EU Cohesion Policy, partnership and the regions: a step forward or unfinished business?

November 2015

Conference of Peripheral Maritime Regions
About CPMR

The Conference of Peripheral Maritime Regions of Europe (CPMR – www.cpmr.org) brings together some 160 Regions from 28 States from the European Union and beyond. Representing almost 200 million people, the CPMR campaigns in favour of a more balanced development of the European territory. It operates both as a think tank and as a lobby for Regions.

Its main focus concentrates on social, economic and territorial cohesion, Integrated Maritime Policy and transport accessibility. European governance, agriculture and rural development, research and innovation, energy and climate change, neighbourhood and development, also represent important areas of activity for the Association.

The CPMR is a unique organisation, being sub-divided into six Geographical Commissions, corresponding to the European maritime basins, such as the Baltic Sea, the North Sea, the Atlantic Arc, the Mediterranean, the Balkan and Black Sea and the islands. These Commissions symbolise the backbone of the CPMR, contributing to its reflections and to the preparation of its policy papers.

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Foreword

Two years ago, at the CPMR Annual General Assembly 2013, in Saint-Malo, former Commissioner for Regional Policy Johannes Hahn asked the CPMR for help to identify the minimum level of requirement for regions to be involved in Cohesion Policy. The rationale for asking the CPMR to carry out such a task was to promote regions’ responsibilities, rights and duties in Cohesion Policy to achieve economic, social and territorial cohesion in the EU.

The reformed cohesion policy entered into force in January 2014 and introduced several innovative elements, amongst them provisions on partnership and multilevel governance enshrined in article 5 of the Common Provisions Regulation. This was a very positive step towards shared management of the European Structural and Investment Funds and one which CPMR values. And although we are only at the beginning of the current programming period, there are already important milestones on the horizon.

The European Commission will propose a mid-term review of the Multiannual Financial Framework in 2016. The 7th Cohesion Report will be published in 2017 and post 2020 Cohesion policy will be published in 2018. A key challenge ahead for the future Cohesion Policy remains the quality of partnership and delegation of management of the funds at regional level. The CPMR believes that the long-term future and raison d’être of Cohesion Policy rests on Regions being at the core of the policy and in the driving seat of its implementation.

The purpose of this study is thus to offer an overview of the levels of involvement of European Peripheral and Maritime Regions within Cohesion Policy in the 2014-2020 programming period as compared to 2007-2013: In doing so we pay particular attention to islands, as a case study of an specific territory as defined by article 174 of the Treaty on the Functioning of the European Union. Our goal is also to put forward proposals that we believe can be useful to increase even further the level of participation of regions in Cohesion Policy and, most importantly, to maximize the potential of the policy to continue to provide economic development and social and territorial Cohesion in the European Union.

We invite the European Commission and the European Parliament to consider the findings of our study and we hope that the role of regions within Cohesion policy will remain high in the agenda for the post-2020 framework.

This study was made possible by the active contribution of CPMR Political Bureau Members and Members of the CPMR Island Geographical Commission, to whom CPMR as an all thanks particularly.

Vasco Cordeiro
President of the CPMR
President of the Autonomous Government of Azores
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Participation within Cohesion policy?
CPMR Survey results

- **40** regions
- **16** Member States
- **15** island regions

- **37.5%** managing authorities have a formal role in Cohesion Policy
- **40%** intermediate bodies

**95%** contributed to Partnership Agreement
**70%** contributed to Ex-ante conditionalities
**97.5%** contributed to Operational Programmes

**70%** consider their Member State respected Article 5 and Code of Conduct.

The consultation was in certain cases “extremely poor”, however, “certain comments were ultimately incorporated.”
The whole process “could have been more meaningful (...) no evidence suggest that comments and recommendations were included.”
“At a political and technical level, there was an active involvement of the Regional Government in the preparation of the PA.”

**15** respondents are island regions

12 have a formal role in Cohesion Policy
7 managing authorities

**60%** consider that NO particular attention has been paid to their territorial specificities.

**Regions are broadly competent in the areas of intervention of Cohesion Policy**

- **Transport**
  - 28% No power
  - 68% Administrative power
  - 5% Legislative power

- **Education**
  - 30% No power
  - 65% Administrative power
  - 13% Legislative power

- **SMEs**
  - 23% No power
  - 65% Administrative power
  - 13% Legislative power
Introduction

The implementation of the programming period for 2014 – 2020 Cohesion Policy has only just begun. One of the key advances introduced for the new generation of operational programmes is a strengthened set of provisions for partnership and multilevel governance, regrouped under one article in the legislation (Article 5 of the Common Provisions Regulations).

