EUROPE 2020
Monitoring Platform

EUROPEAN UNION

Committee of the Regions

5th CoR Monitoring Report on Europe 2020

• October 2014 • Final Report

Regions and Cities supporting
Europe2020
Europe's growth strategy

The EU's Assembly of Regional and Local Representatives

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Prefaces

Preface to the CoR's 5th Monitoring Report on Europe 2020
by Michel Lebrun,
President of the Committee of the Regions

The CoR's 5th Monitoring Report on Europe is being published just as the mid-term review of the strategy enters into its final phase. The CoR has largely contributed to this review process, in particular with the Athens Declaration in March of this year. It recommends giving Europe 2020 a territorial dimension through regionally differentiated targets - or qualitative objectives - set on the basis of a mixed top-down and bottom-up approach. Multi-level governance solutions should be formulated as part of the same process to ensure effective delivery of the country's goals for growth and jobs.

The renewed Europe 2020 should be placed at the very heart of the European Semester, the key annual engine that drives forward EU economic policymaking. The Annual Growth Survey, the National Reform Programmes and the Country-Specific Recommendations should all build on a much stronger territorial vision than before. The local and regional authorities should be actively involved as partners in the preparation of the National Reform Programs. Country Specific Recommendations should include more systematically territorially-differentiated analyses and recommendations, taking into account the actual division of powers within individual Member States.

Funding the long-term investments needed to achieve the Europe 2020 goals is a key issue today as public investments have fallen by 20% since the beginning of the crisis. The Committee of the Regions is concerned that fiscal consolidation has displaced numerous public investments. To boost growth and jobs, the EU needs a sufficient volume of investments in hard and soft infrastructure, human capital, research and innovation, leveraging private investments with public ones. This is why the Committee of the Regions welcomes the EUR 300 billion investment package announced by the new Commission President Jean-Claude Juncker.

More effective progress towards policies that stimulate growth and create jobs can be possible if we put the renewed Europe 2020 strategy at the very heart of the EU's reform and investment package. The renewed Europe 2020 strategy needs to be supported by adequate long-term investments and must be tailored to the EU's territorial differences. To succeed, it also needs to involve all levels of government in its design and its implementation. This 5th edition of the monitoring report contains several examples of how this can be done in practice. It showcases good practices in multilevel governance and also provides information about the involvement of regions and cities in drawing up the partnership agreements for ESIF 2014-2020. With chapters covering growing regional disparities and a "regional analysis" of the European Semester, the CoR is providing its readers with yet another key element in the assessment process, highlighting both the positive developments and weaknesses of the strategy which the mid-term review needs to address.

Preface to the CoR's Fifth Monitoring Report on Europe 2020
by Michel Delebarre,
CoR member, political coordinator of the Europe 2020 Monitoring Platform

 This fifth annual CoR Monitoring Report on Europe 2020 confirms that the EU urgently needs a broad policy response to address economic stagnation, a response that boosts growth and jobs. This response will be inadequate and fragile if it does not build on the specific assets of each region and does not involve all levels of government as partners.

Taking this into consideration, the current Europe 2020 Strategy needs to be redesigned, to meet the existing challenges in a way that is fully inclusive for local and regional authorities.

This redesigning is taking place right now and will be affected by three factors.

The first relates to the political drive of the new European Commission. Actually, the candidate Commissioners' hearings in the European Parliament have shown a persisting lack of political ownership of the Europe 2020 Strategy whose mid-term review was not centre stage.

A second factor is the beginning of the new programming period for the Structural Funds – with only part of the Partnership Agreements approved - and the alignment of Cohesion Policy with the Europe 2020 goals. Budget deficits, high public debt and reduction of public investment by 20% have slowed down convergence between regions in the 2007-2014 period.

The re-launch of investments constitutes the third key point of the debate on the future of Europe 2020. Public investments, especially at subnational level, can play a significant role, therefore their quality needs to be enhanced and guaranteed, as required by a great number of 2014 Country-Specific Recommendations.

The fifth Monitoring Report aims to shape the mid-term review of Europe 2020, touching on four main subjects: the ever-increasing territorial disparities in the EU compared with the Europe 2020 targets; some progress in the adoption of multilevel governance as a tool to implement Europe 2020; the role of the local and regional authorities in the European Semester, with a special focus on the increasing number of country-specific recommendations aimed at local and regional authorities; an early assessment of the involvement of local and regional authorities in the process of drawing up the Partnership Agreements.

1.   Executive summary

1.1 Towards the mid-term review of Europe 2020

Every year, the Committee of the Regions' Monitoring Report on Europe 2020 looks at the implementation of the Europe 2020 strategy over the past twelve months, as seen by EU cities and regions. In doing so, the CoR aims to improve the ownership, focus and effectiveness of Europe's growth and job strategy, while fulfilling the commitments undertaken in the current cooperation agreement with the European Commission (chapter 2). This year's report is particularly relevant since it is the last report before the major review of the Europe 2020 strategy, scheduled for early 2015.

Against a background of fragile recovery and persistently high unemployment, particularly youth unemployment, a review of the most recent available data on GDP, employment and unemployment confirms the ongoing trend towards increasing regional disparities (chapter 3). In June 2014, the CoR sent a letter to the President of the European Commission, expressing its concerns about the fact that, in some Member States, the gap between the best and worst region is endangering cohesion. In his reply, Mr Barroso agreed that it was necessary to monitor regional trends and ensure growth and jobs in all EU regions.

With regard to the implementation of Europe 2020, the report includes examples of how the multi-level governance approach brings added value to the Europe 2020 strategy in terms of effectiveness and ownership (chapter 4).

Chapter 5 of the report assesses the extent to which territorial differentiations and the need to involve LRAs as partners in the Europe 2020 strategy are taken into account in the main documents of the 2014 European Semester (i.e. the National Reform Programmes and Country-Specific Recommendations).

The report also presents the results of a CoR survey on the involvement of the sub-national governments in the drawing up of the Partnership Agreements between the European Commission and the Member States on the implementation of the European Structural and Investment Funds 2014-2020, as requested by the European Code of Conduct on Partnership (chapter 6).

With a view to the European Commission's proposals for a renewed Europe 2020, expected in February 2015, this report's monitoring results will help the CoR to work out proposals building on its Athens Declaration "A Territorial Vision for Growth and Jobs", issued in March this year.

1.2 The crisis widens territorial disparities

While the ongoing recovery is still weak and uncertain, the most recent available data confirm that the impact of the crisis on employment is still strong. In 2013, unemployment in the EU-28 remained at 10.9%

(compared to less than 7% in 2007), including a substantial percentage of long-term unemployment, while youth unemployment was at 23.4%.

Youth employment rates declined between 2008 and 2013, as NEETS (young people not in employment, nor in education and training) increased by 2 percentage points, reaching 13% of their age group.

Since 2009, social, economic and territorial cohesion are threatened by increasing territorial disparities, both across and within countries. In 2000, GDP per capita (in PPS) in the average of the 20 most developed regions was 6.5 times higher than in the 20 least developed ones. In 2008, this difference had gone down to 4.9 times, but in 2011 it increased to 5.6 times. In terms of employment and unemployment rates, including of young people, less developed regions and southern countries are hit harder. In 2013, as an example, one in four EU regions had a youth unemployment rate higher than 35% - particularly high in southern EU countries – against an EU average of 23; gaps between maximum and minimum values (at NUTS2 level) are wide and on the increase. Given the latest data and trends, not all EU regions are expected to hit the Europe 2020 target of an employment rate of 75% in 2020, the less developed ones being particularly disadvantaged. The number of people at risk of poverty and social exclusion in the EU reached 124 million in 2012 (over 6 million more than in 2008) and another 7 million face severe deprivation.

The European Commission's 6th Report on economic, social and territorial cohesion (July 2014) stresses that public investment in the EU declined by 20% in real terms between 2008 and 2013. One of the underlying reasons for this development is that budget cuts - carried out in a majority of Member States to pursue fiscal consolidation owing to the deterioration of public finances - have led to an overall 18% reduction of co-financing of Cohesion Policy programmes. This is a worrying development, given that regions and cities carry out almost two thirds of all public investments and in many cases rely substantially on Cohesion Policy to fund them. The Cohesion Report also stated that "*the tendency for public investment in Member States to be reduced is equally a concern because it calls into question their ability to respect the principle of additionality and to co-finance Cohesion policy programmes in the future.*" As pointed out by the Commission report, this trend could well have a negative effect on growth rates over the medium term.

For these reasons, the CoR Bureau, in its Turin Declaration, called for national co-financing of cohesion policy programmes to be exempt from the ceilings of the Stability and Growth Pact.

1.3 Multilevel governance at work for Europe 2020

Multi-level governance makes policies more effective (because it increases coordination and collective knowledge), more legitimate (because it involves all relevant stakeholders) and more inclusive (because it spreads ownership of policies' output and results), therefore contributing to increased transparency.

As shown in this section, multi-level governance arrangements are increasingly being adopted to implement policies related to the Europe 2020 strategy. They differ from one another, reflecting

differences in the member countries' internal division of powers and in the specificities of each policy field and region.

While preparing this report, the Committee of the Regions examined a selection of these cases including the *Contrats de Project Etat - Région* (France), the Strategy of the Pomorskie Region (Poland), the Governance for Regional Growth in the Västerbotten Region (Sweden), the StedenbaasPlus initiative-Soft governance (the Netherlands), the "Conventions" (contractual arrangements) (Luxembourg), the East Reading Local Strategic Partnership (UK), the Scottish Community Planning Partnership and Single Outcome Agreements (UK), the MoorFutures in Mecklenburg-Vorpommern and Brandenburg (Germany), the Local Enterprise Partnership in the Liverpool City Region (UK) and the Covenant of Mayors. As suggested by recent literature reviews, these cases seem to confirm that cases of multi-level governance include, in variable proportions, some kind of policy coordination, sufficient institutional capacity and active mobilisation of stakeholders through governance modes (from informal approaches to contractual arrangements), as well as pragmatic arrangements (to actually implement a policy) and involvement of both administrative and political stakeholders.

This adaptability to different contexts makes multi-level governance a crucial ingredient for making Europe 2020 more effective and spreading ownership of it in the second half of its lifetime, as advocated in the Committee of the Regions' Athens Declaration and in line with its Charter for Multi-level Governance in Europe. The deployment of European Semester Officers in the Commission Representations in the Member States is an opportunity to improve the participation of local and regional authorities in the design and implementation of the National Reform Programmes.

1.4 Europe 2020, LRAs and the 2014 European Semester

On the 2014 National Reform Programs

Since 2011, the Committee of the Regions has been monitoring the involvement of LRAs and their representative bodies in the preparation and implementation of the National Reform Programmes. This was done partly by analysing the text of the NRPs.

In the 2014 NRPs, local and regional authorities are mentioned both at the implementation stage (24 NRPs), and, to a lesser extent, at the drafting stage. Sixteen NRPs state that input from LRAs was taken into consideration to a varying extent. Compared to previous years, most NRPs now have a special section dedicated to institutional issues and stakeholder involvement and show additional contributions from LRAs as annexes or as separate documents (eight compared to five in 2013), which is a positive development. More annexes to the NRPs cover different actions and initiatives related to the Europe 2020 strategy and undertaken by LRAs.

On the downside, LRAs seem uninvolved in setting targets: so far, the process is still mostly a top-down one. Only three NRPs mention some involvement of LRAs in setting targets either in a context of broad

devolution or of the respective country's Green Growth Strategy. Furthermore, LRAs have a much smaller role in monitoring the NRPs than in implementing them.

Moreover, only 13 NRPs mention MLG arrangements with reference to treaties, pacts, acts or signed agreements between the national and regional levels. Yet, while not being based on formal agreements, 22 NRPs present a variety of examples of multi-level governance approaches and coordination processes, particularly in relation to the planning and implementation of Europe 2020.

The issues of strengthening administrative capacity, reduction of administrative burden and more effective public spending relating to LRAs have gained greater attention over time in NRPs. Eighteen NRPs make an explicit reference to one or more flagship initiatives.

On the Country-Specific Recommendations for 2014

The Country-Specific Recommendations for 2014 acknowledge the existence of territorial disparities between and within Member States (as measured by GDP, employment, access to public services and other variables), as well as the need to improve coordination and cooperation between levels of government. This progress, though, is not fully reflected in the Communication accompanying the CSRs, which fails to mention the role of local and regional authorities.

16 member countries have received recommendations addressed to their local and regional authorities. These recommendations acknowledge the role of local and regional authorities in several policy fields and aim mainly to increase cooperation between different levels of government and improve administrative capacity and the quality of public spending and fiscal discipline.

In nine of these 16 countries, the need to improve coordination and cooperation between different levels of government is explicitly mentioned, for reasons of both effectiveness and ownership of the public policies. This is especially the case in the fields of energy, healthcare and employment. Several recommendations address the need to streamline and clarify the division of powers between levels of government.

With respect to 2013, the 2014 CSRs make increased reference to Europe 2020, partly because of the ongoing mid-term review, and put stronger emphasis on long-term measures to boost growth. Although several CSRs concern policy fields related to the flagship initiatives, the latter are almost never mentioned explicitly.

Overall, the 2014 CSRs show a stronger awareness of the territorial dimension of growth and jobs policies than in previous years. However, local and regional authorities are not yet seen as full partners in policies adopting a place-based approach to promote growth and jobs. The question, raised by the CoR's Athens Declaration, of the involvement of local and regional authorities in the European Semester, at EU as well as at country level, is still awaiting a thorough response.

1.5 The role of the local and regional authorities in the preparation of the Partnership Agreements

The European Structural and Investment Funds (ESIF) 2014-2020 focus on 11 thematic priorities supporting the Europe 2020 goals and targets. They are implemented through Partnership Agreements (PAs) between the European Commission and EU Member States, which are introduced for the first time and are followed by Operational Programmes, as was the case in the previous programming period.

The new European Code of Conduct on Partnership (ECCP) strengthens the involvement of local and regional authorities in the preparation and monitoring of the Partnership Agreements, setting the stage for future developments in partnership and multi-level governance beyond cohesion policy itself.

A survey carried out by the CoR, which received contributions from 23 member countries, showed that, overall, local and regional authorities were involved throughout the process in a very large majority of countries and could contribute in more than 80% of cases. An overwhelming majority of responding LRAs said that they had received enough information on what was going on, could bring to the table their knowledge of situations on the ground, propose solutions and receive feedback on their input.

Despite some room for improvement, the preparation of the PAs was perceived as a positive exercise in most EU countries. Beyond implementing the ESIF regulation, this process provides the European Commission with a detailed picture of the potential and commitment of Member States, cities and regions to promote growth and jobs until 2020. This knowledge should be properly used in the Europe 2020 review process, as well as in the implementation of the strategic investment package announced by the incoming Commission, to set a realistic picture of future targets for growth and jobs in Europe.

The full text of the report together with the translation of this summary in 23 EU languages can be found at: http://portal.cor.europa.eu/europe2020/pub/Pages/welcome.aspx .

2.   Introduction and background

2.1 On this report

The 5th Monitoring Report of the Committee of the Regions on Europe 2020 is foreseen in the cooperation agreement between the CoR and the European Commission[1]. It is based on the activities of the Europe 2020 Monitoring Platform over the last twelve months, which included surveys, desktop research, consultations with representatives of EU institutions and others.

Members of the Platform – which now includes more than 170 local and regional authorities or organisations representing them from all EU countries – gave their input, together with many other local and regional authorities and officials from different EU bodies and several experts.

The report analyses key aspects of the strategy's progress in the past twelve months, as seen by the local and regional levels. This 2014 issue includes four thematic chapters:

- An update on main trends in regional development, in particular on **increasing regional disparities** since the beginning of the economic crisis (Chapter 3);
- A selection of concrete cases of a **multilevel governance approach** in the design and implementation of policies related to Europe 2020 (Chapter 4);
- An analysis of the main documents of the **European Semester** (NRPs, CSRs) assessing the role they attribute to the local and regional authorities and whether the territorial dimension of Europe 2020 is taken into account (Chapter 5);
- A survey on the role of the LRAs in the finalisation of the **Partnership Agreements**, the strategic documents specifying how the national authorities plan to use funding from the European Structural and Investments Funds (ESIF) between 2014 and 2020 (Chapter 6).

2.2 The mid-term review of Europe 2020

The European Commission started the mid-term review by issuing a Communication taking stock of the strategy[2] on 5 March 2014. On 5 May, it launched a public consultation set to end on 31 October[3].

The Italian Presidency of the Council stated its intention "to make every possible effort to revitalise the Europe 2020 strategy and facilitate smart, sustainable and inclusive growth"[4]. A roadmap of meetings of the different Council formations to discuss the mid-term review of the strategy started in July 2014.

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[1] Protocol on Cooperation between the European Commission and the Committee of the Regions.

[2] COM(2014)130, *Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth*.

[3] Europe 2020 public consultation - official web page: http://ec.europa.eu/europe2020/public-consultation/index_en.htm.

[4] Programme of the Italian Presidency of the Council of the European Union: http://italia2014.eu/media/1349/programma_en1_def.pdf.

A summary of all the debates will be discussed and endorsed at the General Affairs Council and presented to the European Council on 18-19 December 2014.

The Commission is expected to come up with a proposal to revise the strategy in January-February 2015, and the European Council to endorse it in March 2015.

An early contribution to the review of Europe 2020 is the CoR's Athens Declaration[5] "A Territorial Vision for Growth and Jobs" and the accompanying mid-term assessment report[6] (7 March 2014).

In this declaration, the CoR advocates giving Europe 2020 a territorial dimension by setting regionally differentiated targets in a mixed, bottom-up and top-down process involving all tiers of governments. It also calls for Europe 2020 to be implemented through a multilevel governance approach and for adequate resources to be provided to fund the long-term investments needed to support growth and job creation.

In its Declaration *Towards the Annual Growth Survey for 2015 of the European Commission* (12 September 2014), the CoR Bureau urged the 2015 AGS to align the European Semester with Europe 2020's long-term goals; to set the basis for increased internal coordination between different EU policies and levels of government; to address regional disparities through cohesion policy and other instruments; to call on EU Member States for a more substantial involvement of their local and regional authorities in the design and implementation of the National Reform Programmes, also by making multilevel governance arrangements; to keep the improvement of administrative capacity, especially at the sub-national level, at the top of its political agenda.

2.3 EU headline targets and Flagship Initiatives: state of play

2.3.1 Progress towards Europe 2020 targets

In the Communication *Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth*[7], the European Commission provides an update on progress towards the five headline targets set when the strategy was launched in 2010. Overall, it seems unlikely that the targets be met in 2020, apart from those concerning energy and greenhouse gases and early school leavers. Moreover, differences across and within countries in the present values of the target variables are persistently high.

Based on the Communication, the situation concerning each target can be summarised as follows.

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[5] The CoR Athens Declaration is available online: http://portal.cor.europa.eu/europe2020/Documents/2210%20Athens%20declaration%20A5%20indd.pdf.

[6] The CoR mid-term assessment report is available online: http://portal.cor.europa.eu/europe2020/Documents/CoR%20Europe%202020%20mid-term%20assessment%20report.pdf.

[7] http://ec.europa.eu/europe2020/pdf/europe2020stocktaking_en.pdf.

- Target 1: Increasing the employment rate of the population aged 20-64 to at least 75%

In 2012, the EU employment rate stood at 68.4%, against 70.3% in 2008. To reach the 75% target, 16 million of people should be in employment by 2020, but the crisis has lowered the likelihood of reaching the target; based on this trend, the expected outcome by 2020 is *72%*. The employment situation varies widely between Member States and across regions. Sweden and Germany are approaching their national target while Spain, Greece, Bulgaria and Hungary have seen a significant fall in their employment rates since 2000.

- Target 2: Increasing combined public and private investment in R&D to 3% of GDP

In 2012, the level of combined public and private investment in R&D reached 2.06%. In spite of the fact that almost all Member States have increased the level of public and private investment in R&D since 2000, this target is unlikely to be met: investment in R&D is forecast to increase to 2.2% by 2020.

-*Target 3: Reducing greenhouse gas emissions by at least 20% compared to 1990 levels, increasing the share of renewable energy in final energy consumption to 20% and moving towards a 20% increase in energy efficiency*

In 2012, greenhouse gas emissions were 18% lower than in 1990 and a 24% target is foreseen by 2020[8], although 13 Member States will not meet their national target in time. In the same year, the renewable energy target stood at 14.4% below the 1990 level, twice its performance in 2000; by 2020, it will be around 21% less than in 1990. The approximate decrease of 8% in the ratio of energy consumption to output observed between 2006 and 2012 is only partly due to the economic slowdown. The Commission stresses that there has been a structural shift towards better energy consumption efficiency, in particular in the industry[9], which is likely to ensure that the target is met by 2020.

-Target 4: Reducing school dropout rates to less than 10% and increasing the share of the population aged 30-34 having completed tertiary education to at least 40%

The rate of early school leavers decreased since 2005 and stood at 12.7% in 2012; over the same period, the rate of young people having completed tertiary education increased from 27.9 to 35.7% in 2012. According to the Commission's Communication, the target is expected to be met by 2020; in 2012, ten countries had already met it[10].

-Target 5: Lifting at least 20 million people out of the risk of poverty and social exclusion

Between 2009 and 2012, the number of people at risk of poverty increased by 10 million to a total of 124 million. The most vulnerable groups include young people, single parents, families with many children,

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[8] Growth in economic activities does not necessarily translate into increasing greenhouse gas emissions: in the EU, between 1990 and 2012, GDP grew by 45% and emissions decreased by 18%.

[9] COM(2014)130.

