizen involvement in planning processes (Arnstein 1969), but has gained popularity as an transdisciplinary approach to multiactor knowledge production especially during the last ten years (Simon 2021:5). The further development of Arnstein's Ladder of Citizen Participation (Arnstein 1969) focuses today on processes in which professional and civic expertise lead to joint planning outcomes (s. figure 2).

It shows that co-production, as a process of equal and reciprocal partnership and communication, functions differently from established forms of collaborative planning (Lee et al. 2024; Simon 2021). Co-production is based on bottom-up-activities instead of top-down-processes, expert and citizen input instead expert driven, open dialogue instead of limited transparency, citizens act as co-creators instead of citizens as recipients (s. Matyushkina et al. 2024:722).

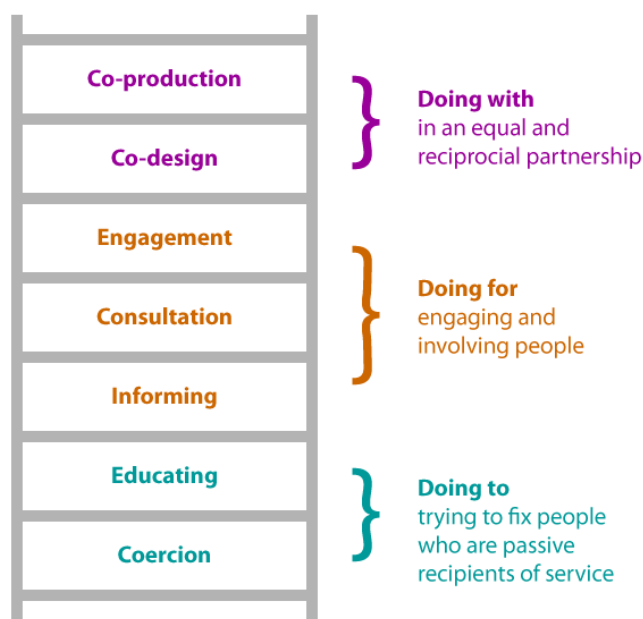


Fig. 2: The co-production ladder (Source: LELAN 2022)

So, co-production shifts planning from a technical task, through participation and co-creation as a hybrid governance approach, to a democratic process. That makes the concept of co-productive project development attractive for urban and regional planning not only in Europe and the United States of America, but also in developing countries. It has been applied by different disciplines and in different contexts, for example, to cope with informal settlements in Asia or lack of water infrastructure in Sub-Saharan Africa (Hoelzel 2024).

Public authorities, from the local to the national level, increasingly expressing their will to integrate participation or co-production into their urban development strategies; they are trying to activate civil society and stakeholders to meet the demand of a changing society and complex spatial problems, especially in urban areas (Brandsen et al. 2017:677). For example, the European “New Leipzig Charta” describes new forms of participation like co-creation and co-design as important aspects for urban development and “productive cities” (BBSR 2020:8). Participation of the public and stakeholders is addressed to “consider their concerns and knowledge” (BBSR 2020:38). Different planning cultures, actor-specific modes of interaction, and communication-based goals come together in planning processes. But, the New Leipzig Charter also acknowledges that there is a “lack of clear and transparent processes, requirements and specific objectives” (BBSR 2020:44) which remains unsolved.

Co-production project development addresses:

- Better fit with local needs
- More inclusive outcomes
- Higher legitimacy and trust
- Greater innovation through diverse perspectives

Therefore, co-productive project development enables groups to take ownership over participatory processes and can foster learning and innovation processes.

This distinguishes co-productive approaches from forms of urban planning and regional governance in which value chains are viewed on the basis of clusters, cultural value creation models or the concept of innovative milieus. Since cooperation activities in clusters are highly institutionalized, they are particularly suited to hierarchical forms of management (s. Porter 2000; Pratt 2015). The cultural value creation model can be used to examine individual activities and actors, their interactions, and inputs and outputs; this allows linear processes to be examined (Canadian Ministry of Industry 2004:13). However, this research model cannot represent exchange and interactions, feedback, and joint product development within spatial context. The concept of innovative milieus allows the innovative power of urban spaces to be examined on the basis of locally networked companies and individuals (Camagni 1991). Personal information exchange and diverse

collaborations lead to collective learning processes; the specific location serves as a resource for innovation. This allows bottom-up processes and interactions to be examined, but they remain diffuse in terms of spatial resources.