The Conference of Peripheral Maritime Regions has always pushed for a stronger and more central role of regions in the management and delivery of Cohesion Policy. The reinforced partnership provisions agreed for the 2014 – 2020 Cohesion Policy are welcome, and are somewhat inspired by the concept of ‘Territorial Pacts’ proposed by the CPMR in 2008 to legitimise the role of regional authorities in delivering European objectives.

The survey realised in the framework of this study addressed two hypothesis:

- The first one tests the extent to which the reinforced provisions on partnership introduced for the 2014-2020 Cohesion Policy have resulted in meaningful and quality involvement of regional authorities in the operational programmes. The study therefore follows on from concerns raised by CPMR Regions about the quality of the process of negotiating and preparing the operational programmes in a Technical Note presented at the February 2015 Political Bureau of the CPMR;

- The second one addresses the role of regions as legitimate actors within Cohesion Policy as a territorial development policy that addresses specific territorial differences. Part of the study therefore deals with a recurring concern from the CPMR about the need for Cohesion Policy to reinforce its territorial dimension, and more specifically strengthen the islands dimension of Cohesion Policy.

To address both of the above issues, a 15-question online survey was sent to the Members of the CPMR Political Bureau (including alternate members) and the Members of the CPMR Islands Commission. The aim of the study was to gather experiences from regional authorities from all Member States which have at least one CPMR Member. The Political Bureau comprises two regions per Member States, which gave a comprehensive sample of responses covering experiences from 16 different EU Member States. The Members of the Islands Commission were also consulted on the part of the study which addresses the islands dimension of Cohesion Policy. 40 responses were collected in total.

It is not the first time that the issue of partnership within Cohesion Policy has been addressed. The Council of European Municipalities and Regions (CEMR) published a study in May 2014 which usefully analysed whether local government was treated as a real partner, and the involvement of local and regional authorities as negotiations over the Partnership Agreements and Operational Programmes were taking place. A number of recent studies conducted by the European Parliament have analysed various aspects of the 2014 – 2020 Cohesion Policy, such as territorial governance, the ownership and responsibility of the policy, or its strategic coherence compared to 2007 – 2013.

This study stands out because it is the first study which assesses the partnership provisions of Cohesion Policy 2014 – 2020 from the point of view of regional authorities as actors in the policy. It is also the first study to look at the link between the competences of regions as public authorities, and the degree of responsibilities provided under Cohesion Policy. The study also includes a case study of partnership provisions for one of the specific type of territories mentioned in the EU Treaty; namely island regions.

The study is structured in 4 sections: the first one introduces the methodology, the country profiles of the participants of the survey and the questions addressed by this study; section 2 develops each of the five key findings; section 3 provides some recommendations by CPMR members to improve partnership; and the last section discusses avenues for further work.

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Methodology and country profiles

Methodology

The methodology used in this study consists of a 15-question online survey addressed to the Members of the CPMR Political Bureau (including alternate members) and the Members of the CPMR Islands Commission. The analysis was complemented by desk research using Member States constitutions, national and regional legislation, the Common Provisions Regulation, the European Code of Conduct on Partnership, Operational Programmes and specialised literature. A total of 40 answers was received, representing sixteen EU Member States.

The online survey was structured in five different sections: 1) constitutional structure; 2) competences and responsibilities; 3) Partnership Agreement; 4) Operational Programmes; and 5) overall satisfaction.

Section II of the survey asked participants about their types of competences in the areas of intervention for Cohesion Policy, also known as Thematic Objectives. However, TO 11 - Efficient public administration was excluded given the rather different policy nature and scope (frequently exclusive of the national level) of this area as compared to the rest. Moreover, even though they are not Thematic Objectives, the fields of Health, Culture, and Tourism were added to the areas of intervention for Cohesion Policy since the European Regional Development Fund also supports projects in these areas.