[10] Austria, Czech Republic, Denmark, Lithuania, Luxembourg, Latvia, Malta, Sweden, Slovenia and Slovakia.

people with low educational attainment and migrants. In the present economic context, this target is not achievable by 2020. The *number of people at risk of poverty might remain close to 100 million by 2020[11]*.

As shown in the CoR's mid-term assessment report on Europe 2020[12], regional disparities in the trend towards the various targets are considerable and have sometimes worsened after the beginning of the economic crisis.

2.3.2 Implementing the Flagship Initiatives

The European Commission's Communication *Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth*[13] argues that experience with the flagship initiatives ("*mini work programmes for the key areas*" of the Europe 2020 strategy) has been mixed. However, it recognises that they have played the role of catalysts for action, as they have:

- contributed to mutual learning and thematic knowledge at EU level, including through networking and collection of evidence; monitoring mechanisms and scoreboards have also been developed to assess the Member States' progress in the implementation of the European Research Area[14];
- served as a guide for the use of EU funding for the 2007-2013 period and provided a framework for the design of EU funds for 2014-2020[15]; and
- triggered or inspired policy action in the Member States, at national, regional and local levels, to complement the EU initiatives, e.g. in areas such as the digital economy or research and innovation[16].

Such analysis reflects the assessment of the CoR's md-term assessment report[17]. The CoR points to the thematic multi-dimensional orientation of the flagship initiatives, which have provided local and regional

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[11] Idem.

[12] Section 4.3 in particular (see note 8).

[13] http://ec.europa.eu/europe2020/pdf/europe2020stocktaking_en.pdf.

[14] For example, a dedicated monitoring mechanism has been developed for the implementation of the European Research Area. Other examples are the Digital Assembly bringing together digital stakeholders, the annual Digital Agenda scoreboard and increased focus on industrial competitiveness issues across several policy areas.

[15] One such example is the launch, by the Commission in January 2012, of Youth Action Teams to help Member States most hit by rising levels of youth unemployment to re-programme EU funds towards this priority. Other examples regard the new, integrated approach of the Erasmus+ programme and the new Horizon 2020 programme – the EU funding programme for research and innovation – which puts the emphasis on excellence in science, industrial leadership and the importance of tackling societal challenges and thus complements the objectives of the Innovation Partnerships foreseen in the flagship initiatives. In addition, specific earmarking of the European Regional Development Fund for investments in the low-carbon economy was introduced.

[16] For instance, the development of smart specialisation strategies at national and regional level contributes to place-based growth. In addition, more than 20 Member States, as well as regions, have launched digital agenda programmes.

[17] *CoR mid-term assessment of Europe 2020: rethinking Europe's growth and jobs strategy*, 2014.

http://portal.cor.europa.eu/europe2020/Documents/CoR%20Europe%202020%20mid-term%20assessment%20report.pdf.

authorities in the EU with a framework of objectives and actions to better coordinate their implementation efforts. Moreover, the Committee has stressed that the flagship initiatives allow easier benchmarking and exchange of best practices on specific issues.

The flagship initiatives are very different from one another in terms of their scope, degree of breakdown of actions and level of implementation. Some of them set detailed action plans for improvement and monitoring tools (scoreboards, own targets/indicators, etc.), while others appear less developed. Annex III[18] of the Communication is dedicated to the state of play of each of the seven flagships initiatives at EU level. Some of them have made good progress, while others lag behind.

The Commission underlines that "*The link with the European Semester has been limited, in particular between EU-level initiatives adopted in the context of the flagship initiative and the country-specific analysis and recommendations of the European Semester*". The CoR assessment corroborates this view[19]: the flagship initiatives do not appear to be reflected in the National Reform Programmes or in the country- specific recommendations (CSRs).

From the CoR analysis of 2014 NRPs, it emerges that Member States have only partially used the flagship initiatives as a source of inspiration for policy planning and action. The 2014 CSR package makes several policy recommendations in policy fields related to the flagship initiatives. However, most of the time the flagship initiatives are not explicitly mentioned nor are they taken as a reference for policy coordination. More detailed information on the CSR can be found in **Section 5** of this report.

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[18] Annex III to the EC Communication *Taking stock of the Europe 2020 strategy for smart, sustainable and inclusive growth* *http://ec.europa.eu/europe2020/pdf/europe2020stocktaking_annex_en.pdf*.

[19] *CoR mid-term assessment of Europe 2020: rethinking Europe's growth and jobs strategy*, 2014. http://portal.cor.europa.eu/europe2020/Documents/CoR%20Europe%202020%20mid-term%20assessment%20report.pdf.

3.   Statistical update: after the crisis, disparities widen between and within EU countries

3.1   Key messages

> Disparities between countries and regions − as measured by GDP, employment and unemployment − are on an increasing path since 2009, due to the impact of the economic crisis and pre-existing gaps.

> The impact of the crisis on employment remains serious. In 2013, unemployment remained at 10.9% (against less than 7% in 2007), including a substantial percentage of long-term unemployment, while youth unemployment is at 23.4%. Youth employment rates declined, raising the number of NEETS (young people not in employment, nor in education and training).

> The number of people at risk of poverty and social exclusion in the EU reached 124 million in 2012 (over 6 million more than in 2008) and another 7 million face severe deprivation.

> Since 2009, overall territorial disparities have increased both *across* and *within* countries, in terms of GDP per capita as well as employment and unemployment rates, due to increasingly divergent paths. Gaps between maximum and minimum values have widened, while less developed regions and southern countries are hit harder.

> In all but three countries, the regions including the capital cities recorded the highest GDP levels.

3.2   Growing territorial disparities of employment rates

In spite of weak signs of recovery, unemployment rates in the EU stood at 10.9% in 2013 (from less than 7% in 2007) and the European Commission[20] forecasts that it will decrease to 10.1% only in 2015.

Cross-country differences in unemployment rates are notable (from 4.9% in Austria to 27.3% in Greece) and are expected to remain large in the foreseeable future. Concerns about the quality of growth and social cohesion come from the increasing number of people at risk of poverty and social exclusion (124 million in 2012, over 6 million more than in 2008), while another 7 million face severe material deprivation.

The crisis widened already notable disparities between EU countries. As far as the *direction* of the change is concerned, between 2009 and 2013, employment rates increased in thirteen countries and decreased in fourteen others (Chart 3.1).

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[20] http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/index_en.htm.
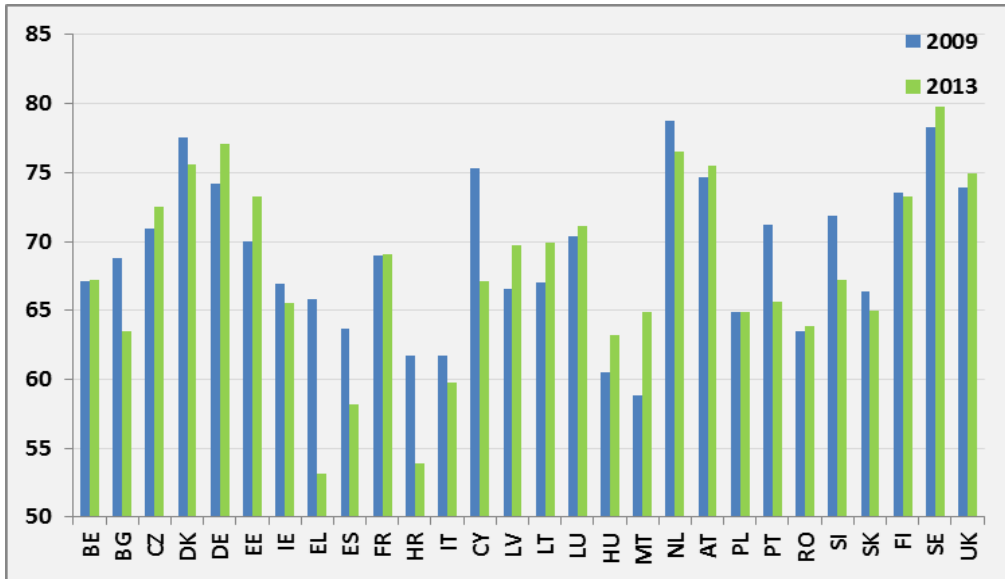
Chart 3.1 –Employment rate (of people age 20-64) 2009-2013 in the EU 28 (source: Eurostat)

Differences across countries in the *magnitude of these changes* in employment rates between 2009 and 2013 were also notable: the largest decreases were recorded in Greece (-12.6%.), Cyprus (-8.2) and Croatia (-7.8) while the largest increases were registered in Malta (+6.1%), Estonia (+3.3%) and Latvia (+3.1%). Chart 3.2 gives a visual representation of how striking these differences have been in both their direction and their intensity.

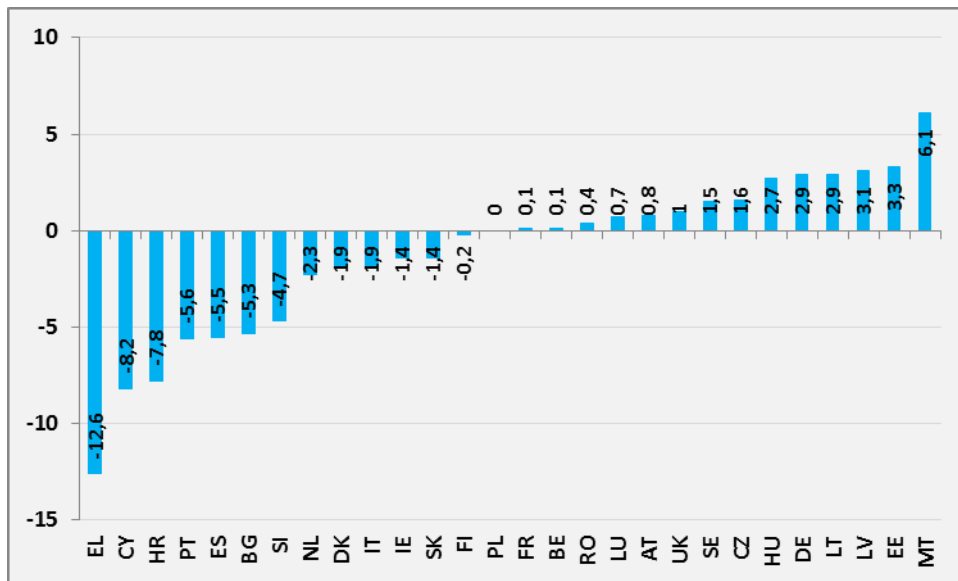*Chart 3.2 –Employment rate (of people age 20-64) 2009-2013 in the EU28: direction and intensity of changes in the values at country level (source: Eurostat)*

Increasing *disparities between regions* hid behind country data: differences between (NUTS Level 2) regions in terms of employment rates - as well as GDP per capita - have been increasing rapidly since 2009 (as shown in Chart 3.3 by the decline of the Index of regional convergence, whose technical construction is described in the box below the chart).
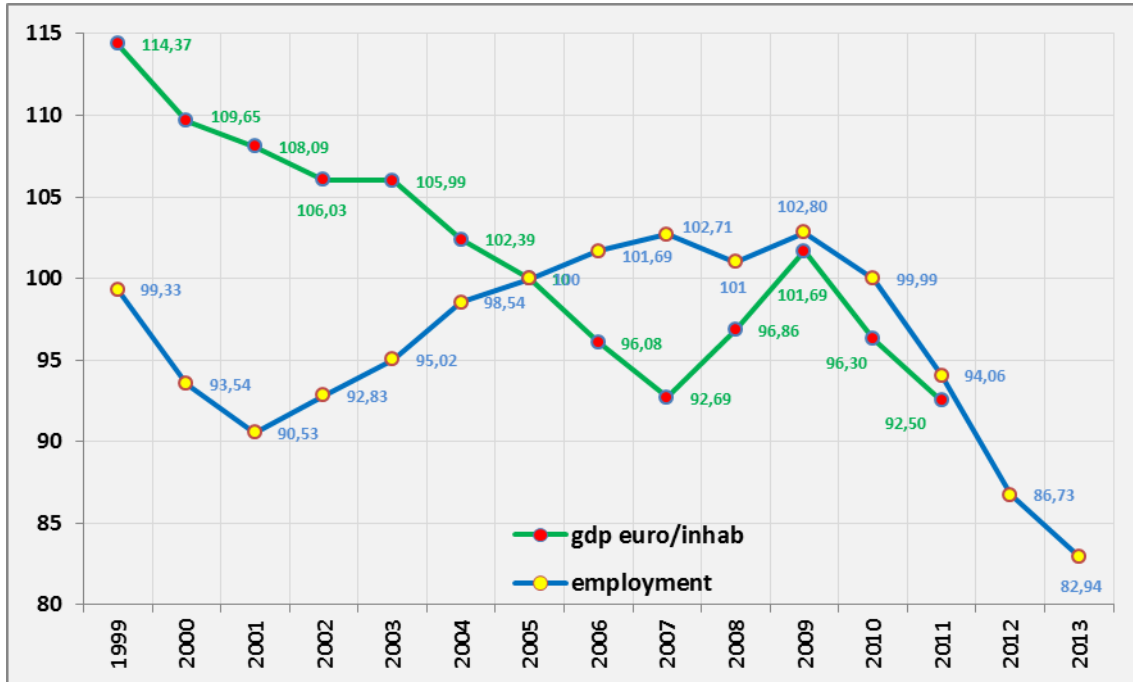
Chart 3.3 – Index of Regional Convergence (of GDP per capita and employment rates of people aged 20-64) for the 22 EU countries having NUTS Level 2 statistical values. This index is based on the inverse of the standard deviation of each series of variables (see box below). When regions converge, i.e., gaps in GDP and employment narrow, the IRC increases (= there is more convergence); when they diverge, the IRC decreases (= there is less divergence) (source: elaboration on Eurostat data)

The *Index of Regional Convergence* is calculated as follows:
- the underlying time series is: Employment rates of people aged from 20 to 64 years at NUTS Level 2[21] (Eurostat online database code: [lfst_r_lfe2emprt]), which is the one used as a headline target in the Europe 2020 strategy;
- for each of the 15 years comprised in the time series (1999-2013) all the NUTS Level 2 values available are taken in consideration; according to the last NUTS Level 2 classification in the EU28 there are 272 NUTS Level 2 regions: 19 Member States have more than two NUTS Level 2 regions, Ireland, Croatia and Slovenia have only two NUTS Level 2 regions and Estonia, Latvia, Lithuania, Luxemburg, Malta and Cyprus are classified as a NUTS Level 2 region as a whole[22].

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[21] The time series can be found online in the Eurostat statistical database by running the search with the code [lfst_r_lfe2emprt]: http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database.

[22] The complete list of NUTS Level 2 regions can be found at:

http://ec.europa.eu/eurostat/ramon/nomenclatures/index.cfm?TargetUrl=LST_NOM_DTL&StrNom=NUTS_33&StrLanguageCode=EN&IntPcKey=30644301&StrLayoutCode=HIERARCHIC.

- the standard deviation has been calculated for each year of the time series (a higher value of the standard deviation implies more spread data and therefore less convergence)
- the results are then inverted (i.e. the underlying calculation is: 1/st.dev.) in order to obtain an indicator of convergence;
- the results are finally normalised, assuming the value for 2005 to be = 100.
The GDP index was calculated in the same way. The underlying variable is: Gross Domestic Product (GDP) at current market prices by NUTS Level 2 regions (Eurostat online database code: [nama_r_e2gdp]) .
Starting from 1999, the chart shows three broad periods: contrasting trends of the two variables until 2007 (increasing regional divergence of GDP per capita and an opposite trend of the employment rate), relative stability with increasing convergence of GDP between 2007 and 2009, increasing regional divergence of both variables after 2009[23].

Chart 3.4 highlights how unevenly the crisis hit the EU territory, leading to increased disparities *between* and *within* countries.
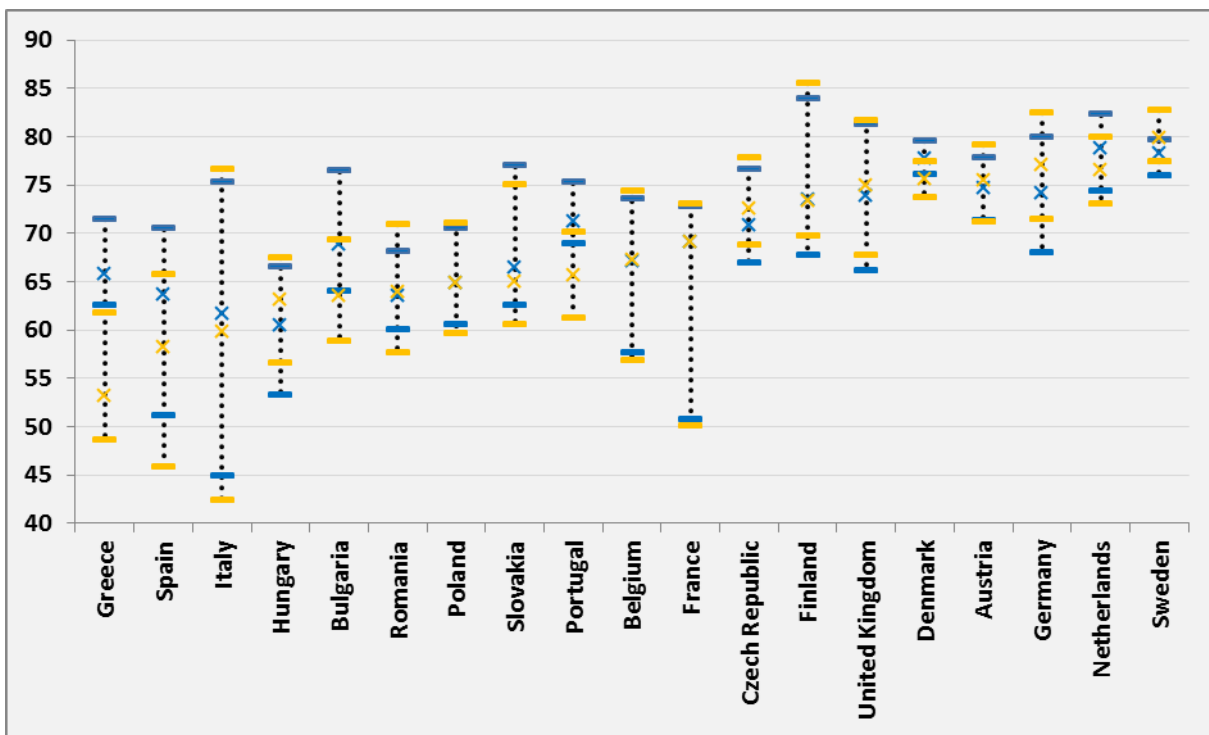
_ : minimum and maximum values, 2009   _ : minimum and maximum values, 2013

X : national value, 2009   X : national value, 2013

Chart 3.4 –Employment rate (of people aged 20-64) for the 19 EU countries with more than two NUTS Level 2 statistical values (see text): average, maximum and minimum values (source: Eurostat)

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[23] No substantial differences emerge when employing the variable "GDP expressed in Purchasing Power Standards per person".

The chart shows the gaps between the maximum and minimum values of employment rates at regional (NUTS Level 2) level in 2009 and 2013, plotted against the national average values for both years[24]. As summarised in the following table, chart 4.4 stresses that[25]:

- in 10 out of 19 Member States the national employment rate increased between 2009 and 2013, while in 10 of them it decreased;

- in 12 out of the 19 Member States the gaps between regions increased between 2009 and 2013; at the same time the national value increased in nine Member States, remained stable in Poland and decreased in the remaining nine Member States.

Employment rate of people aged 20-64: 2013 vs 2009 (source: Eurostat)		
National levels	*Gaps between max and min regional level*	
	Decreasing	*Increasing*
Increasing	CZ, DE, HU, UK	BE, FR, AT, PL, RO,SE
Decreasing	BG, NL, FI	DK, EL, ES, IT, PT, SK

3.3 More on regional employment disparities

More often than not, the impact of the crisis in terms of widening existing regional disparities is also visible in the unemployment rates[26].

Chart 3.5 shows the average unemployment rate at country level, for all EU countries in 2013, plotted against its maximum and minimum values at NUTS Level 2. France recorded the largest gap, with 21.4% between Réunion (28.1%) and Limousin (6.7%), followed by Spain with 20.2% between Andalucía (35.8%) and País Vasco (15.6%) and Italy with 17.8% between Calabria (22.0%) and Provincia Autonoma di Bolzano/Bozen (4.2%). On the other hand, Denmark recorded the smallest gap with 1.1% between Hovedstaden (7.0%) and Nordjylland (5.9%).

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[24] Chart 4.4 refers only to the 19 Member States with more than two NUTS Level 2 regions. Out of the 28 Member States, three have only two NUTS Level 2 regions (Ireland, Croatia and Slovenia); for another six Member States the national level coincides with the NUTS Level 2, meaning that only one NUTS Level 2 region exists in these countries (Estonia, Latvia, Lithuania, Luxembourg, Cyprus and Malta).

[25] Nine Member States are not included in the previous matrix. Between 2009 and 2013, the employment rate increased in five of them (Estonia, Latvia, Lithuania, Luxembourg and Malta) and decreased in the remaining four (Ireland, Croatia, Cyprus and Slovenia).