## 5 THE ROLE OF SPACE FOR CO-PRODUCTION

If the concept of co-production shall be applied in urban and regional planning projects, learning processes and stakeholder engagement across phases of co-design, co-implementation and co-assessment need to be enabled and integrated. Outcomes of such projects and processes are difficult to measure because of their immaterial nature. Analyzing the role of space can help to present co-productive project results.

A more concrete analytical model is needed for a systematic empirical investigation of spatially anchored co-production processes. Activities from the private, intermediary, and public sectors should be considered on a region-specific basis in all phases of value creation. Based on literature analysis, and analysis of different examples of value-creation-chains of cultural service and manufacturing firms, I have developed a research model that can be used to visualise and analyse co-productive processes between authorities, companies, intermediary organizations and private individuals – on different spatial scales (s. figure 3).

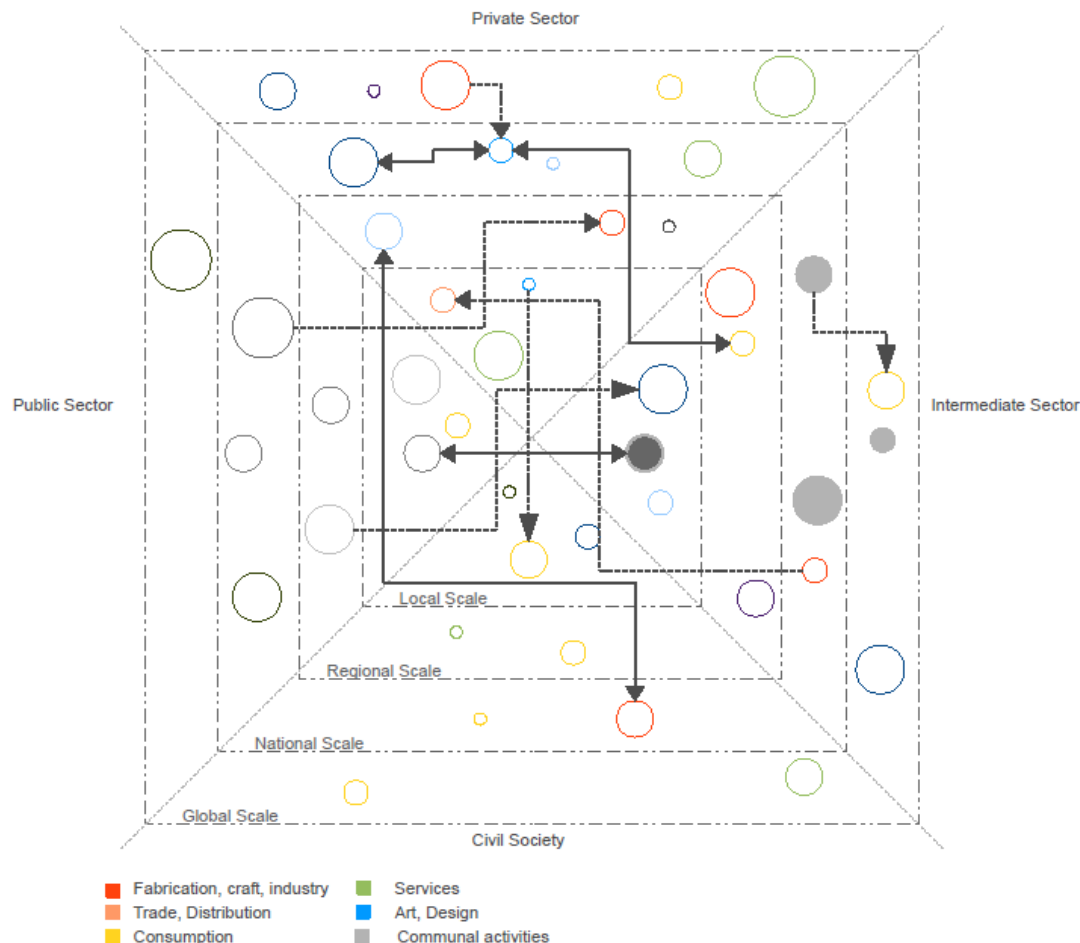


Fig. 3: Research model for the analysis of co-productive value chains (S. Schreiner 2026)

It shows, that the role of space in co-productive project development can be various and needs to be focused on different scales → like the local scale, the regional scale or the global scale:

- Space as a resource (real estate, use of buildings);
- As social and cultural environment where co-production grows;

- As area for innovation processes, like co-creation (as design-construction-distribution as networked communication and production process);
- As arena for discurs or conflicts, e.g. do-it-yourself constructions (e.g. the district of Christiania in Kobenhagen/Danmark as a merely self-organised neighbourhood development processes).