Participants were also asked about their current formal level of involvement in Cohesion Policy in Section II of the survey as regards the European Regional Development Fund (ERDF), the European Social Fund (ESF), the Cohesion Fund (CF), and the European Agricultural Fund for Regional Development (EAFRD) and the European Maritime and Fisheries Fund (EMFF). Following the Common provisions Regulation, the following options were provided: managing authority, certifying authority, audit authority, intermediate body and no formal involvement or not applicable.

Level of involvement is understood as the type of participation, contribution and therefore responsibilities of regions within Cohesion and most specifically in operational programmes. Based on the different legal provisions which govern the involvement of regions within Cohesion a distinction was made between formal and informal types of involvement. This is further explained in key finding 1.

As regards the formal level of involvement of regions within Cohesion Policy, the study focuses exclusively in managing authorities and intermediate bodies. Article 123 CPR establishes that each Member States shall designate a certifying authority and an audit authority. However, their functions are much more limited in scope than those of managing authorities while being sufficiently detailed in articles 126 and 127 of the CPR, unlike those of intermediate bodies. Moreover, Member States may designate a managing authority to carry out the functions of certifying authorities, a practice which is quite frequent in this programming period.

The study focuses exclusively on the ERDF and ESF Operational Programmes given the delays in the adoption of operational programmes funded by the EMFF and the EAFRD at the time the survey was sent to respondents. The Cohesion Fund was also excluded since only fifteen Member States are eligible for it and only regions within six Member States eligible for the CF contributed to the survey.

This study is based on the responses and the points of view given by the Members of the CPMR Political Bureau and the Members of the CPMR Islands Commission to the online survey and complemented by research work, follow-up emails and telephone conversations. The survey is not exhaustive – only sixteen Member States are covered.

7 The original questionnaire can be found in the follow link: http://goo.gl/forms/kRItdNFTHM
The full list of respondents can be found in an annex to this study.
8 Definitions of the types of powers and the full list of Thematic Objectives can be found in the relevant section of this study.
Definitions

To ensure clarity and facilitate the analysis, several definitions were provided. Those concepts were, by section:

1. Unitary – Regionalised – Federal State

Widely accepted definitions are rare since these concepts are ambiguous and therefore many definitions exist. Moreover, there are a lot of nuances when it comes to describing the constitutional structure even within one single type of state. Portugal for instance is officially defined as a unitary state, but Azores and Madeira have an Autonomous regime which resembles a regionalised-type of state, including the balance of competences between the regional and central levels. Furthermore, as regards regional competences, several regions that form part of a unitary state have legislative powers, typical competences of regions within a regionalised or federal state. Therefore, in the survey, definitions based on various sources have been laid out.

2. Exclusive legislative powers – Shared legislative powers – Administrative powers – No powers

On the constitutional structure and the balance of competences between the central, regional and local levels as well as regional responsibilities, the main sources are Member States constitutions, relevant legislation, including Statutes of Regions when applicable, and specialised literature on division of powers between different levels of governments.

3. Allocation of financial resources – Analysis of needs – Development of priorities – Integration of horizontal principles – Involvement within Monitoring Committee.

Regarding the third set of definitions, they constitute issues which form part of the preparation and implementation of operational programmes and which are mentioned in the European Code of Conduct on Partnership. The main sources are the Common Provisions Regulation, the already-mentioned Code of Conduct, Partnership Agreements, operational programmes and Inforegio, the Directorate General for Regional and Urban policy website.9

These definitions are explored in further details under the relevant sections/findings of the study.

Country profiles

For the sake of simplification, three different types of constitutional structures have been identified that, generally speaking, determine the balance of competence between the central, regional and local level of government and the type of competences of regional authorities in various policy fields10:

1. Unitary or central states: the state has the sole regulatory powers;
2. Regionalised: central government’s responsibilities are broadly or clearly defined in the Constitution. Regions have exclusive legislative powers in all sectors that are not specifically under central state control;
3. Federal states: political authority is divided between two sets of autonomous governments, one national and the other one subnational; a union of partially self-governing states or regions under a central (federal) government.