[26] Defined as the number of people unemployed as a percentage of the labour force (20-64).
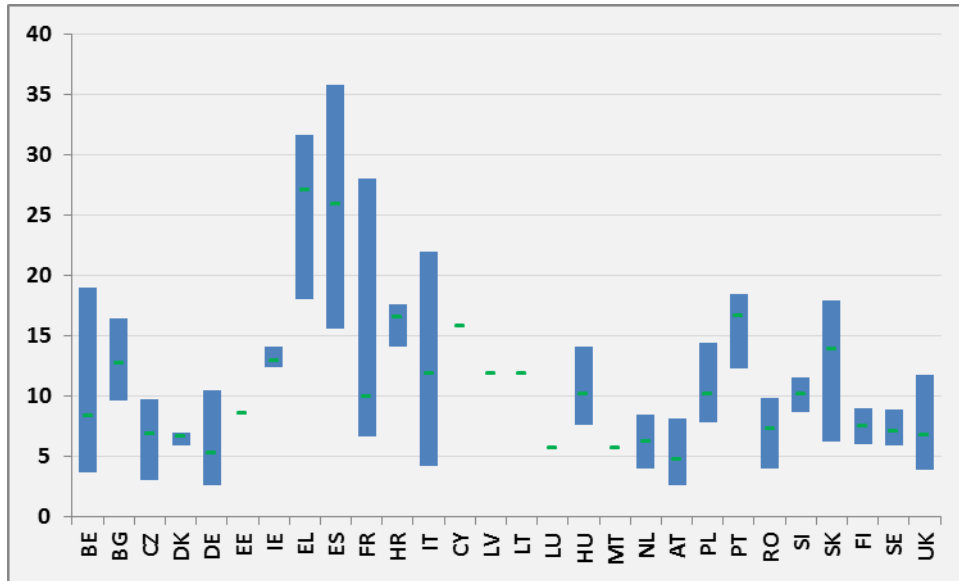
Chart 3.5 – Unemployment rates, country average and gap between minimum and maximum values at NUTS2 level, 2013 (source: Eurostat)

Chart 3.6 shows how the gaps between the maximum and minimum regional values of unemployment rates (of people aged 20-64) *within* each country varied between 2009 and 2013. Each bar of the chart indicates (i) whether this gap was increasing (sign "+" or "-") and (ii) its magnitude (the height of the bar). The chart refers to the 19 Member States that have more than two NUTS2 regions; those gaps increased in twelve MSs and decreased in seven. Italy recorded the largest increases with 7,2 percentage points. It was followed by Greece (7,0 p.p.) and Spain (4,7 p.p.). On the other hand, Germany (-2,0 p.p.), Hungary (-1,9 p.p.) and Finland (-1,2 p.p.) showed the largest decreases in the gaps.
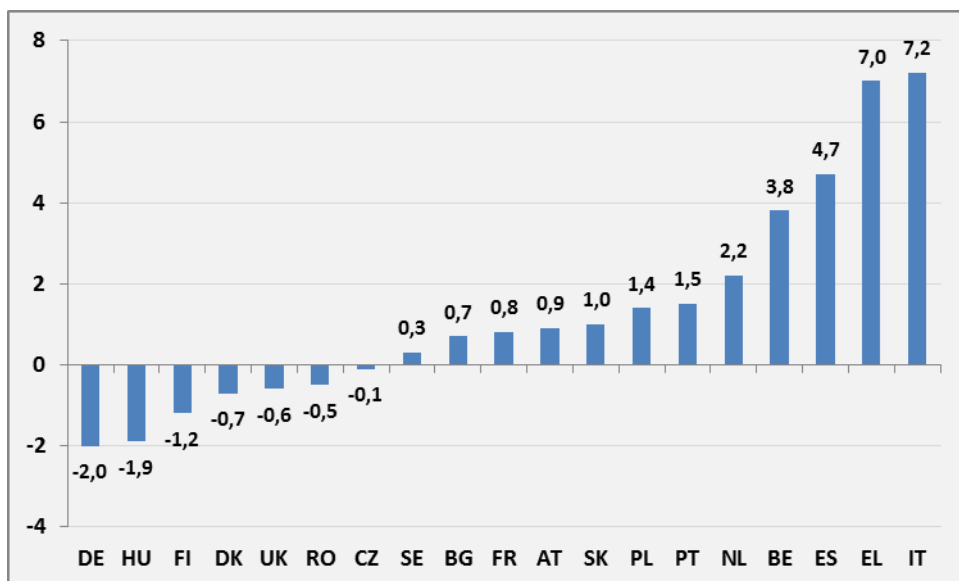
Chart 3.6 – Unemployment rates, % change of the gap between minimum and maximum values at NUTS Level 2, 2009-2013 (source: elaboration on Eurostat data)

3.4 The emergency of youth unemployment

In 2013, the average EU28, youth unemployment rate was 23.4%. Its regional disparities may be even greater than those for the adult workforce: this was the case in 10 Member States in 2013. In fact, Chart 3.5 shows that regional disparities in employment rates (as measured by the gap between their maximum and minimum values) are greater for those aged 15-24 than for those aged 25-64.

The percentage of young people sliding out of both education and the labour market, and the wide gaps between their maximum and minimum values, are also worryingly high. This is visible in Chart 3.8, which shows the share of "young people neither in employment, nor in education and training" (NEETS)[27] as a proportion of the total population in the same age group for all EU countries in 2013, plotted against the maximum and minimum values at NUTS Level 2.

In 2013, the highest percentage of NEETS was recorded in Italy, Greece, Spain, Bulgaria and Portugal, while the largest gaps between the maximum and minimum NUTS Level 2 values of this variable were recorded in Bulgaria, Italy and Greece again - while Denmark, Sweden and Finland showed the smallest gaps.
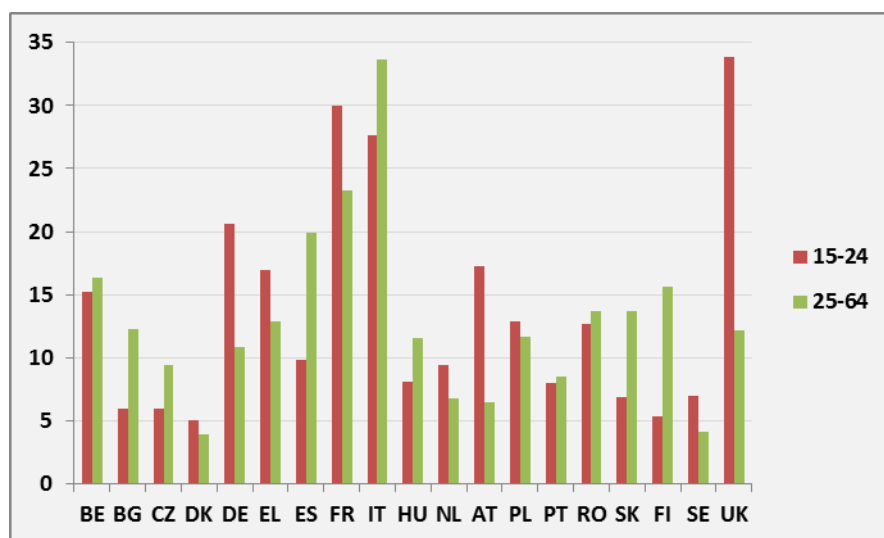
Chart 3.7 - Employment rates of people aged 15-24 and 25-64: gaps between maximum and minimum regional values in 2013 (source: Eurostat)

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[27] The time series can be found online in the Eurostat statistical database by running the search with the code [edat_lfse_22]: http://epp.eurostat.ec.europa.eu/portal/page/portal/statistics/search_database.
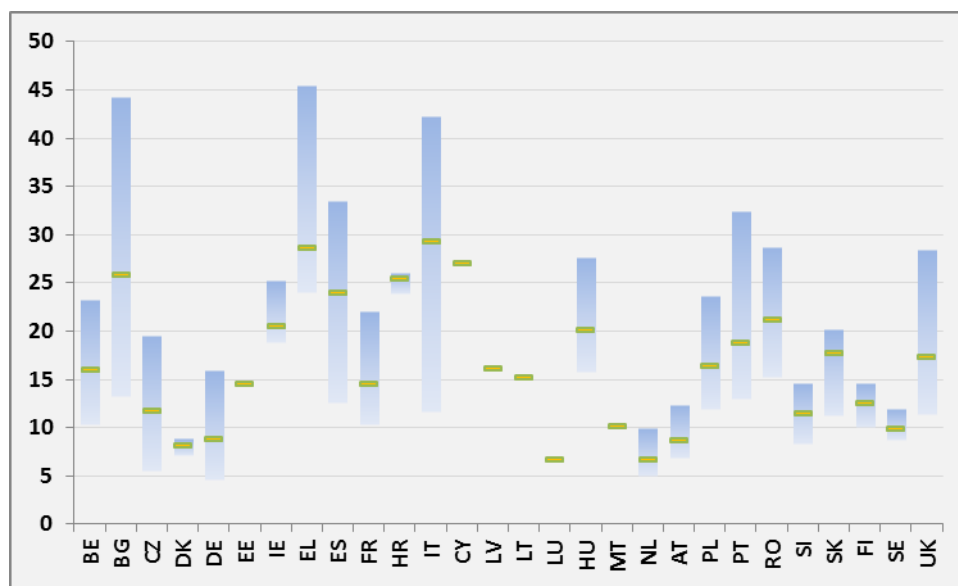
source: Eurostat

Chart 3.8 – Young people neither in employment, nor in education and training (NEETS),
country average and gap between minimum and maximum values at NUTS Level 2, 2013
(source: Eurostat)

3.5 Diverging regional paths also for GDP per capita

As already shown in Chart 3.3, existing gaps in GDP per capita at regional level started widening after the beginning of the crisis. Chart 3.9 provides a basic picture of the situation in 2011, the last year for which information was available when this report was drafted[28].

In 2011, in 41 out of 272 NUTS Level 2 regions, GDP per capita was above 125% of the EU average. Of these regions, eleven were in Germany, five each in the Netherlands and Austria, three each in Belgium, Italy and the United Kingdom, two each in Spain and Finland, one each in the Czech Republic, Denmark, Ireland, France, Slovakia and Sweden, as well as the Grand Duchy of Luxembourg (considered a single region).

In the same year, for 77 regions the GDP was below or equal to 75% of the EU average; fifteen were in Poland, ten in Greece, seven each in the Czech Republic and Romania, six in Hungary, five each in Bulgaria, Italy and the United Kingdom, four in Portugal, three in Slovakia, two each in Spain, France and Croatia and one in Slovenia, as well as Estonia, Latvia and Lithuania (considered single regions).

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[28] On 27 February 2014, EUROSTAT published the most recent figures for the 272 NUTS Level 2 regions in the European Union (available until 2011 only).The underlying variable is "Gross domestic product (GDP) at current market prices by NUTS Level 2 regions, and is expressed in Purchasing Power Standard per inhabitant (or in percentage of the EU average). Data are available in the Eurostat online database with the code: [nama_r_e2gdp].
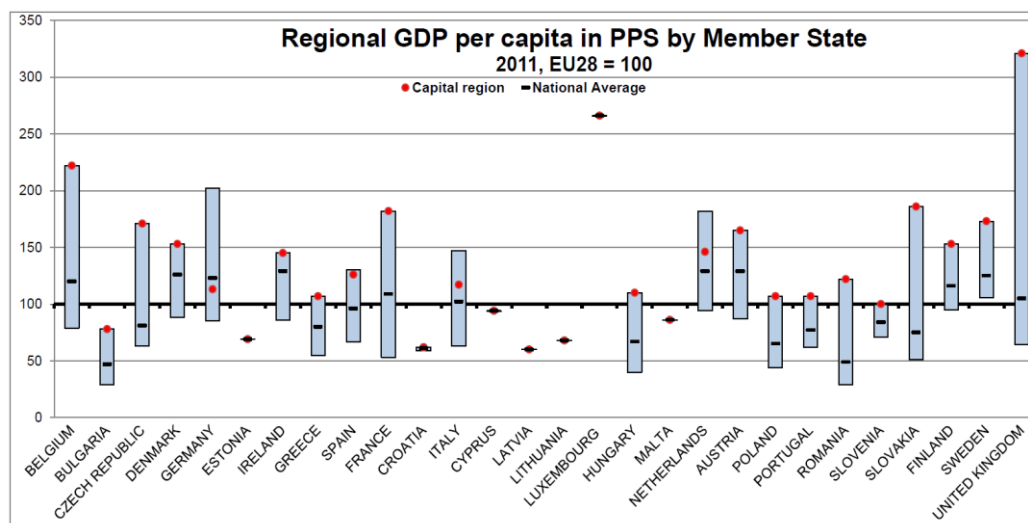
Chart 3.9 –GDP per capita in purchasing power parities, country average and gap between the maximum and minimum regional values at NUTS Level 2, 2011 (source: elaboration on Eurostat data)

The GDP per capita of the richest NUTS Level 2 region (inner London, at 321% of EU average) was 11 times higher in 2011 than the poorest region (Severozapaden in Bulgaria, at 28% of the EU average). The UK recorded the highest ratio (4.99 between Inner London and West Wales and the Valleys), followed by Romania (4.26 between Bucuresti-Ilfov and Nord-Est) and Slovakia (3.64 between Bratislavský kraj and Východné Slovensko). Finland recorded the lowest ratio (1.60 between the regions of Helsinki-Uusimaa and Pohjois- ja Itä-Suomi), followed by Sweden (1.63 between the regions of Stockholm and Norra Mellansverige (North Middle Sweden) and Portugal (1.72 between the regions of Lisbon and Norte).

In all but three countries, the regions including the capital cities recorded the highest GDP levels. The three exceptions are Germany, where the region with the highest GDP is Hamburg, Italy (Bolzano/Bozen) and the Netherlands (Groningen).

Charts 3.10 and 3.11 respectively show the 20 top and bottom regions in 2011, in terms of GDP[29]. The former were Inner London (321% of the EU average), the Grand Duchy of Luxembourg (266%) and Brussels (222%). Of the twenty top regions, five were in Germany, two each in the Netherlands, Austria and the United Kingdom and one each in Belgium, Slovakia, France, Sweden, the Czech Republic, Denmark, Finland, Italy and the Grand Duchy of Luxembourg. The twenty lowest ranking regions were in Bulgaria (five), Romania (six), Hungary (four) and Poland (five). The regions of Nord-Est in Romania and Severozapaden in Bulgaria (both with 29% of the EU average) recorded the lowest figures.

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[29] For a visual illustration of the regional gaps in GDP and elaboration of this date from the cohesion policy angle, please see Chapter 1 "Smart growth" of the European Commission's *6ᵗʰ Cohesion Report on Economic, Social and Territorial Cohesion* (July 2014), available online: http://ec.europa.eu/regional_policy/sources/docoffic/official/reports/cohesion6/index_en.cfm.

Chart 3.10 – The first twenty EU regions in terms of GDP per capita in purchasing power parities (at NUTS Level 2), 2011 (source: elaboration on Eurostat data)
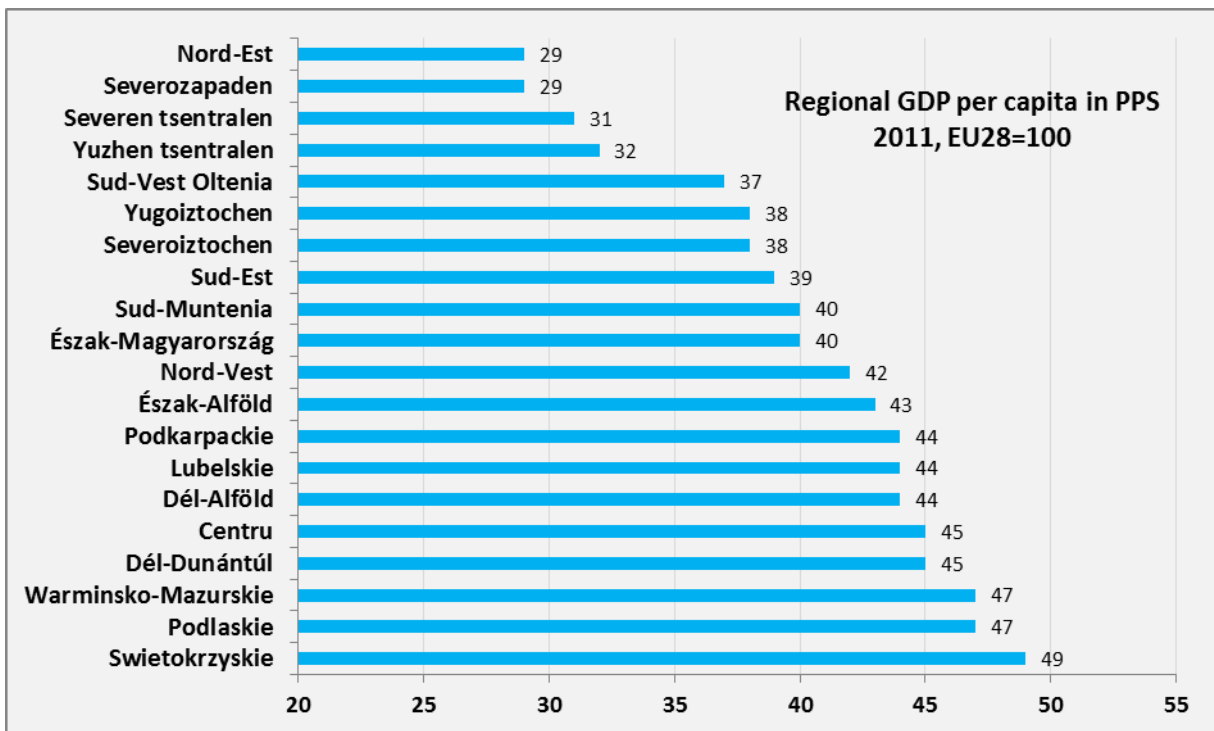
Chart 3.11 – The last twenty EU regions in terms of GDP per capita in purchasing power parities (at NUTS Level 2), 2011 (source: elaboration on Eurostat data)

4.   Multilevel governance at work for Europe 2020

4.1 Key messages

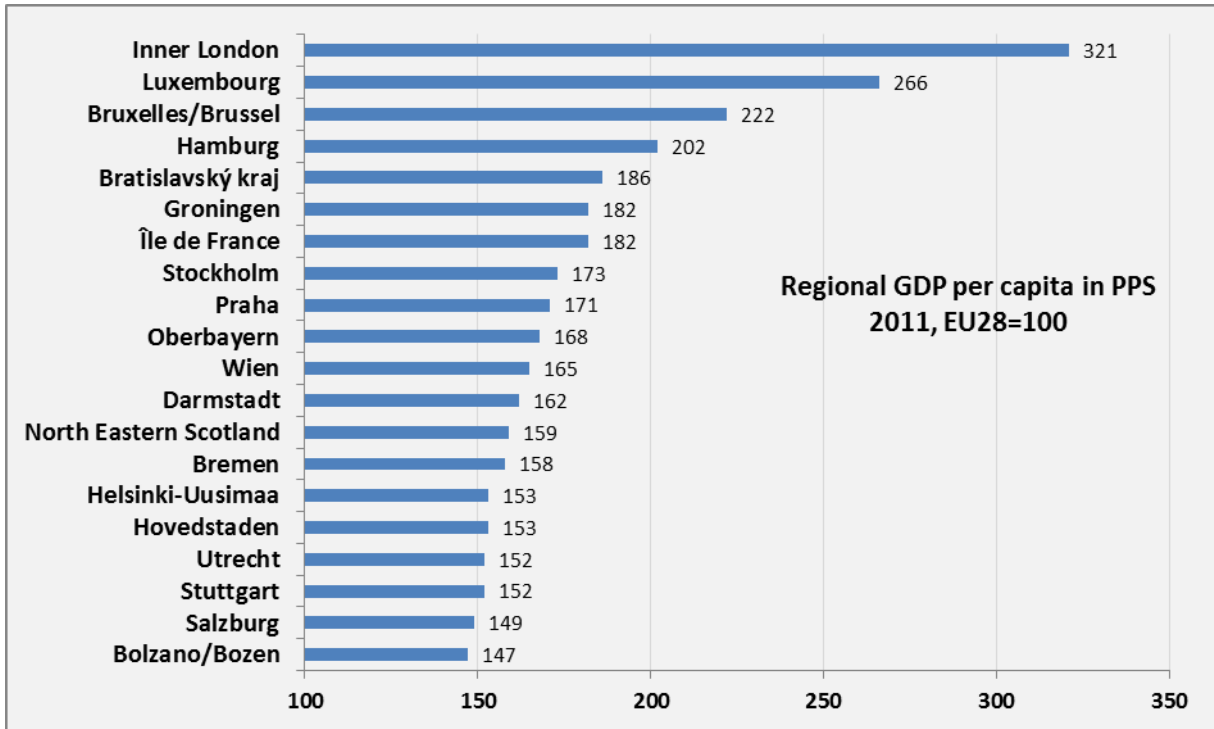**> Multilevel governance arrangements are being adopted in several EU countries to implement the Europe 2020 strategy. They differ from one another, reflecting actual differences in the Member States' internal division of powers and in the specificities of each policy field and region.**

> In spite of their differences, all of them include some kind of *policy coordination*, sufficient *institutional capacity*, active *mobilisation of stakeholders* through *governance modes* (from informal approaches to contractual arrangements) and *pragmatic arrangements* (to actually implement a policy), involvement of both *administrative* as well as *political* stakeholders.

> Adaptability to different contexts makes multilevel governance crucial to making Europe 2020 more effective, transparent and legitimate and to spread its ownership in the second half of its lifetime.

4.2 **The value added of multi-level governance and the CoR Charter**

Progress in implementing multilevel governance on the ground is a key condition to making the most of Europe 2020 during the second half of its lifetime.

The Committee of the Regions understands multilevel governance as "coordinated action by the European Union, the Member States and local and regional authorities, based on partnership and aimed at drawing up and implementing EU policies"[30]. This action may also involve other kinds of actors (private and societal) and can be implemented in different, more or less formalised, ways.

The value added that multilevel governance can bring to Europe 2020 is of three different types.

