



COUNCIL CONSEIL
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Local and Regional Democracy

**Report on European practice
And recent developments in the field of
regional self-government**

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I. Introduction: CDLR work on regional self-government

This report follows on from previous CDLR work on regional self-government. At the same time it prepares for the next stages in the work, one of which is the ministerial conference at Valencia in October 2007.

The questionnaire on European practice and developments in regional self-government in the member States was sent to all the member States on 24 November 2005. A total of twenty-five replies containing substantial information on developments in regional self-government were received. A twenty-sixth country, "the former Yugoslav Republic of Macedonia", answered the questions concerning present relations with the European Union and is included under that heading.

A) Progress of work and contribution made by this study

The purpose of this report is to provide the elements of a comparative study of European practice and recent developments (since 2001) in regional self-government in the member States.

The report also meets the CDLR's terms of reference from the Committee of Ministers ("monitor developments in regional self-government across member States during the years 2005 to 2007 and by June 2008 report on such developments to the Committee of Ministers, identifying in particular innovations and any issues common to a number of States"). The terms of reference were also based on the statement on Regional Self-Government which the European Ministers responsible for Local and Regional Government adopted at their 14th conference, in Budapest on 24 and 25 February 2005 (MCL-14(2005)7 final). That statement recognises "the importance of regional self-government and the fact that it can represent an enrichment for democratic societies, can help address new challenges of good democratic governance and, depending on circumstances, can respond to the need to deal with public affairs as close to the citizen as possible". In that connection the CDLR's instructions are to produce a substantial report on regional self-government in the member States and communicate it to the 15th session of their conference, at Valencia (Spain) in autumn 2007.

Recent CDLR work on regional autonomy

Most of the members are very familiar with the CDLR's work on regional self-government but it is worth recapping on the main items.

The CDLR began by describing different systems of regional self-government operating in the member States. Document MCL-13(2002)4 presented "Outlines, syntheses and overviews of six models of regional self-government". The CDLR then set about stating the core concepts and common principles on regional self-government (MCL-13(2002)3), which were adopted in the Helsinki Declaration (MCL-13(2002)8).

It then produced two draft legal instruments on regional self-government (MCL-14(2005)6) but for lack of sufficient consensus on them among the member States neither was adopted.

The present report is based on that previous work, which it supplements by investigating new aspects of the question, in particular the operational and functional aspects of regional self-government in the member States.

Aims and structure of the report

The purpose of this report is to present developments in regional self-government in the member States, in particular by taking stock of innovations there and of issues common to a number of countries. In the design of the questionnaire particular attention was given to was taken to place the emphasis – in accordance with the terms of reference received – on new developments in regional self-government and not to ask for any information which would overlap with information already provided.

The aims of the report, which are reflected in its structure, are therefore:

- to supplement previous CDLR work, which was mainly concerned with the institutions of regional self-government, by examining the operational and functional systems so as to gain a fuller picture of how regional self-government works in Europe today;
- to produce a country-by-country guide to reforms and changes in regional self-government since 1 January 2001, whether in institutional or

operational matters but with special reference to problems and issues encountered by a number of countries;

- to update the reference document on institutional systems of regional self-government in the member States (MCL-13(2002)4 - “Outlines, syntheses and overviews of six models of regional self-government”) in the light of the developments described and the fresh input from countries not covered by the previous report;
- to conclude with recent trends in member States’ evolving systems and practice of regional self-government and put forward proposals for follow-up work both at the Valencia ministerial conference in October 2007 and beyond.

B) Regional self-government as defined in the Helsinki principles

At their 13th conference, in Helsinki on 27 and 28 June 2002, the European Ministers responsible for Local and Regional Government approved the core concepts and common principles of regional self-government. The concepts and principles reflect a wide consensus and describe what the member States mean by “region”, “regional authority” and “regional self-government”:

[...]

“A. Core concepts and principles

1.1. Regional authorities are territorial authorities between the central government and local authorities. This does not necessarily imply a hierarchical relationship between regional and local authorities.

1.2. Regional self-government denotes the legal competence and the ability of regional authorities, within the limits of the Constitution and the law, to regulate and manage a share of public affairs under their own responsibility, in the interests of the regional population and in accordance with the principle of subsidiarity.”

[...]

Over and above these core principles the common principles were set out under twelve headings relating to regional competences, relations with other authorities, relations with central government and involvement in its decision-making processes, protection and rights of regional authorities, and the organisation and financing of regional authorities.

The questions addressed in the present report cover all those headings. By means of concrete information, therefore, the report describes how regional self-government, as defined in the Helsinki principles, functions “on the ground”.

II. Comparison of regional self-government systems and practices in Europe

(Part II of the questionnaire: operational and functional issues)

In this part of the report the replies to Part II of the questionnaire on regional self-government are summarised, classified and analysed.

Part II of the questionnaire was devoted to operational and functional aspects of regional self-government systems. The questions were arranged in groups of topics, making the information provided by member States easier to follow:

- A) The regional authorities in figures (comparative tables / questions 1-5)
- B) Regional authorities' relations with central government, with other authorities and with the citizen (questions 6-11)
- C) Regional authorities' areas of action / competences (questions 12-14)
- D) Particular operational or functional changes or difficulties identified (questions 15 and 16)
- E) Relations between regional authorities and the European Union – classification of territorial units and influence of Community policies (questions 17 and 18)
- F) Conclusions: recent developments, common issues and innovations in the operation and functioning of regional self-government.

The quantitative information regarding regional authorities (section II A) will be reproduced as supplied by the member States because it gives a good overview of regional entities in Europe and can be referred back to as making it easier to understand some of the observations which will be made later.

The information on other matters (B to E) will not be reproduced in full or exhaustively. On these topics the analysis will instead bring out certain tendencies, common issues and innovations which appear noteworthy or particularly representative of a number of countries.

A) The regional authorities in figures (comparative tables / questions 1-5)

The quantitative questions in the questionnaire distinguish three categories of information presented and commented on:

- number, size and size range
- public expenditure: expenditure by administrative level and policy area in 1999 and 2004
- public-sector staffing.

Number and size of regions

Comparing regional authorities by means of key figures reveals, as expected, a great diversity of regional systems.

The number of regional authorities goes from one extreme to the other: from three regions in Belgium to 88 *subjects* in the Russian Federation. These two examples clearly demonstrate that the number and size of regions depend, among other things, on the size of the country. To identify other factors affecting the number of regions and regional structure it is necessary to consider recent developments, current debates – which are dealt with later – or the history of the particular country.

Average size of regional units (by population and surface area) is not a criterion that is readily comparable. The countries are sometimes too different as regards the size and number of regional authorities for the comparisons to be truly relevant. In addition, not all the countries which replied to this question systematically gave figures for all types of region. Some, for example, mentioned only autonomous regions or regional authorities, to the exclusion of other types.

The size difference between the smallest region and the largest in terms of population and surface area is considerable in nearly all the member States. This is often due to the fact that in many countries the cities, which have the highest population density, and in some cases the capital city, have regional-authority status. The size difference between regions varies. If population is taken as the criterion, the size-difference ratio can vary from less than 1 to 5 in Austria to 1 to 50 in Finland from the least to the most populated region. The extremes are even more marked if surface area is taken as the criterion.

These preliminary basic figures, and the figures for expenditure and staffing – all summarised in the following tables –give an overview (a initially static one) of present regional entities in Europe. Subsequently, as the analysis becomes more detailed, they will provide context for clarifying some of the other information about the member States.

Table 1: Number, size and size range of regions

Member State taking part in the survey	Albania	Austria	Belgium	Bulgaria	Croatia
Number of regions	12 <i>qarks</i>	9 <i>Länder (Land)</i> Of which Vienna that is both City and Region	3 <i>Regions</i> (having territorial competences) and 3 Communities (having competences that can be, so-called, “personalised”)	28 <u>non-autonomous</u> districts (sub-national units of central administration) and 6 <u>non-autonomous</u> planning regions	21 counties (including the city of Zagreb, which has county status)
Size of regions (average)					
Population	345 628	911 846	1	Districts: 27 760 Planning regions: 1 300 212.2	239 866

¹ The notion of average size is inoperative in federal Belgium (disparities between the federal entities concerning territories and competences)

Member State taking part in the survey	Albania	Austria	Belgium	Bulgaria	Croatia
Surface area (km ²)	2 307	9 319		Districts: 3 964 Planning regions: 18 500.32	
Size range					
Smallest (population)	140 437 (Kukes)	278 215 (Burgenland)	1 018 029 (Brussels-Capital)	District: 117 809 (Vidin) Planning region: 512 593 (North-West)	71 215 (Licko-Sensjska)
Largest (population)	829 885 (Tirana)	1 626 440 (Vienna)	6 078 289 (Flemish Region)	District: 1 231 662 (Sofia) Planning region: 2 110 036 (South West)	1 035 668 (Zagrebacka)
Smallest (km ²)	704.7 (Durrës)	415 (Vienna)	162 (Brussels-Capital)	District: 1348.9 (Sofia) Planning region: 10288.2 (North-West)	729.69 (Medimurska)
Largest (surface)	3503.2	19 178	16 844	District: 7748.1	5 350.50

Member State taking part in the survey	Albania	Austria	Belgium	Bulgaria	Croatia
area in km ²)	(Korçe)	(Lower Austria)	(Walloon Region)	(Burgas) Planning region: 27516.2 (South-Central)	(Licko-Sensjska)

Member State taking part in the survey	Czech Republic	Denmark	Finland	France	Germany	Hungary
Number of regions	14 regions / <i>kraje</i>	5 regions	18 regions (ordinary joint municipal boards) Two exceptions: Åland (autonomous)	25 <i>regions</i> (including 4 overseas ones)	16 <i>Länder</i> Länder very different from each other in size but to be divided in two groups:	19 counties / self-governing authorities belonging to 7 « regions » of planification/ statistics (counties)

Member State taking part in the survey	Czech Republic	Denmark	Finland	France	Germany	Hungary
			region) and Kainuu (wide service tasks based on an experimental law)		smaller “Stadtstaaten” (city states) and larger “Flächenländer” (surface states)	being administrative units, but not statistical regions)
Size of regions (average)						
Population	729 000	~1 000 000	260 000	2 742 000	~5 million ²	535 705
Surface area (km ²)	5 633	~8 800	17 000	27 250	~22 000 ²	4 874
Size range						
Smallest (population)	304 249 (Karlovarský kraj)	~600 000 (Nordjylland)	26 000 (Åland)	273 000 (Corsica)	663 000 (Bremen)	217 701 (Nógrád)
Largest	1 260 277	~1 600 000	1 350 000	11 399 000	More than	2 847 449

² Due to the important differences, the notion of average size is not a significant value in Germany and is only given for reasons of completeness.

Member State taking part in the survey	Czech Republic	Denmark	Finland	France	Germany	Hungary
(population)	(Moravsko-slezský kraj)	(Hovestaden)	(Uusimaa)	(Ile de France)	18 million (Nordrhein-Westfalen)	(Pest)
Smallest (km ²)	3 315 (Karlovarský kraj) 496 (Prague)	2 560 (Hovestaden)	1 551 (Åland)	Alsace (8280)	404 (Bremen)	2 265 (Komárom-Esztergom)
Largest (km ²)	11 015 (Stredoceský kraj)	13 190 (Midtjylland)	99 000 (Lappi)	45 348 (Midi-Pyrénées)	70 552 (Bayern)	8 445 (Bács-Kiskun)

Member State taking part in the survey	Italy	Latvia	Lithuania	Malta	Netherlands
Number of regions	20 regions with normal status or special status, plus 2 autonomous provinces (governed as regions with special status)	33 regional authorities composed of 26 district councils / <i>rajoni</i> and 7 republican cities	10 countries or <u>non-autonomous</u> higher administrative units (forming part of central government)	68 local councils / localities on Malta (54) and Gozo (14) (no intermediate level between the localities and central government)	12 provinces
Size of regions (average)					
Population (no. hab.)	2 815 278	45 211		6 140	1 357 696
Surface area (km ²)	15 067	2 458		4.31	3 460.5
Size range					
Smallest (population)	119 356	14 123	129 976	304	365 301

Member State taking part in the survey	Italy	Latvia	Lithuania	Malta	Netherlands
Largest (population)	(Valle d' Aosta) 8 922 463	(Ventspils district) 1 53 240	(Tauragė county) 848 261	(Mdina) 22 000	(Flevoland) 3 452 323
Smallest (km ²)	(Lombardy) 3 263	(Riga district) 1 605	(Vilnius county) 4 350	(Birkirkara) 0.158	(Zuid-Holland) 1 449
Largest (km ²)	(Valle d' Aosta) 25 708	(Jelgava district) 3 593	(Telšiai county) 9 731	(Mdina) 26.59	(Utrecht) 5 741
	(Sicily)	(Liepāja district)	(Vilnius county)	(Birkirkara)	(Fryslân)

Member State taking part in the survey	Norway	Poland	Portugal	Romania	Russian Federation
Number of regions	19 counties, including the capital, Oslo (which counts as a local and regional authority)	16 <i>voivodships</i>	2 autonomous regions, the Azores and Madeira, to which the information below refers	41 counties 8 development regions	88 “subjects of the Russian Federation” (here termed “regions”), therefore 176 public authorities in all (each subject having a legislative and an executive authority)
Size of regions (average)					
Population	242 000	2 385 863	Azores: 241 206 Madeira: 244 286	517 465	1 630 681
Surface area	17 039	19 543	Azores: 2 322	5 676	194 038

Member State taking part in the survey	Norway	Poland	Portugal	Romania	Russian Federation
(km ²)			Madeira: 828		
Size range					
Smallest (population)	73 074 (Finnmark)	1 009 200 (Lubuskie)	Azores (see above)	224 922 (Covasna)	25 157 (Koryakskiy autonomnyy okrug)
Largest (population)	529 846 (Oslo)	5 146 000 (Mazowieckie)	Madeira (see above)	832 550 (Prahova)	10 382 754 (Moscow)
Smallest (km ²)	454 (Oslo)	9 412 (Opolskie)	Madeira (see above)	1 583 (Ilfov)	600 (St Petersburg)
Largest (km ²)	48 637 (Finnmark)	35 566 (Mazowieckie)	Azores (see above)	5 790 (Timis)	3 103 000 (Saha / Yakutia)

Member State taking part in the survey	Slovak Republic	Spain	Switzerland	Ukraine	United Kingdom
Number of regions	8 autonomous regions / upper-tier units	17 autonomous communities and two cities with special autonomy arrangements (Ceuta and Melilla)	26 <i>cantons</i> (regional authorities)	24 <i>Oblasts</i> and two cities having a particular status as well as the Autonomous Republic of Crimea	4 regional authorities which have a greater degree of autonomy but do not cover all the national territory (Scotland, Wales, Northern Ireland, Greater London)
Size of regions (average)					
Population	671 000	2 629 939	280 308	1 767 000	4 292 350 ³

³ The situation in the United Kingdom is unusual: there are four regional authorities but they do not cover the entire country. The approach as regards the regional authorities is “asymmetrical” in that the regions are defined geographically and according to traditional powers, not by population size. The figures here thus refer only to part of the country.

Member State taking part in the survey	Slovak Republic	Spain	Switzerland	Ukraine	United Kingdom
Surface area (km ²)	6 129	29 764	1 587.88	22 359	28 782 ⁴
Size range					
Smallest (population)	548 000	306 377 (Rioja)	14 600 (Appenzell-Inner Rhodes)	937 600 (Chernivitsi oblast)	1 710 000 (Northern Ireland)
Largest (population)	769 000	7 975 672 (Andalusia)	1 247 900 (Zurich)	5 062 300 (Dniepropetrovsk oblast)	7 429 000 (Greater London)
Smallest (km ²)	1 976	4 992 (Balearic Islands)	37 (Basle Urban)	8 100 (Chernivitsi oblast)	1 579 (Greater London)
Largest (km ²)	9 455	94 224 (Castille Leon)	7 105.5 (Graubünden)	33 300 (Odessa oblast)	78 722 (Scotland)

⁴ Ditto.

Public expenditure: expenditure by administrative level and policy area in 1999 and 2004

Not all the member States which took part in the survey were able to provide figures on expenditure and staffing (they seem not always to be covered by national statistics) or the countries that responded supplied them in very different formats. The observations below will thus in all cases refer to the selection of figures available. These again are difficult to interpret without placing them into their wider context – what powers are vested in regional authorities, for example. The figures will thus once again be a basis and point of reference against which other information analysed later in the report can be set.

Observably, however, long-standing autonomous regions with responsibilities in a large number of fields are often allocated correspondingly substantial budgets, as in Austria for example. Other regional authorities in Europe have much smaller budgets and often state in their replies that the question is still under discussion in their national administrative systems.

As regards the level of public expenditure and how it divides up between administrative levels, two main approaches can be distinguished:

- countries with a regional level which is better endowed financially than the local authorities (*examples: Austria, Spain, Switzerland*);
- countries where the local authorities dispose of larger financial resources than the regional level (*examples: the Czech Republic, Finland, Latvia, Lithuania, the Netherlands, Poland*).

This apportionment of resources between the local and regional administrative levels is generally also reflected in their staffing.

Apportionment of public resources, whether in terms of finance or staffing, is probably one of the indicators of regions' importance in national administrative systems. That is not the only one, however, and analysis below will show that allocation of financial resources is sometimes not yet fully in line with regional authorities' powers and responsibilities.

Generally speaking, the expenditure reported by the member States which supplied figures for 1999 and 2004 reflects an upward trend in regional

budgets. Depending on the country, the increase may be due to a higher central-government grant to the regional level, as in Hungary, where the regions are not autonomous, or depend on other factors connected with recent developments (described further on).

Public expenditure broken down by policy area reflects various tendencies, which will have to be set alongside other information that shall be analysed later. A feature common to several member States which replied to this question is that expenditure on social matters (health, social assistance, education) often accounts for a large proportion of regional-authority expenditure (up to 50% or more).