As it can be observed in the map below, the majority of respondents form part of a unitary or central state (77.5 %). However it must be noted that within this category there are two subtypes: unitary states organised on a decentralised basis, traditionally elected authorities, and non decentralised unitary states that are usually devolved powers of the central level, not popularly elected and with very limited competences. Regions within this type of constitutional structure do not generally have legislative powers, however four regions that form part of a unitary state hold legislative powers in some policy areas, three of them being islands and/or outermost regions.

10 The main source for these definitions is the report by the European Policy Centre on “Division of Powers between the European Union, the Member States and Local and Regional Authorities – Additional Fiscal Budgetary Elements”, commissioned by the Committee of the Regions, 2012, p. 12. This report is part of the Division of Powers project commissioned by the Committee of the Regions, produced by the European Institute of Public Administration (EIPA), the European Centre for the Regions (ECR) and the Centre for European Policy Studies (CEPS). This analysis gives an overview of the levels of institutional and fiscal decentralisation in all EU countries.
20% of respondents are part of a regionalised state and 2.5% are part of a federal state. Regions within regionalised and federal states do hold legislative powers either shared with the central government or exclusive. The fact that they have legislative powers does not exclude the possibility of having only administrative powers in some areas.

Figure 1: Map of respondents to the survey
Questions addressed in this study

This study addresses two subjects:

1) The quality of involvement of regions in Cohesion Policy for the 2014 – 2020 programmes

Cohesion Policy is allegedly based on the principles of partnership and multi-level governance. Member States shall organise a partnership with competent regional authorities (amongst many other partners) for the Partnership Agreement and each programme. In this study the degree and quality of the involvement of regions within Cohesion Policy and therefore the quality of this partnership are tested. **Sections/key findings 1, 2 and 3 answer the following questions:**

- To what extent was Article 5 and the Code of Conduct on Partnership respected?
- How did regions perceive their levels of involvement within both the preparation of Partnership Agreements and Operational Programmes for 2014 – 2020 programmes? Are there any improvements to report compared to 2007 – 2013?
- Can it be assumed that regions in regionalised Member States automatically have a high level of responsibilities for Cohesion Policy?
- Which recommendations for improving the policy for the future?

2) The legitimacy of Cohesion Policy as a territorial development policy that addresses specific territorial differences

Cohesion policy is built on regions and addresses specific territorial differences, as provided for by the provisions of article 174 of the Treaty on the Functioning of the European Union. In this study we also wanted to test the extent to which these missions are fulfilled. **In sections/key findings 4 and 5 we explore the following questions:**

- Are regions competent in the areas of intervention of Cohesion Policy?
- Is there a link between the competences of regions and the responsibilities they have for Cohesion Policy?
- Have decentralisation efforts in some Member states had an effect on the level of responsibilities of regions for Cohesion Policy?
- To what extent is there an island dimension within Cohesion Policy?
- Which recommendations for improving the policy for the future?
Key findings

1. Regions retain a high level of involvement regarding Cohesion Policy programmes compared to 2007-2013, but involvement does not necessarily translate into responsibility

1.1 Comparison with 2007-2013

The starting point for this study is to analyse the changes with regards to responsibilities of regions for Cohesion Policy.

Participants were asked to define their levels of involvement with regards to ERDF and ESF programmes, including INTERREG programmes. EAFRD and EMFF programmes were not considered as most of these programmes were under negotiation at the time of the realisation of the study. The Cohesion Fund is managed at national level in most cases, and not all respondents were eligible.

77.5% of respondents have a formal role in Cohesion Policy programmes: 37.5% are managing authorities and 40% are intermediate bodies. 22.5% are only informally involved.

<table>
<thead>
<tr>
<th>Formal role within cohesion policy (ERDF - ESF)</th>
<th>2007-2013</th>
<th>2014-2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managing authority</td>
<td>22.5%</td>
<td>22.5%</td>
</tr>
<tr>
<td>Intermediate body</td>
<td>55%</td>
<td>40%</td>
</tr>
<tr>
<td>No role</td>
<td>22.5%</td>
<td>37.5%</td>
</tr>
</tbody>
</table>

Figure 2: Formal role of respondents within ERDF and ESF programmes for the 2014-2020 and 2007-2013

40% of respondents reported a change in terms of the level of their involvement and responsibilities of regions compared to the 2007-2013 period. However, there is no overall trend showing a general increase or decrease in terms of the involvement of regions for Cohesion Policy programmes.