First, it allows for greater policy effectiveness, due to increased coordination between the relevant actors and the knowledge that each of them brings to the process. The latter is particularly relevant to giving Europe 2020 a territorial dimension, taking into account regional differences in socio-economic and institutional conditions.

Second, it makes the policymaking processes more transparent, inclusive, and therefore more legitimate.

Third, it develops and spreads ownership of the strategy and of the outputs of its implementing measures. This is even more important as the implementation of the Europe 2020 strategy mostly relies on the Open

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[30] Opinion of the Committee of the Regions (2012) - *Building a European Culture of Multilevel Governance: Follow-Up to the Committee of the Regions' White Paper*, page 7.

Method of Coordination, which is not binding and does not provide for sanctions[31], and since available financial resources are scarce.

Multilevel governance could and should play a crucial role in giving Europe 2020 a territorial dimension. Indeed, as local and regional authorities are closer to the citizens; implement about two thirds of all public investments and have grassroots knowledge and key competences in many Europe 2020-related policy fields, multilevel governance helps to integrate their objectives into the broader framework of the strategy.

Is there a single model of multilevel governance? What arrangements work best? It is widely accepted that there is no one-size-fits-all recipe. Workable solutions depend on variable circumstances, linked to a country's actual division of powers and to specific features of a region or a particular policy field[32].

However, a recent review[33] summarises the following basic organisational elements, which can be found, in variable proportions, in all cases of multilevel governance (such as those presented in the section 4.2 below).

1. The *different types of policy coordination* (vertical, horizontal and functional) adopted between the relevant stakeholders depend on a country's institutional framework.
2. Sufficient *institutional capacity* is required to cope with new forms of organisations, procedures and skills. Institutional capacity is a prerequisite for change.
3. *Stakeholder mobilisation* is required throughout the process, from design to implementation and monitoring. This can happen in different ways, ranging from partnership approaches to contractual arrangements[34].
4. *Different governance modes* may be used. These may be more or less formal, ranging from contractual arrangements to directives, provisions of incentives or other informal arrangements.
5. With regard to *transferability*, *pragmatic arrangements,* including methods and techniques and concrete tools used for implementing policies, are highly relevant.
6. *Administrative* (to ensure technical efficiency) and *political stakeholders* (to ensure democratic accountability) both need to be involved.

In its Athens Declaration[35], the Committee of the Regions calls on Member States *to involve their local and regional authorities in multilevel governance arrangements* for the planning, implementation,

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[31] Spatial Foresight, *Study on promoting multilevel governance in support of Europe 2020*, Inception Report of the study promoted by DG REGIO (19 December 2013). See also: Metis GmbH and EPRC University of Strathclyde, *An assessment of multilevel governance in cohesion policy 2007-2013* (January 2014).

[32] For instance, an analysis of the challenges of partnership in cohesion policy implementation is to be found in METIS GmbH & EPRC University of Strathclyde, *An assessment of multilevel governance in cohesion policy 2007-2013*, study promoted by the European Parliament, 2014.

[33] Spatial Foresight (previous footnote).

[34] See, inter alia, the OECD's *Linking Regions and Central Governments - Contracts for regional development*, 2007.

monitoring and evaluation of achieving Europe 2020 headline targets. Moreover, it advocates establishing multilateral thematic exchanges and peer reviews between Member States and their cities and regions.

The declaration also "stresses that the Annual Growth Survey priority of *strengthening administrative capacity*, as well as efficiency and innovativeness, must be consistently addressed in the National Reform Programmes and country-specific recommendations; calls for benchmarking, exchange of experiences and peer learning between regions and cities to be strongly encouraged and supported by the EU and the Member States, also by mobilising EU instruments like the European Territorial Cooperation programmes and the European Grouping of Territorial Cooperation".

To promote multilevel governance, the Committee of the Regions has created the Multilevel Governance Scoreboard[36], a tool to monitor the development of multilevel governance at European Union level on a yearly basis. The scoreboard takes into account the following six categories: 1) Information & Consultation; 2) Stakeholder Involvement; 3) Responsiveness; 4) Territorial/integrated approach; 5) Smart regulation mechanisms; 6) Innovative Instruments for Implementation.

More recently, the CoR also adopted the Charter for Multilevel Governance in Europe on 3 April 2014. The Charter calls on public authorities of all levels of governance (local, national and European) to use and promote multilevel governance in their future undertakings. Under the Charter, which is has been open to all EU cities and regions for the signature since 9 May 2014[37]:

- Charter signatories are invited to experiment with innovative policy solutions in line with the multilevel governance partnerships and instruments for joint policy action. They undertake to develop a transparent, open and inclusive policy-making process and to make multilevel governance a reality in day-to-day policy-making and delivery;

- EU institutions and EU Member States are in turn invited to apply the Charter's principles when drawing up, implementing and evaluating European strategies and policies; and

- associations and networks of local and regional authorities, together with political figures wishing to support this process are invited to declare their support.

The examples presented in the following section show a good combination of the basic organisational principles illustrated in this section and a range of instances of multilevel governance applied to different contexts and policy fields related to Europe 2020, although not directly, both in terms of process and success factors. The following table shows how the selected examples refer to those principles.

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[35] *Athens Declaration on the mid-term review of Europe 2020 - A territorial vision for growth and jobs*, 7 March 2014 (COR-2014-00750-02-00-DECL-TRA) http://portal.cor.europa.eu/europe2020/Documents/2210%20Athens%20declaration%20A5%20indd.pdf, point 8.

[36] http://cor.europa.eu/en/activities/governance/Pages/mlgscoreboardaspx.

[37] http://www.cor.europa.eu/en/activities/governance/Pages/Charter-for-MultiLevel-Governance.aspx.

		layers of government					Other stakeholders	policy coordination			institutional capacity	mobilisation of stakeholders	governance mode		pragmatic arrangements	administrative/ political support
		EU	National	Regional	County	Local		vertical	horizontal	functional			formal	informal		
1	Covenant of Mayors - EU	X	X	X		X		X			X	X	X		X	X
2	Contrats de Projets État-Région (CPER) - FR		X	X				X			X		X		X	X
3	The Strategy of Pomorskie Region - PL		X	X	X			X	X	X	X	X	X			X
4	Governance for Regional Growth in the Region Vastrbotten - SE		X	X		X		X	X	X	X	X		X		X
5	StedenbaanPlus initiative - NL		X	X		X		X	X	X	X	X		X		X
6	Contractual arrangements (conventions) - LU		X			X	X	X	X		X	X	X		X	X
7	East Riding LSPs – UK		X			X	X	X	X		X	X		X	X	X
8	Scottish CPPs and SOAs – UK		X			X		X			X		X		X	X
9	MoorFutures in Mecklenburg-Vorpommern and Brandenburg - DE			X			X		X		X	X	X		X	X
10	LEP in Liverpool City Region – UK				X		X		X		X	X		X	X	X

Figure 4.1 Overview of MLG elements present in the selected cases

4.3 Selected good practices

The Covenant of Mayors[38]
Layers of government: EU – national – regional – local

The European Commission created the **Covenant of Mayors** initiative in early 2009 as "the mainstream European movement involving local and regional authorities, voluntarily committing to increasing energy efficiency and use of renewable energy sources on their territories". By signing the Covenant of Mayors, signatories commit to taking the necessary energy efficiency and renewable energy measures, through the adoption of Sustainable Energy Action Plans (SEAPs), in order to meet or exceed the EU's 20% CO_2 reduction objective by 2020.

The Covenant offers a model mechanism where the common objectives set at the EU level are enacted at the local level. Through the EU climate and energy package, the EU and Member States are legally committed to reach some binding (Greenhouse gas emissions reduction and Renewable Energy Sources) and non-binding (Energy Efficiency) objectives. Through the Covenant of Mayors, municipalities, provinces and regions voluntarily commit to reaching and surpassing the same goals. Thus, all levels are working together towards the same goal, each of them acting according to their own responsibilities.
The multilevel approach is also reflected in its organisational and governance structure, involving an explicit, ad-hoc interaction between different levels of government and stakeholders.

The European Commission's DG Energy carries out oversight of the Covenant of Mayors. The day-to-day implementation and management (promotion and communication, support to signatories, liaison with facilitators) is the responsibility of the Covenant of Mayors Office (CoMO), which consists of a group of five European networks (consortium networks). A new responsibility concerning capacity building[39] has recently been attributed to the CoMO. The Joint Research Centre (JRC) of the European Commission provides technical and scientific support, including the assessment of submitted SEAPs.

Three types of external actors support the implementation of the Covenant of Mayors:

- *Covenant Coordinators:* public administrations providing strategic guidance, financial and technical support to municipalities that sign up to the Covenant of Mayors but lack the necessary skills and/or resources to fulfil their requirements; they can be National Coordinators (national public bodies, including national energy agencies and ministry of energy) and Territorial Coordinators (sub-national decentralised authorities, including provinces, regions and public groupings of municipalities);

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[38] www.eumayors.eu

[39] Numerous guidelines have been published and are available at http://www.covenantofmayors.eu/Library,84.html; in particular one is dedicated to innovative financing tools. Conferences, seminars and webinars are regularly organised.

- *Covenant Supporters*: European, national and regional networks and associations of local authorities which leverage their lobbying, communication and networking activities to promote the Covenant of Mayors initiative and support the commitments of its signatories;

- *Associated Partners*: professional associations, NGOs, and other such structures that are in a position to provide linkages with private companies and civil society, as well as support to Covenant signatories, notably in the form of technologies, methods, financial incentives, promotional tools, and cultural and participatory initiatives.

Monitoring Reports[40] on the activities of Covenant Coordinators and Supporters is produced annually.

Some of these interactions are formalised through a Memorandum of Understanding signed by both parties. It can be a contract drawn between a province and a region to support their municipalities in drafting SEAPs, but also between two provinces or between more actors of the same territory (province, regional energy agency, union of municipalities, university; or the region with all its provinces and energy agencies…). In some cases, there is no formal agreement between parties but just a regional steering committee/working group involving various local stakeholders; or an informal exchange where a province uses the materials developed by another province which is a bit more advanced in the process. The aim is to coordinate activities such as administrative interface, technical support, monitoring and promotion of the implemented activities.

In addition to the positive outcome of the mid-term evaluation of the Covenant of Mayors[41] (March 2013), the current number of signatories (over 5 800 with 3 754 SEAPs submitted) is factual evidence of the success of the Covenant of Mayors' initiative, for which multilevel governance is key.

Although the minimum commitment was to reduce current emissions by 20%, 699 (2013 data) signatories committed to more substantial reductions[42].

Contrats de Projets État-Région (CPER) in France[43]
Layers of government: National - regional

The State-region "project contracts" became a key instrument of regional development policy in France in 2007. These are detailed contracts which set out a range of policies and programmes to be carried out over seven years. For the 2014-2020 period, contract priorities include education, research and development; broadband coverage, innovation, multimodal mobility and transition to a low-carbon economy.

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[40] http://www.covenantofmayors.eu/Library,84.html

[41] http://ec.europa.eu/energy/evaluations/doc/20130705-evaluation_com_final_report.pdf

[42] JRC, "The Covenant of Mayors in figures 5-year Assessment 2013", http://www.covenantofmayors.eu/IMG/pdf/com_in_figures_jrc.pdf

[43] Tuna Tasan-Kok & Jan Vranken, Handbook for Multilevel Urban Governance in Europe, 2011.
http://www.mi-is.be/sites/default/files/doc/handbookmultilevel_urban_governance.pdf
http://www.datar.gouv.fr/contrats-etat-regions

There are four dimensions to the context in which the regions and the central government coordinate their actions and sign contracts: evolving levels of knowledge by both parties, broad scope of responsibilities, strong vertical inter-dependencies, and administrative procedures for enforcement.

CPERs include a territorial component that consists of specific sub-contracts - *contrats de pays* (CPs), *contrats d'agglomération* (agglomeration contracts, CAs) and *contrats de parcs naturels régionaux* (regional nature parks contracts, CPNRs) – as well as an inter-territorial one for financing projects in specific areas between several regions

CPERs are co-funding and, strictly speaking, not delegation contracts. Thus, parties agree on a certain number of tasks to be carried out and on how they will be funded. They do not assign the performance of tasks to the regions, departments or any other sub-national authority.

CPERs are signed between the central government (the regional prefect) and the head of the regional council (an elected official). Other sub-regional actors, such as associations and firms, also play a key role in the process of preparing the regional strategic plan.

The government, through the prefect of the region represented by its secretary-general for regional affairs (SGAR), agrees to develop and finance projects with the regional government relating to regional planning. Other local authorities (counties, municipalities) may also join a CPER if they fund projects.

The central government and the regions finance these projects jointly. Contracts include a financial appendix that indicates the financial commitment of each party, and they do not imply budgetary transfers between the central governments and municipalities. They usually stress the responsibilities and commitments of each party, while providing a detailed description of the purpose of each measure.

Associations of municipalities (urban communities) and *Pays* relate directly to the regions, from which they may now obtain funding under the CPERs, which now have a stream of funding devoted to them. They may also have similar contractual arrangements with the central state.

A monitoring system has been defined, as well as a list of national indicators. Evaluation[44] takes place at two levels: at the national level, evaluation is led by the DIACT (ex-DATAR); at the regional level, by an ad hoc committee comprising representatives of the central government and of the regions.

Assessment plans (*plans prévisionnels d'évaluation*) are produced annually to monitor the implementation of programmes and to identify potential challenges in good time. Assessments are also required in case a major revision of the CPER is needed. Regions are also required to produce intermediate evaluations on the state of play, especially in relation to environmental issues, based on guidelines provided by a national authority created *ad hoc* for this purpose.

The Strategy of Pomorskie Region - Poland [45]

Layers of government: National – regional – provincial

The Strategy of the Pomorskie Region (revised in September 2012) is an example of bottom-up approaches influencing upper-level policies and trying to harmonise them.

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[44] More information can be found at http://www.datar.gouv.fr/evaluation.

[45] Polish Ministry of Regional Development, Place-based territorially sensitive and integrated approach, 2013.

By addressing a list of expectations to the national authorities, the strategy document paves the ground for "upwards" cooperation and partnership, based (inter alia) on the so-called **territorial contract (TC).** The territorial contract was designed as a multilevel coordination tool (within the framework of a decentralised regional policy system) for action between the region, represented by regional self-government, and the national authorities, represented by the Ministry of Regional Development.

Both parties have at their disposal different legal and financial tools, according to their statutory position. Through the territorial contract they can mutually commit themselves to coordinating the decisions that support listed development undertakings. Those undertakings, covered by the contract, complement each other, but are designed to be supported by instruments managed at different levels – regional or national.

Within the region, the contractual agreements are **integrated territorial agreements (ITAs)** used for organised cooperation and partnerships within the framework of selected functional areas located within the region. ITAs cover functional areas around large cities and rural areas in need of support for development processes and are based on negotiation procedures applied in order to identify and accurately target "packages" of projects that deal with different thematic issues but complement each other, and contribute to the functional area's development.

In both cases, the idea is based on a coherent combination of horizontal and vertical partnerships and involves negotiation procedures.

In the case of the territorial contract, horizontal partnership means that the regional proposals have to be agreed within the region, with local administrations and other public and private partners, as a common negotiating position, before presenting them to the government. Vertical partnership is a second step in the process, as the proposals identified have to be negotiated and agreed between the regional and national side, considering that, due to their nature and thematic scope, the involvement of national resources is required to achieve them.

In the case of integrated territorial agreements, horizontal partnerships result from the requirement to establish a single tri-sectoral representation of the particular functional area, as well as to agree on a common action plan and key development undertakings. Thereafter, that single representation of the functional area becomes a part of a vertical partnership with regional authorities, as a partner in negotiations and a party to a final agreement.

The Self-Government of the Voivodeship plays three basic roles in the implementation of the strategy: 1) as an investor – implementing and co-financing actions; 2) as a coordinator and leader of development activities – compiling and updating the strategy, defining the obligations, marking the realisation units and monitoring implementation, as well as managing external resources (including those of the EU); 3) as an "inspirer" – as the originator and supporter for the region's key development projects arising from the strategy, which are implemented at other levels of public governance, particularly at the national and European level.

Governance for Regional Growth in Region Västerbotten - Sweden [46]

Layers of government: National – Regional - local

Region Västerbotten's Governance for Regional Growth pilot project is financed by the region and the Swedish Agency for Economic and Regional Growth (during 2012- 2014) and seeks to develop a model for national and regional growth policy within the county, based on local conditions. It is a demand-driven method with committed process leaders and stakeholders at different levels, starting with a concrete results-based discussion and focus on real pilot cases and makes it possible to release local and regional potential. In this way, it improves the chances of reaching the Europe 2020 national goals for smart and sustainable growth.

The project aims to develop and coordinate new instruments and methods of multilevel dialogue that are developed and tested in 12 pilot cases in a vertical and horizontal perspective (e.g. funding and skills among different operators/stakeholders/actors such as firms, universities, NGOs and public authorities). The 12 pilots have been selected within the county of Västerbotten and involve all relevant stakeholders/place managers. Four of the pilots concern different groups of territories such as municipalities, groups of municipalities or the entire region of Västerbotten and adjacent regions. These pilot cases represent urban-rural relationships, functional urban areas, cross-border regions and sparsely populated areas. All of them could be platforms for Community Led Local Development (CLLD) and the new proposed instrument Integrated Territorial Investment (ITI).

Other pilots are more sectoral or thematic, for example focusing on R&D in healthcare, culture, lifelong learning, bio-refinery, cross-border cooperation between the private and public sector.

These pilots then need to be integrated into the overall project through the vertical and horizontal coordination of development policies together with local actors (both private and public stakeholders) and external actors to enable investment outputs and clarify value chains.

StedenbaanPlus initiative - Soft governance in The Netherlands [47]

Layers of government: National – regional – local

The StedenbaanPlus initiative is situated in the western part of the Netherlands in the "south wing" of the Randstad where the Administrative Platform for the South Wing – Bestuurlijk Platform Zuidvleugel or BPZ, was created around 2000, covering the city regions surrounding The Hague and Rotterdam.

The BPZ has the following eight partners: Zuid-Holland Province, five regional cooperation bodies including the city regions of Rotterdam (Stadsregio Rotterdam) and The Hague (Haaglanden), the regions of Holland Rijnland Rijnland (northern part of the province with Leiden as the largest city), Drecht Cities (Dordrecht and surrounding municipalities) and Midden-Holland (Gouda and its environs) and the municipalities of Rotterdam and The Hague.

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[46] Polish Ministry of Regional Development, *Place-based territorially sensitive and integrated approach*, 2013

[47] ESPON TANGO Project – *Towards better Territorial Governance in Europe*

http://www.espon.eu/export/sites/default/Documents/Projects/AppliedResearch/TANGO/Case_Study_3_Southern_Randstad.pdf

The StedenbaanPlus initiative is very closely aligned with the formation of a single metropolitan region for The Hague and Rotterdam and covers the same territory. Because the metropolitan region is currently under development, it does not have legal powers. Consequently, the StedenbaanPlus initiative is essentially a partnership arrangement between various public and private parties that operates with very few statutory powers or instruments at its disposal, promoting greater integration between public transport and urban development.

The initiative combines two main strategies: 1) the creation of a high-frequency light-rail transport system on the existing railway network; and 2) a regionally coordinated programme of urban development around railway stations.

In addition to governmental bodies, the StedenbaanPlus initiative involves non-government actors, the rail infrastructure providers. Being essentially a partnership arrangement with few statutory powers, it is therefore a form of soft governance, which has a primary role in coordination and information provision, both vertically and horizontally: linking municipalities with the regional governance body and, to some extent, with the central government (vertically) while bringing together different sectoral interests concerned with urban development and public transport (horizontally).

The StedenbaanPlus case is primarily concerned with regional public rail transport and urban development around railway stations. The key actors include NS (Dutch Railways) and ProRail (rail infrastructure manager) as well the regional authorities of the Zuid-Holland Province, the city regions of The Hague and Rotterdam, the Holland-Rijnland region and the municipal cooperations Drechtsteden and Midden-Holland.

The StedenbaanPlus working structure is organised around a number of themes. Each theme is addressed by a working group in which the ten partners are represented. Each working group handles a report on a specific theme. As the StedenbaanPlus secretariat provides all chair persons, it is the main hub for coordination between the working groups.

Contractual arrangements (*conventions*) in Luxembourg[48]
Layers of government: National – local
Other stakeholders: various (e.g. associations of environmental protection and transport, private sector)

The government of Luxembourg makes frequent use of a tool referred to as a "*convention"*, a formal agreement initiated by the government, carefully prepared and negotiated between the national government and several municipalities. The agreement sets out the main goals to be achieved and its participants' responsibilities both in financial and activity terms. In general, the national government tries to finance the larger share of all expenditure under the convention.

A concrete example is the intermunicipal and integrative development convention "AirRegioun", launched in 2008 and extended in 2011 for another two years. It seeks coordinated and integrated development between five municipalities (Luxembourg, Sandweiler, Schuttrange, Niederanven, Contern) located around the Grand Duchy's national airport, and the Ministry of Sustainable Development and

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[48] Polish Ministry of Regional Development, *Place-based territorially sensitive and integrated approach*, 2013

Infrastructure. Intermunicipal cooperation focuses primarily on mobility, development of activity zones, landscape and tourism, cooperation forms, and the organisation of the convention.

The partners developed a joint working programme that defines a series of concrete tasks and objectives as well as necessary governance forms. Regular meetings take place in order to identify strengths and weaknesses, develop new ideas, launch studies, organise surveys, and initiate projects that are implemented at a later stage by the municipalities. The results of these work programmes are then coordinated by a technical and a political committee. The technical committee includes national and foreign expert practitioners, universities and also neighbouring regions that validate the work and make suggestions regarding the selection and implementation of the issues addressed. The expected results include a common mobility concept for the entire area as well as a shared geographic information system (GIS) that simplifies inter-local planning, optimises pedestrian and bicycle infrastructure and promotes better connections within the whole region.