Below, two very different typologies for applying the model are outlined, which were generated from interviews with 30 companies from the fields of architecture, design, planning, craft and industrial production. The companies were anonymised at the request of the interviewees. For each typology, approaches for space-related co-productive project development are outlined.

### 5.1 Typology: The departing company

The departing company is an typical example of a design company that will relocate its business premises. The reason for this is that their opportunities for local and regional cooperation with industrial manufacturers and craft-based production companies are dwindling. This means that opportunities for cooperation are becoming increasingly limited. In this case, the migrants are a fashion design label with two partners who mainly design unique pieces and small series. They produce the unique pieces themselves. For the production of small series, they cooperate with three freelancers (s. figure 4). For sophisticated collections, they rely on local sewing workshops with several employees as suppliers, who guarantee fast and high-quality production. They rarely need large quantities or intermediate products. Due to lower labour costs, they have these produced in large sewing factories in Poland, the Czech Republic or other international locations. As local cooperation partners for design, production and distribution processes dwindle, those who leave cannot maintain cost-efficient, local manufacturing. As interviews with other entrepreneurs in this field have shown, the comparatively high commercial property prices and labour costs at the company's location lead to high design as well as textile craftsmanship costs. According to the interviewees, this is offset by relatively low acceptance among end customers of the corresponding high end product prices. Since co-productive design and manufacturing processes are important everyday practices for those who are leaving, they are planning to relocate their business to a city with lower commercial property costs. One interviewee said: 'Actually, it's nonsense to do this just to cover the costs; you might as well not bother.' To counter this with project development approaches:

This type of business, which combines design, operational organisation, quality control, presentation, sales and the manufacture of fashion products, is particularly suited to studios and lofts with a maximum usable floor space of 100 square metres. The commercial space for this type of business does not need to be centrally located in the city, but should be easily accessible for customers and employees. Dialogue-oriented approaches should focus on expanding contacts and cooperation partners, especially with local craft businesses and small factories, as well as public relations work for expanded distribution channels.

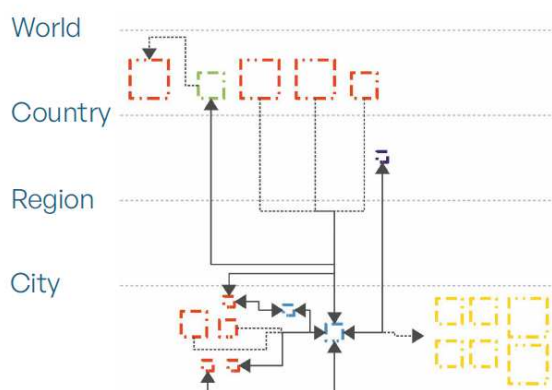


Fig. 4: Co-productive value chains of the departing company (S. Schreiner 2026)

### 5.2 Typology: The locally embedded company

The typology of those embedded locally develop and implement innovative ideas, themes and technologies from various disciplines of landscape design and horticulture. The city where your company is based always

forms the centre of your activities: ‘We travelled throughout the country, always starting from our office location’ (interview with the owner of the company). However, as there are not enough orders for the company in the region, they also work for clients at various locations throughout Germany. The office is integrated into a diverse network of local, regional and national interactions. The illustration depicts the situation explained in the interview regarding project processing. Creative service providers mainly engage in local and horizontal cooperation (s. figure 5). There is also mutual exchange with a municipal consulting company. Craft businesses mainly act as suppliers at local and regional level. Customers are medium-sized or large companies, city or municipal administrations. The office has been established at its local location for many years. There are no plans to relocate the business, even though there are not enough orders in the region to ensure the economic survival of a company of this size. Accordingly, employees must be mobile and work remotely in order to temporarily work on nationwide projects. This example shows that I can develop a planning company steadily at its location over many years despite difficult local income generation. In this case, this is achieved through constant and diversified exchange relationships: the company operates nationwide and has a wide range of cooperation partners and suppliers from service and craft businesses. This typology also shows that even a micro-enterprise can be sufficiently efficient to handle projects for large end customers in a flexible and professional manner.

Suitable commercial premises for companies such as these are purely office spaces in commercial properties in mixed-use or commercial areas. They should have good transport links. The office space should be available exclusively to a company such as the local embedded company. Shared use of a conference room with other companies in the building is possible (optional). This guarantees short distances for meetings with business partners. Strengthening interdisciplinary contacts supports local stabilisation. Interdisciplinary themed events such as discussion evenings can contribute to this. Specific public relations work tailored to the field of activity can also support local stabilisation as this can promote sales.