These changes can be broken down under three categories:

- **An increase of the levels of involvement and responsibilities**: this is the case for Corse, Guadeloupe, Réunion, Bretagne (France), Peloponnisos (Greece) and Catalunya (Spain)\(^{11}\);

- **A decrease of their levels of involvement and responsibilities**: this is the case for Kymenlaakso (Finland), Västerbotten (Sweden), Cornwall, Highland, Shetland, Orkney and Western Isles (United Kingdom);

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\(^{11}\) Catalunya administers 68% more resources than in the 2007 – 2013 period
- **A change because of modifications regarding the governance structure of Cohesion Policy programmes:** this is the case for Madeira and Açores (Portugal) and Podlaskie (Poland).

There is no change with regards to respondents which have no formal role in Cohesion Policy programmes (22.5%).

The variety of these changes and the relatively limited sample size of the survey makes it impossible to identify a general trend with regards to involvement of regions in Cohesion Policy programmes.

### 1.2 Formal vs informal levels of involvement

Looking at the formal levels of involvement of regions in Cohesion Policy only does not tell the full story in terms of the degree of partnership of regions in Cohesion Policy. This is why a distinction was made between formal involvement and informal levels of involvement based on their different legal provisions as defined in the Common Provisions Regulation.

In the table below, the different legal provisions covering these types of involvement can be observed.

- **Regions are formally involved** when they are designated as managing, certifying or audit authorities and intermediate bodies. Certifying authorities and audit authorities are excluded in this study due to their limited functions as regards operational programmes. Managing authorities functions are extensively defined in articles 123, 124 and 125 of the Common Provisions Regulation, in addition to several other articles in the CPR. Intermediate bodies on the other hand are broadly referred to in recital 106 and in articles 2.18 and 123.6 of the CPR, however their concrete functions are not specified.

- **Regions are involved ‘informally’** when they are not designated as managing authorities or intermediate bodies (in addition to certifying or audit authorities). Their involvement is therefore confined under Article 5 of the CPR on the Partnership Principle and Multilevel Governance Provisions and on the European Code of Conduct on Partnership.

The following table sums up the legal basis of the types of involvement for Regions, and the functions and tasks expected for each case.
<table>
<thead>
<tr>
<th>Formal type of involvement</th>
<th>Informal type of involvement</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Managing Authority</strong></td>
<td><strong>Intermediate body</strong></td>
</tr>
<tr>
<td>• Designation and functions defined by arts. 123, 124 and 125 CPR</td>
<td>• <strong>Concrete functions not specified</strong>, no article dedicated to intermediate bodies in CPR</td>
</tr>
<tr>
<td>• <strong>Overall responsibility for managing operational programmes</strong>, including financial management of the programmes</td>
<td>• There is a reference in recital 106 and in articles 2.18 and 123.6 of the CPR: “any public or private body which acts under the responsibility of the Certifying Authority or the Managing Authority, or which carries out duties on behalf of such an authority, in relation to beneficiaries implementing operations”</td>
</tr>
<tr>
<td>• Extensive and detailed list of functions defined under article 125 CPR</td>
<td>• <strong>Member States or Managing Authorities can designate Intermediate Bodies based on agreement or “global grant”</strong></td>
</tr>
<tr>
<td><strong>Informal type of involvement</strong></td>
<td><strong>Legal basis is Article 5 CPR, which also includes a Code of Conduct on Partnership</strong></td>
</tr>
<tr>
<td>• <strong>Article 5:</strong></td>
<td><strong>Article 5:</strong></td>
</tr>
<tr>
<td>• <strong>Regions are treated as mere ‘partners’, at the same level as NGOs, environmental organisations, etc...</strong></td>
<td>• The provisions specify that ‘partners’ shall be involved in the preparation of the Partnership Agreement, preparation and implementation of the Operational Programmes, and included in the Monitoring Committees</td>
</tr>
<tr>
<td>• The provisions specify that ‘partners’ shall be involved in the preparation of the Partnership Agreement, preparation and implementation of the Operational Programmes, and included in the Monitoring Committees</td>
<td>• <strong>Member States ‘shall organise a partnership with “competent regional authorities” according to their institutional and legal framework</strong></td>
</tr>
<tr>
<td>• <strong>Code of Conduct on Partnership:</strong></td>
<td><strong>Code of Conduct on Partnership:</strong></td>
</tr>
<tr>
<td>• Distinction between Partnership Agreement partners and Operational Programmes partners</td>
<td>• <strong>Very vague reference as to what involvement means</strong></td>
</tr>
</tbody>
</table>
| • “Member States shall involve relevant partners in particular concerning”: | • “Member States shall involve relevant partners in particular concerning”:
| | - Preparation of Partnership Agreement; |
| | - Preparation of the Operational Programmes; |
| | - Preparation of calls for proposals and/or assessment; |
| | - Preparation of the progress reports on the implementation of the partnership agreements and the operational programmes; |
| | - Monitoring of operational programmes within Monitoring Committees and Working Groups; |
| | - Evaluation of operational programmes within Monitoring Committees. |