That, for example, is the case in Spain, where the health and education sectors account for 33% and 22.2% respectively of expenditure, and Portugal, where “social responsibilities” account for just under and more than 50% of spending by the two autonomous regions (Azores 47%, Madeira 57.8% in 2004). Changes in these figures between 1999 and 2004 vary according to country, and expenditure in social sectors may be on the increase (Albania, Italy) or on the decrease (Poland, Portugal), in the latter case observably giving way to other types of expenditure (for example, the economic functions of Portuguese autonomous regions, where expenditure is clearly on the increase).

Table 2: Public expenditure: expenditure by administrative level in 1999 and 2004

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
Albania <i>in millions of euros</i> <i>(calculated on the basis of 0.7804 to the USD)</i>		938.78		40.57		1470.93		127.96
Austria <i>in millions of euros (2004) and per capita in €</i>						110 781 .5 71 % € 13.455,- p.c.	21 526.9 15,4 % € 3.264,- p.c.	18 757.7 13,6 % € 2.278,- p.c. (including Vienna)

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
Belgium <i>Total of expenditure (excl. public debts) in millions of Euros</i>					117 955 (2005 figures)	81 480 (2005 figures)	Flemish community ⁵ : 20 547 French community: 7 156 German-speaking community: 169 Region of Wallonia: 5 745 Region of Brussels-Capital: 2 306	

⁵ In Flanders, the institutions of the Community and the Region are merged.

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
Bulgaria in millions of euros (calculated on the basis of 1.95 leva to the Euro)	2 429 Expenditures of the Republic can budget	1 256 state bodies, ministries and administrations	432 for district administrations	956	3 284 according to the report for the implementation of the		(2005 figures) (reste (non-indicated) with regard to total : joint commissions)	1 197

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
Croatia								
Czech Republic <i>in millions of euros (calculated on the basis of 0.035 to the CZK)</i>					22 549	15 975	1 446	587 ⁶
Denmark								
Finland <i>in millions</i>			No revenue of		67 000	37 000	No revenue of their own, only transfers	30 000
								<i>2005 figures</i>

⁶ Including the revenue of the capital city (Prague), which is simultaneously a region and a municipality and therefore has the benefit of the tax rules for both types of authority.

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
<i>of euros (calculate d)</i>			their own, only transfers from central government and municipalities				from central government and municipalities	
France								
Germany ⁷ <i>in billions of Euros</i>					625.9 without compensation	259.9 plus 34.1 for special account	259.3	153.3

⁷ All figures without Social Security.

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
Hungary <i>in millions of Euros (non-consolidated)</i>		26 620	5 740		transfers	s	10 460	
			Expenditure of both local and county level; no separate data available.			48 040	Expenditure of both local and county level; no separate data available.	
Italy <i>in millions of euros</i>	595 234 (2001)	218 822 (2001) 36.76%	<i>Regional and local authorities together (2001):</i> 173 473 29.14%		654 852	213 751 32.64%	<i>Regional and local authorities together (2001):</i> 207 386 31.67%	
	The surplus (34.1%) is destined to the administration of social systems.				The surplus (35.73%) is destined to the administration of social systems.			

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
Latvia <i>in millions of euros</i>	2 483	1 874	50	557	3 157	2 020	73	1 063
Lithuania <i>in millions of euros</i>	2 640	1 920	83 ⁸	954	4 220	3 305	100 ⁹	1 087
Malta <i>in millions of euros</i>	16 000				2 070			
Netherlands <i>in millions of euros (2006 estimates)</i>					153 597	102 187	4 362	43 775 / 28,4%
					100 %	66,4%	2,8%	1 585 / 1% for the "Joint

⁸ Expenditure of countries included in the central budget

⁹ Idem

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
								Arrangement t Act + Regions” (enlarged local authorities in urban areas) 2 048 / 1.3% for water authorities
Norway <i>in millions of euros (calculate d on the basis of 0.1261 to</i>					21 958			

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
<i>the Norwegian crown</i>)								
Poland <i>in millions of euros</i>	48 966	33 180	783	15 003	71 228	48 711	1 445	21 072
Portugal <i>in thousands of euros</i>		40 322 323	Azores: 632 875 Madeira: 699 895	4 729 035		70 710 860	Azores: 1 060 034 Madeira: 1 212 944	6 337 150
Romania								
Russian Federation <i>in millions of euros</i>						79 261		

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
<i>(calculated on the basis of 0.02926 to the Russian rouble)</i>								
Slovak Republic								
Spain <i>in millions of Euros (2005)</i>	307 680 100% (Consolidated Bud-get comprising	212 470 69.1%	61 650 20.0%	33 560 10.9%	424 830 100% (Consolidated Budget comprising	264 800 62.3%	109 950 25.8%	50 070 11.8%

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
	social security)				-sing social security)			
Switzerland <i>in thousands of euros (2003)</i>					89 290 486 100 %	51 264 755 57.4 %	31 514 461 35.3 %	24 071 387 27.0 %
Ukraine								

Member State taking part in the survey	1999			2004				
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
United Kingdom <i>in millions of euros (for 1999/2000 and 2003/2004)</i>	Total United Kingdom m. 502 006	State	Scotland (1999/2000): 0: 18 820 39.6 %	Scotland (1999/2000): 11 775 24.8 %	Total United Kingdom m. 670 467	State	Scotland (2003/2004): 21 040 31.6 %	Scotland (2003/2004): 15 475 23.2 %
<i>(calculate on the basis of 1.4728 to the pound sterling)</i>			Wales (1999/2000): 0: 12 417	Wales (1999/2000): 6 580		Wales (2003/2004): 20 646	Wales (2003/2004): 9 252	
			Northern Ireland: (1999/2000): 0: 13 411	Northern Ireland: (1999/2000): 5 242		Northern Ireland: (2004/2005): 20 194	Northern Ireland: (2004/2005): 7 334	
			Greater London (2000/2001):	Greater London (2000/2001):		Greater London (2004/2005): 8 240	Greater London (2004/2005): 7 334	

Member State taking part in the survey	1999				2004			
	Total	State	Regional authorities	Local authorities	Total	State	Regional authorities	Local authorities
			Greater London (2000/2001): 3 212	17 754				Greater London (2004/2005): 23 769
	Remaining percentage of the total: non-identifiable expenditure and accounting adjustments				Remaining percentage of the total: non-identifiable expenditure and accounting adjustments			

Table 3: Public expenditure: expenditure by policy area for certain countries¹⁰

Member State taking part in the survey	1999		2004	
	Main policy areas		Main policy areas	
Albania <i>in millions of USD</i>	Education: 122.4 Healthcare: 87.6	Education: 233.26 Healthcare: 209.54		
Austria <i>in millions of Euros (2004)</i>			<u>Federal Level</u> <u>Cities + municip.</u> (incl. Vienna) General: 14 186 2 520 3 101 Defence: 2 057 - 300 Public Order and Safety: 2 862 141 396 Economic Affairs: 7 441 4 095	<u>Länder</u>

¹⁰ If not specified, the given information makes reference to the breakdown of the global State budget.

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
		2 673 Environmental protection: 350 216 484 Housing: 1 171 676 568 Healthcare: 16 109 4 690 3 478 Leisure, sport, culture and religious activities: 892 489 1 363 Education: 12 403 4 349 3 102 Social Security: 53 307 4 347 3 587
Belgium		
Bulgaria <i>in millions of Euros (calculated)</i>	<u>Expenditures by function</u> General State services	<u>Expenditures by function</u> General State services

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
<i>on the basis of 1.95 leva to the Euro)</i>	482 Defense and security Education 506 Health care 479 Social insurance, assistance and cares 1 493 House building, social works, communal economy and environmental protection 203 Recreation, culture, religious activities 116 Economic activities and services 566 Non-classified expenditure 473	572 Defense and security 1025 Education 847 Health care 907 Social insurance, assistance and cares 2 686 House building, social works, communal economy and environmental protection 301 Recreation, culture, religious activities 156 Economic activities and services 943 Non-classified expenditure 358
Croatia		
Czech Republic <i>in millions of Euros</i> <i>(calculated on the</i>		<i>Subsidies attributed to the regions, presented across lines of State budget (figures expected for 2005):</i> Government office of the Republic:

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
basis of 0.035€ to the czech crown)		581 Ministry of Defense: 105 Ministry for Employment and Social Affairs: 36 789 Home Office: 23 Ministry for Environment: 791 Ministry for Regional Development: 3 358 Ministry for Commerce and Industry: 32 307 Ministry for Agriculture: 3 374 Ministry for Education, Youth and Sports: 2 145 681 Ministry for Cultural Affairs: 10 840 Ministry for Health Affairs: 31 407 State Office for Nuclear Safety:

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
		26 Operation of State Financial Assets: 386 General Cash Administration: 252 000 Total: 2 483 437
Denmark		
Finland <i>in millions of euros (calculated)</i>		<u>State budget 2004</u> Min. of Foreign Affairs: 766 Min. of Justice: 668 Min. of Interior: 1 439 Min. of Defence: 2 073 Min. of Finance: 5 354 Min. of Education: 6 046 Min. of Agriculture and Forestry: 2 687 Min. of Transportation and Communication: 1 749 Min. of Trade and Industry: 964 Min. of Social and Health: 9 356

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
France		Min. of Labour: 2 305 Min. of Environment: 674 Others: 2 937
Germany	The division between different policy areas varies between the <i>Länder</i> (regions).	The division between different policy areas varies between the <i>Länder</i> (regions).
Hungary <i>in millions of euros</i>	<u>Expenditure for main sectors in % of total public expenditure (figures of 2001):</u> Education: 13,6 % Health care: 12,8 % Social care: 29,1 %	<u>Expenditure for main sectors in % of total public expenditure (figures of 2004):</u> Education: 14,2 % Health care: 12,9 % Social care: 30,0 %
Italy <i>in millions of euros</i>	<u>Breakdown across the main sectors (in 2001):</u> General: 19.08 % Defence: 2.5 % Law enforcement and security: 4.1 % Economic affairs:	<u>Breakdown across the main sectors (in 2004):</u> General: 17.07 % Defence: 2.8 % Law enforcement and security: 3.9 % Economic affairs:

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
	10.0 % Environmental protection: 0.9 % Housing and territorial maintenance: 1.5 % Health: 13.0 % Leisure, culture and faith-based activities: 1.7 % Education: 10.3 % Social assistance: 36.2 % Total: 100 %	9.2 % Environmental protection: 1.1 % Housing and territorial maintenance: 1.5 % Health: 13.9 % Leisure, culture and faith-based activities: 1.8 % Education: 10.4 % Social assistance: 37.7 % Total: 100 %
Latvia		Education: 42.03 % Housing and public infrastructure: 11.92 % Administrative management: 9.06 % Social Security: 7.21 % Culture: 6.45 % Other: 23.33 %
Lithuania <i>in millions of euros</i>	Budgetary system of Lithuania is composed of the independent State budget of the Republic of Lithuania and municipal budgets. State and	Budgetary system of Lithuania is composed of the independent State budget of the Republic of Lithuania and municipal budgets. State and

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
	<p>municipal budgets form national budget.</p> <p>NATIONAL BUDGET EXPENDITURE:</p> <p>Economics 323,44 Housing and community affairs and service 79,36 Fuel and energy affairs and services 26,32 Agriculture, forestry, fishing and veterinary affairs and service 136,21 Mining (fuel excluded), manufacturing and construction affairs and service 11,28 Transport and communication 48,19 Other economic activity 22,08</p>	<p>municipal budgets form national budget.</p> <p>NATIONAL BUDGET EXPENDITURE:</p> <p>Economics 839,39 Economics 783,47 Housing and public utilities 55,92 Social affairs 1741,69 Education affairs and services 1055,66 Health protection 75,47 Social security 440,33 Recreation, culture and religion 170,23</p>

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
	<p>Social affairs 1382,33</p> <p>Education affairs and services 808</p> <p>Health affairs and services 162,94</p> <p>Social security and welfare affairs and service 296,7</p> <p>Recreational (sports) and cultural affairs and services 114,69</p> <p>Other functions of the government 934,43</p> <p>General public services 220,57</p> <p>Defence affairs and services 143,27</p> <p>Public order and safety affairs 282,04</p> <p>Expenditure not classified by major groups 288,55</p> <p>Total national expenditure:</p>	<p>Other functions of the government 1639,34</p> <p>General public services 955,15</p> <p>Defence 270,76</p> <p>Public order and safety affairs 335,23</p> <p>Environmental protection 78,2</p> <p>Total national expenditure: 4220,42</p>

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
Malta	2640,2	
Netherlands		The main areas of expenditure account for approximately one third of the regional budget: social assistance (assistance in rural areas, youth policy, action against poverty, traffic and transport (road construction and maintenance, bridges, etc.))
Norway		

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
Poland <i>in millions of euros</i>	<u>Total public expenditure:</u> Agriculture: 904 1.85 % Transport: 1 859 3.80 % Science: 650 1.33 % Education: 6 738 13.76 % Higher ed.: 1 219 2.49 % Culture: 654 1.34 % Public health: 2 004 4.09 % Social assist.: 4 070 8.31 % <u>State:</u> General functions: 11.2 % Social functions: 40.2 % Economic functions: 5.5 % Other functions: 43.1	<u>Total public expenditure:</u> Agriculture: 2 005 2.82 % Transport: 4 220 5.93 % Science: 713 1.00 % Education: 8 554 12.01 % Higher ed.: 2 194 3.08 % Culture: 1 000 1.40 % Public health: 1 464 2.06 % Social assist.: 5 622 7.89 % <u>State:</u> General functions: 9.2 % Social functions: 34.3 % Economic functions: 3.4 % Other functions: 53.0 %
Portugal	<u>Azores Region:</u> General functions: - % Social functions: 60 % Economic functions: 21.4 % Other functions: - %	<u>Azores Region:</u> General functions: 22.9 % Social functions: 47 % Economic functions: 26.2 % Other functions: 3.9 %

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
	<p>Madeira Region:</p> <p>General functions: 16.6 %</p> <p>Social functions: 57.7 %</p> <p>Economic functions: 24.8 %</p> <p>Other functions: 1.6 %</p>	<p>Madeira Region:</p> <p>General functions: 5.8 %</p> <p>Social functions: 57.8 %</p> <p>Economic functions: 34.7 %</p> <p>Other functions: 1.6 %</p>
Romania		
Russian Federation <i>in millions of euros (based on 0.02926 euros to the Russian rouble)</i>		<p><u>Main functional categories:</u></p> <p>Education: 81 mill.</p> <p>Fundamental research and support for scientific and technical progress: 53 mill.</p> <p>Culture, art and cinema: 5.9 mill.</p> <p>Public health and physical education: 5.9 mill.</p>
Slovak Republic		
Spain		<u>In 2006 figures:</u>

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
<i>in millions of euros (for 2005)</i>		<u>Central government:</u> Pensions: 29.7 % Transfers to other admin.: 19.7% Public debt: 6.1 % Unemployment: 4.8 % Infrastruct.: 4.5 % Healthcare: 1.4 % Education: 0.7 % <u>Autonomous Communities:</u> Healthcare: 33.0 % Education: 22.2 % Production sectors: 8.7 % Transfers to other admin.: 7.9 %
Switzerland		In 2003 figures, shares accounted for by the <u>Confederation / cantons / municipalities:</u> General administration: 21.7 % / 38.3 % / 40.6 % Justice, police, fire service: 9.7 % / 65.9 % / 24.4 % National defence: 92.7 % / 3.4 % / 3.9 % Foreign relations: 100 % / 0 % / 0 %

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
Ukraine <i>in millions of euros (for 2002 and 2004)</i> <i>(based on €100 = 643 hrn)</i>	<u>Allocation of general funds to local budgets by function (2002¹¹):</u> Public administration: 161 4.86 % Education: 1 019 30.71 % Healthcare: 829 25.01 % Assistance and social services: 729 21.98 % Local economy: 197 5.96 %	Education: 16.2 % / 51.9 % / 31.9 % Culture and leisure: 12.5 % / 31.0 % / 56.5 % Healthcare: 1.1 % / 63.9 % / 35.0 % Social welfare: 50.5 % / 29.1 % / 20.4 % Traffic: 58.3 % / 20.4 % / 21.3 % Environment: 14.4 % / 21.0 % / 64.6 % Public economy: 70.6 % / 21.6 % / 7.8 % <u>Allocation of general funds to local budgets by function (2004):</u> Public administration: 253 5.2 % Education: 1 558 31.8 % Healthcare: 1 218 24.9 % Assistance and social services: 923 18.8 % Local economy: 301 6.1 %

¹¹ The budgetary system having changed in 2002, the figure are shown only from 2002.

Member State taking part in the survey	1999 Main policy areas	2004 Main policy areas
United Kingdom	Culture and arts: 3.27 %	108
	Physical education and sport: 1.15 %	38
	Construction: 0.13 %	4.2
	Transport, road management, communication, telecommunication, information services: 75	181
	Other expenditure: 4.66 %	65
	2.27 %	89
	154	142
Total:	3 317	4 900
	100 %	100 %

Table 4: Public sector staff

Member taking part in the survey		Albania	Austria	Belgium	Bulgaria	Croatia
Central gov.	No. of staff		132 800 35 %	82 202	58 103 including deconcentrated units and structures	
	No. per 1 000 inhab.	0.02	16.24	7.82		
Regional gov.	No. of staff	1740	180 000 47 % (incl. Vienna 66 700)	German-speaking community: 163 Brussels-Capital: 6 623 Flemish Region: 13 022 Walloon Region: 10 990	1 187 in district administrations	
	No. per 1 000	0.4	22.01	2.9		

Member State taking part in the survey	State inhab.	Albania	Austria	Belgium	Bulgaria	Croatia
		Local gov.	No. of staff	2000	70 400 18 % (excl. Vienna)	Brussels-Capital: 43 959 Flemish Region: 168 965 Walloon Region: 120 058
	No. per 1 000 inhab.	0.5	8.61	31.7		

Member State taking part in the survey		Czech Republic	Denmark	Finland	France	Germany ¹²	Hungary
Central gov.	No. of staff	~ 750 000	~190 000	124 000	2 290 000	481 000 (2005) Total of 4 599 400 for all three levels given here plus diverse institutions and organisations (763 400)	22 618 (under civil service contracts)
	No. per 1 000 inhab..		35.2	23.7	38		2.2
Regional gov.	No. of staff	8 017	~130 000	25 (average 18 regions) Aland appr. 250	13 310	2 076 900 (2005)	2 563 (under civil service contracts)

¹²

Member State taking part in the survey	Czech Republic	Denmark	Finland	France	Germany ¹²	Hungary
			Kainuu appr. 3864			
No. per 1 000 inhab.	0.776	24.1	0.12	0.22		0.25
Local gov.		~440 000	430 000	1 736 890 (excl. the regions)	1 277 800 (2005)	42 832 (under civil service contracts)
		81.5	82	29		4.2
No. per 1 000 inhab.						