Another example is the DICI convention (*Développement Intercommunal Coordonné et Interactif du sud-ouest de l'agglomération de la ville de Luxembourg*)[49], which consists in horizontal and vertical cooperation aimed at the integration of planning, decentralisation and polycentric concentration, and natural and cultural heritage conservation at national, regional and local levels.

DICI is formalised by agreements signed for five-year periods[50] under which the signatories commit themselves to collaborative planning and shared funding in order to achieve a balanced distribution of jobs and housing, reduce individual motorised traffic and promote non-motorised traffic and motorised public transport within the perimeter. These elements will enhance economic competitiveness, housing quality and social cohesion as well as improve transport and protect natural areas.

The stakeholders involved are five municipalities (Bertrange Hesperange, Leudelange, Luxembourg, Strassen), four ministries (Ministry of Sustainable Development and Infrastructure, Ministry of Internal Affairs, Ministry of Housing, Ministry of Economy) as well as (Zeyen & Baumann, Trafico, Schroeder & Associates, PTV France among others).

Cooperation takes place on three levels: political (decision-making), coordination (technical committee and process coordination) and working groups (which act towards the development of various aspects of the Integrated Development Inter-Communal Plan - PIDP). Cooperation within working groups[51] is a good example of what a multilevel governance approach requires since it presents horizontal cooperation, with the participation of different organisations (public and private). The PIDP was also monitored in 2011, with Luxembourg City taking part into the testing phase of the Reference Framework for European Sustainable Cities (RFSC).

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[49] http://www.dici.lu/

[50] The DICI process has reached its second phase. The first (convention 2005-2010) ended successfully and was then extended for another five years in order to further develop intercommunal cooperation.

[51] There are five working groups: 1) Urban Development Group – focuses on future urban development, housing, mobility, and landscape planning; 2) Mobility Working Group – mobility planning, future development scenarios and traffic simulations; 3) PIDP Working Group – interdisciplinary development, harmonisation of urban development; 4) Parking Management Work Group – development and implementation of parking management concepts; 5) Bus Working Group – development of coherent public transport systems with scope of urban space and mobility development.

The Ministry for sustainable development and infrastructure is a partner of EU2020 Going Local, a capitalisation project co-funded by the INTERREG IVC Programme, launched in October 2010. As a capitalisation project, it focuses on the transfer of good practices, which were previously developed and identified by the partners, into the Structural Funds programmes of the partner regions.

Through regional cooperation the project is intended to contribute to an effective implementation of the EU 2020 strategy at both local and regional levels.

East Riding Local Strategic Partnership (LSP) – United Kingdom [52]

Layers of government: National – local

Other stakeholders: private sector

Local Strategic Partnerships (LSPs) are non-statutory, non-executive organisations introduced by the Local Government Act 2000, covering policy areas like economic, social and environmental well-being, community development, the labour market and social inclusion.

LSPs prepare and implement a Sustainable Community Strategy (which sets out the vision and priorities for the area agreed by all parties, including local citizens and businesses); provide strategic coordination within the area and link with other plans, partnerships and bodies established at the regional and sub-regional and local level; develop and drive the effective delivery of their Local Area Agreements (LAAs) agree an action plan for achieving the Sustainable Community Strategy priorities, including the LAAs' outcomes; and provide a wide range of support and training.

LSPs have a board of senior officers from the public sector (councils, health authorities, the police, Jobcentre Plus, Environment Agency) and elected members, as well as representatives from the private, community and voluntary sectors. The board works with area-based or thematic partnerships and the wider community as the Sustainable Community Strategy and other plans are prepared and implemented.

The Local Action Teams (LAT) are designed in LSPs to define effective community-led projects, aiming to adopt a proactive multiagency approach, working and engaging with the public on key issues with the aim of improving the quality of life of individuals and communities in their localities.

Partnerships are funded through public service budgets, partners' contributions and central government grants.

The LSPs use a variety of different instruments, e.g.: forums for debate, discussions and common decision-making; advisory; facilitating community strategic planning (developing and implementing the Sustainable Community Strategy, Local Neighbourhood Renewal Strategy, Local Area Agreement and Local Development Framework); implementing performance management system; developing mechanisms for monitoring and reporting progress to the partnership and local people.

An example is the East Riding Local Strategic Partnership (LSP), which was founded in 2001. It comprises partner organisations from the public, private, voluntary and community sectors (the council,

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[52] Tuna Tasan-Kok & Jan Vranken, Handbook for Multilevel Urban Governance in Europe, 2011.

http://www.mi-is.be/sites/default/files/doc/handbookmultilevel_urban_governance.pdf

http://www.oecd.org/cfe/leed/37728868.pdf

Humberside Police, the NHS, Humberside Fire and Rescue Service, Humberside Probation Trust and the voluntary sector) in order to develop and deliver a plan for the continued sustainable development of the area. It focuses on the impact of climate change, reducing the risk of flooding, carbon reduction and school improvements.

In East Riding, the LSP consists of a Board, which is responsible for overall partnership policy and decision-making, and four Action Groups[53], all of which comprise wide-ranging networks designed to achieve the objectives set out in the Sustainable Community Plan (East Riding LSP 2010). The LSP supports the strategic aims of the Regional Spatial Strategy and is supported by the local spatial planning objectives being set out within the emerging Local Development Framework which will inform local planning, infrastructure development and investment decisions until 2026.

Within this framework, six LATs were established to ensure that there was a proactive multi-agency approach to working with the public on more local issues (East Riding LSP 2010). Moreover, a joint Citizens' Panel has been set up to consult forums such as the Black and Ethnic Minority (BME) Panel, and the Disability Advisory and Monitoring Group. Moreover, the Local Development Framework (LDF) was initiated as part of the development plan.

Scottish Community Planning Partnerships (CPPs) and Single Outcome Agreements (SOAs) – United Kingdom [54]

Layers of government: National – local

Community Planning Partnerships (CPPs) and Single Outcome Agreements (SOAs) are tools used for achieving sustainable economic growth, better outcomes and reduced inequalities for local communities in Scotland through delivery of high quality public services. SOAs are agreements between the Scottish Government and CPPs which set out how each will work towards improving outcomes for the local people in a way that reflects local circumstances and priorities, within the context of the Government's National Outcomes and Purpose.

Six priorities have been identified: economic recovery and growth; employment; early years; safer and stronger communities and reducing offending; health inequalities and physical activity; outcomes for older people. Under these priorities, the SOA must: i) use an evidence-based approach, underpinned by disaggregated data, to drive improvement in meeting the differing needs of local populations; ii) include clear performance commitments that will lead to demonstrable improvements in people's lives; iii) focus upon outcome gaps within populations and between areas – and promote early intervention and preventative approaches in reducing these gaps; iv) identify priorities for interventions and include plans for prevention, integration and improvement to promote better partnership working and more effective use of resources.

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[53] The four Action Groups are as follows: 1) Sustainable Communities and Transport Action Group; 2) Children and Young People Action Group; 3) Healthier Communities and Older People Action Group; 4) Safer and Stronger Communities Action Group.

[54] Tuna Tasan-Kok & Jan Vranken, *Handbook for Multilevel Urban Governance in Europe*, 2011.
http://www.mi-is.be/sites/default/files/doc/handbookmultilevel_urban_governance.pdf
http://www.scotland.gov.uk/Topics/Government/PublicServiceReform/CP/SOA2012

In March 2012, the National Community Planning Group agreed to make the new SOAs binding, based on a Statement of Ambition[55].

SOAs should include clear and formally agreed outcomes, indicators and targets, for which all partners are jointly accountable, in line with their respective contributions. As outlined in the Statement of Ambition, all partners are expected to contribute effectively and to take shared responsibility for the effectiveness of the CPP, including for the development and delivery of new SOAs and the provision of resources to do this. In fact, partners must contribute appropriately and will be held to account by the CPP through a strong role for local elected members, and by the Scottish Government for those contributions.

SOAs have to be actively monitored to ensure that the desired outcomes are fully realised. CPPs and individual partners need to develop and adapt existing performance management systems to accommodate the shift to an outcomes focus and align them with strategic outcomes agreed in the SOAs. A key element of the SOAs is the selection of a basket of indicators, which reflect the CPP's priority outcomes, and for which robust and timely information can be compiled and monitored to assess overall progress. This information should then be used to inform strategic discussions, within both individual partners and across the partnership, about the actions and strategies required to achieve the outcomes set out in the SOAs.

In order to strengthen administrative capacity, the Scottish Government and COSLA (Convention of Scottish Local Authorities) have issued joint guidance[56] for CPPs in preparation of their new SOAs.

In addition, the menu of Local Outcome Indicators has been developed and is accompanied by a Good Practice Note on the Use of Outcome Indicators within Single Outcome Agreements.

The development of a menu of Local Outcome Indicators[57] followed extensive consultation with over four hundred individuals, including senior managers, policy officers and analytical experts, drawn from a wide range of organisations. Decisions on the inclusion of indicators were based on how well they fitted a set of criteria agreed by the Project Board. The criteria included factors such as availability of data at local authority level, timeliness of data publication, statistical robustness, consistency over time and relevance, in terms of being genuinely outcome-focused.

In addition, the Scottish Government has assigned a 'Location Director' to each CPP. S/he provides the key point of engagement between the CPP and the Government and has a key role in providing advice, support and challenge to the CPP and individual partners on the development and delivery of the new SOA and community planning more broadly.

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[55] http://www.scotland.gov.uk/Topics/Government/local-government/CP/soa.

[56] http://www.scotland.gov.uk/Topics/Government/local-government/CP/SOA2012/SOA2012.

[57] More details can be found at http://www.improvementservice.org.uk/local-outcome-indicators/.

MoorFutures in Mecklenburg-Vorpommern and Brandenburg - Germany [58]
Layers of government: Regional
Other stakeholders: private sector – university

MoorFutures are emission certificates that make it possible to offset greenhouse gas emissions. It is a flexible investment mechanism for the protection of peatlands, which serve as valuable habitats for a number of plant and animal species. One MoorFutures certificate corresponds to one ton of CO_2 per year that can be offset against the current emissions of the investor.

The investors (mainly companies) choose a project they wish to invest in and purchase a MoorFutures certificate. All MoorFutures funds are invested in the project region in Germany, located between the two major urban centres of Berlin and Hamburg (Mecklenburg-Vorpommern and Brandenburg). Currently, two long-term projects (Kieve Polder and Rehwiese/ Fließgraben) are open for investment.

When a company decides to purchase MoorFutures, it receives a contract proposal specifying that the agreed amount is ring-fenced for the selected project in the MoorFund managed by Stiftung für Umwelt-und Naturschutz, a registered not-for-profit environmental organisation and the Flächenagentur Brandenburg GmbH, a nationally recognised agency.

The company's MoorFutures are registered in their futures ledger so that the associated greenhouse gas emission reduction certificates cannot inadvertently be sold to another party. The respective carbon offset values are recorded in a register managed by the Ministry for Agriculture, Environment and Consumer Protection of each country.

The projects are financed exclusively with funds from the MoorFund. The company's contribution thus makes it possible to complete the planning process and the water-related approval procedure. In addition, the funds are used to compensate landowners and users and for the necessary construction work.

All projects follow the principle of voluntary participation that applies to all peatland conservation projects in Mecklenburg-Vorpommern and Brandenburg. This principle has been laid down in the state's policy for the protection and utilisation of peatland areas. This means that every project is implemented in cooperation with the relevant landowners and users.

To guarantee that the project and certificates are sustainable and viable in the long run, approval from the water authorities is needed. In certain cases, the project areas are actually acquired from the owners by Stiftung für Umwelt und Naturschutz Mecklenburg-Vorpommern and the Stiftung Naturschutzfonds Brandenburg.

All projects in Mecklenburg-Vorpommern are managed under the auspices of Landgesellschaft Mecklenburg-Vorpommern, a regional development organisation, which is assisted by the State Office for the Environment, Conservation and Geology of Mecklenburg-Vorpommern. Both organisations have many years of experience in the planning and implementation of restoration projects. Other partners are the Mecklenburg-Vorpommern Ministry for Agriculture, Environment and Consumer Protection; Ernst-

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[58] CoR study *Multilevel governance of our natural capital: the contribution of regional and local authorities to the EU Biodiversity Strategy 2020 and the Aichi Biodiversity Targets*. http://www.ecologic.eu/sites/files/publication/2014/deliverablea.pdf and
http://www.moorfutures.de/en.

Mority-Arndt-University of Greifswald; The Mecklenburg-Vorpommern Environment and Nature Protection Trust; and The Mecklenburg-Vorpommern Forestry Research Institute.

The projects in Brandenburg are managed by the Flächenagentur Brandenburg, an agency which is a subsidiary company of the Naturschutzfonds Brandenburg – a trust under public law in the Federal State of Brandenburg. Additional partners are the Brandenburg Ministry for Environment, Health and Consumer Protection, Department of Nature Conservation; and the Eberswalde University for Sustainable Development (FH).

All projects are monitored by a team of scientists; a MoorFutures Standard (LINK) has been devised, based on the VSC PRC methodology but tailor-made to reflect the actual conditions in Mecklenburg-Vorpommern and Brandenburg respectively. These two standards were developed by specialists at the Ernst-Moritz-Arndt University Greifswald in collaboration with the Mecklenburg-Vorpommern Ministry for Agriculture, Environment and Consumer Protection, which both vouch for the high quality of the MoorFutures Standard. For the projects in Brandenburg, the Eberswalde University for Sustainable Development and the Brandenburg Ministry for Environment, Health and Consumer Protection ensure that the relevant standard is maintained at all times.

In order to ensure that companies know exactly where their MoorFutures funds are invested, the state ministries set up a freely accessible project register (LINK) that is subject to a number of data protection restrictions. In this register, each MoorFuture is assigned a serial number that is also printed on the actual certificate. This number allows business partners and customers to identify the exact amount of carbon that has been saved and can be used in the companies' communication strategy.

Local Enterprise Partnership (LEP) in Liverpool City Region – United Kingdom [59]

Layers of government: Local
Other stakeholders: private sector

Liverpool is a city region in the UK which approaches the Europe 2020 objectives of promoting socially inclusive growth through efforts to improve employment opportunities to deliver social and economic cohesion via social enterprise and entrepreneurship, especially in the most deprived neighbourhoods. There are relatively high concentrations of deprivation, poverty and unemployment and in this context the regional ERDF programme includes Priority 4 "growing and assessing employment", which aims at promoting social inclusion and employment opportunities amongst deprived communities.

The tool used is the Local Enterprise Partnership (LEP), which is also responsible for setting the priorities against which government money is spent and for managing the ERDF programme in partnership with a network of intermediary organisations and agencies (including social enterprises and charities) that are involved in the delivery of enterprise and business start-up support, across eligible wards in the Liverpool city region.

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[59] DG REGIO, *Study on promoting multilevel governance in support of Europe 2020*, Inception Report, December 2013
http://www.liverpoollep.org/default.aspx.

This involves various elements including: Pre-Start Up Awareness Raising Workshops (Community Engagement); Pre-Start Up Group-based Workshop Support & Action Planning; Business Creation Start Up Assistance, including Business Planning; Social Enterprise Intermediate Business Development Support; Social Enterprise Intensive Support – Growth, Income & Diversification.

Currently, the Liverpool LEP is a voluntary alliance of 450-plus businesses and organisations, including Universities and University Technical Colleges, research facilities, SMEs, plus the six Local Authority areas of Halton, Knowsley, Liverpool, Sefton, St Helens and Wirral. The LEP is led by a Board comprising 16 nonexecutive directors. The LEP also has an Advisory Council comprising 35 senior representatives from the public, private and third sectors.

LEP members share a commitment to accelerate economic growth; their core activities include: Strategic Economic Development; Business Growth; Key Growth Sectors (Knowledge/Innovation Economy; Visitor Economy; Low Carbon; SUPERPORT) each with detailed action plans.

Targets are set in each action plan of the Key Growth Sectors. For instance, the Low Carbon Economy Action Plan sets its low carbon economy's job creation potential at 12 000 jobs by 2015[60].

Achievements and what is delivered are measured across a range of Key Performance Indicators drawn from existing targets set out in detailed Action Plans for each of the Key Sectors and Business Plans.

Liverpool City Region provides a good case study for: i) a multilevel governance approach to developing social enterprise and entrepreneurship in the poorest and most socially deprived areas of Liverpool City Region; ii) multilevel engagement with government and other stakeholders, linking social enterprise, community groups and the private sector; iii) developing a strategic governance framework to develop social enterprise and entrepreneurship; creating employment and entrepreneurial opportunities for the most hard-to-reach communities through public support, especially ERDF.

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[60] It is also estimated that development of the city region's knowledge economy – spanning life sciences, creative and digital, advanced manufacturing and financial and professional services – can generate an extra 60 000 jobs by the early 2020s. The SuperPort Action Plan identifies £1.8bn of new infrastructure developments with the opportunity to generate an additional £18.3bn GVA and create 20 000 new jobs by 2020. Liverpool city region's visitor economy (VE) is currently worth £3.1bn and supports 43 300 jobs. By 2023 the VE will be worth £4.3bn and support 57 000 jobs.

5.   **Europe 2020 and the LRAs in the 2014 European Semester**

5.1   Key messages

<u>On the 2014 National Reform Programmes</u>

> A majority of the 2014 NRPs state that the LRAs were involved in their implementation and (to a lesser extent) their drafting.

>Inputs from LRAs were taken into account, to some extent, in a majority of cases.

> Target-setting is still centralised: only three NRPs[61] mention the involvement of LRAs.

> 22 NRPs state that some form of multilevel governance was adopted in the planning and implementation of Europe 2020. In thirteen cases they were translated into formal agreements[62].

> The issues of strengthening administrative capacity, reduction of administrative burden and effective public spending relating to LRAs have gained greater visibility over time in NRPs.

> Eighteen NRPs make an explicit reference to one or more flagship initiative.

<u>On the Country-Specific Recommendations for2014 (CSRs)</u>

> The 2014 CSRs (though not the accompanying Communication) acknowledge the existence of territorial disparities between and within Member States and the need to improve coordination and cooperation between levels of government.

> LRAs in 16 Member States received recommendations about improving administrative capacity, the quality of public spending and fiscal discipline. In nine of these cases, the need to improve coordination and cooperation between different levels of government is explicitly mentioned.

> With respect to 2013, the 2014 CSRs make increased references to Europe 2020, putting stronger emphasis on long-term measures to boost growth. However, the flagship initiatives are almost never mentioned explicitly.

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[61] Belgium, the UK and, to a limited extent, Portugal.

[62] AT, BE, DK, FI, DE, HU, PT, IE, LV, ES, SE, HR, NL.

5.2 Introduction

This chapter analyses key documents during the European Semester – in particular the National Reform Programmes and the CSRs – as to their regional dimension and perspective.
It analyses the extent to which these documents take into account local and regional specificities and disparities as well as the role of the local and regional authorities, and the extent to which the latter were involved in their preparation.

As usual, the 2014 European Semester started with the publication of the Annual Growth Survey (AGS) on 13 November 2013, providing guidance on structural and budget policies to the Member States. The following priorities set by the past AGS were confirmed: pursuing differentiated, growth-friendly fiscal consolidation; restoring lending to the economy; promoting growth and competitiveness for today and tomorrow; tackling unemployment and the social consequences of the crisis; modernising public administration. Stressing the weakness of the ongoing recovery, the unacceptably high unemployment and the enduring feeling of social hardship in several Member States, the 2014 AGS stressed the need to strike a balance between fiscal consolidation and stimulus measures.

The AGS moves a step towards acknowledging the role of local and regional authorities, when it promotes improved vertical coordination of public budgets, "*…to bolster the public investment capacity of national, regional and local administrations to mobilise the ESIF programmes 2014-2020*" and underlines that the European Structural and Investment Funds have to contribute to the Europe 2020 goals.

Overall, the 2014 AGS puts increasing emphasis on the governance and ownership of the European Semester process, stressing the need to find tailor-made solutions for promoting growth and jobs. It also stresses ongoing progress in building closer partnership between Member States and the Commission, acknowledging the need for stronger ownership at national level to develop the permanent dialogue further and to take the necessary steps to widen the involvement of other stakeholders, including the LRAs ("*The Commission continues to recommend that the National Reform Programmes and Stability or Convergence Programmes be discussed with national parliaments and all relevant parties, notably social partners and sub-national actors*"). The AGS also includes a reference to multilevel governance, when it states that: *"Several Member States are looking to make efficiency gains in the organisation of their administrations, including by improving cooperation between different layers of government"*.

5.3 The role of the local and regional authorities in the 2014 National Reform Programmes

5.3.1 A mixed picture

The analysis of the 2014 National Reform Programmes (NRPs)[63] studied the extent to which LRAs were involved in the design of the NRPs – in line with the analyses carried out in 2011, 2012 and 2013. It also verified whether the NRPs complied with the request made by the European Commission in 2013[64] to indicate and ensure LRA involvement. Finally, the analysis verified to what extent the main messages and principles stemming from the CoR's Athens Declaration are reflected in the NRPs.