**Figure 3: Legal provisions governing the types of involvement within Cohesion Policy**

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12 Article 3 of the Code of Conduct is dedicated to the “Identification of relevant partners for the Partnership Agreement” while Article 4 is dedicated to relevant partners for OPs. Both articles lay down three categories: 1) competent regional, local, urban and other public authorities; 2) economic and social partners; 3) and bodies representing civil society. However, within each category the list for Partnership Agreements is more limited. For example, for OPs, in the competent regional, local, urban and other public authorities, it includes “other bodies organised at national, regional or local level and authorities representing the areas where integrated territorial investments and local development strategies funded by the programme are carried out;”
1.3 Who decides on the degree of involvement: Article 5 or Member States?

- Being involved formally does not necessarily mean that the given authority has a lot of responsibilities, as functions for intermediate bodies are not defined clearly in the CPR. The functions of intermediate bodies are specified in agreements with the managing authority and therefore differ greatly from one another. Therefore, the provisions in article 5 CPR and the Code of Conduct become extremely relevant as well for intermediate bodies as far as they do not function as a delegated managing authority.

- Member States have full discretion on the selection of partners and their functions with regards to Cohesion Policy due to high levels of ambiguity in Article 5 and its Code of Conduct. The wording of the Code of Conduct and the expression ‘according to their legal and institutional framework’ is particularly significant. A good example is the complete lack of correlation between the degree of regionalisation of a Member State and their level of involvement in Cohesion policy programmes. For example, Spanish regions form part of a regionalised state and have legislative powers in most of the areas of intervention and nevertheless are not managing authorities of ERDF programmes. On the other side, Podlaskie forms part of a unitary state and is managing authority of an ERDF-ESF regional programme.

- Article 5 plays a central role as it is the only article guaranteeing involvement for Regions in Cohesion Policy. Regrettably, article 5 CPR only lays down general provisions regarding partnership and multilevel governance and leaves specificities to the Code of Conduct. The Code of Conduct provides that Members States, as regards both Partnership Agreements and Operational programmes, shall involve partners in PAs and OPs in particular for a number of areas (see table above). The extent of this involvement, and with which partners, is not specified in details.

The majority of respondents are highly involved in Cohesion Policy. Nonetheless, being involved does not necessarily translate to a high degree of responsibilities as shown by the example of intermediate bodies.

Involvement for Regions in Cohesion Policy is guaranteed by Article 5 CPR and the Code of Conduct. Unfortunately, these provisions are very ambiguous and allow the full discretion of Member States in the selection of partners and their functions with regards to Cohesion policy.

The following section looks at the involvement of regions more in detail as regards their contribution to the Partnership Agreement and Operational Programmes and the quality of this involvement.

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13 Except for Interreg programmes, as for example Canarias.
Figure 4: Map of role of respondents within ERDF and/or ESF operational programmes
2. Regions were generally involved in the design of both the PAs and the OPs, though the quality of the involvement varies significantly from one Member State to another.

Article 5 CPR lays down the ground rules for involvement of Regions in both the Partnership Agreement and the Operational Programmes. This section looks at whether these rules have been respected, and the extent to which regions have been involved.

2.1 Most regions have indeed contributed

The majority of respondents have contributed to both Partnership Agreements (95%) and Operational Programmes (97.5%). Those regions which stated that they did not contribute to the Partnership Agreement are Tulcea and Gotland. Tulcea is the one that did not contribute to the Operational Programme.