Member State taking part in the survey		Italy	Latvia	Lithuania	Malta	Netherlands
Central gov.	No. of staff	1 998 400	41 507			119 630 full-time equivalent: 111 347
	No. per 1 000 inhab.	34.51	18.00			
Regional gov.	No. of staff	<i>Regional and local gov. combined:</i>	<i>Regional and local gov. combined:</i>	2 173 (217 on average)	1 executive secretary and 2 staff members	13 282 full-time equivalent: 11 975
	No. per 1 000 inhab.	1 473 600 of which 622 000 in local administration (regions, provinces, town councils) and 681 600 in	25 596 11.10 per 1000 inhab.		0.4 (1 employee per 2500 inhabitants)	1
Local gov.	No. of staff					192 545 full-time equivalent: 167 805
	No. per 1 000					

Member State taking part in the survey	Italy	Latvia	Lithuania	Malta	Netherlands
inhab.	healthcare 25.45 per 1000 inhab.				

Member State taking part in the survey		Norway	Poland	Portugal	Romania	Russian Federation
Central gov.	No. of staff	246 775	162 479	576 548		
	No. per 1 000 inhab.		4.26	577		
Regional gov.	No. of staff	40 338	8 348	Azores: 15 166 Madeira: 18 638		
	No. per 1 000 inhab.		0.22	Azores: 15 Madeira: 19		
Local gov.	No. of staff	404 119	164 207	116 066		
	No. per 1 000 inhab.		4.3	116		

Member State taking part in the survey		Slovak Republic	Spain	Switzerland	Ukraine	United Kingdom
Central gov.	No. of staff	19 161 (central gov. institutions at regional level: 7 149)	552 774 (22.6%)	33 127 full-time equivalent: 30 651		2 538 000
	No. per 1 000 inhab.	3.56 (1.33)	12.36	4.6		
Regional gov.	No. of staff	1 024	1 320 889 (53.6%)	211 070 full-time equivalent: 170 989	Total no. of staff: 91 925 with 12 080 employed in the institutions of the autonomous communities ~2	Scotland: 15 586 Wales: 6 732 Northern Ireland: 28 069 Greater London: 678 (not including the 4 departments of the mayor's

Member taking part in the survey	State	Slovak Republic	Spain	Switzerland	Ukraine	United Kingdom
						per 1000 inhabitants
	No. per 1 000 inhab.	0.19	29 54	29		
Local gov.	No. of staff	21 510	586 921 (23.8%)	163 761 full-time equivalent: 126 476		Scotland: 321 055 Wales: 150 000 Northern Ireland: 10 037 Greater London: not available at present
	No. per 1 000 inhab.	3.99	13.13	22.6		

B) Regional authorities' relations with central government, other agencies and the citizen (questions 6-11)

In the questionnaire on which this report is based, an initial set of questions (6-11) deals with the various relations that regional authorities may have with other institutions. The aim is first to identify the central government institutions responsible for relations with regional authorities and which operate at regional level, before going on to look at how regions involve other institutional actors and citizens in the decision-making process.

Central government institutions responsible for relations with regional authorities

The institutions in charge of relations with regional authorities vary widely across the member States. Normally several institutions are in charge of these relations, although sometimes one will act as co-ordinator.

From the replies received, it is possible to identify certain types of institutions that feature regularly in dealings with regional authorities:

- The ministry for the interior (or equivalent) is often cited as the sole institution specifically responsible for relations with regional authorities and/or co-ordinating these relations. In some cases, such as Italy, this central responsibility can also be given to a special ministry for “regional affairs”. In Hungary, the responsibility for local and regional authorities is assumed by the Ministry of Local Government and Territorial Development.
- In most member States, the various specialised ministries have dealings with regional authorities in their respective policy areas. The number of ministries involved can vary: in some States (such as Latvia) only a handful of ministries have responsibilities in this area, while in others, notably Romania, the Russian Federation and Switzerland, a large number of central government institutions are in charge of relations with the regions. This also seems to be the case in Austria and Belgium which state that there is no specific institution to deal with the regional authorities, but that each ministry deal with them on specific matters concerned. Moreover in Austria, the *Länder* themselves would often invite representatives of Federal State institutions to their co-ordination meetings.

- Some member States have specific bodies or institutions for liaising between central and regional government. Different types of institutions or institutional arrangements can be distinguished:
 - State representatives at regional level, for example in France, Italy, Poland or Portugal (under the name of “prefects”);
 - Three specific central government departments in the United Kingdom, which are in charge, respectively, of relations with the three regional authorities of Scotland, Northern Ireland and Wales (these are Devolved Administrations).

In addition there are 9 Government Offices for the regions which are responsible for delivery of central government policy in the 9 (purely administrative) regions of England. The Government Offices for the regions are part of the Department for Communities and Local Government.

- Bilateral or multilateral bodies, e.g. in Italy the “State-Regions” Conference and the Unified Conference. The same principle can be found in Germany where the chancellor meets at least twice a year in conferences with the Prime Ministers of the *Länder* and where the respective specialised Ministers of Federal State and *Länder* meet every six months at least.
- A minister specially in charge of the relations with regional authorities, such as in Germany the State Minister who has been the interlocutor of the *Länder* and particularly their representatives in the *Bundesrat* (Federal Council / federal chamber in Germany) for many years and notably for the preparation of *Bundesrat* sessions.

A certain number of these institutions have a dual function: they assure both the relations with regional governments and the State representation at regional level; they are therefore also in part categorised as the “Central government authorities and/or agencies at regional level” (see here below).

Central government support for regional authorities to ensure European competitiveness

Most member States say their governments do assist the regional authorities in ensuring European competitiveness. Only Albania and Austria expressly state

that this is not the case, while Portugal refers to support being available “in special circumstances”.

In the States which say that central government does provide assistance, once again, this can be broken down into different “types”:

- In some States, government support is provided through the Regional Operational Programmes or other European funds (Bulgaria, Czech Republic, Finland, Italy, Latvia, Poland, Portugal, Spain).
- Several member States expressly state that support is available through national programmes or policies (France (“centres of competitiveness”), Finland, Italy, Slovak Republic (“Competitiveness strategy for the Slovak Republic”), Switzerland (“New Regional Policy – NPR”).
- A few States, such as Norway and Romania, have non-specific government support (e.g. statutory framework, training for public servants, etc.), or support involving the implementation of national policies at regional level (Lithuania).
- Several States expressly mention government support for reducing regional disparities, in particular the United Kingdom and Switzerland, with the emphasis on empowerment with regard to making regions more competitive within Europe.
- Germany cites indirect government support of regional authorities on a European level, for example through the support of regional interests in European Union decisions on structural and regional funds.

The support provided by the central governments apparently is of diverse character and can intervene as well on an economic as on a more institutional level.

Central government authorities and/or agencies at regional level

Practically all of the member States which answered this question have central authorities at regional level, except for Belgium, Malta and Switzerland which specifically state that they have no institutions of this kind.

Where they exist, such institutions can sometimes have a comprehensive character and cover a broad range of competences, such as the *State provincial offices* in Finland, the *prefects* in France and Italy, the *voivods* in Poland or the *representatives of the Republic* in Portugal. In most countries, government representatives cover specific policy areas, derived from ministries or involving other governmental responsibilities where some degree of regional management is required, and can vary greatly in number.

The United Kingdom has a very distinctive arrangement where central government is represented at regional level by its Government Offices (GOs) for the regions. These offices are usually located in regional development agencies. They bring together the operations of 10 government departments within a single organisation, in the interest of co-ordination and efficient and effective communication. This arrangement applies only to the English regions, however, given that the central government also has specific departments (called ‘Offices’, e.g. the Scotland Office) for handling relations with Scotland, Wales and Northern Ireland (see above; central government institutions responsible for relations with regional authorities).

Austria represents yet another case compared to other member States mentioned here above: in the Austrian federalism, the *Länder* have far-reaching executive competences, but only weak legislative competences. However, the State administration on the regional level is mainly carried out by the president of the region (“Landeshauptmann”). Therefore, a large number of ministries do not operate any regional structures, but have transferred the execution of federal laws to the *Länder* in form of the indirect federal administration (“mittelbare Bundesverwaltung”). Germany, in a similar way, distinguishes explicitly between direct and indirect federal administration (« unmittelbare und mittelbare Bundesverwaltung »), the direct administration being represented by “intermediate” and “lower” federal institutions respectively having regional or local spheres of action (« mittlere und untere Bundesbehörden »), whereas the indirect administration comprises corporations, agencies and foundations being present in the whole country through their own regionalised administrative system.

Where they exist, the geographical areas covered by government institutions at regional level in most cases match those of the regional authorities (14 out of the 20 replies to this question). In four member States, this is the case except for certain policy areas (e.g. the railways in Romania). In six instances, the territorial structure of government institutions differs from that of the regional authorities, an “extreme” example being Finland where there are some 40 divisions that are different from the central government agencies at regional level. The United Kingdom is unusual, in that the Government Offices (GO) for the regions referred to above correspond only to the English (purely administrative) regions, and not to the territories of the regional authorities (Scotland, Wales, Northern Ireland, Greater London). Hungary undertook a far-reaching reform concerning the territorial set-up of State representations, following which most organs operating at county level were restructured and their competences transferred to regional level (planning regions) from 2007 on.

Other institutional actors involved in the development and implementation of regional policies (local authorities, chambers of commerce, universities, unions, employers' federations etc.)

Practically all of the countries say that other institutional actors are involved in the development and implementation of regional policies. A more thorough analysis of the replies shows that the types of actors involved in regional policies can vary. In some member States, special emphasis is given to public-sector agencies (Bulgaria, Latvia, Lithuania, Russian Federation).

In many member States, regional authorities have adopted more formal arrangements for involving other actors by setting up permanent advisory bodies in which the parties meet on a regular basis. Ten or so States mention this kind of formal consultation, which takes place in variously named bodies: the Regional Growth Forums in Denmark, Regional Co-operation Groups in Finland, Regional Economic and Social Councils in France, Local Self-Government Councils in Italy or voluntary regional assemblies in England / the United Kingdom, to name but a few.

The Slovak Republic cites a pilot project under the European PHARE programme involving the “office for the co-ordination of local government and self-governing structures” in the Banská Bystrica region.

Despite this move to a more formal arrangement through specific bodies, the methods of consultation and communication with other institutions and socio-economic partners vary widely in nature and intensity. In Spain, they can range from informal contacts to preliminary reports before making specific decisions to participation in permanent advisory bodies.

The rationale behind the advisory bodies likewise varies. Finland, for instance, says that its “regional co-operation groups” were set up specifically for co-operation concerning European structural funds.

In Malta, which does not have a regional tier of government, central government is responsible for involving various partners in regional policy-making, and consults, *inter alia*, non-governmental organisations, the local councils’ association and the association of executive secretaries of local councils.

Some States are more guarded about the extent of other actors’ involvement at regional level. Norway, for instance, states that other actors are not directly involved, but that considerable importance is attached to partnership between the public sector and various actors. Belgium likewise makes a distinction between “assistance in the development” of public-sector programmes and their implementation, which is a matter for the authorities alone. Hungary specifies that other actors are not directly involved with the regional authorities’ (counties’) policies, but that they are on the level of County Development Councils (structures in charge of territorial development tasks) which provide for modes of cooperation and consultation. The same kind of distinction according to the phase of the decision process is made by Germany which indicates that the elaboration and implementation of policies at regional level is, by principle, the responsibility of institutions defined by the Constitution, but that certain social groups and groups of interest can be involved through informal consultations.

Generally speaking, several States are keen to emphasise that the involvement and contribution of other actors is confined to “drafting policy documents” (Bulgaria), “preparing regional development programmes and development concepts” (Czech Republic) or “preparing regional territorial strategies” (Spain). It would thus seem that other actors are brought in by regional authorities mainly at the strategic, conceptual or planning phases of the decision-making process, i.e. the work phases before political decisions and not the phases of decision or implementation. Only Spain and Switzerland expressly state that consultations are also conducted when “framing laws”

(Switzerland) or “before adopting decisions” (Spain). Otherwise, “partnerships” of the kind mentioned by Norway and the United Kingdom would seem to be a feature of the consultations in many member States.

The practices described above refer *inter alia* to the consultation structures and procedures such as it is possible to observe them in the member States. It is difficult to say at this stage how much influence other institutional actors really have in the regional decision-making process.

Forms of direct participation by citizens

Just over half of the member States which took part in the survey claim to have some form of direct participation by citizens at regional level. In these States, furthermore, citizens’ right to participation usually applies to all authorities (local and regional). Around ten States say that instruments of this kind exist at local level only.

The member States which have direct participation at regional level as well cite various forms of participation, but they almost all come down to the same two types of instruments: referendums and popular initiatives or petitions. The main difference between the two would seem to be that the former are held by decision of the regional authorities, whereas with popular initiatives and petitions, citizens can make proposals or requests themselves, either individually or collectively. Popular initiatives can be large-scale affairs and may even extend to the popular legislative initiatives mentioned by Spain, although further study is needed to determine how much impact this kind of instrument really has. As a means of participation, the “e-petition” widespread in Scotland / United Kingdom is particularly innovative. Certain *Länder* of Austria, such as Salzburg, distinguish between three instruments of direct democracy – popular referendum, initiative and consultation – and therefore follow approaches that are more far-reaching than elsewhere. In the federal States, like Austria and Germany for example, the direct participation of citizens at regional level generally seems to fall under the responsibility of each federal entity that can adopt its own rules in this field.

Other States refer, rather more sporadically, to other forms of participation and indicate that public consultation tends to be done with varying degrees of “intensity” and formality. Besides referendums and popular initiatives, for example, some States mention citizens’ right to express their views publicly at

regional assembly or council meetings, and to make proposals, comments and suggestions.

In some cases, democratic participation at regional level is also achieved through local authorities, which are asked to comment on regional authority projects and decisions, and to represent the interests of their citizens. In Italy, for example, a certain number of local authorities can apparently call for existing regions to be merged, or new ones created (following the confirmation of this initiative by referendum).

To sum up, the two main formal instruments of civic participation – referendums and popular initiatives/petitions – would seem to be fairly widely available, including at regional level, at least as far as their existence is concerned and in theory. Some States, such as the Netherlands, claim that popular initiatives are seldom used in practice. The actual take-up of these instruments is something that requires further investigation, therefore.

Initial conclusions about regional authorities' relations with other institutions

The institutional “landscape” in which European regional authorities operate, especially in relation to central government institutions, varies tremendously from one member State to another. It is possible to identify some “typical” arrangements, however, which occur either in very similar configurations from one country to another, or which come back in different “combinations” of the same individual elements.

Broadly speaking, it can be observed that relations between central and regional government have been institutionalised or formalised in most countries and that central government has its own institutions at regional level in the majority of member States. The exceptions to this rule can once again be traced back to the particular set-up that exists in certain countries, such as Switzerland where practically all administrative services are instituted by the regional authorities. The involvement of other actors and citizens in regional decision-making is likewise achieved through similar types of instruments across Europe. Apart from States where there is very little involvement by other actors or citizens at regional level, the differences tend to lie more in the detail.

C) Regional authorities' areas of activity/competences (questions 12-14)

At first glance, it is difficult to see a pattern to regional competences across Europe, which seem to be more or less diverse in different member States. Some countries give fairly long and wide-ranging lists of regional competences. Others have only a small number of competences at regional level, such as Finland where regions are responsible solely for regional development policy and the administration of European structural funds, with the exception of two regions (Åland (autonomous region) and Kainuu (enlargened competences based on experimental law)). The situation is the same in Hungary which also has regional development as the only global competence. It does nevertheless seem possible to detect a common thread in the competences of European regions both concerning the criteria for assignment and the homogeneity of competences from one region to another. A very particular case – mentioned again further down – can be found in Belgium that divides the regional competences between the Regions and Communities.

Policy areas handled by regional authorities

From a purely technical standpoint, the competences of regional authorities can be grouped together in a variety of ways. One possible approach is the classification into several types of “functions”, following the model used by Portugal for public expenditure (see above), which distinguishes between general functions, economic functions and social functions. Dividing competences into “groups of functions” in this way makes it easier to read the replies and to compare them.

By applying this rule to regional competences as they appear from this survey, it seems that there are in fact some discernible differences in the emphasis that countries give to this or that group of functions. Most States do, however, have regional authorities that cover all three groups, with different balances between functions.

Some regional competences do not fit readily into any of the three categories and are shown here separately.

The competences frequently mentioned by member States, according to the three main functions and in other fields, are as follows:

- Among the social functions, examples of frequently cited areas include social assistance/welfare, healthcare and education. More than ten countries (out of the 25 that replied) count these areas among the competences enjoyed by their regional authorities, to a greater or lesser degree. Social functions, for example, tend to be less extensive in Norway and France where regional authority involvement in the “social” sphere is confined to upper secondary education (the “lycées” in France). Other member States cover the full range of social functions.