The results of the 2014 analysis concerning the involvement of local and regional authorities (LRAs) in the National Reform Programmes (NRPs) show **a mixed picture**. On the one hand, it shows that the involvement of LRAs is strongest notably in countries with a federal structure, such as Belgium; countries with a system of devolved administration, such as the UK; and countries with a tradition of participatory democracy, such as Sweden. On the other hand, factors such as small geographical size and population, as well as a lack of historical and political traditions in the area of multilevel governance, (e.g. Greece, Estonia and Cyprus) may have resulted in an almost negligible involvement of LRAs in the preparation of NRPs.
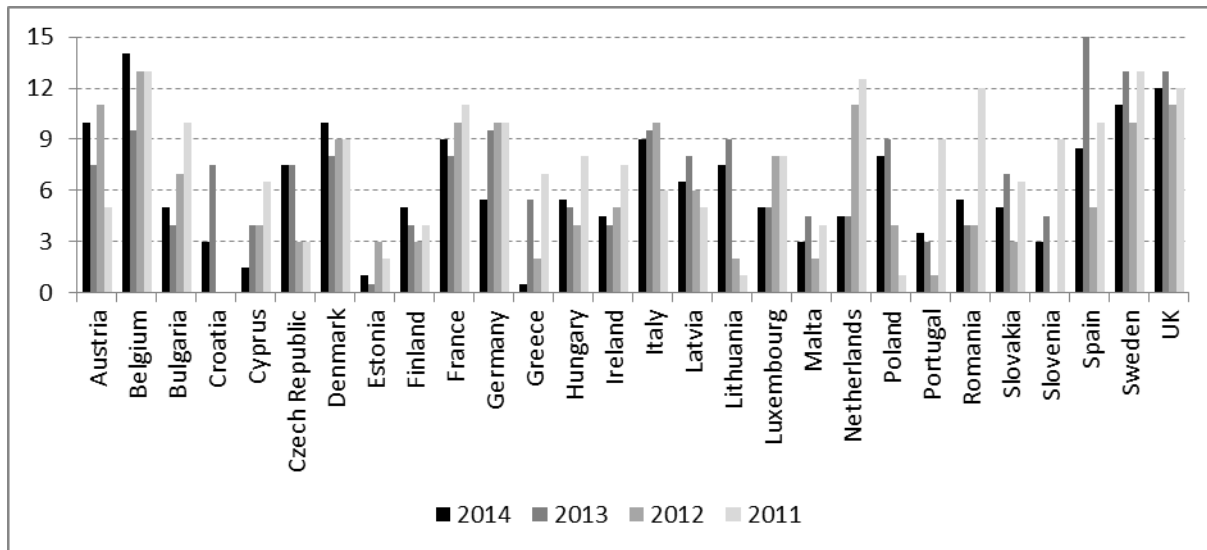
Figure 5.1: Comparison of 2014 NRP analysis with 2013, 2012 and 2011, by country

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[63] The analysis was carried out by an external contractor. The findings in this section are based on a preliminary report.

[64] "Member States should notably report on: .... How regional and local authorities (as relevant, depending on the division of competencies in individual Member States) were involved in the preparation of the NRP and in the implementation of the past guidance and commitments. Good practice examples on the implementation process of the Europe 2020 strategy and the European Semester at regional and local level may also be included" - *Guidance on the content and format of the National Reform Programmes,* 14 January 2013.

Overall, and in comparison to previous years, the 2014 NRPs show **visible - though not uniform - progress in including LRAs as partners in the implementation process and**, to some extent, **the design** of the documents.

In 2014, there is a visible trend towards a greater role for LRAs in implementing the Europe 2020 strategy in the NRPs. Twenty-four of the NRPs mention the active role of LRAs in implementation. There is also evidence of LRA involvement in the drafting stage. Eighteen NRPs[65] mention how the LRAs contributed to drafting the NRP and sixteen LRAs[66] state that not only were they involved in the drafting process, but their input was also taken into consideration to varying degrees.

The strongest report on LRA engagement in the NRP process comes from the UK. According to this NRP, the Devolved Administrations have "*contributed fully to the development of the UK National Reform Programme 2014*". The Austrian NRP states that the federal government is making every effort to implement the Europe 2020 strategy "*with the close involvement of the provincial governments, regions and local governments*".

Member States also involve LRA representative bodies in the preparation of NRPs. Thirteen NRPs[67] indicate the involvement of actors representing the viewpoints of LRAs, ranging from public bodies and ministries to special regional associations, committees and unions. Furthermore, in Denmark, a special "Contact Committee for the Europe 2020 Strategy" has been set up in order to facilitate the implementation of the Europe 2020 strategy and the European Semester. Alongside a broad range of other interested organisations, local and regional authorities play a central role in this committee, especially with respect to the national implementation of the growth and employment policy.

A positive development observed in most NRPs is a special section dedicated to institutional issues and stakeholder involvement. A higher number of countries have submitted additional contributions from LRAs in the form of an annex or as separate documents (8 compared to 5 in 2013). Action undertaken by LRAs to implement and monitor the Europe 2020 strategy has been given more prominence. Furthermore, annexes to the NRPs have increased in number and detail, covering different LRA measures and initiatives relating to the Europe 2020 strategy. The Swedish NRP, for instance, contains a separate appendix with the external contributions to Sweden's National Reform Programme; two sections are particularly relevant to LRA involvement: "*Contributions from SALAR (Swedish Association of Local Authorities and Regions) - as representative of regional and local levels*" and "*Contributions from the Local and Regional Levels*". The Italian NRP includes a separate section dedicated to the "Regions", including the measures taken at regional level to respond to the CSRs and action taken to reach the Europe 2020 targets at the regional level.

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[65] AT, BE, CZ,DE, DK,ES, FR, HR, IE, IT, LV, MT, NL, PL,PT,SK, SE, UK.

[66] AT, BE, CZ, DE, DK, ES, FR, HR IE, IT, LT, MT, PL, RO, SE, UK.

[67] AT, BE, CZ, DE, DK, ES, FR, IT, LV, PL, SK, SE, UK.

5.3.2 A territorial vision for Europe 2020 has yet to be developed

As to the question regarding the extent to which the main **messages and principles stemming from the CoR's Athens Declaration** are reflected in the NRPs, the picture is, again, **mixed**.

Most NRPs reflect insufficient LRA involvement in **target setting and monitoring**. The NRPs of only three Member States[68] mention the involvement of LRAs in setting targets, implying that the process is still rather centralised. Furthermore, LRAs have a much smaller role to play in monitoring the NRPs than in implementing them: seven mention LRAs in monitoring the NRP, whereas 27 report their role in implementing the NRP measures.

While LRAs are increasingly involved, there is **less evidence** for the existence **of formal partnerships** in the preparation and implementation of the NRPs in line with the principle of multilevel governance.

Thirteen NRPs[69] mention multilevel governance arrangements with reference to pacts, acts or signed agreements between the federal and regional level. References to territorial pacts in the NRPs are lacking; only one of the 28 NRPs (from Luxembourg) refers to a multilevel governance approach, which could be considered close to the concept of a territorial pact[70]. Yet, while not being based on formal agreements, 22 NRPs present **a variety of examples of multilevel governance approaches and coordination processes**, particularly in relation to the planning and implementation of Europe 2020.

Most of the NRPs make a direct reference to the Partnership Agreements and nine mention the involvement of LRAs in their preparation.

The issues of strengthening administrative capacity, reducing the administrative burden and more effective public spending relating to LRAs have gained greater visibility over time in NRPs. This is linked to the prolonged strain on national and sub-national budgets and the ensuing need for budget consolidation at all levels of government.

Most of the NRPs have a very strong focus on fiscal consolidation and cost-saving policies, including the reduction of and tighter control over the municipalities' budgets[71], which conceals the risk of losing sight of long-term investment priorities. Some of these are a direct response to CSRs. However, the new Common Strategic Framework for Cohesion Policy 2014-2020, based on eleven policy objectives closely linked to the Europe 2020 agenda, seems to have helped to refocus spending on long-term investment

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[68] Belgium, the UK, and to a limited extent Portugal.

[69] AT, BE, DK, FI, DE, HU, PT, IE, LV, ES, SE, HR, NL.

[70] Luxembourg has adopted a Climate Pact, which is a contract between municipalities and the State, implying commitments from both parties. Each municipality must commit to implementing a quality management system for its energy and climate policy, whereas the State provides a guarantee of financial support and technical assistance.

[71] For instance, in Denmark, Finland, Slovenia and Lithuania.

priorities. Fourteen of the 28 NRPs[72] stated how they intend to use the Structural Funds to achieve the goals and targets established by Europe 2020.

Fiscal consolidation efforts and tight budgets have prompted many LRAs to look for other ways to fund long-term investments. In most NRPs there seems to be a **general focus on efficiency** and **ensuring "better spending"**, also by **improving administrative capacity** and **reducing the administrative burden**. However, details on how Europe 2020 is funded and implemented remain scarce.

The issue of **innovative financing tools** has been less prominently reflected. Nine NRPs include measures aimed at encouraging broader LRA engagement through alternative financing tools. Some of these tools include guarantees, loans, grants, new sources of private funding and new forms of partnership between the public and private sectors, new legislation for the allocation of funds, etc.

Nineteen NRPs explicitly mention targeted or at least planned measures **to reduce the administrative burden**, e.g. by improving procurement procedures or increasing the efficiency of judicial proceedings.

Benchmarking, sharing experience and peer learning between regions and cities receive **far less attention** in the NRPs than administrative capacity. Only eight[73] of the NRPs mention initiatives in this field. Denmark provides a very good example in this area. Sharing experience and mutual learning are set out as part of the plan for the modernisation of the public sector up to 2020. The government will focus on increasing the existing knowledge of effects, results and best practices. Furthermore, in 2013 the government and Local Government Denmark have agreed to implement benchmark analyses in selected areas and on specific issues.

The NRPs show that the f**lagship initiatives have been used as a source of inspiration for policy planning and action** across the majority of Member States, albeit to varying degrees and not always with an explicit reference. However, examples of LRA involvement and policy coordination with respect to the initiatives are barely reflected in the NRPs. Furthermore, there are only a few cases of monitoring or evaluation activities in the context of the flagship initiatives mentioned in the NRPs.

Overall, 18 Member States make an explicit reference to one or more of the **flagship initiatives**. The flagship initiatives with most extensive coverage across Member States in 2014 were in the area of smart and sustainable growth: the Digital Agenda for Europe (54%), followed by Innovation Union and a resource-efficient Europe (both 36%). The rest of the flagship initiatives were less prominent in the 2014 NRPs: An agenda for new skills and jobs (25%); Youth on the move and an industrial policy for the globalisation era (18%); and the European platform against poverty (14%). The flagship initiatives are addressed most explicitly in the NRPs of Lithuania, Poland and Malta, which all have a separate chapter

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[72] AT, BE, BG, ES, FR, FI, HU, IE, IT, LV, LT, PL, RO, SE, and UK. However, only three countries give full information (BE, IT and ES) and four give substantial information (AT, HU, RO and SE).

[73] DK, EE, EL, LV, LU, ES, SE, UK.

on their implementation. Annexes to the Bulgarian, Austrian and Czech NRPs provide a list of measures related to the implementation of the initiatives.

5.4 A territorial dimension begins to emerge in the 2014 CSRs[74]

5.4.1 Scope and methodology

The CoR examined the EC **Communication** *2014 European Semester: country-specific recommendations − Building growth*[75], as well as the **26 CSRs**. An **in-depth analysis of** 16 Member States was carried out, and included a review of the **Staff Working Documents**. The analysis focused on the 16 countries with references to the local and regional level. This selection also reflects a variety of situations in terms of size, competitiveness, geographical position, internal inequalities, GDP per capita and structural challenges.

The analysis was performed from a local and regional perspective, in light of the need to give **the Europe 2020 strategy (which underlies all CSRs issued since 2011) a territorial dimension** by **acknowledging the role of the local and regional authorities and by addressing appropriate policy recommendations to them** (also taking into account the current division of powers between levels of government within each Member State).

5.4.2 Key findings

The **CoR examined the 2014 CSRs from a local and regional perspective**. An in-depth analysis was carried out on the European Commission Communication[76] as well as on the CSRs and Staff Working Document for the 16 countries which received CSRs addressed to the local and regional levels. The analysis checked the CSRs against the need to give Europe 2020 a territorial dimension; to involve the local and regional authorities as partners, disseminating multilevel governance arrangements; to improve administrative capacity, in particular at the regional and local levels; to align annual recommendations with Europe 2020 long-term goals; to use the flagship initiatives as levers for better policy coordination at different levels of government.

The **2014 CSRs explicitly acknowledge territorial disparities in the economic and social situation within some EU Member States**. They do so by pointing to the existence of territorial disparities not only between, but also within countries (as measured by GDP, in term of access to public services, employment and other variables at the regional level) and by taking into account the actual division of powers between levels of government and by addressing recommendations to the local and regional authorities.

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[74] http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/index_en.htm.

[75] COM(2014) 400 fin.

[76] EC Communication *2014 European semester: Country-specific recommendations - Building growth*, COM(2014)400.

With respect to the role of the local and regional authorities, **16[77] out of 26 Member States have received recommendations explicitly addressed to their local and regional authorities**, whose role in several policy fields is thus acknowledged. These recommendations aim mainly at increasing cooperation between the different levels of government, improving administrative capacity, improving the quality of public spending and fiscal discipline.

The **need to improve coordination and cooperation between levels of government** is explicitly mentioned in nine out of the 16 cases under examination for reasons of effectiveness as well as of ownership of public policies, in particular in the fields of energy, healthcare and employment. As part of this goal, several CSRs underline the need to streamline and clarify the division of powers between different levels of government.

Some of the **recommendations addressed to the national governments concern policy fields lying within the competences of the local and regional authorities** – and in which current challenges would require the involvement of both national and subnational governments. An example is the skills-jobs mismatch, in which the CSRs widely emphasise vocational training, apprenticeships, and lifelong training measures.

Reference to the Europe 2020 strategy increased between 2013 and 2014, also because of the ongoing review of the strategy. The importance of Europe 2020 for growth and jobs is emphasised, as well as the need for stronger policy coordination, in particular within the euro area. The Europe 2020 targets and distance from the targets are mentioned for each country, although the analysis of progress is less emphasised in the overarching document;

With respect to 2013, the 2014 CSRs put **a stronger emphasis on long-term measures to boost growth**. There is recognition of the changing nature of the challenges the EU is facing: short-term fiscal consolidation concerns should be accompanied, in a rebalanced policy-mix, by long-term investments for growth and jobs. The CSRs refer frequently to research and innovation, knowledge, education, market access for SMEs (13 countries), the energy sector (12 countries) and transport and broadband infrastructure (8 countries).

The Communication makes several policy **recommendations in policy fields related to** flagship **initiatives**, such as Youth on the move; an agenda for new skills and jobs; a Resource-efficient Europe; Innovation Union; and the Digital Agenda for Europe. However, **most of the time the flagship initiatives are not explicitly mentioned** (apart from the Innovation Union Scoreboard and the Digital Agenda for Europe), nor are they taken as a reference for policy coordination

Overall, the awareness of a territorial (local and regional) dimension is emerging and the **need for coordination between all levels of government is explicitly mentioned** in the CSRs for several countries. However, this progress is **not yet fully reflected in the overarching Communication accompanying the CSRs**, which

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[77] Austria, Belgium, Croatia, Czech Republic, Estonia, Finland, France, Germany, Hungary, Italy, Latvia, Portugal, Romania, Slovenia, Spain, Sweden.

- does not mention multilevel governance directly and refers to the partnership principle only in connection with relations between the Member States and the Commission,

- acknowledges the existence of *an ongoing challenge to ensure that the tools developed at European level are shared by a wider range of stakeholders, including the European and national parliaments* – but fails to mention regional parliaments and assemblies and does not explicitly address the need to foster coordination between all layers of government.

The CSRs clearly reveal a **need to bridge the gap between the short-term approach,** which prevailed during the toughest years of the economic crisis, **and the long-term approach of the Europe 2020 strategy.** Indeed, the CSRs emphasise the need to make sure that fiscal consolidation does not displace the long-term investments needed to boost growth and jobs (R&D, transport and broadband infrastructure, education, energy). However, **the CSRs barely mention** the main Europe 2020 tool for coordination of sectorial policies, the **flagship Initiatives,** which are even less used as effective levers for policy coordination.

6.   Assessing the partnership principle in the preparation of the Partnership Agreements

6.1 Key messages

> Partnership Agreements 2014-2020 are relevant to Europe 2020 because the European Structural and Investment Funds (ESIF) focus on 11 thematic priorities supporting the strategy's goals and targets and the European Code of Conduct on Partnership (ECCP) sets the scene for broader partnership and multilevel governance in the future.

> A CoR survey shows that the local and regional authorities were involved in the preparation of the Partnership Agreements in most countries. They believed that they had received enough information, could suggest solutions and receive feedback.

> Overall, the preparation of the Partnership Agreements was perceived as a positive experience in most EU countries, although with some room for improvement.

6.2 Introduction

Partnership Agreements between EU Member States and the European Commission are strategic documents aimed at specifying how national authorities plan to use funding from the ESIF between 2014 and 2020. As requested by the European Commission, on the basis of position papers[78], the Partnership Agreements outline each country's strategic goals and investment priorities, linking them to the overall aims of the Europe 2020 strategy. When preparing their position papers, the Commission services took into consideration the countries' progress on Europe 2020 to date, as summarised in the 2012 National Reform Programmes for each country, and including the content of the 2012 CSRs, as well as other country-specific developments. By the end of April 2014, all 28 Member States had submitted their Partnership Agreements. At the time of finalising this report, Partnership Agreements from sixteen countries[79] had been adopted and published, while others were being negotiated.

The involvement of local and regional authorities and other relevant partners in preparing Partnership Agreements in each country is regulated, in accordance with Article 5 of the Common Provisions Regulation for the five EU Funds,[80] by the European Commission's *Delegated Regulation on the European code of conduct on partnership in the framework of the European Structural and Investment*

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[78]   The European Commission position papers on the Partnership Agreement for each country are available online at: http://ec.europa.eu/regional_policy/what/future/program/index_en.cfm.

[79]   Sixteen countries that have their Partnership Agreements finalised by 8 September 2014: Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Germany, Greece, Hungary, Latvia, Lithuania, Poland, Portugal, Romania, Slovenia and the Netherlands. The current status of all Partnership Agreements and Operational Programmes is available on the website of the European Commission: http://ec.europa.eu/regional_policy/what/future/index_en.cfm#1.

[80]   Common Provisions Regulation (EU) No 1303/2013; five EU funds: European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF).

Funds (ECCP)[81]. In particular, Article 5 of Chapter III of the ECCP specifies how the process for consulting relevant partners should be organised. This includes the requirement that, for example, relevant information be disclosed in good time and be easily accessible; that stakeholders be given sufficient time to analyse the documents and that they have channels through which to provide their contributions. Furthermore, the process should involve a form of two-way communication, where the outcome of the consultation is disseminated. The Code of Conduct also calls for existing formal agreements between different sub-national tiers of government to be respected[82]. In the statement of the Conference of Presidents, the Committee of the Regions called on all stakeholders involved in the drafting process to comply with the ECCP and to participate fully in it[83].

Partnership Agreements from each country contain information on the application of the partnership principle. At a later stage, when all 28 Partnership Agreements have been published, a text-based analysis on the application of the Code of Conduct will be possible. For the time being, application of the partnership principle and involvement of local and regional authorities and their associations in drawing up the Partnership Agreements is examined in this report on the basis of a survey, interviews and other available sources (reports presented by certain Member States, publications prepared by LRA associations, etc.)

The process of preparing Partnership Agreements and Operational Programmes[84]

The process of preparing the Partnership Agreements was launched in several Member States before the final adoption of the ESIF 2014-2020 legislative package in December 2013 and adoption of the *Delegated Regulation on the European code of conduct on partnership in the framework of the European Structural and Investment Funds*. Due to the delayed adoption of the Multiannual Financial Framework 2014-2020 – and to the fact that the Partnership Agreements are one of the new features of the programming period – the sequence of work was not the same in all Member States. While advanced work on the Operational Programmes preceded the drafting of the Partnership Agreement in some countries, in others (e.g. Poland) the Partnership Agreement was concluded first.

The two following examples clarify the circumstances in which the PAs and the OPs have been prepared.

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[81] Delegated Regulation on the European code of conduct on partnership in the framework of the European Structural and Investment Funds (No 240/2014, 7 January 2014).

[82] See Chapter III, Article 5 paragraph 4: "Where formal agreements have been established between the different tiers of government below national level, the Member State shall take account of these multi-level governance agreements in accordance with its institutional and legal framework."

[83] Statement of the Conference of the Presidents of the Committee of the Regions ahead of the Spring European Council (12 March.2013): http://cor.europa.eu/en/news/pr/Documents/statement-cop-european-council.pdf.

[84] This paragraph is based on publicly available reports, as well as the European Parliament public hearing *Partnership Agreements: where are we now?* held on 19 March 2014 and interviews carried out with representatives of the Polish Permanent Representation to the European Union and with Mr Bas van den barg from the Association of Netherlands Municipalities (VNG) and DG REGIO of the European Commission.

In **the Netherlands**, the first formal exchanges with local and regional authorities concerning the 2014-2020 financial frameworks started in early 2010 at the first meeting between the Minister for Economic Affairs and representatives of LRAs. These exchanges were organised to discuss common approaches to the Structural Funds, which were then presented in June 2010 in the form of a common position paper of national, regional and local governments of the Netherlands on the future of EU cohesion policy 2014-2020. The publication of this document was the starting point for further consultations, e.g. the establishment of a broad working group of national, regional and local representatives for drafting the Partnership Agreement under the chairmanship of a Partnership Agreement programme manager. Advanced work on specific Funds led to a "bottom-up approach", where the order of work was reversed and the content of the draft Operational Programmes fed into the future Partnership Agreement. The collected inputs were then coordinated by a special working group, which ensured synergies between the Funds.