![Figure 5: Contribution of respondents to the PA, OPs and ex-ante conditionalities for the 2014-2020 period](image)

Contributors were asked to specify the extent of their contribution to Partnership Agreements, Operational Programmes and ex-ante conditionalities.

2.2 Quality of involvement for Partnership Agreements

The survey responses show an extremely varied picture with regards to the quality of the involvement of Regions with regards to Partnership Agreements.

**Some regions underline that the process was far from being optimal...**

- Involvement thanks to proactive regional actors

In certain cases the dialogue with regional authorities was originally forgotten although “after demands from the political regional representatives” they were included in groupings per regional programme area”. In some cases, regions were included in the preparation of the Partnership Agreement only after strong pressure from their side and resulted in a mere provision of general information to the in-charge Ministry. The consultation was in certain cases “extremely poor”, however, “certain comments were ultimately incorporated”.

- Perceived low level of influence

Other respondents believe that they had very little influence in the partnerships, aggravated by the fact that it was even reduced compared to the last programming period, when they participated in the negotiations...
with the Commission. Another respondent considers that the whole process “could have been more meaningful (...) no evidence suggest that comments and recommendations were included”.

- Poor quality of framework for consultation

A number of respondents considered that the process of preparing the Partnership Agreement was planned “without knowledge or understanding to include the regional political level”. Time pressure and transparency deficiency characterised the process impeding feedback from regions. In other cases partners were not seen as a key part of the development conversation and it is doubtful that the Member State had regard to the conclusions of their work.

... whilst other were more positive:

- Inclusiveness of the process

A high number of respondents had very positive comments about the whole process since it was very inclusive and the region could play a very active role in its preparation both at technical and political level. In fact several of the respondents participated in the negotiations with the Commission.

### 2.3 Quality of involvement for Operational programmes

As regards Operational Programmes, all but Tulcea contributed to them. There was generally a higher degree of satisfaction with regards to the perceived levels of involvement for Operational Programmes. This is certainly due to the higher level of ownership perceived by regions for Operational Programmes, with more than half of the respondents either designing the programmes or co-designing them with the managing authority.

The other half contributed to it without having a major role in their design, with only few specific negative comments made by contributors.

### 2.4 Quality of involvement for ex-ante conditionalities

A majority of respondents were also involved in the preparation of the ex-ante conditionalities (70 % of respondents). The most commonly quoted ex ante conditionality was the development of Smart Specialisation Strategies. Other types of ex-ante conditionalities were mentioned in cases where regions had direct competences in these areas, for instance in the field of transport.

However, the extent and quality of this involvement varies greatly from one region to another: of the respondents 60.7% consider that they had a very central role in the preparation of ex-ante conditionalities and 39.2% consider that they had very little influence, only participating in the working group or providing information to the relevant Ministry.
3. Article 5 and its Code of Conduct were respected, but that says little about the quality of the involvement and the real level of influence of regions

The previous section/messages looked at the quality of the involvement as seen by Regions in Cohesion Policy. The next logical question is to analyse the partnership process and more specifically the levels of influence perceived by Regions in the development of Operational Programmes.

3.1 Levels of influence of Regions

Because of the vagueness of the wording of Article 5 CPR, it was thought useful to analyse the level of influence perceived by regions in specific issues mentioned in the Code of Conduct. The following issues were selected:

- **Allocation of resources**: the extent to which the region was involved in deciding how ERDF/ESF resources are allocated to each Thematic Objective in the Operational Programme;
- **Analysis of needs**: analysis of disparities, development needs and growth potential with reference to the Thematic Objectives and the territorial challenges;
- **Development of priorities**: refers to the priorities which are defined in each operational programme setting out specific objectives, financial appropriations of support from the ESI funds and corresponding national co-financing;
- **Integration of horizontal principles**: There are three horizontal principles: to promote equal opportunities between men and women, to prevent discrimination and to promote sustainable development. The CPR requires the ex-ante evaluator to assess “the adequacy of planned measures” regarding those principles;
- **Involvement in the Monitoring Committee**: Monitoring committees are set up by Member States to monitor the implementation of the programme(s). Article 5 of the CPR makes it compulsory for Member State to include a range of partners, including regional authorities.