In Belgium, the Regions mainly charged with competences concerning the “territorial” occupation in the broad sense of the term, do not fulfill any social functions, which are assigned to the Communities in charge of sectors that can be “personnalised” (having an impact on individual persons).

- As regards economic functions, several States cited among the competences enjoyed by their regional authorities areas such as economic development, the economy, employment, industry, etc. These functions are normally exercised alongside social functions, which can be more or less prominent. At least ten countries refer to their regional authorities as having an economic role.
- Prime examples of general functions include regional development activities in general and in particular the planning and strategic development aspects. These areas tend to be cross-sectoral, however, often impinging on other functions and co-ordinating them. Twelve or so States also expressly refer to strategic, co-ordinating, general functions of this kind.

- Other competences which are recurrent but which have yet to be “classified” are:
 - any competences involving territorial or “physical” planning within regions: nature, the environment, spatial planning (urban and regional) and housing (to borrow some of the terms employed by States themselves). Ten or so States include these in the list of regional competences in one way or another;
 - competences connected with transport (road transport and public transport) and infrastructure are mentioned by at least seven States;
 - several countries also include culture, sport, leisure and tourism in the list of regional competences.

These regional competences could be seen as forming part of the general functions, in particular the first two, which have a strategic and co-ordinating element. Both types of activity could also, however, be considered to be economic functions, in that they create added value for the region and are fundamental to regional economic activity. By the same token, culture, sport, leisure and tourism could also be classed as economic functions, or even as social functions concerning sport and leisure, unless a new category is created, entitled “cultural functions”.

Another general point about the competences of regional authorities is that practically all the member States (which answered this question) seem to have assigned the relevant competences to regional authorities by legal or constitutional act, except for two, Albania and Bulgaria, which expressly state that there has been no formal conferral of power.

Criteria for assigning competences to regional authorities

From the wide range of replies received from member States on this point, it has been possible to produce a fairly long list of criteria for assigning regional competences.

The following three criteria are clearly common to several countries:

1. The principle of subsidiarity;
2. The economic expediency of acting at regional level and financial efficiency as regards the provision of certain services;
3. The need for planning, co-ordination and/or integrated policies at regional level (both in order to co-ordinate the activities of sub-regional authorities and in order to fit regional policy into the national context.)

In other cases, countries list criteria which are specific to them, or which are a particular expression of the common criteria mentioned above, and no doubt connected with their specific national context or changing circumstances:

- Albania mentions the fact that assigning some competences to the regions facilitates partnerships with civil society and the private sector.
- Belgium highlights criteria related to its own historical and political context and to the compromises, or consensual agreements, found between its different federal entities. In the same manner, Germany cites a traditional division of competences between the federal and regional levels the foundation of which has already been laid by the Constitution of 1871.
- According to Denmark, responsibility for the health system has been assigned to the five newly created regions owing to their ability to respond in a concentrated manner.
- Finland generally assigns limited powers to the regions so as to avoid creating extra layers of governance and to keep power mainly at central and local government level.
- France is careful to underline that assigning competences is an open-ended process, to be accomplished in a spirit of pragmatism and subsidiarity.

- The Netherlands and Hungary as well cite as a criterion the nature of tasks which extend beyond the local level, which would in some cases result in administrative and financial supervisory powers being assigned to the provinces (this overlaps with the more general criteria mentioned above, but includes the supervisory aspect as well).
- In the case of the Slovak Republic, balanced regional development is a major consideration.
- Spain cites the need for central government to retain control over certain areas in order to ensure co-ordination, equality, solidarity, a unified market and consistency between regional policies.

There are, then, some general principles that can be “distilled” from this list of individual replies in order to complete the list of common factors that may come into play in the different member States when assigning competences to regional authorities:

4. For certain functions, the regional level is the most appropriate one at which to take action in order to be relatively close to civil society and the private sector;
5. As well as planning and co-ordination functions, the need for some pooling or centralisation of resources, together with the need to supervise the activities of local authorities, can lead to action at regional level;
6. The way in which competences are assigned to regional authorities can affect the balance between regional policies, their consistency and cohesion;
7. The particular historical and political context and the negotiation of compromises seem to have an important influence when it comes to assigning competences to regional authorities, even if not explicitly mentioned by all member States;
8. It is important that regional competences remain open-ended and capable of adapting to a national and international environment that is also constantly evolving.

Homogeneity in regional authority competences within countries

In reply to the question as to whether all regional authorities have the same competences, once again, States gave a variety of answers. These can be divided into three groups, however:

- Around twelve States said that all regional authorities have the same competences, with no exceptions
- Five States said that in theory, all regional authorities have the same competences, with a few exceptions, such as the overseas départements in the case of France. Spain tells us that, although variations in regional competences are legally permissible, in practice, competences have tended to become somewhat standardised across all the autonomous communities, except for the Basque Country, Navarre and Catalonia. Finland indicates the same competences for 18 of its 20 regions and names two regions who differ from this general scheme: Åland which has an autonomous status and Kainuu where an administrative experiment has been launched by giving wider service obligations and more independent decision power to the regional authority. Also of interest here is Albania where the law requires all regional authorities to have the same competences but where the reality is rather different. When it comes to assigning competences to regional authorities, then, a distinction needs to be made between what the law technically requires and what goes on in practice
- Two States, the United Kingdom and Italy, clearly state that regional authorities have differing competences. In the United Kingdom, policy areas vary across the four regional authorities. In Italy, a distinction is made between regions with ordinary status and regions with special status. The Netherlands is also considering whether some differentiation in the roles and powers assigned to the provinces is desirable and feasible.

In Belgium, the competences are divided and very different between the Regions and Communities which are all part of the federal entities. The Regions, however, have practically all the same competences.

Initial conclusions about the competences of regional authorities

The analysis of member States' replies and the attempt above to classify them, show that the areas covered by regional authorities in Europe are extremely varied in many countries and that they cover different aspects of the functioning of a particular territory.

It is difficult to make any further assessments at this stage because, from the information supplied in response to the question, which is very broad, it is impossible to say with any accuracy how much emphasis is given to a particular area in regional activities, except by matching the information on competences with that on public expenditure.

Generally speaking, comprehensive and cross-sectoral competences pertaining to regional development and its planning and co-ordination as well as competences relating to "physical" territorial development feature prominently. It appears that in most member States, regional authorities, as an intermediate tier of government, are assigned these co-ordinating functions in the field of territorial development. Overall, the regional authorities in Europe share, as one of their common features, the fact that they all cover a wide and varied range of competences. In addition to the wide variety, a further common feature of European regional authorities is their tendency to cover, with a few exceptions, similar areas of activity, albeit with varying emphases.

D) Specific developments and difficulties identified at the operational and functional level (questions 15 and 16)

The main aim of this report is to show developments in regional self-government in member States, identifying in particular any innovations and problems common to a number of States. Questions 15 and 16 of the questionnaire seek to specifically identify these innovations and common problems ("developments and difficulties"), although other questions also refer to matters of this kind. In the pages that follow, the replies given specifically to these two questions will be summarised. In the general conclusions (cf. section V), reference is made once more to all the innovations and common problems, as they appear from this survey and other questions.

Definitions of the main terms

The “technical” term “regional self-government” seems fairly clear in the context of this exercise. It has, *inter alia*, been defined and differentiated in previous studies (cf. the “models” and “concepts and principles of regional self-government” adopted in Helsinki; see introduction and appendices). It remains to define what precisely is meant by the more generic terms “innovations” and “common problems” which represent the main theme of this report.

The term “innovations” can be interpreted in a variety of ways. On the one hand, innovations are “new” measures introduced by a member State in a given situation, in response to a particular problem (see the definition of “problem” below), and as a way of adapting to a context that has itself evolved. An innovation could also, however, be taken to mean “innovative” in the scientific sense of the term, in this case “groundbreaking” in relation to general practice in Europe. Since the aim of this study is not to judge the quality of the measures and “best” practice, but to describe recent developments in member States, it is the first definition that is retained, i.e. measures which are new in relation to existing provision.

In terms of the various problems liable to be encountered in regional self-government, it is possible to distinguish the following interpretations and types:

- Problems that refer to issues on each State’s political agenda, in the sense of problems that require attention. “Innovations” would thus be measures to deal with these problems and which are meant to help resolve them.
- Problems driving change or developments in regional self-government, and which act as a “trigger” as it were. Problems of this kind are often related to other changes in society, which in many cases have to do with situations beyond the scope of a particular region or country, requiring the latter to adapt to a new set of circumstances or a new environment.
- Problems arising during the decision-making process, leading to changes in a particular system. Problems of this kind often have to do with the difficulty of achieving consensus in a system of administrative and political decision-making in flux, sometimes because of conflicts of interest and powers between the parties involved and the different levels of government.

- Problems liable to arise in the wake of reform and change, in the time it takes for the regional system, its various agencies and their functioning to adapt to the new rules and fresh challenges.

These definitions of “innovations” and “common problems” will hopefully make the criteria used to analyse the replies, as well as the interpretations of the terms on which each member State’s replies seem to be based, more transparent.

It would not seem useful, however, to favour some definitions over others, but more interesting to use all the terms mentioned above to have a wider view of the phenomena described by the various States, and to systematise the information supplied. This should also make it easier to discuss the results of the survey later on.

Attempt to organise the information on common problems and innovations

Most of the member States gave very detailed replies to the questions about developments and difficulties encountered in regional self-government. Of particular significance is the contribution received from Spain, which submitted a full-scale study (in two languages) on the subject, entitled “Recent trends in the development of regionalism in Europe: a Spanish perspective”. It might be worth examining this document further in the future.

The Spanish replies are summarised below in the same way as the contributions received from other member States. The methods used in the Spanish document have, however, been adopted, a key feature of the document being is that it deals explicitly with the European and international context, often a catalyst for regional problems and regional measures. Also summarised below are the wider international issues that form the backdrop to regional self-government and which were mentioned in this survey.

The Spanish contribution also takes particular situations (or “crises”) and presents them in relation to a chosen or proposed solution. Similarly, member States’ replies are presented below in the form of table which divides the problems into several thematic groups and shows, opposite each (common) problem, the innovative measures adopted by each State. Also indicated in the table is the status of reforms in each State.

Reading from left to right, therefore, the table shows:

- the problems in the sense of issues addressed or which require attention;
- the countries concerned by a particular issue, according to member States' replies;
- the specific ways in which issues or "common problems" manifest themselves in the countries concerned;
- *in the same column as the common problems*: the solutions or "innovations" adopted by member States to deal with a particular situation, where such information has been supplied;
- any problems arising during decision-making or problems arising (or expected to arise) in the wake of reforms or change.

The start is made by looking at the international context of the issues and measures, which are dealt with later on.

Wider issues "triggering" change in regional self-government

The wider, international problems driving some of the changes in regional systems are difficult to arrange in a table and to relate to specific types of measures. Often they are highly complex, and give rise to highly complex reactions in each country, depending on the specific national context.

Some of the problems or phenomena that trigger reform and changes in regional self-government, and which were mentioned several times in the course of this survey, are as follows:

- An ever-changing international and European context in which activities and institutions are becoming increasingly globalised, affecting regional governance either directly or by altering the domestic environment which then has an impact at regional level.
- The increasingly complex nature of the problems to be addressed, which is prompting an overhaul of existing systems of governance in some areas, and which often requires problems to be dealt with as close to citizens as possible and regional authorities to be given more power and responsibility.
- Ongoing changes in the socio-economic context, which creates differing needs in some regions (e.g. economic problems giving rise to new social problems), and which can have a number of results: mismatch between

the powers vested in a particular regional authority and its resources, inability to respond to new problems, fresh disparities between different geographical areas, etc.

- Conflicts of powers arise when it comes to determining how best to allocate powers and responsibilities (and hence too resources) between the different levels of government. Quite apart from the specific national context, this is very much a matter of opinion and different notions of what constitutes the best way to tackle problems.

This list is by no means exhaustive and shows only some of the wider shifts that can prompt central and other government authorities to take action on the self-government and regional governance front.

Summary of innovations introduced and common problems experienced by Council of Europe member States in recent years

The replies received from member States have been grouped together in “categories of problems” in the left-hand column. The table reads from left to right. Question 16 in the questionnaire concerning the perception of size has been treated as one of the problems common to a number of States and included in the other issues. After each problem, the member States concerned, which replied, are listed in alphabetical order. The table covers all the problems and measures mentioned by States, irrespective of the status of reforms within the country, which means that some changes are still at the discussion stage whereas others have already been completed. Some reforms or changes which are of particular interest, because they were completed recently or would seem to typify a number of States, are highlighted in bold and will receive further consideration later.

The table does not by any means provide a full picture of regional self-government in Europe today. It is based only on the 25 replies submitted by the member States which took part in this survey. Of these replies, only those which were clear and comprehensible, from the point of view of comparison, were considered. Some replies concerning developments and difficulties were given not in direct response to questions 15 and 16 but in the table on constitutional and legislative reform. Where deemed to be of some relevance to “developments and difficulties”, they were extracted from the tables in question and incorporated below.

Table 5: Common problems and applied solutions in member States

Problems or issues where change has occurred or which are being addressed with a view to change	Countries concerned	Specific manifestations of problems in member States and ways of resolving them	Problems encountered when introducing reforms or afterwards
1. “Territorial” problems			
Review of the size of regional territories or boundary changes	Albania	The regional territories are seen as being too small in relation to European standards.	
	Czech Republic	Discussions on what constitutes the most appropriate size for regional territories were conducted prior to their creation, but the current size has proven effective for exercising regional competences. The law on support to regional development has provided additional solutions by mapping out larger “cohesion regions”. Regional boundaries were modified slightly after several municipalities asked to be incorporated in other regions. Plans to bring regional territories into line with the territories of certain central	

Problems or issues where change has occurred or which are being addressed with a view to change	Countries concerned	Specific manifestations of problems in member States and ways of resolving them	Problems encountered when introducing reforms or afterwards
		government authorities are being considered.	
	Denmark	<p>Five new regions have been created as new territorial entities with effect from 1 January 2007. The former 13 authorities were not regions but counties (second tier of local government). The five regions are therefore not successors of the 13 counties but a completely new authority.</p>	Too early to evaluate the problems involved in these changes, because the exercise has only just begun.
	Germany	<p>There are regular discussions about a territorial re-organisation of the <i>Länder</i> that seems possible according to the Constitution and useful from a political point of view. Serious steps have however not been undertaken yet due to the fact that quorums required for the decision are very high and that the consequences are difficult to estimate.</p>	

	Finland	<p>The regional territories are considered to be too small in some cases. The regions work together and co-ordinate their policies on European funds via the 4 regional alliances to which each region belongs.</p>	
	Hungary	<p>The government plans to transform its « planification regions » which are no administrative units today, into autonomous regional authorities in addition to the intermediate level of counties (classified as local authorities). Motive for this change is the fact that local authorities have become stronger and are less in need of support from counties. The objective of the creation of regional authorities is to establish a stronger intermediate level of governance between local and central level.</p>	<p>The reform has been refused for the moment (lack of the 2/3 majority needed in Parliament). The objective is nevertheless maintained. By a first reform in 2007, the territorial levels of State representations should be transferred from the county to the regional level in most cases.</p>

<p>Review of the size of regional territories or boundary changes</p>	<p>Latvia</p>	<p>The need to create larger regional authorities seems to have been recognised.</p>	<p>The process of overhauling regional authorities to create larger ones is being hampered, it seems, by a lack of political will; discussions are under way.</p>
	<p>Netherlands</p>	<p>The future of the provinces has been a subject of frequent discussion, particularly because of over-complex administrative arrangements on regional level, but there have never been any actual changes. The latest document presented by the Ministry of the Interior concluded that the territorial boundaries could remain unchanged, except in the case of the 4 provinces of Randstad.</p>	<p>As part of the work carried out by a series of committees, there have been calls in the past for an overhaul at provincial level. No actual changes have ever been introduced, however.</p>

	<p>Norway</p>	<p>There is broad agreement that the current number of regional authorities (19) is too large. In October 2006, the government will present a white paper that will look at the division of responsibilities between the various levels. Once the new distribution of powers has been agreed, attention will turn to finding the right size for the new regions.</p>	
	<p>Romania</p>	<p>The size of the territorial authorities (counties and development regions) has been discussed on various occasions and at different levels.</p>	<p>There is no political consensus on this subject; opinions differ widely.</p>
	<p>Slovak Republic</p>	<p>Discussions about changing the number of autonomous territorial authorities (upwards or downwards) are taking place within the government coalition, the opposition and NGOs, even though the regions were only created after 2001 in preparation for EU accession.</p>	
	<p>Spain</p>	<p>The differing sizes of the autonomous</p>	

		<p>communities (four communities have a population of less than one million inhabitants) have an impact on the provision of services by regional authorities (most noticeably in research and higher education).</p>	
	<p>Switzerland</p>	<p>The size of the cantons is a contentious issue, and the reply needs to be qualified depending on the policy area.</p>	<p>Plans to merge the cantons of Vaud and Geneva were rejected by referendum in both cantons, which could pave the way for the development of regional (and transfrontier) co-operation.</p>

2. Problems involving the division of powers between the various levels of government within countries and the transfer of competences to regional authorities		
<p>Comprehensive review of the division or definition of competences between administrative levels (without specifying which ones)</p>	<p>Albania</p>	<p>There is a lack of clarity in the way responsibilities are divided between central government and local and regional authorities. The devolution of functions as regards introducing policies at local level remains inadequate.</p>
	<p>Bulgaria</p>	<p>The competences of regional authorities are not defined by a specific law, but are regulated in certain acts such as the Law for Regional Development, the Law for Administration, the Law for Local Self-Government and Local Administration, etc.</p>

	Russian Federation	Improvements to the division of competences between the different levels of government are apparently under way.	
<p>Review of the division of competences between central government and regional authorities</p>	Austria	<p>There have been various plans for reform to bolster the competences of the Länder (regions) vis-à-vis the federal government. The latest discussions took place within the framework of the Austrian Convention.</p> <p>The new Federal Government sworn in on 11 January 2007 plans to relaunch the reform process, through which changes would also be introduced to the division of competences between the federal government and the Länder (according to Programme of the Austrian Federal Government 2007-2010).</p>	<p>The Austrian Convention ended without reaching a consensus and without completing the reforms.</p>

	Germany	<p>The competences of the federal government (<i>Bund</i>) and the regional authorities (<i>Länder</i>) have been re-organised by a constitutional reform in 2006: the rights of the <i>Länder</i> for participation through the <i>Bundesrat</i> (federal council) have been reduced; in compensation the <i>Länder</i> have received new legislative competences in fields where the “framework legislation” of <i>the Bund</i> has moreover been suppressed.</p>	
	Italy	<p>Many competences are transferred to the regional level (e.g. health). These areas of intervention have undergone a great expansion of regional competences, first on the administrative and later on the legislative plan.</p>	
	Norway	<p>Partial transfer of regional competences to central government (responsibility for hospitals).</p>	

	Spain	The distribution of powers between central government and the autonomous communities is being defined in greater detail.	Conflicts of interest, mainly between central government and the autonomous communities, have led to numerous court cases. A system for settling disputes out of court has been introduced.
Review of the division of competences between central government and regional authorities	Switzerland	Disentanglement of responsibilities through the recent reform of task allocation between the Confederation and the cantons (together with the financial equalisation reform), which is being introduced in stages (constitutional framework, work on implementing provisions, entry into force in 2008).	

