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# Multilevel governance and partnership

Cohesion policy plays an important role in creating economic growth and employment in regions and cities around Europe. The methodology surrounding the cohesion policy with a budget period of seven years, its multilevel governance, partnership and coordination between sectors, combined with adaption to each territory’s special needs, has provided better possibilities for economic growth, that national and regional public grants have no possibility of doing.

The fact that a third of the EU-budget is managed in partnership between the European, national, regional and local level is unique. The multi-level governance of the policy has always been in place, but was further strengthened through article 5 of the common provisions regulations and the adoption of the European Code of Conduct on Partnership. A recent study financed by the European Commission[[1]](#footnote-1) concludes that the application of the partnership principle has improved compared to the last programming period of 2007-2013, but there are still challenges across Europe with the inclusion of stakeholders. Public authorities are more positive that other stakeholders from the general public, civil society, and social and economic partners.

According to a CPMR survey[[2]](#footnote-2) in 2015 only 70% of the responding member regions considered that their member state had truly respected the spirit of article 5. Most regions had however contributed to the Partnership Agreements and Operational Programs, but the involvement did not necessarily translate into formal responsibility as managing authority.

### CPMR calls for the strengthening of multi-level governance

For the future Europe it is of key importance that regions have a strategic role in the governing, planning and the selection of investments from ESI-funds. Multi-level governance needs to be further strengthened in the next programming period.

Knowledge about local and regional needs and actors is necessary to secure the success of European investments. All investments are made in a local place. Multi-level governance facilitates the coordination of funding from different levels so that they can build on, strengthen and complement each other. It brings the European co-operation out to all parts of Europe in a visible way. For many citizens and local actors the ESI-funds are the only contact they have with the European Union.

With a broader stakeholder involvement experience and technical know-how is ensured in the process. Implementation of the operational programs tends to improve when the partnership principle ensures commitment and ownership.

### Suggestions

1. Timely and early adoption of the European legislation is important for implementation and results.
2. The European Commission should produce a realistic timetable regarding the adoption of the legislation.
3. To avoid a blame-game, the European Commission should communicate clearly that results of Cohesion Policy are long-term.
4. Improve the quality of informal involvement of partners.
5. Increase the involvement and influence of regional authorities in implementation and management.
6. The European Commission should continue being the guardian of the partnership principle. (OR The European Code of Conduct on Partnership should be an ex ante conditionality. But this goes against simplification.)
7. A minimum of 90% of Cohesion funding should be allocated at the regional level, taking into consideration the constitution of each Member State. Cohesion policy is a regional tool for growth and should mainly be financing regional programs. The regional authorities who are responsible for growth and development should be involved in selecting the actions planned within the national programs, when such programs are created.

### Multi-level coordination of strategies linked to Cohesion Policy

In a fragmented Europe a sustainable strategy for the development of growth, jobs and the environment is an essential tool, addressing the interdependence of the European people. The connection between cohesion policy and EU's strategy to create sustainable and inclusive growth for all has been positive. It has created incitement for both member states and regions to work towards common challenges and goals.

The Europe 2020 Strategy is successfully integrated in to national and regional development strategies. Most operational programs financed by the ESI-funds have been programmed so as to contribute to the achievement of the Europe 2020-strategy.

The European Commission needs to follow-up the progress of the Europe 2020 Strategy, and start planning for a new European development strategy for 2030.

The General Assembly of the United Nations has adopted “The 2030 Agenda for Sustainable Development” with 17 specific goals, including one on partnerships. Building on the UN Agenda 2030, the European Union needs to adopt a new development strategy that supports the targets set at a global level while at the same time focusing on the particular challenges and goals that we identify for this part of the world. Common goals for Europe supports the Europe coming together.

It may be problematic increasing the link to the European economic governance as the Country Specific Recommendations are yearly, and the operational programs are not. Furthermore, the recommendations are in many cases directed at national policy and not regional.

### Suggestions

1. The Europe 2020 Strategy should be followed-up and replaced with a new Europa 2030 Strategy.
2. The allocation methodology for most developed countries should continue to be based on the European strategy for growth and jobs.
3. Future indicators of the operational programs should have a direct link to the Europe 2030 Strategy to better measure the effect of the programs’ contribution to Europe 2030 strategy.

### Functioning multi-level governance increases flexibility to regional needs

When the ESI-programs build on the regional development strategies, when the various funds are coordinated and the partnerships at the regional level working, it is our experience that the ESI-funds can be flexible and meet new upcoming needs.

Region Västra Götaland has been able to use the ESI-funds to meet the immigration crisis 2015-16 and the financial crisis 2008-09. To coordinate the funds the process starts with the priorities in the regional strategy, followed by an inventory of the current needs of local and regional actors. With that knowledge it is possible to time the calls of the funds to different sectors where investments are most needed at a given time.

For countries where ESI-funds constitute a larger proportion of national and regional funding additional flexibility measures are needed to be put in place.

### Suggestions

1. The regional level should be mandated to change the priorities in the programs without going to the European Commission if necessary because of a crisis situation.
2. Each operational program should contain a regional reserve of unallocated funding to be allocated according to critical needs during the program period without going to the European Commission.

### Functioning multi-level governance can allow for simplification

The system of multilevel governance needs trust to work. The ambition to simplify the policy is important. For countries with good management and results from previous years, one level of auditing (and simpler) of the projects is enough.

A comprehensive review of the management, controls and audit procedures is needed to make Cohesion Policy simpler for both managing authorities and beneficiaries in the future.

### Suggestions

1. The CPMR calls on the Commission to improve the alignment and coordination of key strategic documents (Partnership Agreements, Country Papers) in the future.
2. The management and efficiency of the European social fund (ESF), the European regional development fund (ERDF) would benefit from transforming todays funds into one. It would strengthen the regional competence to meet complex challenges. And facilitate work project actors.
1. Implementation of the partnership principle and multi-level governance in 2014-2020 ESI Funds, Sweco & Spatial Foresight & Nordregio, July 2016 [↑](#footnote-ref-1)
2. EU Cohesion Policy, partnership and the regions: a step forward or unfinished business? CPMR November 2015 [↑](#footnote-ref-2)