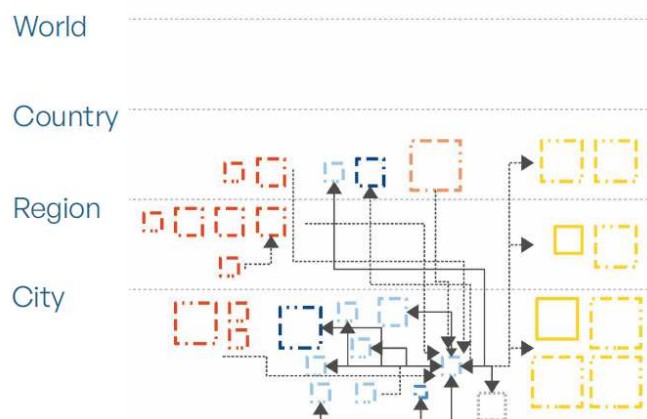


Fig. 5: Co-productive value chains of the locally embedded company (S. Schreiner 2026)

## 6 PLANNING TOOLS FOR CO-PRODUCTIVE PROJECT DEVELOPMENT

Multi-actor involvement with shared power and responsibility in spatial development projects has to deal with complexity, but can also lead to better outcomes if the right tools are used. Various planning tools can enhance and support co-productive project development in urban and regional planning (s. Matyushkina et al. 2024:733f., Klvik et al. 2021). Recommendations for action to promote co-productive activities, extracted from interviews and literature analysis are as follows:

- Face-to-face communication at community engagement events. Informal communication formats to promote personal contacts and, above all, horizontal cooperation with representatives of companies, government agencies and intermediary organisations;
- Urban (co-)design pilot projects;
- Participatory budgeting of public funds;

- (Digital) Platforms (e.g. citizen portals, online mapping). Establish a national public profile for specific areas of activity in order to improve acceptance and sales of locally developed or manufactured products;
- Affordable real estate;
- Flexible land-use (multi-use options).

Specific cooperation and information events are suitable for supporting the networking of potential business partners and planning stakeholders at a horizontal level. This may require that such activities are not limited to individual sectors, but also involve representatives from trade, industry, commerce, and science on a case-by-case basis.

In this context, planning and funding stakeholders should take on more of a moderating role in order to be able to act on a horizontal level. Their influence should focus on partnership-based cooperation. Local authorities can also support co-productive project development with tools such as building land allocation, flexible land use planning, financial support for certain construction projects, or hands-on support of co-creation processes of public open spaces.

Technology like online mapping tools can enhance co-production, but tech should support – not replace – human interaction. Critics about tech-based planning tools argue that e.g. elderly or marginalised groups might not have resources or knowledge to use such tools (cf. Külvik et al. 2021). Supporters of tech-based planning tools argue instead that it depends on the right type of information, human support and learning opportunities for elderly or marginalised groups to reach digital services and tool. For example, in Estonia online collaboration platforms like TOM/TID+ or Maptionnaire are used by a lot of different citizens, because digital public services are common and spatial data is often used for smarter cooperation.

The integration of digital tools can improve reach and responsiveness. But it can also distract or exclude certain people/groups from project participation.

## 7 DISCUSSION AND CONCLUSION

In addition to everyday knowledge, co-productive urban development requires a wide range of expertise on the respective planning objectives, as well as mutual trust and openness to new ideas among all those involved. This calls for a specific planning culture that reflects local characteristics, is based on a common language, and is constantly evolving.

Representatives of private sector, intermediary, or civil society interests are no longer merely recipients of government procedures, programs, and projects. Rather, as co-producers, they actively shape urban spaces and become relevant cooperation partners for urban and regional planning. They therefore take on control functions and responsibility for space-creating processes themselves.

Overall, it depends on the project- and location-specific interaction between formal and informal, hierarchical and heterarchical coordination between public and private sector actors. Top-down planning approaches and context-specific control are less suitable for this than bottom-up processes and direct support activities.

Planning tools and resources should be used dynamically, but also complementarily, and should lead to joint decisions. However, this requires intensive coordination across departments and topics. It also requires public sector representatives to question their ability to act on their urban development goals and to take on appropriate roles as mediators, moderators, or co-production partners, or to delegate these tasks to suitable actors.

Co-production should not be seen as a planning tool or technique, but as a paradigm shift for future urban development. It enables to integrate different needs and expectations as well as innovations in all phases of spatial project development at eye level by addressing multi-actor involvement differently from established forms of collaborative planning or urban governance.

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