	<p>The reforms to the system of local and regional government are being conducted in tandem, resulting in a new division of competences between local and regional authorities (and the state). The reform will lead to a comprehensive redistribution of public tasks between the different levels of authority.</p>		
	<p>The Constitution decrees that on the principles of subsidiarity, differentiation and adequacy, administrative functions are attributed to the Municipalities. Should it be necessary to ensure the centralised exercise of a function, they may be invested in Provinces, Metropolitan Cities, Regions and the State.</p>	<p>Italy</p>	

	Lithuania	A new division of powers between local and regional government has been agreed.	The negotiations were apparently rather fraught, but a consensus has been reached.
Transfer of new competences to regional authorities	Croatia	The government intends to step up the process of devolving competences to local and regional authorities during its 2003-2007 term. It has set up a commission to implement the programme of fiscal and functional devolution.	
Transfer of new competences to regional authorities	Finland	In the beginning of 2005 an administrative experiment was launched in the region of Kainuu, through which the region will have wider service obligations and more independent decision power compared to other regions.	

	France	<p>New competences are being transferred to the regions in economic development, spatial planning, education and culture. Regions can now ask to be allowed to manage the European structural funds themselves.</p>	
	Italy	<p>In the healthcare sector, the central government and the regions have agreed upon minimum medical standards to be ensured in the whole country, the aim of the reform being to empower the regions with more responsibilities and make the system more efficient.</p>	<p>With the introduction of new rules in the healthcare sector (minimum guarantees), there is a risk that healthcare is some regions might suffer and that patients and/or taxpayers will have to pay more.</p>

	Norway	Enhanced regional competences in the field of regional development (more powers as regards rural administration, regional policy instruments and regional partnerships)	
	Poland	Recent decentralisation of the administrative system through the public administration reform.	Administrative devolution has not been followed by financial devolution.
	Romania	Legislation on the statutory and institutional framework for local public administration is being introduced. The aim is to decentralise and devolve public services further and to strengthen local self-government.	

	Belgium	Additional competences have been transferred to the German-speaking community as regards responsibility for local authorities.	
Assignment of new special competences to some regional authorities	Finland	Wider competences have been assigned to certain regions in an experimental approach (Kainuu).	
	United Kingdom	Enhanced legislative powers for Wales have been introduced. Enhanced competences for the Mayor of London are envisaged. In a referendum in the North East of England, the electorate decided firmly that they did not wish the introduction of regional self-government.	
3. Problems related to financing systems			

<p>Review of financing systems (equalisation, balance between competences and resources etc.)</p>	<p>Poland</p>	<p>Devolution of the management system has not been followed by devolution of public finances, which is the next step.</p>	
	<p>Slovak Republic</p>	<p>As an interim measure, the effects of fiscal devolution have been analysed and adjusted.</p>	
	<p>Spain</p>	<p>The autonomous communities are asking for more financial autonomy. They feel there is a mismatch between their autonomous powers and their resources and financial autonomy (especially in education, healthcare and social affairs). Particular attention is being given to so-called “fiscal balance” (i.e. between what each Autonomous Community contributes to the treasury and what it receives).</p>	<p>The current discussions, which have been problematic at times, have led to the creation of bilateral co-operation bodies in this area.</p>

	Switzerland	Recent financial equalisation reform (together with reform of the way responsibilities are divided between the Confederation and the cantons): new system of fixed contributions to give the regions more autonomy, to be introduced in phases (constitutional framework, work on implementing provisions, entry into force in 2008).	
4. Problems as regards co-operation between regional authorities and territories			
Co-operation between regional authorities and co-ordination of their policies	Czech Republic	Through the law on support for development “cohesion regions”, which are larger than the autonomous regional authorities, have been mapped out, in an effort to fit into the European context.	
	Finland	Each regional authority belongs to one of 4 regional “alliances”, for co-ordinating policy on European funds.	
	Portugal	Regional authorities can merge, if necessary.	

	Switzerland	<p>Faced with the challenges of European integration and the risk of fragmentation of cantonal policies, the cantons are beginning to work together more and more. Inter-cantonal co-operation has grown considerably and is becoming increasingly institutionalised, as in the form of the CdC, or “Conférence of Cantonal Governments”.</p>	<p>Inter-cantonal co-operation raises questions about the legitimacy of inter-cantonal bodies and cantonal parliaments’ involvement in inter-cantonal co-operation.</p>
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5. Problems involving the representation of regional authorities at supra-regional, national or European level		
Review or strengthening of regional authority involvement in the decision-making process	Austria	In the course of Austria's accession to the EU (being effective from 01/01/95) the Austrian <i>Länder</i> and associations of cities and municipalities were granted substantial rights on information and involvement in Austria's EU-policy. The new federal government (since January 2007) wishes to further reinforce the participation of the <i>Länder</i> .
	Belgium	Apart from the Permanent representation of Belgium with the EU, the three Regions and three Communities also have or will have Permanent representations, having seats especially with COREPER I and II, as well as with the Committee of Ministers – specialised or not, following subjects or a belgo-belgian division.

<p>Review or strengthening of regional authority involvement in the decision-making process</p>	<p>Spain</p>	<p>The trend is for autonomous communities / regions to become more involved in central government decisions liable to affect them, and in EU decision-making. The regions can now take part in the EU's Council of Ministers, depending on the issue being addressed. The changes are being incorporated in the new statutes for autonomous communities.</p> <p>Governance in the field of economic development had been adapted to meet EU requirements.</p>	<p>The outcome of European regional policy has not been entirely satisfactory and there still remains some scepticism about the efficiency of the European Union's regional instruments.</p>
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	<p>Through their institutional co-operation bodies such as the CdC, the cantons and their interests are becoming increasingly prominent in central government and European decision-making.</p>	
	<p>Under the new statutes for autonomous communities, the regions will be more open and have more freedom to engage in international co-operation.</p>	<p>Increased presence of regional authorities at international level</p>
	<p>Switzerland</p>	
	<p>Spain</p>	

This table does not deal with the issue of constitutional or legislative reform which was examined in Part I of the questionnaire. These matters will be dealt with in the next section (IV), as they touch on other dimensions than the operational and functional aspects. Constitutional and legislative reforms, furthermore, are often a precondition for and a prelude to the reforms and changes described above and so normally take place as part of the same reform process, but at an earlier stage. For that reason, they have not been included “alongside” the other changes, except for a few items of operational and functional information taken from the replies to part I of the questionnaire.

Transversal and other problems common to all member States

The overview of common problems and innovations described by member States shows firstly that regional self-government is in a State of perpetual change throughout the Council of Europe. Practically all the replies referred to recent problems and innovations. The changes generally reflect a need to adapt to a new context or to enhance government's capacity to respond to particular problems. The replies also show that the change and reform process is very time-consuming. It may be accompanied by long and divisive debates before practical decisions are taken and implemented. As a result, even when they are dealing with the same issues member States may be at very different stages or experimenting with widely varying responses to particular problems.

For the time being, the problems identified in the preceding tables have been classified into five groups (which are not in any hierarchical order but have been numbered to facilitate references during discussion):

1. “Territorial problems” (the size of authorities and their territorial limits);
2. Problems involving the division of powers between the various levels of government within countries and the transfer of competences to regional authorities;
3. Problems related to financial systems;
4. Problems as regards co-operation between regional authorities and territories;
5. Problems involving the representation of regional authorities at supra-regional, national or European levels.

These categories must be closely scrutinised by member States, which alone can confirm this trial classification. It is simply a proposal and other groupings could equally be envisaged.

The five groups represent one attempt to structure the information supplied by member States and make it easier to assimilate. Several problems may be identified that stand out from the other issues raised. They can be distinguished by their "intensity", their impact or their transversal nature.

To illustrate such significant and transversal problems, many of which are common to several member States, reference is made to developments in certain specific countries, either because they have gone furthest towards analysing or dealing with these problems or because they themselves raised the issues concerned. These examples will then serve as a basis for a more general discussion of common problems.

- Denmark is the only country that claims to be undertaking a complete revision of its public structure, which includes the establishment of five new regional authorities. The size of territories and how this is perceived is of concern to many member States. Some ten countries said in answer to this question that even if changes had not yet been made, the size of regional units had at least been the subject of discussion and analysis. Elsewhere, geographical changes are under discussion and may or not be imminent. The Netherlands, for example, said that a revision of geographical boundaries had been rejected, except in the case of the four Randstad provinces, where the matter was still on the agenda. Other countries said that the issue of size had only been raised in the context of specific areas. In Switzerland, for example, the proposed merger of the cantons of Vaud and Geneva had been rejected in referendums in both cantons. In Hungary, a planned reform with regard to the establishment of regional authorities has been refused by the Parliament for the moment, but the objective is maintained. The tendency towards a reinforcement of the regional level will continue in 2007 where the territories of decentralised State representations should pass from the county level to the regional level in most cases.

An interesting conclusion emerges from the replies concerning the size of regional units or their modification. There appears to be a trade-off between changes to territorial boundaries and closer co-operation between regional authorities and other bodies. In other words, where changes to boundaries fail to materialise, even though there may have

been powerful supporting interests, this is often followed by closer co-operation between regional authorities, at the prompting of central government or of the authorities themselves. It does therefore seem possible to conclude that the problems raised by or with regional authorities often extend beyond their boundaries, thus creating a need for geographical mergers, total reform of the system of regional government or closer co-operation – formal or informal – between regional authorities.

Problems seem to be associated with increasingly large geographical areas, possibly partly as a result of the growing internationalisation referred to by Spain and others. In an increasing number of member States, regional authorities are establishing various forms of alliances or interregional conferences, which can sometimes take the place of boundary changes.

There may also be strong technical and European reasons for these new forms of regional co-operation, since the governance of European structural funds often calls for larger areas than those of existing regional authorities. Several European Union member States that replied to the questionnaire have had to adjust to these new realities in recent years (see table: co-operation between regional authorities). This also seems to apply to Switzerland, which is not in the European Union but also has to take account of the European and international contexts.

The good approach to the territorial aspect of governance, whether through regional reforms or closer regional co-operation, seems to be of concern to numerous member States in the present context and should perhaps be given closer attention. This could also be done by drawing upon the Recommendation Rec(2004)12 on “the processes of reform of boundaries and/or structure of local and regional authorities”.

- Slovakia and the Czech Republic are both seeking to adjust to the new European context since their recent admission to the European Union. As recently as 2001, Slovakia established self-governing regions to coincide with EU membership; at the same time the Czech Republic has opted for so-called "cohesion regions" to reflect its new European situation. Both countries have therefore recognised the need to adapt to new requirements, but their responses have slightly differed. Member States who joined in previous waves of accession undoubtedly faced the

same adjustment process (see also Austria's response on the impact of the European Union in section II E).

- Norway is also representative of a number of countries in the way it has tackled the relationship between the powers and responsibilities of regional authorities and their size. Decentralisation of certain powers to the regions has been matched by a countervailing trend towards centralisation in other areas, such as hospitals. There seems to have been a relatively complete revision of the division of powers between administrative tiers. However, before continuing with what appear to be plans for a geographical reorganisation the government first wants to clarify the division of responsibilities between State and regions. Norway therefore believes that any definition or redefinition of the geographical areas responsible for particular problems must be preceded and determined by a decision on what powers to grant to particular administrative tiers.

The same issue will arise in the next few years in other member States, such as the Netherlands, which also plans to undertake regular reviews of its regional structure and associated powers and responsibilities (and of the administrative overload faced by provinces), with a view to revising regional arrangements in at least certain provinces, such as Randstad.

- Spain raises certain interesting and certainly representative problems in its contribution (in the form of a specific report going beyond the framework of the questionnaire):
 - Failure to ensure that the responsibilities entrusted to regional authorities are matched by equivalent financial resources. Since their inception, Spanish autonomous communities have apparently had reservations about their capacity to meet their responsibilities. Other countries cite the same problem. The need for regional authorities to be endowed with sufficient resources to perform their functions seems to be a key element of regional good governance.
 - The lack of a “fiscal balance” between different regions. Some Spanish autonomous communities also think there is an imbalance between different regions' needs and resources and what they receive from the "common chest". The financial balance between the different regional units needs to be reviewed

regularly to take account of each region's changing circumstances, as well as the broader context. The same problem is mentioned by other countries, such as Switzerland, which is also reviewing its existing financial equalisation system.

- Adapting certain areas of activity and administrative responsibility for them to the European context. Spain's contribution says that responsibility for economic development has been adapted to EU requirements but that the results of the Union's regional policy have not been entirely satisfactory, leading to a certain scepticism about the effectiveness of regional instruments. This approach seems to be based on the conviction (and hope) that more regional self-government will have a positive impact on regional development, a view clearly shared by other member States and a question that deserves to be considered further.
- Greater regional participation in national and European decision making processes and in international relations. As problems become increasingly international in scale and decisions affecting regions are taken at higher and higher levels, Spanish regional authorities are calling for much greater involvement in supranational decision making. This certainly applies to many member States' regional authorities and countries looking for institutional arrangements to deal with this problem might well draw on the experience of those that have already moved in this direction.
- A greater regional role in international relations. As autonomous communities become increasingly concerned with matters where they have exclusive responsibility and have developed a certain expertise, they are starting to play a greater and more independent role in Spain's relations with other countries. It is clear from various contributions that the same applies to certain other member countries.

- Concerning the last issue mentioned by Spain here above – the regional participation in international relations - Austria can be quoted as an interesting positive example: in the course of Austria's membership in the EU (01/01/95) the Austrian *Länder* and associations of cities and municipalities were granted substantial rights (and obligations) concerning information and involvement in Austria's EU-policy such as:
 - Binding proposals of the *Länder* as for the nomination of members of the Committee of the Regions, obligation of the Federation to inform the *Länder*, then right of *Länder* to respond ;
 - *Länder* staff in Permanent Representation ;
 - *Länder* participation in national delegations (including Council of EU and European Council) ;
 - Binding *Länder* opinions;
 - *Länder* obligation to implement EU legislation ;
 - Financial responsibility of the *Länder* if Austria is fined for their improper transposition of EU regulation ;
 - obligation of the Federal Government to take legal action on request of one *Land* in cases of actions of EU institutions which are not compliant with national legislation.

- One of the topics raised by Switzerland was that of interregional co-operation as a response to new circumstances and an instrument of regional policy. The Swiss contribution deals with such co-operation from a number of standpoints. Closer co-operation is one of the expected effects of unsuccessful reforms such as the merger of Vaud and Geneva cantons.

As such co-operation becomes an alternative to full-scale merger as a means for cantons to deal with common problems. A conference of cantonal governments provides cantons with an institutional basis for co-operation to ensure that their interests are properly taken into account at European level and that they can co-ordinate their policies in response to the challenges of European integration. Interregional co-operation, whether institutionalised or informal, thereby offers regional authorities a means of tackling several problems at the same time. Other countries have adopted the same approach. However, Switzerland is the only one to draw attention to the "other side of the coin", namely that

such new forms of institutional co-operation with an impact on political decisions can raise questions of legitimacy, given that the bodies concerned are non-elected by the citizens.

These examples and problems highlight certain common features of regional self-government. Firstly, regional problems and themes are closely interlinked. Moreover, regional self-government is an extremely complex area. This means that individual solutions cannot be applied to individual problems in a “linear” fashion. Certain approaches may be applied simultaneously to a number of problems or it may be necessary to adopt a range of measures to deal with a single group of problems. Another point to note is that one solution to a problem may then generate further difficulties. The Swiss example offers a very clear illustration of this complexity.

The result is that regional self-government becomes a political domain in permanent flux, since it functions systemically, that is to say changes in one element have an impact on another one, to which it also has to adjust, and so on. This creates a need for the system to be regularly adjusted to new parameters.

E) The relationship between regional authorities and the European Union (EU) – regions' role in and influence on Community policies (questions 17 and 18)

Questions 17 and 18 of the questionnaire consider the impact of the European Union (EU) on regional bodies in the Council of Europe's member States. In analysing the replies, each country's relationship with the EU has been taken into account, and a distinction been made between member, non-member and candidate countries.

Of the 25 replies received, 17 were from member countries and 8 from non-members, of which 3 are applicants for EU membership.