LRAs were involved in the Partnership Agreement drafting process from the very beginning, and the process[85] itself is perceived as inclusive and transparent, with every concept version of the document being distributed to LRA representatives for consultation and with meetings[86] organised by the Ministry for Economic Affairs for a large number of stakeholders.

In Poland, the process can also be considered inclusive, but work on the Partnership Agreement preceded the drafting of the Operational Programmes. The Ministry for Regional Development carried out a consultation on the draft Partnership Agreement, organised in two phases: i) on assumptions about the Partnership Agreement and then ii) on the actual Partnership Agreement. This work was based on the May 2012 strategy document *The method of organisation of work on programme documents connected with the financial perspective of the EU 2014-2020*[87] and was planned on the basis of a publicly available schedule[88]. The first document, the *Assumptions about the Partnership Agreement*, was adopted by the Polish Government on 15 January 2013, after a broad consultation[89] with local and regional authorities, as well as socio-economic partners. The "regional consultations" included 16 conferences held between 16 November and 19 December 2012. Work on the actual Partnership Agreement was organised in a similar way and was launched on 23 July 2013. Channels of consultation included 12 conferences with more than 1000 participants, including representatives of regions, municipalities and counties. Finally, the Partnership Agreement was submitted to the European Commission on 10 January 2014 and adopted on 23 May 2014.

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[85] For more information on the drafting process in the Netherlands, see a presentation by Mr Bas van den Barg (VNG) from the EP Public Hearing on Partnership Agreements (19.3.2014):
http://www.europarl.europa.eu/document/activities/cont/201406/20140623ATT85649/20140623ATT85649EN.pdf.

[86] Examples of conference programmes and presentations during the Partnership Agreement consultation/drafting process are available here: http://www.structuurfondsen.nl/.

[87] *The method of organisation of work on programme documents connected with the financial perspective of the EU 2014-2020* is available (only PL version) at: http://www.mir.gov.pl/fundusze/Fundusze_Europejskie_2014_2020/Programowanie_2014_2020/Documents/Info_ver_ost_0705.pdf.

[88] The consultations and work schedule are available (EN version) at: http://www.mir.gov.pl/ENGLISH/EUROPEAN_FUNDS/EUROPEAN_FUNDS_2014_2020/PROGRAMMING_2014_2020/Strony/default.aspx.

[89] A detailed report on the consultation process, including a list of all documents distributed to participants and a list of all meetings that took place, is available (only PL version) at: http://www.mir.gov.pl/fundusze/Fundusze_Europejskie_2014_2020/Programowanie_2014_2020/kr/Documents/Raport_final_pdf.pdf .

6.3 A CoR survey on LRA involvement in drawing up Partnership Agreements

The Monitoring Platform has carried out a survey on the involvement of LRAs in drawing up Partnership Agreements in their respective countries. The aim of the survey was to examine the level of compliance with the partnership principle and the Code of Conduct during the preparation of Partnership Agreements for the European Structural and Investment Funds (ESIF) 2014-2020 by the EU Member States and the European Commission.

The CoR survey was launched on 13 June 2014 and ended on 9 July. The questionnaire was distributed to selected parties who were officially involved in the preparation of the Partnership Agreements in their countries. Some answers were also submitted by respondents who were not officially involved in this process but were well-informed about it[90]. Although only the responses coming from institutions/parties officially involved in the drafting have been analysed, some of the statements submitted by entities that did not officially participate are also indicated or presented in the concluding remarks. The survey was composed of five multiple-choice questions plus an open comment section. Question 3 had nine sub-questions, allowing respondents to indicate whether they agreed (partially/strongly) or disagreed with a given statement.

The CoR Europe 2020 Monitoring Platform received replies from local and regional authorities and their associations in 23 countries[91]. The respondents included elected representatives (mayors, members of city/regional councils, senior civil servants and chairmen or senior officials of LRA associations).

6.3.1   Involvement of the LRAs at various stages of the consultation/drafting process

The survey's first question sought to establish whether LRAs were involved throughout the whole process of drafting Partnership Agreements in their countries (i.e. consultation, drafting, finalising) or only at a specific stage. The results show that:

- in 21 cases (61%), respondents said that they were involved throughout the whole process;

- in 7 cases[92] (19%), respondents indicated that they were involved only at the beginning;

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[90] Seven replies from LRAs/LRA associations that were not officially involved but have relevant views on the process (e.g. Association des Provinces Wallonnes; EGTC GO; Central Union of Municipalities of Greece).

[91] The CoR Europe 2020 Monitoring Platform received 44 replies from 23 countries: 37 from LRAs/LRA associations officially involved in preparing the Partnership Agreements in their countries (23 Member States), as well as seven replies from LRAs/LRA associations that were not officially involved. The 23 Member States with LRAs/LRA associations that participated in the survey were: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, the Netherlands and the United Kingdom.

[92] The seven bodies that were involved only at the beginning of the process were: Antsla Municipality, Estonia; Tallin Municipality, Estonia; National Association of Municipalities in the Republic of Bulgaria; Câmara Municipal de Lisboa (Lisbon City Council), Portugal; Autonomous Region of Madeira (Regional Development Institute), Portugal; Municipality of Prague, Czech Republic; Barnsley Metropolitan Borough Council, UK.

- 8% of respondents reported that they were involved at different stages of the preparations and drafting, either from the middle to the final stage (e.g. Municipality of Ferreira do Alentejo (PT)), or only in the middle of the drafting (e.g. City of Velika Gorica (HR)).
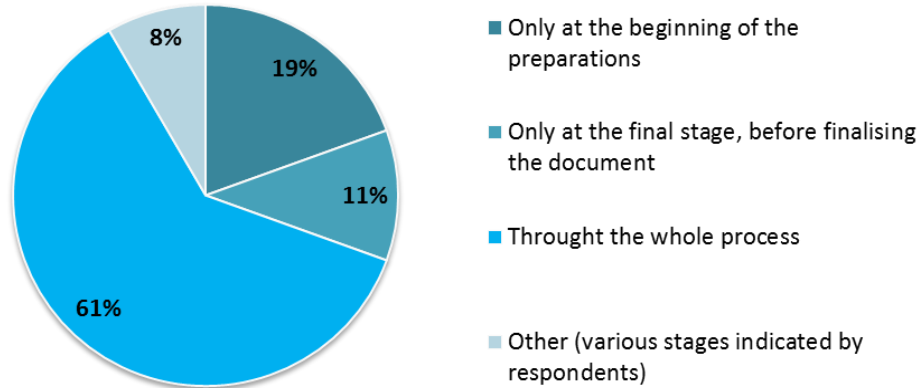

Figure 6.1: Answers to Q1 "If local and regional authorities were involved during the preparation of the Partnership Agreement in your country, then at what stage did this take place?" - multiple answers possible

6.3.2 Forms of involvement of the LRAs in the consultation/drafting process

Respondents were asked to choose one or multiple answers to Question 2, making it possible to see which forms of consultation[93] were used in each Member State. LRAs and LRA associations that participated in the survey largely confirmed that the process of drafting the Partnership Agreements was inclusive and that they had had a chance to provide their input and feedback. The graph below illustrates the distribution of answers to Question 2 of the survey, without showing the combinations chosen by respondents.

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[93] The forms of involvement listed in the CoR survey included: a) participation in decisions on strategic choices, b) involvement in drafting the document, c) attendance at consultation meetings at which we were able to provide input, d) receiving information without the possibility of providing any input, e) membership of joint working groups with the relevant national ministry/ministries.
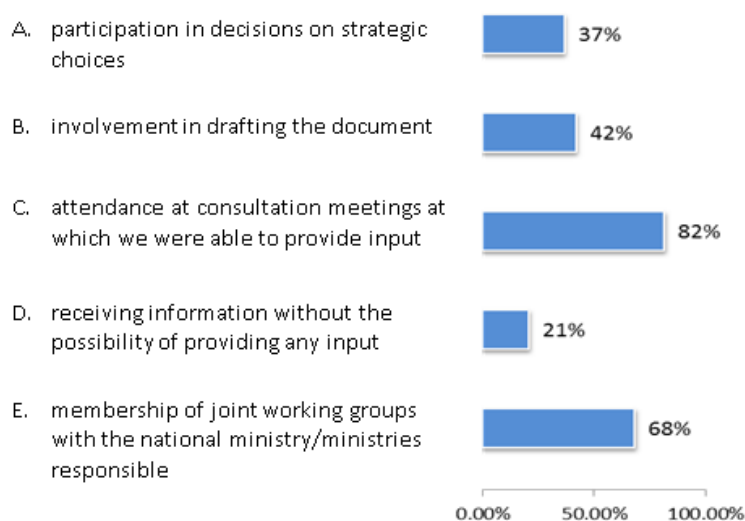
Figure 6.2: Answers to Q2 "How have local and regional authorities been involved in the preparation of the Partnership Agreement in your country?" - multiple answers possible

The answers submitted by LRAs/LRA associations that were officially involved in the consultation/drafting process show that:

- Only in three countries (Romania[94], the Netherlands and the United Kingdom) did the LRAs/ LRA associations indicate that all forms of involvement, as specified in the CoR Survey, were used and involved their participation. The graph below illustrates the distribution of answers to Question 2 of the survey, without showing the combinations chosen by respondents.

- Option D (*receiving information without the possibility of providing any input*) was chosen by the smallest group of respondents (21%), in most cases combined with other forms of consultation or involvement. Cyprus was the only case where Option D was chosen as the only answer, thus indicating a very limited level of involvement.

- A single option characterising LRAs/LRA association involvement was chosen in only a few cases, namely Option C (attendance at consultation meetings at which we were able to provide input) for Estonia and for Latvia and also, as mentioned above, Option D for Cyprus.

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[94] Answers submitted from Romanian LRAs and LRA associations show different perceptions of the level of involvement depending on the level of the government/regional administrative division. However the involvement of LRAs in all listed forms of consultations is confirmed by the Association of Communes in Romania.

Analysis of all the answers submitted[95] shows that the level of involvement (or perceptions thereof) depends on the level of territorial division in each country. For example, the perception of an LRA's involvement in the consultation process in countries where multiple answers were provided was more positive among representatives of higher territorial levels (NUTS Level 2) than among local or municipal ones. A similar observation can be made from the comments provided in the open comment section of the survey. A selection of these is presented below.

- **Swedish Association of Local Authorities and Regions, Sweden:**
  "(…) when it comes to the involvement of the local level, compared to the regional one, involvement has been much lower."

- **Lisbon City Council, Portugal:**
  "Despite the strong motivation of Lisbon City and of the EU Code of Conduct on Partnership in the framework of the European Structural and Investment Funds Regulations 2014-2020 to increase the participation of regional and local authorities in the design and implementation of policies, the Portuguese Government has kept the process highly centralised and without opportunities for participation, both at the planning stage and at the implementation, monitoring and evaluation stage avoiding the involvement of local authorities and grassroots stakeholders."

- **Southern & Eastern Regional Assembly, Ireland:**
  "The two NUTS Level 2 Regional Assemblies, as the ERDF Managing Authorities were fully involved in the preparation of the Partnership Agreement in Ireland. However the NUTS Level 3 (…) authorities had a more limited involvement."

- **Central Union of Municipalities of Greece (KEDE), Greece**
  "Municipalities were not invited to get involved in the process."

6.3.3   How the LRAs perceived the consultation/drafting process

In order to analyse perceptions of the consultation and drafting process, the CoR survey included a question where respondents could indicate whether they agreed (strongly or partly) or disagreed with a given statement. All the statements to which the respondents were asked to react are presented below, together with the results.

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[95] These include replies from LRAs and LRA associations that did not officially participate in the consultation/drafting process.

A. Local and regional authorities (LRAs) were given all the information they needed to actively take part in the preparation of the PA

12%
26%
50%
12%
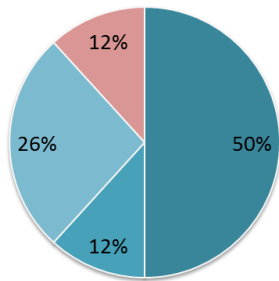
B. LRAs were given sufficient time to prepare their input

24%
32%
35%
9%
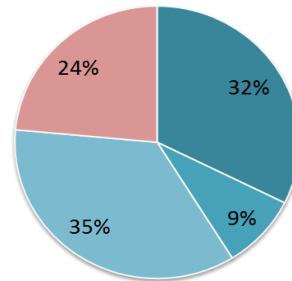
C. LRAs were involved in assessing the challenges facing their region
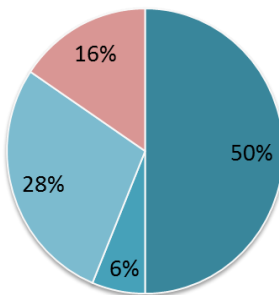
16%
28%
50%
6%

D. LRAs were involved in identifying priorities/objectives/targets to meet those challenges

6%
47%
41%
6%
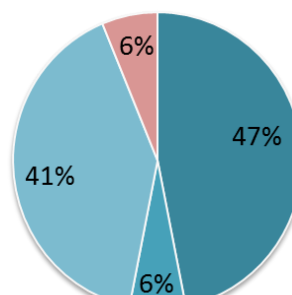
E. LRAs were involved in coordinating ESI Funds with one another.

F. The Europe 2020 goals and targets for our country were taken into account during the preparation of the Partnership Agreements.

Agree **Strongly agree** **Partially agree** **Disagree**
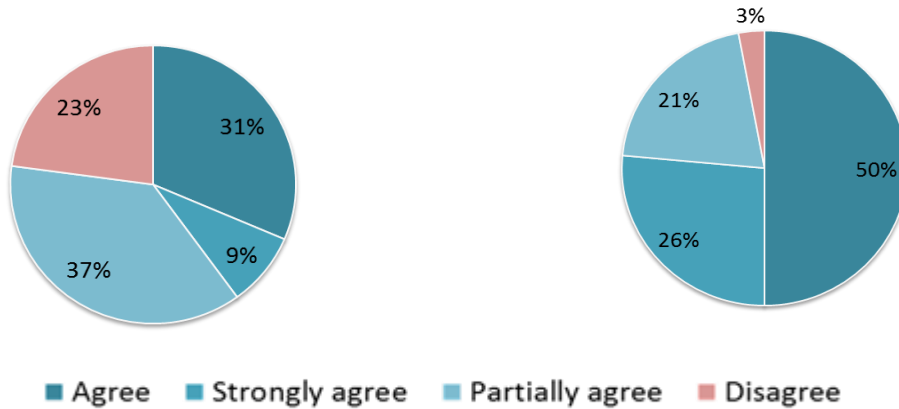
G. LRAs which were involved in the consultation process received feedback on their input from the national administration at a later stage

H. The input provided by LRAs during the consultation phase was taken into account in the final Partnership Agreement

I. Cities, particularly small cities, had fewer opportunities to get involved in the preparation of the Partnership Agreements

Agree **Strongly agree** **Partially agree** **Disagree**
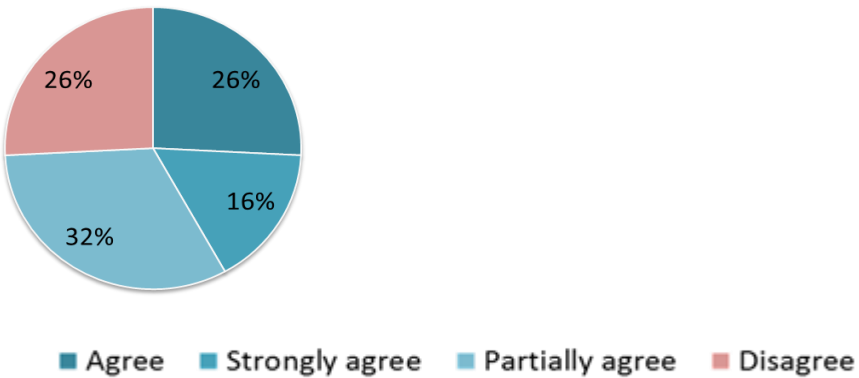
Figure 6.3: Answers to Question 3 "Regarding the preparation of the Partnership Agreements in your country, to what extent do you agree with the following statements?"[96]

The main findings, based on analysis of responses to Q3:

- Overall, both the pre-drafting consultations and the drafting process were perceived positively by respondents. The main concern was the time given to prepare their inputs to the consultation/drafting process. Almost one quarter of respondents disagreed with a statement saying that they had had sufficient time to do so.

- Cities, particularly small cities, had fewer opportunities to get involved in preparing the Partnership Agreements. The relevant statement was ticked by 76% of respondents and additional comments were provided, as mentioned in a previous section.

- The most positive feedback was received with respect to whether the Europe 2020 goals and targets had been taken into account during the preparation of the Partnership Agreements. Half of the respondents agreed (26% strongly and 21% partly) with a statement saying that the goals had been taken into account. Only one respondent, from Portugal, disagreed with the statement.

- Other positive feedback on the consultation process was received through the answers to sub-questions H ("The input provided by LRAs during the consultation phase was taken into account in the final Partnership Agreement") and D ("LRAs were involved in identifying priorities/objectives/targets to meet those challenges"), which scored the smallest number of "disagree" answers (only two for each).

6.3.4 The Partnership Agreements as an opportunity for policy coordination to implement Europe 2020

Most of the respondents to the surveys confirmed (8% fully agreed, 59% agreed to a certain extent, 24% agreed to a limited extent) that the Partnership Agreements were an opportunity to integrate the ESIF with other EU/national/regional levers for implementing the Europe 2020 goals and targets. These results are in line with the expectations expressed by LRAs in their responses to the surveys on the flagship initiatives carried out last year by the Monitoring Platform. Before the start of the actual drafting process[97] many local and regional authorities saw the Partnership Agreements as a good tool for future coordination.

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[96] Results presented in response to Question 3 include only those from LRAs or LRA associations that were officially involved in the consultation/drafting in their respective Member States.

[97] The results of CoR Europe 2020 Monitoring Platform surveys on the flagship initiatives were presented in the 4th Monitoring Report and can also be found on the website of the platform, at: http://portal.cor.europa.eu/europe2020/Pages/MTAR.aspx
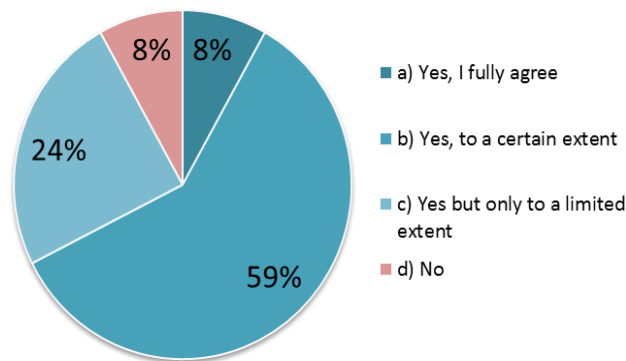
Figure 6.4: Answers to Q4 "Was the preparation of the Partnership Agreement used as an opportunity to coordinate and integrate European Structural and Investment Funds with other EU/national or regional policy levers to implement the Europe 2020 goals and targets?"

6.3.5 The involvement of the LRA in the final version of the Partnership Agreements

Overall, most respondents agreed (22% agreed, 44% agreed to a certain extent, and 14% agreed to a limited extent) that local and regional authorities were adequately involved in the final version of the Partnership Agreement submitted to the European Commission. Only respondents from four countries (Croatia, Cyprus, Poland[98] and Portugal) disagreed with this statement. The graph below displays the breakdown of responses.
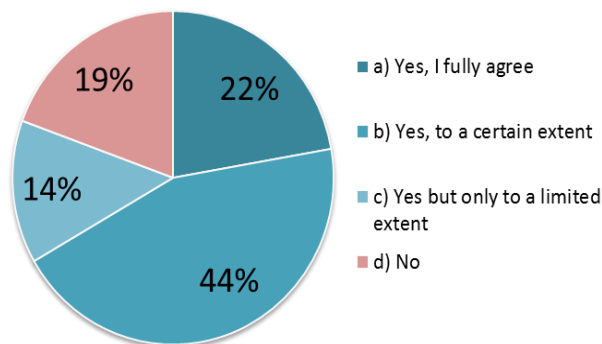
Figure 6.5: Answer to Q5 "Overall, do you consider that local and regional authorities were adequately involved in the preparation of the final version of the Partnership Agreement which your country submitted to the European Commission?"

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[98] The answers submitted by the two respondents from Poland (Marshal's Office of the Łódzkie Region and Marshal's Office of the Wielkopolska Region) contrast with the general perception of the consultation and the drafting process in Poland. As confirmed in bilateral interviews, no direct feedback was sent directly to those who participated in the consultation process but the process was well-documented on the the websites of the ministry in charge.

6.4   Screening the National Reform Programmes: Partnership Agreements with LRA involvement?

The CoR carried out an analysis of the 2014 National Reform Programmes of all the Member States (see section 5.2). One of the aims of the analysis was to see whether LRA involvement in preparing Partnership Agreements, and in particular application of the Code of Conduct, was mentioned. The results show that in nine NRPs *(AT, CZ, DE, HU, IE, IT, PL, SP and SE)* there are paragraphs describing the involvement of LRAs in the preparation of Partnership Agreements in their countries. However, in most cases the information provided is very limited. Only the Italian and Czech documents describe the involvement of LRAs in the preparation of the Partnership Agreement in more detail.

For example, the Czech NRP states that responsibility for preparing the Partnership Agreements falls to the Ministry for Regional Development and that preparatory work had already commenced in a broad partnership in 2010. The work was carried out though specific platforms with regional partners (regions, towns, municipalities, local action groups, etc.) as well as representatives of ministries, academia, the non-profit sector, and social and economic partners.