One particular comment concerns the response from "The former Yugoslav Republic of Macedonia", which is not considered in the majority of this report. It does not at present have a regional tier of government and did not therefore reply to most of the preceding questions. However, it is a candidate for EU accession and therefore replied to questions 17 and 18. The answers will be considered below.

NUTS levels of regions

"The Nomenclature of Territorial Units for Statistics (NUTS) was established by Eurostat more than twenty-five years ago to provide a single uniform breakdown of territorial units for the production of regional statistics for the European Union." (Source: Eurostat)

The NUTS regulation defines the following minimum and maximum thresholds for the average size of NUTS regions (Source: Eurostat - http://ec.europa.eu/comm/eurostat/ramon/nuts/splash_regions.html):

<i>Level</i>	<i>Minimum</i>	<i>Maximum</i>
<i>NUTS 1</i>	<i>3 millions</i>	<i>7 millions</i>
<i>NUTS 2</i>	<i>800 000</i>	<i>3 millions</i>
<i>NUTS 3</i>	<i>150 000</i>	<i>800 000</i>

For each of the three categories of countries identified in the introduction (members, candidates and non-members) it is also possible to identify a corresponding NUTs level for its regions:

- all the member countries are included in the NUTS system;
- in the case of candidate countries, the NUTS levels that will probably be allocated (subject to any structural changes between now and their accession) are already generally known, even though the countries concerned have not been officially included in the nomenclature;
- the other, non-member, countries are either not classified at all or have been granted a classification, as in the case of Switzerland, because of their close and regular collaboration with the EU.

Table 6: NUTS levels of regional authorities

EU member countries	non-EU member countries
Regions* at NUTS I Level	
Belgium	
Germany	
Regions* at NUTS II Level	Regions* at NUTS II Level
Austria	The former Yugoslav Republic of Macedonia (candidate)***: the whole country is both level I and II
Bulgaria	
Denmark**	
France	
Italy	
Netherlands	
Poland	
Portugal	
Spain	
Romania	
United Kingdom	
Regions* at NUTS III Level	Regions* at NUTS III Level
Czech Republic	Croatia (candidate)
Finland	Switzerland
Hungary****	
Latvia	No NUTS classification
Lithuania	Albania
Malta	Norway
Slovakia	Russian Federation
	Ukraine

* the notion of regions used here reflects the one used by member States in their replies to this survey, whether or not they are self-governing, or whether or not they are designated as “regions” or not.

** Denmark: level II still to be confirmed, following the establishment of five new regions with effect from 2007.

*** the country has been included solely in the analysis of questions 17 and 18 in this section (the only ones for which answers were forthcoming).

**** Hungary: counties are on level NUTS III, the future regions that are planned are on level NUTS II.

Since its introduction, the NUTS classification has been extended to regions of certain Council of Europe member States outside of the EU. The smallest countries with somewhat more geographically restricted regions tend to have NUTS III classifications as far as their regional authorities are concerned. Of the 25 countries that replied to the survey, Switzerland is the only non-member of and non-candidate for the EU indicating its NUTS classification.

Effect of relations with the EU on the development and implementation of regional structures

The effect of relations with the EU might appear to depend on whether or not the country concerned belongs to the Union. This is undoubtedly partly the case but the replies to the questionnaire offer a rather contrasted picture, with member and non-member countries sometimes giving similar answers.

Table 7: Impact of relations with the EU

	EU member countries	non-EU member countries
Countries stating that relations with the EU have <i>not</i> had an effect	Belgium Denmark France Germany Lithuania Netherlands Spain	Croatia Norway
Countries describing effects on regional, (or intra- and interregional) structures	Bulgaria Czech Republic Finland Hungary Romania Slovakia (United Kingdom)	Switzerland The former Yugoslav Republic of Macedonia* Ukraine
Effects on the development and implementation of regional policies	Austria Italy Malta Poland	Ukraine

Effects on relations with other European regions	Latvia Portugal	Albania Russian Federation

* the country has been included solely in the analysis of questions 17 and 18 in this section (the only ones for which answers were forthcoming).

A number of particularly interesting situations emerge from this general overview in the following countries:

- Austria describes in some detail the changes made at federal and regional level when it joined the EU, particularly concerning the central authorities' obligation to inform regions of any European proposals affecting their interests, the regional participation in delegations to the Council and the European Council and their institutions, the delegation of staff to the Permanent representation in Brussels (part of the Liaison Office of the *Länder* based in Vienna), the co-operation on European programmes etc. Austria states that through these changes concerning their rights of participation, the *Länder* have been compensated for any loss of competences that has occurred through the country's membership in the EU. More briefly, Italy refers to structural changes to allow regions to play a greater role in implementing European legislation and policies.
- Bulgaria and Switzerland describe structural changes affecting regions that are intra- and interregional in nature, rather than having a direct effect on the structures and bodies representing regional authorities. In Bulgaria, for example, new interregional bodies have been established such as regional and district development councils and regional planning directorates. In Switzerland, one of the reasons for the establishment of a conference of cantonal governments (CdC) was to respond more rapidly to international, and in particular, European developments.
- Switzerland is by the way characterised by a particular phenomena within the European context: the development of the European Union and Switzerland's integration into this process is encouraging a certain harmonisation of cantonal policies and is an incentive for them to collaborate more closely.
- Ukraine is one of the only non-EU member countries to explicitly identify a positive effect on the development and functioning of regional structures, through the adoption of international standards, in various political fields. Ukrainian authorities co-operate, via euroregions, with their counterparts in several countries, in such areas as the economy, social affairs, infrastructure, scientific and cultural co-operation, the environment, exchanges of experience and crime prevention.
- Several countries took decisions that anticipated EU membership. In Finland, Hungary and Slovakia, the establishment of regions in their

current form was strongly encouraged by the EU or by European requirements that were foreseen at the time.

- The United Kingdom replied more cautiously that close attention had been paid to other existing regional arrangements in Europe at the time of preparing its decentralisation in the late 1990s, although relations with the EU did not have any direct effect.

Finally, as already noted in the introduction, "the former Yugoslav Republic of Macedonia" is a special case. As a candidate for European Union membership it has set up a working group on regional development within its Ministry for Local Self-Government, at the request of the EU and in accordance with Chapter 21 of the Community *Acquis*. Legislation should be enacted before the end of 2006. This is another example of the effect a country's relations with the EU can have on regional policies, whether or not it is an EU member State.

Where changes have occurred as a result of relations with the EU, two main approaches have emerged:

- countries that change their regional structures to anticipate certain EU requirements, particularly in recent years and in connection with the last wave of new accessions;
- countries that modify the functioning and implementation of regional policies, for example to make more or more effective use of European funds.
- Countries that involve their regions more strongly into their European policies (participation of regional representatives in national delegations etc...).

As an interim conclusion, it is possible to state that in the majority of Council of Europe member States, the existence of the European Union and relations with its institutions have had an impact on regional self-government, albeit one that varies from case to case, in terms both of institutions and regional structures and of the functioning and management of certain regional policies.

F) Conclusions: recent developments, common problems and innovations at the operational and functional level of regional self-government

This section has the same aim as that of the report as a whole, namely to identify recent developments, with an emphasis on problems that are shared by several countries and innovations. There are wide variations in the operational and functional aspects and practices of regional self-government in Europe. At the same time, member States' experience and practice exhibit certain common features that could be the focus of future investigation and dialogue.

Before drawing certain interim conclusions about the operational and functional aspects of regional self-government, as presented in the previous sections, it would be helpful to examine the notion of "region", and the extent to which it varies, as it emerges from member States' contributions.

The regional tier in member States: the notion of "region" as the focus of investigation

The Helsinki principles referred to in the introduction defined regional authorities as "territorial authorities between central government and local authorities". Despite this apparently relatively straightforward definition, regional authorities take widely varying configurations in member States, and their respective administrative systems. The term "region" in this report therefore always has to be seen in its particular national context.

- Regional authorities, as defined by the Helsinki principles, do not exist in every member State. In some, the only regional tier comprises the decentralised offices of central government, as in the case of Bulgaria and Lithuania. These countries' replies to the survey have been taken into account in the operational and functional part of this study (section II of the report), but not in the updated study of institutional arrangements, which only includes countries with regional authorities in the strict sense. In Ukraine, on the other hand, the State itself considers the tier that has been treated as "regional" for the purposes of this study – the "oblasts" - as forming part of the local self-government sector, even though the latter are at a higher level than the other local authorities, the "rayons".

- Other countries have an intermediate tier of self-governing territorial authorities that are not "regional" in the strict sense. Hungary, for example, replied to the survey by referring to its "counties", which are self-governing territorial authorities generally interpreted as "local authorities", but existing between the municipal and the central level and being the self-governing authority closest to the central State.
- A third group of countries draws a distinction between geographical regions and self-governing ones. In the United Kingdom and Portugal, for example, the whole country is divided into administrative regions, only some of which have the status of regional authorities in the sense of autonomous units. In other countries, such as Spain and Italy, where all the regions are self-governing, the distinction is rather one of degree of autonomy.
- A final group of States has no intermediate tier of authorities. Malta, for example, does not need such a tier for the exercise of government, probably on account of its small size. However, it also responded to the survey by supplying information on its localities, which are probably more akin to local than to regional authorities.

To summarise a very varied situation in Europe, the notion of "region" signifies firstly the intermediate geographical level of governance between central and local government, whether or not this level is represented by a self-governing authority. In countries with a further intermediate tier below the regions, such as counties and *départements*, the term "region" is applied to the first level below the State, whereas "regional self-government" may generally refer to the administrative tier below the regions, if this is the level of self-governing sub-national authorities (examples: départements, counties etc.).

Moreover, in this report "region" may be a generic term used in certain countries for convenience to replace the name formally given to regional authorities. In Spain, for example, the autonomous communities may sometimes be called regions. Where "region" is used in this way, it should be easily identifiable from the context.

Regional self-government in Europe: common features to emerge from the survey

A very varied picture of regional self-government therefore emerges from this study of operational and functional aspects, albeit one that exhibits certain common features. Certain topics and problems appear very regularly, though with individual variations depending on the circumstances in each member State.

This is already reflected in the quantitative replies to questions 1 to 5, reproduced in full in the report, which again show how member States' regional or intermediate authorities are constituted.

Questions 6 to 11 reveal strong similarities between countries in regional authorities' relations with central government. These relations have been formalised and institutionalised in nearly every country, often using the same procedures and methods, though to differing extents and in various combinations. Most of the member States that took part in the survey also have central government bodies at regional level, in one form or another. This was therefore another basis on which to classify European practice.

A first attempt to structure the information from member States in answer to questions 12 to 14 shows that the same areas of regional authority activity and responsibility are regularly mentioned, though with differing emphases. Many regions have both economic and social responsibilities. Regional authorities are also likely to perform general strategic and co-ordinating roles and activities relating to physical/land-use development, for which the regional level is ideal as being both supra-local and close to the ground. However, further conclusions are not possible at this stage, since national responses are not sufficiently precise to allow an accurate weighting to be attached to one or other regional authority function in practice.

Questions 15 and 16 concern particular developments and difficulties at the operational and functional level, and are therefore key to this examination of common problems and innovations. First, though, the notion of "problems" had to be clarified, as it appeared to different countries.

It was then possible to group the problems mentioned into a number of categories. Without referring once more to individual responses, these were:

1. "Territorial problems" (the size of authorities and their boundaries);

2. Problems involving the division of powers between the various levels of government within countries and the transfer of competences to regional authorities;
3. Problems related to financial systems;
4. Problems as regards co-operation between regional authorities and territories;
5. Problems involving the representation of regional authorities at supra-regional, national or European levels.

These categories must be closely scrutinised by member States, who alone can confirm this trial classification. It is simply a proposal and other groupings could equally be envisaged.

In addition, certain transversal problems were cited by various member States and appear to be typical of problems in other countries. These include:

- certain countries' need to adapt their regional institutions and their activities to a changing European and international context;
- the need to establish a correct balance between the size of regions and the powers and responsibilities allocated to regional authorities;
- the need for regional responsibilities to be matched by equivalent financial resources;
- the often growing need for inter-regional co-operation, which is a complex phenomenon in that it may be a substitute for other institutional approaches, such as the establishment of new regional authorities, and at the same time a source of further problems.

Some of the problems and issues already cited reappear in connection with regional authorities' relations with the European Union (questions 17 and 18), particularly that of the need for adjustment to a constantly changing international environment. For example, most of the States taking part in the survey said that their relations with the European Union had a certain impact, if not on their institutional arrangements at least on the way they operated, which often had to be modified in connection with the implementation and management of European regional policies on the one hand, and with regard to the involvement of their regions into their national EU policies on the other.

Regional self-government in Europe: a theme with common references to be treated in “variable geometry”

The general impression to emerge from member States' responses is that regional self-government is a constantly evolving political, institutional and operational system functioning between several “supporting pillars“. These main pillars of regional governance identified in this report represent a “triangle” of factors comprising regional territories, regional powers and responsibilities and available resources of regional authorities, all this carried by a formalised institutional system of decisional structures.

The triangle itself can be placed in a context, made up of influences external to the region, ranging from the specific national context to a constantly evolving international one, and the specific characteristics of each individual region and of its public and private spheres of activity, in other words its internal parameters. Similarly, regional authorities have to pursue two sets of relations – external and internal.

Drawing on this very simplified model, the regional authorities considered here face various problems that nevertheless often comprise the same elements, namely geographical scope, powers and responsibilities and resources. The analysis of the operational and functional aspect of regional self-government has shown that member States can be classified according to certain problems they share and, ultimately, the resulting changes.

However, these groupings of member States may vary according to the shared problem. The parallels to be observed between States are of “variable geometry”: according to the thematic area, one group of member States may face a particular set of problems, whereas in other cases the grouping could have an entirely different composition.

It is therefore necessary to establish a series of “clusters” of countries which, at any given time and subject to their particular context, face the same problems. The value of such “clusters” is that diversity applies not only to problems faced but also to how countries respond to them. Certain member States may have the same problems but deal with them in quite different ways, thus making for a valuable dialogue between the countries concerned.

Such an approach could be the starting point for possible further work on regional self-government. It would allow member States to identify other countries with similar problems. Dialogue with these countries might then enable them to find new, effective and possibly innovative responses to these problems.

However, the observations and examples already cited show that although member States may be faced with similar problems, responses cannot easily be transposed from one country to another, because of the specific regional (internal) or national and international (external) context. Nevertheless, there is still value in circulating and publicising information on countries' specific circumstances, as an aid to dialogue and mutual learning.

One way to highlight the common problems of different “clusters” of countries might be – by following an approach of “cartography” of regional self-government problems in Europe – to prepare a series of maps of problems of regional self-government in Europe. Each map would highlight the physical distribution of particular problems and regional approaches to them at a given point in time.

This report could be a first step towards such a dialogue on regional self-government within the Council of Europe, based on such a geographical representation of the operational and functional aspects of regional self-government and the idea that certain member countries will want future activities and exchanges to focus on specific topics of concern to them.

III. Recent constitutional and legislative reforms (since 2001) with an impact on systems of regional government (Part I of the questionnaire)

The present survey asked about constitutional and legislative reforms so as to identify institutional changes which will have an impact on models of regional self-government and enable us to update the previous study (MCL-13(2002)4, “Outlines, syntheses and overviews of six models of regional self-government” (see section IV and Appendix C for the update).

Constitutional and legislative reform cannot always be clearly distinguished from the operational and functional reforms dealt with above (section II.D). Both types of reform are part of the same process, in which many changes of an operational nature require prior constitutional or legislative ones, according to the particular legal system.

In presenting the reforms reported by member States, however, this survey distinguishes between and separates operational and institutional reform, firstly for the sake of clarity and secondly because it is mainly constitutional and legislative reform that will have an impact on the institutional *models* described in detail. A connection between the constitutional and institutional reforms and the operational and functional changes described above will be established in the conclusions to this report.

In the following pages all of member States’ replies to Part I of the questionnaire on regional self-government are presented in table form so as to give an overview of all constitutional and legislative reforms since 2001 according to the different stages they have reached. After the tables some observations are made about overall developments in regional self-government in Europe that emerge from the information. The countries whose substantial reforms since 2001 gave rise to changes to the information in section IV on institutional systems are indicated in *italics*.

Table 8: Overview of constitutional and legislative reforms since 2001

Member State	State of progress of reforms	A constitutional reform affecting relations between central and regional government	Amendment of the constitution or statutes of regional authorities	A change to legislation concerning the regional level / regional authorities	Another significant development concerning the regional level / regional authorities
Albania	Has been successfully completed				
	Has been unsuccessful				
	Under way				
	Is being considered		Change in the statutes of the regions	Change in the method of election of the regional council (now by indirect vote)	Regional councils have more power to implement development policies

Austria	Has been successfully completed		The Länder of Tyrol and Salzburg amended their constitutions to change the election system of the governments of the Länder by the respective parliament (from a proportional composition to a majority voting system)		
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	Has been unsuccessful	The Austrian Convention ended without a consensus being reached on the issues discussed (apportionment of powers and financial relations between central government and regional authorities, etc)			
	Under way				

	Is being considered	Substantial central government and constitutional reforms have not materialised during the Austrian Convention. Relaunch of reforms under way by the new federal government since January 2007.			
Belgium	Has been successfully completed	Transfer to the regions of powers previously wielded at federal level	Transfer to the German-speaking community of powers in respect of local authorities located in its territory		

	Has been unsuccessful				
	Under way				
	Is being considered				
Bulgaria	Has been successfully completed				Since 2005, Directorates for Technical Assistance, Coordination and Management of Regional Plans and Programmes were created in the district administrations situated in the centres of the six Bulgarian planning regions.