6.5   Additional observations and concluding remarks[99]

The comments submitted by LRAs and LRA associations in response to the CoR Survey on Partnership Agreements raise a few additional points. Although the ECCP calls for agreements between the different sub-national tiers of government to be respected, the EGTC GO (Gorizia, Nova Gorica, Šempeter-Vrtojba) reportedly encountered difficulties in transmitting their input in a similar way in all the countries where they operate. As a result, their input is present in the Partnership Agreement of Slovenia but is not included in the Italian document.

Not only the EGTC but also LRA associations encountered difficulties in being fully involved in the preparation of Partnership Agreements in their countries. For example, a survey-based analysis carried out by the Council of European Municipalities and Regions (CEMR)[100] shows that out of the 18 Member States that took part in the CEMR survey, the ECCP was fully or at least partly applied in 14. Replies submitted by LRA associations from the other four countries show that either the consultation process entailed a form of one-way communication or LRA associations could not fully contribute to the drafting process. One of the comments received by the CoR Europe 2020 Monitoring Platform confirms this situation and is consistent with the CEMR assessment of the consultation process in Belgium. In this case, although the regional authorities were fully involved in the consultation and drafting processes, there was less opportunity left for LRA associations. For instance, although the Association of Wallonia's Provinces

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[99] An analysis of the real impact of LRAs on the final version of the Partnership Agreements in their countries will be possible only after official adoption and publication of all the Partnership Agreements for the 28 Member States.

[100] CEMR "Planning of EU structural funds: is Local Government treated as a real partner?", available online at: http://www.ccre.org/img/uploads/piecesjointe/filename/CEMR_report_structural_funds_EN.pdf

(APW) expressed their interest in fully participating in the development of the Partnership Agreement, they were not included in the process.

In several cases, it appears that the smaller cities and municipalities had fewer chances to contribute to the Partnership Agreement in their respective countries. In some other cases, although the consultation process was inclusive and transparent, the LRAs would have liked to see a greater impact from their inputs in the final version of the Partnership Agreement.

Overall, the results of the CoR survey on Partnership Agreements and additional research show that, despite the different organisational settings in the Member States, local and regional authorities and their associations generally take a positive view of LRA involvement in the consultation and drafting process is generally positive. Nevertheless, there is room for improvement.

7.Appendices

7.1 List of abbreviations and country codes

AGS	Annual Growth Survey	BE	Belgium
ALDE	Group of the Alliance of Liberals and Democrats for Europe	BG	Bulgaria
CAP	Common Agricultural Policy	CZ	Czech Republic
CdR	Comité des Régions	DK	Denmark
COM	Communication	DE	Germany
CoM	Covenant of Mayors	EE	Estonia
CoR	Committee of the Regions	IE	Ireland
EA	European Alliance Group	EL	Greece
EC	European Commission	ES	Spain
EER	European Entrepreneurial Region	FR	France
EGTC	European Grouping of Territorial Cooperation	IT	Italy
EMU	European Monetary Union	CY	Cyprus
EP	European Parliament	LV	Latvia
EPP	European People's Party	LT	Lithuania
EU	European Union	LU	Luxembourg
GDP	Gross Domestic Product	HU	Hungary
MP	Monitoring Platform	MT	Malta
NRP	National Reform Programme	AT	Austria
LRA	Local and Regional Authorities	NL	Netherlands
PES	Party of European Socialists	PL	Poland
R&D	Research and Development	PT	Portugal
SME	Small and Medium-Sized Enterprises	RO	Romania
TFEU	Treaty on the Functioning of the European Union	SL	Slovenia
YotM	Youth on the Move	SK	Slovakia
		FI	Finland
		SE	Sweden
		UK	United Kingdom

7.2 EU 2020-related CoR opinions adopted in 2013-2014

New Opinions and Resolutions adopted by the CoR from October 2013 to June 2014

Smart Growth

- Opinion on European higher education in the world – Mr Csaba BORBOLY (RO/EPP) (CDR 5961/2013)
- Opinion on Moving youth into employment – Towards a Quality Framework on Traineeships: Second-stage consultation of the social partners at European level under Article 154 TFEU – Mr Enrico ROSSI (IT/PES) (CDR 789/2013)
- Opinion on Empowering Local Authorities in partner countries for enhanced governance and more effective development outcomes – Mr Hans JANSSEN (NL/EPP) (CDR 2010/2013)
- Recommendation of local and regional authorities for better spending in the new financial perspective 2014-2020 – Mr Alberto NUNEZ FEIJOO (ES/EPP) (CDR 3609/2013)
- EC Report concerning the added value of macro-regional strategies – Ms Pauliina HAIJANEN (FI/EPP) (CDR 5074/2013)
- CARS 2020: Action Plan for a competitive and sustainable automotive industry in Europe – Mr Christian BUCHMANN (AT/EPP) (CDR 1997/2013)
- Proposal for a Regulation of the European Parliament and of the Council laying down measures concerning the European single market for electronic communications and to achieve a Connected Continent, and amending Directives (2002/20/EC, 2002/21/EC and 2002/22/EC and Regulations (EC) No 1211/2009 and (EU) No 531/2012) – Mr Frank ZIMMERMANN (DE/PES) (CDR 5960/2013)
- EU space industrial policy: releasing the potential for economic growth in the space sector – Mr Adam STRUZIK (PL/EPP) (CDR 3753/2013)
- Directive on e-invoicing and on end-to-end e-procurement – Ms Catarina SEGERSTEN-LARSSON (SE/EPP) (CDR 5277/2013)
- Long-term investment funds – Ms Simone BEISSEL (LU/ALDE) (CDR 6862/2013)
- Urban-rural partnership and governance – Mr Romeo STAVARACHE (RO/EPP) (CDR2994/2013)
- EU Strategy for the Adriatic and Ionian Region (EUSAIR) – Mr Gian Mario SPACCA (IT/ALDE) (CDR 23/2014)
- Interconnected Europe - potential of the ICT sector as a source of growth –Ms Anne KARJALAINEN (FI/PES) (CDR 4165/2014)
- Measures to support the creation of high-tech start-up ecosystems – Mr Markku MARKKULA (FI/EPP) (CDR 0672/2014)

Sustainable Growth

- The Fourth railway package - Mr Pascal Mangin (FR/EPP) (CDR 27/2013)
- Towards quality inland waterway transport - NAIADES II - Mr Brian MEANEY (IE/EA) (CDR 6651/2013)
- Urban Mobility Package – Mr Albert BORE (UK/PES) (CDR 90/2014)
- Action Plan for a competitive and sustainable steel industry in Europe - Mr Daniel KERSCH (LU) (CDR 5279/2013)
- Local and regional authorities' perspective on shale/tight gas and oil (unconventional hydrocarbons) – Mr Brian MEANEY (IE/EA) (CDR 1616/2013)
- Green Paper on a European strategy on plastic waste in the environment – Ms Linda GILLHAM (UK/EA) (CDR 3751/2013)
- EU's Strategy on adaptation to climate change – Mr Neil SWANNICK (UK/PES) (CDR 3752/2013)
- Green Paper A 2030 framework for climate and energy policies – Ms Sirpa HERTELL (FI/EPP) (CDR 5810/2013)
- Green Infrastructure - Enhancing Europe's Natural Capital – Ms Annabelle JAEGER (FR/PES) (CDR 4577/2013)
- Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EC) No 1013/2006 on shipments of waste – Ms Paula BAKER (UK/ALDE) (CDR 5880/2013)
- New Guidelines for State Aid in the Field of Energy – Mr Gusty GRAAS (LU/ALDE) (CDR 8053/2013)
- Affordable energy for all – Mr Christian ILLEDITS (AT/PES) (CDR 8068/2013)
- Proposal for a Directive of the European Parliament and of the Council amending Directive 94/62/EC on packaging and packaging waste to reduce the consumption of light plastic carrier bags – Ms Linda GILLHAM (UK/EA) (CDR 8067/2013)
- The 7th EAP focus on sustainable cities – Ms Daiva MATONIENE (LT/ECR) (CDR 7987/2013)
- Multilevel governance of our natural capital: the role of local and regional authorities in promoting the EU Biodiversity Strategy 2020 and implementing the Aichi targets - Ms Kadri TILLEMANN (EE/EPP) (CDR 8074/2013)
- The sustainability of rural areas – Mr Jerzy ZAJAKALA (PL/EA) (CDR 3765/2013)
- Proposal for a Directive of the European Parliament and of the Council establishing a framework for maritime spatial planning and integrated coastal management - Mr Paul ODONOGHUE (IE/ALDE) (CDR 3766/2013)
- Strategic Guidelines for the sustainable development of EU aquaculture – Ms Maria Luisa COPPOLA (IT/EPP) (CDR 5292/2013)
- State Aid for Fisheries and Aquaculture – Mr Rhodri Glyn THOMAS (UK/EA) (CDR 5293/2013)
- Proposal for a Regulation of the European Parliament and of the Council on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health, plant reproductive material, plant protection product) – Ms Ewa PANASIUK (PL/ECR) (CDR 5295/2013)

- A new EU Forest Strategy: for forests and the forest-based sector – Mr Spyros SPYRIDON (GR/EPP) (CDR 7115/2013)
- Proposal for a Regulation of the European Parliament and of the Council on information provision and promotion measures for agricultural products on the   internal market and in third countries – Mr Pedro SANZ ALONSO (ES/EPP) (CDR 8096/2013)
- Agricultural Genetic Resources: from conservation to sustainable use – Mr Giuseppe VARACALLI (IT/PES) (CDR 1277/2014)
- The post 2015 Hyogo Framework for Action: Managing   risks to achieve resilience – Mr Harvey SIGGS (UK/ECR) (CDR 2646/2014)
- Resolution of the Committee of the Regions for COP 19 UNFCCC – Advancing the International Climate Change Agenda (CDR 5883/2013)
- Framework on the future EU ports' policy including legislative proposals - Mr Alessandro COSIMI (IT/PES) (CDR 3610/2013)
- Towards an integrated Urban Agenda for the EU – Mr Bas VERKERK (NL/ALDE) (CDR 6902/2013)

Inclusive Growth

- Opening up Education – Innovative teaching and learning for all through new Technologies and Open Educational Resources – Ms Yoomi RENSTROM (SE/PES) (CDR 6183/2013)
- Promoting cultural and creative sectors for growth and jobs in the EU – Mr Anton ROMBOUTS (NL/EPP) (CDR 2391/2012)
- Rethinking Education: Investing in skills for better socio-economic outcomes – Ms Fiona OLOUGHLIN (IE/ALDE) (CDR 2392/2012)
- The EU Social Investment Package – Mr Ahmed ABOUTALEB (NL/PES) (CDR 1999/2013)
- Roma Integration strategies – Mr Roger STONE (UK/PES) (CDR 5280/2013)
- Strengthening the social dimension of the Economic and Monetary Union – Mr Jean-Louis DESTANS (FR/PES) (CDR 6863/2013)
- EU Citizenship Report 2013 - EU citizens: your rights, your future – Mr Theodoros GKOTSOPOULOS (GR/PES) (CDR 3536/2013)
- Entrepreneurship 2020 Action Plan - Reigniting the entrepreneurial spirit in Europe – Mr Pawel ADAMOWICZ (PL/EPP) (CDR 2447/2013)
- EU guidelines on state aid for rescuing and restructuring firms in difficulty – Mr Christophe ROUILLON (FR/PE) (CDR 7451/2013)
- Proposal for a Council Recommendation on a Quality Framework for Traineeships -   Mr Andrius KUPCINSKAS (LT/EPP) (CDR 111/2014)
- Labour Mobility and Strengthening of EURES– Mr Jose Ramon BAUZA DIAZ (ES/EPP) (CDR 1315/2014)
- European homelessness strategy – Mr Gabor BIHARY (HU/PES) (CDR 2234/2014)
- Disability, Sport and Leisure: a major element of the Sport for all project, part of the Europe 2020 strategy – Mr Jacques BLANC (FR/EPP) (CDR 3952/2013)
- European higher education in the world – Mr Csaba BORBOLY (RO/EPP) (CDR 5961/2013)

- Affordable energy for all – Mr Christian ILLEDITS (AT/PES) (CDR 8068/2013)
- Commission Staff Working Document - Report on Health Inequalities in the European Union (CDR 7114/2013)
- Enhanced Cooperation Between Public Employment Services – Mr Mick ANTONIW (UK/PES) (CDR5278-2013)
- The new European agenda for integration – Mr Dimitrios KALOGEROPOULOS (EL/EPP) (CDR 199/2011)

Cross-priority CoR Opinions related to Europe 2020

- CoR Bureau - Athens Declaration on the Mid-term Review of Europe 2020 – A Territorial Vision for Growth and Jobs (7.03.2014, Athens)
- EU Regulatory Fitness Mr Graham TOPE (UK/ALDE) (CDR 1389/2013)
- Researchers, students, volunteers and other groups of third country nationals, Mr Dimitrios Kalogeropoulos (EL/EPP) (CDR 3535/2013)

Home Affairs

- Smart Borders Package - António COSTA (PT/PES) (CDR3534/2013)

7.3 List of members of the Europe 2020 Monitoring Platform – July 2014

Belgium
La Région de Bruxelles-Capitale / Het Brussels Hoofdstedelijk Gewest (Brussels Capital Region)
Vlaanderen (Flanders)
Région wallonne (Walloon Region)
Deutschsprachigen Gemeinschaft Belgiens (German-speaking Community in Belgium)

Bulgaria
Стара Загора (Municipality of Stara Zagora)

Czech Republic
Liberecký kraj (Liberec Region)
Olomoucký kraj (Olomouc Region)
Moravskoslezský kraj (Moravian-Silesian Region)
Zlín (City of Zlin)

Denmark
Ballerup (Ballerup Municipality)
Midtjylland (Central Denmark)
Næstved (Næstved Municipality)
Sjælland (Zealand)
Syddanmark (South Denmark)

Germany
Arnsberg
München (City of Munich)
Staatskanzlei des Landes Brandenburg (State of Brandenburg)

Estonia
Pärnu linn (Town of Pärnu)
Tallinn
Tartu Maavalitsus (Tartu Municipality)

Ireland
Border Midland and Western Region
Dublin Region

Greece
Αναπτυξιακή Ηρακλείου Α.Ε. (Development Agency of Heraklion)
Γραφείο Περιφερειάρχη Αττικής (Region of Attica)
Δήμος Αλεξανδρούπολης (Municipality of Alexandroupoli)
Δήμος Ασπρόπυργος (Municipality of Aspropyrgos)
Δήμος Αφάντου (Municipality of Afandou)
Δήμος Καβάλας (Municipality of Kavala)
Δήμος Λαμιέων (Municipality of Lamia)
Δήμος Μυκόνου (Municipality of Mykonos)
Δήμος Θεσσαλονίκης (Municipality of Thessaloniki)
Δήμου Τήλου (Municipality of Tilos)
Νομαρχιακή Αυτοδιοίκηση Επιμελητήριο Δράμας (Drama Chamber of Commerce and Industry)
Η Κρήτη (Region of Crete)
Περιφέρεια Νοτίου Αιγαίου (South Aegean Region)

Spain
Andalucía (Autonomous Community of Andalusia)
Principado de Asturias (Principality of Asturias)
Barcelona (Province of Barcelona)
Castilla y Léon (Community of Castille and Léon)
Catalunya (Autonomous Community of Catalonia)
Comunidad autónoma de la Región de Murcia (Autonomous Community of the Region of Murcia)
Eixo Atlântico do noreste peninsular
Guipúzcoa (Guipuzcoa Province)
Madrid (City)
Madrid (Region)
Navarra (Navarre Region)
Puerto Lumbreras (City)
Segovia (City)
Valencia (Region)

France
Aquitaine (Region)
Basse-Normandie (Lower Normandy Region)

Bretagne (Brittany Region)
Département de la Savoie (Savoie Department)
Dunkerque (Dunkirk)
Île-de-France (Region)
Lorraine (Region)
Limousin (Region)
Nord-Pas de Calais (Region)
Provence-Alpes-Côte d'Azur (PACA Region)
Rhône-Alpes (Region)

Croatia
Istarksa županija (Region of Istria)
Općina Maruševec (Maruševec Municipality)

Italy
Comune di Bolzano (Municipality of Bolzano)
Comune di Borgata Campo Tures (Campo Tures / Sand in Taufers Borough)
Comune di Capodrise (Municipality of Capodrise)
Comune di Cremona (Municipality of Cremona)
Comune di Firenze (Municipality of Florence)
Comune di Milano (Municipality of Milan)
Comune di Morro d'Alba (Municipality of Morro d'Alba)
Comune di Lecce (Municipality of Lecce)
Comune di Pordenone (Municipality of Pordenone)
Comune di Roma Capitale (Rome Capital City)
Comune di Recale (Municipality of Recale)
Comune di Rossano (Municipality of Rossano)
Comune di Sora (Municipality of Sora)
Comune di Taleggio (Municipality of Taleggio)
Comune di Urbino (Municipality of Urbino)
Langhe Monferrato Roero
Provincia di Arezzo (Arezzo Province)
Provincia di Pisa (Province of Pisa)
Provincia di Roma (Province of Rome)
Provincia di Torino (Province of Turin)
Regione Abruzzo (Abruzzo Region)
Regione Basilicata (Basilicata Region)
Regione Emilia-Romagna (Emilia-Romagna Region)
Regione Lazio (Latium Region)

…/…

Regione Liguria (Liguria Region)
Regione Lombardia (Lombardy Region)
Regione Piemonte (Piedmont Region)
Regione Puglia (Apulia Region)
Regione Marche (Le Marche Region)
Regione Sicilia (Sicily Region)
Regione Toscana (Tuscany Region)
Regione Umbria (Umbria Region)

Cyprus
Ένωση Δήμων Κύπρου
(Union of Cyprus Municipalities)

Latvia
Rīgas reģions (Riga City & Region)

Lithuania
Vilniaus miesto savivaldibė
(Vilnius City Municipality)

Luxembourg
Esch-Uelzecht (Esch-sur-Alzette)

Hungary
Észak-alföldi régió (Northern Great Plain Region)
Nyugat-dunántúli Régió (West-Pannon Region)

Malta
Nadur (**C**ity)

Netherlands
Association of Dutch Municipalities – VNG
(Vereniging van Nederlandse Gemeenten - VNG)
Delft (Delft City)
Den Haag (The Hague City)
Enschede (City of Enschede)
Eindhoven (Eindhoven City)

Gemeente 't Hof van Twente (Municipality of 't
Hof van Twente)
Lingewaard (Municipality of Lingewaard)
Noord Nederland (Northern Netherlands
Provinces)
Provincie Gelderland (Province of Gelderland)
Provincie Overijssel (Province of Overijssel)

Austria
Oberösterreich (Upper Austria)
Mörbisch am See
Steiermark (Styria)
Wien (City of Vienna)

Poland
Łódź (City of Lodz)
Ostrołęka (City of Ostroleka)
Województwo Dolnośląskie (Lower Silesian
Voivodeship)
Województwo Kujawsko-Pomorskie (Kuyavian-
Pomeranian Voivodship)
Województwo Łódzkie (Lodz Voivodship)
Województwo Małopolskie (Małopolska
Voivodeship)
Województwo Mazowieckie (Masovian
Voivodeship)
Województwo Opolskie (Opole Voivodship)
Województwo Pomorskie (Pomeranian
Voivodship)
Województwo Śląskie (Silesian Voivodship)
Województwo Świętokrzyskie (Świętokrzyskie
Voivodeship)
Województwo Warmińsko-Mazurskie
(Warmian-Masurian Voivodship)

Województwo Wielkopolskie (Greater Poland
Voivodship)
Województwo Zachodniopomorskie (West-
Pomeranian Voivodship)

Portugal
**Associação de Desenvolvimento da Alta
Estremadura (ADAE)**
Câmara Municipal da Covilhã (Covilhã
Municipality)
Câmara Municipal da Ferreira do Alentejo
(Ferreira do Alentejo Municipality)
Câmara Municipal de Lisboa (Lisbon
Municipality)
Câmara Municipal de Tavira (Tavira Municipality)
**Comunidade Intermunicipal do Oeste
(OesteCIM)** (West Intermunicipal Community)
**Comunidade Intermunicipal do Pinhal Litoral
(CIMPL)**
Região Autónoma da Madeira (Madeira
Autonomous Region)

Romania
Braşov (Municipality of Brasov)
Cluj-Napoca (Municipality of Cluj-Napoca)
Oraşul Cugir (Town of Cugir)
Timişoara (Municipality of Timisoara)

Slovenia
Skupnost občin Slovenije (Association of
Municipalities and Towns of Slovenia)

Slovakia
Bratislavský samosprávny kraj (Bratislava Self-
Governing Region)
Košický kraj (Košice Region)
Prešovský kraj (Prešov Region)

Trenčiansky kraj (Trenčín Region)
Trnavský samosprávny kraj (Trnava Self-Governing Region)
Žilinský kraj (Zilina Region)

Finland
Helsinki Region
Itä-Suomi (East-Finland)
Oulun Kaupunki (City of Oulu)
Pohjois-Suomi (North Finland)

Sweden
Göteborg stad (City of Gothenburg)
Jämtland
Malmö stad (City of Malmö)
Mellersta Norrland (Mid-Sweden)
Östsam (East Sweden)
Solna stad (City of Solna)
Sörmland
Sveriges Kommuner och Landsting (SKL) (Swedish Association of Local Authorities and Regions (SALAR))
Upplands-Bro kommun (Upplands-Bro Municipality)
Västra Götalandsregionen (Region Västra Götaland)

United Kingdom
Belfast City
Cornwall
East of England
Lancashire
Leicestershire
Nottingham
Preston City Council
Scarborough Borough Council
South East England
Warwickshire

West Midlands
Yorkshire & Humber

Eixo Atlântico do noreste peninsular
EGTC Duero-Douro
EGTC Pyrenees-Mediterranean