	Has been unsuccessful Under way					
	Is being considered	(Unspecified) reforms at all levels are Is being considered in Bulgaria				
Croatia	Has been successfully completed				Legislative changes conc. the election of members of local and regional authority representative bodies local and regional self-government in general	
	Has been unsuccessful Under way					

	Is being considered					
Czech Republic	<i>Has been successfully completed</i>	<i>Regions as upper-tier self-governing territorial entities in the Constitution</i>	<i>Regional councils have obtained the right to change their name</i>			
	<i>Has been unsuccessful</i>					
	<i>Under way</i>			<i>Reform of the supervision and monitoring systems</i>		
	<i>Is being considered</i>				<i>Harmonisation of the territories of the regions with those of the decentralised State institutions</i>	

Denmark	<i>Has been successfully completed</i>			<p><i>"Reform of local and regional authorities went into force on 1 January 2007</i></p> <p><i>The reform of the financing and equalisation system was finalised by summer 2006 and also went into force on 1 January 2007"</i></p>	
	<i>Has been unsuccessful</i>				
	<i>Under way</i>				
	<i>Is being considered</i>				

Finland	Has been successfully completed					
	Has been unsuccessful					
	Under way					Pilot law for the region of Kainuu, extending its powers beyond those usually granted
	Is being considered					

France	Has been successfully completed		Acquisition of constitutional status by the regions Overseas regions afforded genuine legislative power.	New (economic development, planning, educational and cultural) powers transferred by the State to the regions). Regions empowered to apply to manage European structural funds themselves	
	Has been unsuccessful				
	Under way				
	Is being considered				

Germany	Has been successfully completed	Far-reaching constitutional reform on the division of competences between the federal government and the <i>Länder</i> successfully completed in 2006			
	Has been unsuccessful				
	Under way				
	Is being considered				
Hungary	Has been successfully completed				

	Has been unsuccessful		Yes, unspecified	The establishment of regional authorities by amendments of the relevant acts was refused by the Parliament (2/3 majority needed). The objective of this reform is, however, not abandoned.	
	Under way	Yes, unspecified.			
	Is being considered				Yes, unspecified

Italy	Has been successfully completed	<p>Major reforms completed:</p> <ul style="list-style-type: none"> - New constitutional law on the method of election of the presidents of certain regions (Constitutional Act 2/2001) - Various constitutional amendments concerning, in particular, regional powers and the apportionment of powers of the State, the regions and other authorities and the involvement of the regions in the European legislative process 	<p>Ten regions with ordinary status have approved and enforced their new statutes.</p> <p>They are:</p> <ul style="list-style-type: none"> - Abruzzo - Calabria - Emilia-Romagna - Lazio - Liguria - Marche - Piemonte - Puglia - Toscana - Umbria <p>(updated to February 2007)</p>	<p>- New legislation on the implementation of Constitutional Act 3/2001</p> <ul style="list-style-type: none"> - The central level establishes and collects the fundamental principles regulating concurrent matters between the State and the Regions as for Professions, public budgets and practices and procedures, regional savings banks, regional credit institutes and estate and agriculture credit institutes, work protection and 	<ul style="list-style-type: none"> - Agreement between central government and regions on co-operation over implementation of the Constitutional law 3/2001 - An agreement signed in State-Regions Conference has detected some of the aspects relating to the participation of the regions and autonomous provinces to the EU decision-making process - setting up of a Working Group for the simplification and quality of regulation which coordinates the regional initiatives in matters of legal and administrative
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				<p><i>simplification and of regulation quality</i></p> <ul style="list-style-type: none"> - <i>setting up of a Standing Committee for Technological Innovation which acts as instruction and consultative body of the Unified Conference in matters of regional policies on technological innovation in the Regions and Local Autonomies</i>
			<p><i>security in work places.</i></p> <p><i>(updated to February 2007)</i></p>	
			<p><i>(Constitutional Act 3/2001)</i></p>	
			<p><i>Various proposals for constitutional legislation since 2001 (proposed measures which have been drafted and discussed but not approved within the terms of legislature):</i></p> <ul style="list-style-type: none"> - <i>amendments to the</i> 	
			<p><i>Has been unsuccessful</i></p>	
			<p><i>Five regions with ordinary status were unable to complete the adoption of their new statutes:</i></p> <ul style="list-style-type: none"> - <i>Basilicata</i> - <i>Campania</i> - <i>Lombardia</i> - <i>Molise</i> 	

		<p>statutes of the regions Sicily, Friuli-Venezia-Giulia, Emilia-Romagna, Sardinia, Valle d'Aosta</p> <p>Major constitutional reforms were under way in 2006, but were rejected by a national referendum in June 2006.</p> <p>They contained the following main adjustments:</p> <ul style="list-style-type: none"> - establishment of the Federal Senate of the Republic as a chamber representing the interests of local territories and communities - election of the members of the 	<p>- Veneto</p> <p>The statutes bills submitted before 2005 expired with the end of the regional legislatures (Updated February 2007)</p>		
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Senate at the same time as their respective Regional Councils
- right to seat in the Senate but not to vote for the Representatives of Regional Councils and Local Authorities
- reduction of the number of parliament's members to 518 for the Chamber of Deputies and 252 for the Federal Senate)
- adjustment of the procedures of passing laws: with the exception of some matters reserved to joint procedures, the prevailing model

			<p>would have become that of shared responsibility between the Chamber of Deputies and the Federal Senate, according to the matter.</p> <p>-reinforcement of the role of the Special Status Regions in the procedure for the approval of their statutes</p>		
				Under way	

	<i>Is being considered</i>		<i>The Government in office is preparing a draft Law of implementation of art.119 of the Italian Constitution on fiscal federalism (March 2007)</i>		
Latvia	Has been successfully completed				
	Has been unsuccessful			Unsuccessful reforms (no further details)	
	Under way			(Unspecified) reforms under way	

	Is being considered	(Unspecified) reforms under consideration		Attribution of legal status to Planning regions through recent legal reforms. Future transfer of responsibilities from Planning regions and districts to 5 or 6 new regional authorities presently considered and prepared for the period after 2009.
Lithuania	Has been successfully completed			The apportionment of powers between local and regional authorities has been determined
	Has been unsuccessful			
	Under way			
	Is being considered			
Malta	Has been		(Unspecified) reforms completed	

	successfully completed					
	Has been unsuccessful					
	Under way					(Unspecified) reforms under way
	Is being considered					
Nether-lands	Has been successfully completed				The law on “dualisation” of provincial authorities came into force in March 2003	

	Has been unsuccessful					
	Under way					
	Is being considered					Debate taking place on the future of intermediate tier of governance
Norway	Has been successfully completed					(Unspecified) reforms completed
	Has been unsuccessful					
	Under way					
	Is being considered					(Unspecified) reforms under consideration

Poland	Has been successfully completed	(Unspecified) reforms completed			
	Has been unsuccessful				
	Under way				
	Is being considered				(Unspecified) reforms under consideration
Portugal	Has been successfully completed				
	Has been unsuccessful				
	Under way				Preparation of the new Local and Regional Finance Act

	Is being considered	New system for technical and financial co-operation between central government and local authorities	New model establishing and defining the powers of the metropolitan areas and urban communities	Drafting of regulations governing the transfer of powers from central government to local authorities	
Romania	Has been successfully completed				
	Has been unsuccessful				
	Under way			(Unspecified) amendments under way	
	Is being considered				

Russian Federation	Has been successfully completed			(Unspecified) reforms completed	
	Has been unsuccessful				
	Under way			(Unspecified) amendments under way	
	Is being considered				
Slovak Republic	Has been successfully completed		(Unspecified) reforms completed		
	Has been unsuccessful				
	Under way				
	Is being considered				(Unspecified) reform under consideration

Spain	Has been successfully completed		Approval of the reform of the autonomous status of the Community of Valencia		<p>The Conference of Presidents (Government and Autonomous Communities) set up as a supreme co-operation body;</p> <p>The Autonomous Communities attend the meetings of four formations of the EU Council of Ministers and their respective working groups</p>
	Has been unsuccessful		New autonomous status for the Basque country		

	Under way	<p>The Council of State (the supreme government consultative body) has been asked for an opinion on the insertion of a list of the Autonomous Communities in the Constitution and the reform of the Senate</p>	<p>The new autonomous status of Catalonia has been approved by Parliament but is to be put to a referendum in June 2006. The proposals for new statutes for Andalusia, Aragon and the Balearic Islands are being debate in parliament.</p>		
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	<p>Is being considered</p>	<p>In addition to the insertion of the names of the Autonomous Communities in the constitution, consideration is being given to the inclusion in the Constitution of the duty of Autonomous Communities to cooperate and collaborate, and to giving effect to the territorial representation role of the Senate/ Upper House (pending the opinion of the Senate)</p>	<p>Other Autonomous Communities have set in motion procedures to reform their statutes</p>		
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Switzerland	<i>Has been successfully completed</i>	<i>Reform of financial equalisation and the apportionment of tasks between the Confederation and the cantons (RPT)</i>			
	<i>Has been unsuccessful</i>		<i>Plan to merge the cantons of Vaud and Geneva</i>		
	<i>Under way</i>				
	<i>Is being considered</i>				
Ukraine	<i>Has been successfully completed</i>				
	<i>Has been unsuccessful</i>				
	<i>Under way</i>				

	Is being considered	Reform under consideration, particularly to address the lack of clarity in the apportionment of powers among the administrative tiers and the definition of territories	Reform under consideration, particularly to address the lack of clarity in the apportionment of powers among the administrative tiers and the definition of territories	Reform under consideration, particularly to address the lack of clarity in the apportionment of powers among the administrative tiers and the definition of territories	Reform under consideration, particularly to address the lack of clarity in the apportionment of powers among the administrative tiers and the definition of territories
United Kingdom	<i>Has been successfully completed</i> <i>Has been unsuccessful</i>	<i>Government of Wales Act (more legislative power)</i>	<i>Government of Wales Act (more legislative power)</i>	<i>Government of Wales Act (more legislative power)</i>	

	<i>Under way</i>			<i>Proposals for more executive powers for the Mayor of London (Greater London Authority Bill)</i>	
	<i>Is being considered</i>				

The replies to Part I of the questionnaire, which are entered in the above table, show the same diversity and complexity as the information processed previously. The picture of regional self-government in Europe that emerges from the institutional developments and reforms that have been successfully completed, have been unsuccessful, are under way or are being considered is extremely varied.

Quite apart from their different states of progress, recent regional self-government reforms in Europe are distinguished in particular by their themes – apparent, moreover, from the operational changes described above – and the scope of the changes, which may have varying degrees of impact on the existing system.

The key features and common trends that emerge from the member States' replies in respect of these three analytical criteria – which are sometimes interrelated – are the following:

- One point common to virtually all the States is that regional self-government is constantly evolving, and that progress is taking place, to a greater or lesser extent, in a climate of conflict, in which reforms can sometimes come up against obstacles that prevent their succeeding straight away, which is one of the reasons for the different states of progress. Of the 25 replies received, 16 – ie a majority – do indicate, however, that the member States concerned have successfully completed constitutional or legislative reforms of regional self-government since 2001.
- The reforms described may focus on different institutional or operational aspects of regional self-government. Some reforms have an institutional impact that is not immediately visible “on the ground” and in the day-to-day running of regional authorities, for example the adoption of new statutes for certain ordinary regions in Italy and the fact that the Czech Republic has put its regions on a firmer footing by defining them as upper-tier territorial entities in its Constitution. Reforms of this kind are more concerned with the legal framework for regional self-government and are likely to have a long-term impact. Other reforms more directly affect the operation of regional authorities, examples being the reform of equalisation systems in Switzerland and the transfer of additional special powers to the German-speaking community under the Belgian Constitution. These examples show that the same reform process is generally involved: the legal bases have to

be reformed before the working arrangements of regional authorities can be modified.

- The reforms described are very different in scope and seem to have a varying impact on institutional regional self-government systems. Seven member States (indicated in *italics* above) report fairly extensive reforms designed to introduce consequent changes to their institutional set-up. The impact of these changes is illustrated in Appendix C to this report, which updates the study of regional self-government models, and the country-by-country information. It is often the more extensive reforms that come up against obstacles as a result of conflicts of interest, as in the case of Austria: the Austrian Convention ended without there being a consensus on the issues debated, which concerned, in particular, the division of powers, and financial relations, between the Federation and the nine Länder. Another example of unsuccessful reforms that would have had far-reaching implications comes from Italy, where constitutional reforms designed to establish the Federal Senate of the Republic were rejected by referendum in June 2006.

In other cases, there is sufficient political will to carry through even major reforms. A very good example is Denmark, where 5 new regions are established (and the 13 counties (second tier of local government) are abolished).

- As for the object of recent reforms, there is a trend towards a transfer of additional powers and responsibilities to the regional authorities. Several member States report that new powers have been assigned to regional authorities or that reforms to this end are taking place, with varying degrees of progress. There are two different types of “triggers” here: the transfer of powers may take place at the instigation of central government, in an effort to devolve responsibility for certain matters, or the regional authorities themselves may ask for additional powers.

There are two other areas of reform that stand out: firstly, the territorial scope of regional authorities, which has been fully overhauled in Denmark and is also on the agenda in the Netherlands and Norway (with different degrees of progress). Another is that addressed by the recent reform in Spain, also mentioned under “developments and difficulties” above (cf Section II), namely greater participation of regional authorities in central government decision-making processes and in the European Union (Conference of Presidents set up as a body responsible for co-operation between central government and the

Autonomous Communities; participation of the Autonomous Communities in the EU Council of Ministers).

- Generally speaking, it can be said that certain issues addressed in regional self-government reforms are recurrent in the replies from member States. The reforms currently under way or are under consideration often concern matters in respect of which other member States have already successfully completed reforms or have made more progress with reform. Lastly, the question arises as to whether member States could not, in some cases, take more advantage of the experience of other countries if they had a fuller and more transparent picture of the developments taking place in other countries, particularly those facing similar problems.

This question will be raised again, in connection with the overall contribution of this report, in the conclusions (cf Section V).

The next section (IV) and the appendices to it will show how the changes introduced by constitutional and legislative reforms affect the institutional set-up in the various countries, particularly in the case of those shown in *italics* in the summary tables above, which have reported major reforms since 2001.

IV. Outlines, syntheses and overviews of six models of regional self-government – continuation and updating of the work begun at the 2002 Helsinki ministerial conference

All the information below refers to document MCL-13(2002)4: “Outlines, syntheses and overviews of six models of regional self-government”. This study was carried out by the CDLR in the run-up to the Conference of European Ministers responsible for Local and Regional Government in Helsinki (2002). At the time, a number of member States had provided information about their structural regional self-government set-up. In the context of the ongoing updating exercise (2006/2007), some of these States have informed us of changes in this set-up. Others took part in the survey of institutional aspects for the first time. Both types of contributions will be incorporated into the initial document so as to update it by the end of 2007. Until the presentation of the final study, only the method used for the update is described here below.

The updated version will be based on the six regional self-government models previously identified. The idea is therefore to use the same reference framework and supplement the existing “Outlines, syntheses and overviews of six models of regional self-government” in order to produce a single up-to-date reference document on the regional self-government situation in 2007.

A) Method used and information updated

Six regional self-government models were singled out in the study “Outlines, syntheses and overviews of six models of regional self-government” (they are summarised in the table below). These models provide a “simplified” comparison of regional self-government institutions and practices in Europe, while taking account of the diversity of institutional set-ups in member States. There are clearly differences between the various systems currently applied and even, on occasion, within each model. In order to distinguish clearly between the various types of regional self-government, some member States, for example Italy and the United Kingdom, mention regions within their countries that correspond to different models. Before the presentation of the final study, only the method used for updating it is already described here below.

In this exercise, the 2002 study has been updated with new information provided in 2006/2007, in two ways, referred to as “vertical” and “horizontal” (in relation to the table):

- “Vertical” updates concern States that have replied for the first time to the survey of institutional aspects: new columns have been incorporated in the existing table.

This concerns the following countries:

- **Albania** (model 6)
 - **Austria** (model 1)
 - **Croatia** (model 5)
 - **Norway** (model 5)
 - **Slovak Republic** (model 1)
 - **Netherlands** (model 3)
 - **Romania** (model 6)
 - **Ukraine** (model 5)
- “Horizontal” updates have been carried out for States already covered by the earlier survey, which sent information concerning reforms that made it necessary to update the existing document. The changes to the text are marked by underlining of the paragraphs concerned.

This concerns the following countries:

- **Czech Republic:** changes have been made, in particular, to financing systems (model 3)
- **Denmark:** substantial changes have been incorporated in the tables (model 5)
- **Finland:** a distinction and specifications have been made concerning the majority of regions (model 6) and the two exceptional situations of Åland (model 1) and Kainuu (model 5)
- **Hungary:** changes have been made (model 3)
- **Italy:** substantial changes have been incorporated (models 1: regions with special status and 3: ordinary regions);
- **Russian Federation:** changes have been made (model 1)
- **Spain:** the country’s classification has been rectified (new: model 1)
- **Switzerland:** substantial changes have been incorporated in the tables (model 1).

- **United Kingdom:** substantial changes have been incorporated in the tables concerning notably the region of Wales (model 4)

The section on regional self-government institutional systems has been updated on the basis of information provided by the countries themselves. Only information concerning countries that expressly reported changes in their reply to this part of the questionnaire has been updated. It is quite possible that other institutional changes and reforms referred to in the preceding section will affect the tables setting out regional self-government models, in which case the necessary changes can be made at a later date.

Other countries did not report significant changes, in which case the information concerning them has been left unchanged. Examples are Belgium, France and Poland.

A last group of States has not yet been included in the reference document. The States concerned report that they do not have self-governing regional authorities as defined in the six models, and do not therefore fall into any of the categories. This applies in particular to Bulgaria and Lithuania.

B) Regional models and countries included in the new reference document

The following table sets out the six regional self-government models, as described in the study MCL-13(2002)4 (“Outlines, syntheses and overviews of six models of regional self-government”) in 2002, and the countries which have sent appropriate information.

A total of 24 member States will be included in the reference document on regional self-government institutional systems in Europe by the end of 2007.

Table 9: Classification of member States into “models of regional self-government”

No.	Definition	Country
Model 1	Regions with the power to enact primary legislation ¹³ , the existence of which is guaranteed by the Constitution / by a federal agreement and cannot be questioned against their will	Austria Belgium Finland (Åland) Germany Italy (regions with special status) Russian Federation Slovak Republic Spain Switzerland
Model 2	Regions with the power to enact primary legislation ¹⁴ , the existence of which is not guaranteed by the Constitution / by a federal agreement and cannot be questioned against their will	United Kingdom (Scotland and Northern Ireland)
Model 3	Regions with the power to enact legislation, according to the framework (principles, general provisions) established by national legislation, the existence of which is guaranteed by the Constitution	Czech Republic Hungary Italy (ordinary regions) Netherlands

¹³ Power of the regions to pass primary legislation: power to pass, in designated areas of their competence, laws which apply to the region and which, in these areas of competence, carry the same legal weight as laws passed by the national parliament in the (different) areas of competence of that parliament.

¹⁴ See footnote on model 1

Model 4	Regions with the power to adopt laws and/or other regional legislative acts, according to the framework (principles, general provisions) established by national legislation, the existence of which is not guaranteed by the Constitution	United Kingdom (Wales) Poland
Model 5	Regions with decision-making power ¹⁵ (without legislative power) and councils directly elected by the population	Croatia Denmark Finland (Kainuu) France Norway Sweden Turkey Ukraine United Kingdom (Greater London)
Model 6	Regions with decision-making power ¹⁶ (without legislative power) and councils elected by the component local authorities	Albania Finland (other regions) Latvia Romania

Due to its length (approximately 150 pages) and to the fact that updates to the document are still underway, the “Synthesis and overviews of regional self-government” containing the detailed description of the six models, are not included in this report. Once finalised, the document should be presented to the CDLR in December 2007.

¹⁵ The scope of this decision-making power may vary. It usually concerns measures to implement national legislation.

¹⁶ See footnote on model 5

V. General conclusions and proposals for further work

In the conclusion to this report the main observations made during the analysis of the member States' replies are summarised again. This summary is followed by an overview of the different methods used in regional self-government, to make the situations, trends and approaches in the different member States easier to picture and understand. Finally, the conclusion looks at how the different aspects of the subject could be put to use in future work on regional self-government. Practical proposals are also made on how to address the subject at the 15th session of the Conference of European Ministers responsible for local and regional government.

Overview of the information presented and the findings made in this report

Like the questionnaire it is based on, this report comprises different sections, each addressing the subject of regional self-government from a different angle. In order to reflect these different angles, the report presents each part of the questionnaire in a different chapter. If the focus is put on the operational and functional matters dealt with in the first part of the report, the chapters concerned are:

- Chapter II: Comparison of regional self-government systems and practices in Europe (Part II of the questionnaire: operational and functional questions)
- Chapter III: Recent constitutional and legislative reforms (since 2001) that have had an impact on regional governance systems (Part I of the questionnaire: reforms)
- Chapter IV: Outlines, syntheses and overviews of six models of regional self-government - continuation and updating of the work started for the ministerial conference in Helsinki (2002).

The main findings of this report, chapter by chapter but without going into detail, were:

- Chapter II: Comparison of regional self-government systems and practices in Europe (Part II of the questionnaire: operational and functional questions)

The thread of this chapter was also that of the whole report: highlighting recent developments, with the emphasis on common problems and innovative solutions. This view taken, in particular on the operational and functional aspects of regional self-government, paints a very varied picture of regional governance methods in Europe. At the same time practices and experiences in the member States share some features in common.

This characteristic of regional self-government – a mixture of diversity and similarities – is reflected at every level in the member States' replies. It can be seen in the interpretation of the notions of "region" or "regional authority", and again in the form and resources of regional authorities reflected in the figures. The same pattern is also found in the qualitative replies of the member States concerning the institutional environment, the powers of regional authorities and the changes and difficulties facing them. Each time the picture shows considerable variety, but several recurring categories, similar themes or common problems filter through. It was thus possible to arrange the information in different ways that could constitute starting points for future intergovernmental work and exchanges on regional self-government.

The common and recurring problems identified concern both problems that are relatively simple to "circumscribe" (territories, regional finance, co-operation between regional authorities, etc.) and cross-cutting issues affecting various dimensions and the interactions between them. The problems identified also appear to be "variable geometry" issues that differ from one member State to another: one particular problem may concern one group of member States whereas another may concern a completely different group.

This reveals the need to form theme "clusters" composed of countries which, at a given moment and in their specific context, are faced with similar problems. The usefulness of these "clusters" lies in the fact that diversity exists not only in the problems but also in the solutions

developed. Member States may be faced with the same problems and come up with completely different solutions, making exchanges between the countries concerned all the more interesting. These “clusters” could be set up in particular to respond to the real needs occasionally faced by the member States; there would be a degree of “overlapping”, in so far as each country could belong to more than one group.

- Chapter III: Recent constitutional and legislative reforms (since 2001) that have had an impact on regional governance systems (Part I of the questionnaire: reforms)

Replies to part I of the questionnaire on regional self-government reflect the same diversity as above. The picture of regional self-government in Europe painted by the institutional developments and reforms successfully completed, unsuccessful, underway or being considered is a highly varied one. Apart from the different stages of progress achieved, recent reforms in the field of regional self-government in Europe differ in their themes – as reflected also in the operational changes described above – and in the scope of the changes, which may be more or less significant for the systems in place.

One trend that emerges in the reforms addressed is a tendency towards the transfer of additional powers to the regional authorities. Several member States report this type of reform at different stages of advancement and "triggered off" by various factors: the transfers of powers may be initiated by central government or by the regional authorities themselves.

Other themes clearly reflected in the replies of several member States include the territorial dimension of regional authorities, and also greater participation by regional authorities in government and EU decision-making processes.

These and other themes come through as guiding threads in the member States' replies, at different moments in different member States. The reforms underway or being considered often cover areas where other member States have already successfully completed reforms or are more advanced in the reform process. This again raises the question whether some member States could not take more advantage of the experience of others if they had a fuller, clearer picture of the changes afoot in Europe, particularly where countries are faced with similar problems.

- Chapter IV: Outlines, syntheses and overviews of six models of regional self-government - continuation and updating of the work started for the ministerial conference in Helsinki (2002)

One means of classifying regional self-government systems can be found in the models of regional self-government presented in Helsinki (MCL-13(2002)4: "Outlines, syntheses and overviews of six models of regional self-government"). This classification, which concerns the institutional aspects of regional authorities, will certainly remain an important reference in future work on regional self-government. In the current exercise this reference document is presently being updated in two different ways: "vertically", with new columns for countries participating in the study for the first time, and "horizontally", with new lines of information or changes to the text where countries reported significant developments since the previous survey and especially since 2001. The results of this updating exercise will be available at the end of 2007.

A new approach to understanding the structure of regional self-government

The aim of this research into regional self-government practices, and particularly the innovations and the problems shared by some member States, is to provide a clearer picture of regional self-government in the Council of Europe's member States. This overview was achieved by analysing and "classifying" the information sent in by the member States. Organising this information and identifying characteristics and approaches common to several member States could facilitate future exchanges, by helping to define themes for European debates on regional self-government.

There are different ways of organising information about regional self-government. The "institutional models" of regional self-government certainly remain an important reference tool, but one which is static and does not necessarily reflect how regional authorities operate and develop in the field.

In the light of recent developments, shared problems and innovations in the member States, it is clear that certain States have had similar experiences without necessarily belonging to the same institutional model. Exchanges between States on these points they have in common could be all the more useful in that there is a whole range of measures and solutions different countries could use to their advantage. One theme for exchanges between member States could thus be the search for suitable operational solutions to certain problems. Methodologically, perhaps it would even be possible to compile a "catalogue" of possible solutions to a given problem, based on recent experience in the member States.

The approach to identify "clusters" is not a substitute for approaches developed through intergovernmental co-operation. It is, however, a pragmatic additional tool when pursuing the objective of discussing the operation of regional authorities. Another subject of exchange between the member States could be "innovation", using a comparative approach to identify good regional governance practices that already work in other member States faced with similar problems. This approach draws on the scientific meaning of the term "innovation" (cf the definitions at the beginning of chapter II above), designating what is new or novel in comparison with general practice at the technical, organisational and procedural level.

"Innovation" in this context refers to new methods or approaches that have helped to solve certain problems common to a number of Council of Europe member States.

A "cluster-based" approach - where each country could attend several "clusters" - could be the right approach in so far as it would allow for the diversity of regional self-government in Europe in future exchanges and help find common denominators between the member States on a very pragmatic level. The tools and methods envisageable for these exchanges are numerous and remain to be clarified. First of all, however, it seems necessary to ascertain whether all the member States wish to pursue this work on regional self-government and, if so, in what framework.

Why regional self-government is a worthwhile subject

After such a detailed report as this and all the work that has already gone into the subject, is there really any point in taking it further? One thing this report shows is that even in countries with different federal systems and regions that enjoy a large degree of autonomy, major changes are going on all the time. Regional self-government is in a constant state of flux as it must constantly adapt to a changing environment.

The regional level has its place in almost all the member States, with very few exceptions, and it seems to be important in a context where both public and private affairs are increasingly international. The regional level, represented by the regional authorities described here, seems to be the ideal level at which to address certain problems, as it "concentrates" the problems encountered at the local level, making them more visible. It is often the level closest to the citizen at which problems can be most effectively solved, and permits the players to adopt a co-ordinated approach to certain problems, within the region or with other regions, vis-à-vis the supra-regional entities.

This survey reveals the wealth and diversity of the regional self-government theme. A cluster-based approach could be the right approach in further work on the subject. It makes due allowance for the diversity of the subject, while in-depth work on specific themes could improve our overall vision of regional self-government in Europe with new input.

Future work on regional self-government

One of the next steps will be the presentation of this report to the 15th session of the Ministerial Conference in Valencia in 2007, which could decide what further action should be taken before the final report is submitted to the Committee of Ministers in 2008. This report thus ends with a short outlook on how to tackle the subject of regional self-government on the occasion of the Ministerial Conference, and on the possibilities for continuing the work on regional self-government thereafter. Further elements on these two aspects will be discussed on the basis of separate documents.

If the Ministerial Conference in Valencia results in consensus on the principle that work on regional self-government should continue, it is proposed to follow the approach based on theme “clusters”, composed of member States facing similar issues and in search of good regional governance solutions.

VI. Core concepts and common principles of regional self-government ("Helsinki principles")

Sources :

- Final Activity Report of the Steering Committee on Local and Regional Democracy (CDLR) to the Committee of Ministers on the completion of the groundwork for the elaboration of a legal instrument on regional self-government Part B - "Core concepts and common principles of regional self-government", CM(2002)10 Add 1 – Part B
- Conference of European Ministers responsible for local and regional government, Helsinki 27-28 June 2002, MCL13(2002)3

A. Core concepts and principles

1.1. Regional authorities are territorial authorities between the central government and local authorities. This does not necessarily imply a hierarchical relationship between regional and local authorities.

1.2. Regional self-government denotes the legal competence and the ability of regional authorities, within the limits of the constitution and the law, to regulate and manage a share of public affairs under their own responsibility, in the interests of the regional population and in accordance with the principle of subsidiarity.

1.3. Where regional authorities exist¹⁷, the principle of regional self-government shall be recognized in domestic legislation and/or by the constitution, as appropriate.

¹⁷ Whether this phrase is kept or not will depend on the nature of the legal instrument.

B. Common principles

1. Regional competences

1.1. Regional competences shall be defined by the constitution, the statutes of the region or by national law. Regional authorities shall, within the limits of the law and/or the constitution, have full discretion to exercise their initiative with regard to any matter which is not excluded from their competence nor assigned to any other authority. Regulation or limitations of regional competences shall be based on the constitution and/or law.

1.2. Regional authorities shall have decision-making and administrative powers in the areas covered by their own competences. These powers shall permit the adoption and implementation of policies specific to the region. Decision-making powers may include legislative powers.

1.3. For specific purposes and within the limits of the law, competences may be conferred upon regional authorities by other public authorities.

1.4. When powers are delegated to regional authorities, they shall be allowed discretion to adapt the exercise thereof to regional conditions, within the framework set out by the constitution and/or the law.

2. Relations with other sub-national territorial authorities

2.1. The relationship between regional authorities and other sub-national territorial authorities shall be governed by the principles of regional self-government set out in this document and local self-government set out in the European Charter of Local Self-Government and the principle of subsidiarity.

2.2. Regional authorities and other sub-national territorial authorities may, within the limits of the law, define their mutual relationship and they may cooperate with each other.

3. Involvement in the State decision-making process

3.1. Regional authorities shall have the right as described in paragraphs 3.2 and 3.3 below to be involved in state decision-making affecting their competences and essential interests or the scope of regional self-government.

3.2. This involvement shall be ensured through representation in decision making bodies and/or through consultation and discussion between the state and regional authorities concerned. Where appropriate, participation may also be ensured through consultation and discussion between state authorities and representative bodies of regional authorities.

3.3. In so far as the constitution and/or the law enable it, regional authorities and/or their representative bodies shall be represented or consulted, through appropriate bodies and/or procedures, with regard to international negotiations of the state and the implementation of treaties in which their competences or the scope of regional self-government are at stake.

4. Supervision of regional authorities by State authorities

4.1. Any supervision of regional authorities by central state authorities shall normally only aim at ensuring their compliance with the law. However, the supervision of delegated powers may also include an appraisal of expediency.

4.2. Administrative supervision of regional authorities may be exercised only according to such procedures and in such cases as are provided for by constitutional or legislative provisions. Such supervision shall be exercised *ex post facto* and any measures taken must be proportionate to the importance of the interests which it is intended to protect.

5. Protection of regional self-government

5.1. Regional authorities may be provided for by the constitution or established by law. The existence of regions, once established, is guaranteed by the constitution and/or by law and may be revoked only by the same due process of amendment of the Constitution and/or law that established them.

5.2. Regional authorities shall have the right of recourse to a judicial remedy in order to secure the free exercise of their powers and respect for the principles of regional self-government enshrined in domestic law.

5.3. Regional boundaries shall not be altered without prior consultation of the region(s) concerned. Prior consultation may include a referendum.

6. Right of association and other forms of co-operation

Regional authorities shall be entitled to form associations and to undertake activities of interregional co-operation in matters within their competences and within the framework of the law. Regional authorities may also be members of international organisations of regional authorities.

7. External relations

7.1. In so far as national and/or European law allows, regional authorities shall have the right to be involved in or to be represented through bodies established for this purpose in the activities of the European institutions.

7.2. Regional authorities may co-operate with territorial authorities of other countries within the framework of their competences and in accordance with the law, the international obligations and the foreign policy of the state.

8. Self-organisation of regional authorities

Where a constitution and/or the law provide the right for regions to decide their internal organisation, including their statutes and their institutions, it will define this right as widely as possible.

9. Regional bodies

9.1. Regional authorities shall have a representative assembly. Executive functions, where they are not exercised directly by the representative body, shall be entrusted to a person or a body answerable to it in accordance with the conditions and procedures laid down by the law. Where the executive body is directly elected by the population, it needs not necessarily be answerable to the representative assembly but should give it account of its acts.

9.2. Regional assemblies shall be directly elected through free and secret ballot based on universal suffrage, or indirectly elected by and composed of popularly elected representatives of constituent local self-government authorities.

9.3. The conditions of office of elected regional representatives shall provide for the free exercise of their functions. They shall allow for appropriate financial allowance and/or for appropriate financial compensation for expenses incurred in the exercise of the office in question as well as, where appropriate, full or partial compensation for loss of earnings or remuneration for work done and corresponding social welfare protection. Members of the assembly shall have the right to express themselves freely during the meeting of this assembly. Any functions and activities which are deemed incompatible with the representative's office shall be determined by law.

9.4. Where sanctions against regional elected representatives are possible, they must be provided for by the law, be proportionate to the importance of the interest they are intended to protect and be subject to judicial review. Suspension and dismissal may only be foreseen in exceptional cases.

10. Regional administration

10.1. Regional authorities shall have their own assets, their own administration and their own staff.

10.2. Regional authorities shall freely determine the internal structures of their administrative system and their bodies, within the framework defined by law.

10.3. The conditions of service of regional authorities' staff shall comply with general principles of public service and be such as to permit the recruitment of high quality staff on the basis of merit and competence; to this end adequate training opportunities, remuneration and career prospects shall be provided.

11. Financial resources of regional authorities

11.1. Regional authorities shall have at their disposal foreseeable resources commensurate with their competences and responsibilities allowing them to implement these competences effectively.

11.2. Regional authorities shall be able to dispose freely of their resources, for the implementation of their competences.

11.3. In the implementation of their own competences, regional authorities shall be able to rely in particular on resources of their own at which they shall be able to dispose freely. These resources may include regional taxes, other

revenues decided by regional authorities, fixed shares of state taxes, non-earmarked funding from the state and constituent territorial authorities, in accordance with the law.

11.4. The financial systems on which resources available to regional authorities are based shall be of a sufficiently diversified and buoyant nature to enable them to keep pace as far as practically possible with the real evolution of the cost of carrying out their tasks.

12. Financial equalization and transfers

12.1. The protection of financially weaker regional authorities shall be ensured through financial equalisation procedures or equivalent measures which are designed to correct the effects of the unequal distribution of potential sources of finance and of the financial burden they must support. Such procedures or measures should not have the effect of restricting the financial resources of regional authorities to the extent of hindering their freedom of administration.

12.2. Financial transfers to regional authorities shall be governed by predetermined rules based on objective criteria related to regional competences. As far as possible, grants to regional authorities shall not be earmarked for the financing of specific projects.

12.3. Financial transfers to regional authorities shall not limit the basic freedom of regional authorities to exercise policy discretion in the implementation of their competences.

12.4. For the purpose of borrowing for capital investment, regional authorities shall have access to the capital market within the limits of the law.