As it can be observed in the graph below, respondents consider that they have the lowest influence in the integration of horizontal principles and have the highest in the analysis of the needs of the region. The development of priorities and involvement within the Monitoring Committee also score highly. Only Tulcea consider that it has no influence in any of these issues.

![Figure 6: Perceived level of influence of regions in terms of the development of operational programmes](image)

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The Code of Conduct defines the following issues where partners ‘shall’ be involved in terms of the preparation of the programmes: analysis and identification of needs, definition/selection of priorities and related specific objectives, allocation of funding, definition of OPs specific indicators, implementation of horizontal principles and composition of Monitoring Committee.
The wide range of responses can partly be explained by the following:

- **The lack of compliance of the process in some Member States.** The participation of regions in Monitoring Committees is compulsory under Article 5 CPR, yet there were a number of responses pointing to a low level of influence and no influence from some regions;

- **The vagueness of the wording of the Code of Conduct;**

- **The variety of the issues at stake,** with no mention of how important each of these issues and how they should be prioritized.

If the process had been respected successfully, one should see less differences between the perceived levels of influence from regions with regards to the above categories.

### 3.2 The process of partnership

A majority of respondents - 70% - consider that their Member State respected provisions under Article 5 CPR and its Code of Conduct. “This differs from successfully respecting the process”, as put by one of the respondents to the survey.

Amongst the other 30% of respondents, 10% consider that these provisions were not respected while the rest consider that they were but only partially.

![Figure 7: Regions perception of respect to article 5 CPR by Member States and the Code of Conduct and Regions contribution to PA and OPs](image)

There is crucial difference between regions which consider that they have contributed to both the Partnership Agreements and the Operational Programmes, and those which consider that the spirit of partnership enshrined in Article 5 CPR was respected. It can be observed that contributions to the Partnership Agreement and Operational Programmes have been very high while the proportion of those Member States respecting article 5 CPR and the Code of Conduct is much lower.
4. Regions are broadly competent in the areas of intervention of Cohesion Policy

The previous three sections of this study look at the degree and quality of involvement of regions within Cohesion policy. This new section examines the degree of legitimacy of regions within Cohesion Policy and looks at the level of competences of regions in relation to their responsibilities.

4.1 Areas of Intervention of Cohesion Policy

The areas of intervention of Cohesion Policy are the eleven Thematic Objectives in which EU Cohesion Policy funding for 2014-2020 is concentrated. These areas of intervention are very broad and do not necessarily match the approach in which Member States and regions structure their national or regional areas of intervention.

Often policy fields are mixed or combined rather differently. For instance, Small and medium-sized enterprises competitiveness (SMEs) is hardly in any case a stand-alone policy area in any Member State and therefore this affects the balance of competences between the different levels of government and the answers respondents provided.

4.2 Types of regional competences

CPMR members were asked about their current level of competences in the above-mentioned areas of intervention. Competition Policy and Efficient Public Administration were omitted due to their different nature and scope.

Respondents were provided with three types of competences to ensure subsequently a systematic and consistent analysis: legislative powers, administrative powers and no powers:

- **Legislative power** refers to the authority under the constitution to make laws and to alter or repeal them.
  - Regions may have exclusive legislative and implementing power within the region in that particular area as defined by the Constitution and/or the Statute of that particular region (this is the case of Spanish and Italian regions in some policy areas).
  - Regions have shared legislative powers when both regional and national levels legislate in one particular field according to the rules set up at national or regional level (this is also the case

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15 Research and Innovation, Information and Communication Technologies, SMEs competitiveness, Low Carbon Economy, Climate Change and Risk Prevention, Environment and Resource Efficiency, Transport and Energy Networks, Employment and Labour Market, Social Inclusion, Education and Training and Efficient Public Administration. EU Cohesion funding also support projects in Competition Policy, Health, Tourism, and Culture. The first four areas are key priorities for the ERDF and Member States must allocate certain share of funding to at least two of these themes as follows: at least 80% for more developed regions, 60 % for transition regions and 50 % for less developed regions.

16 Once of the main sources is the Division of Powers project, commissioned by the Committee of the Regions and produced by the European Institute of Public Administration (EIPA), the European Center for the Regions (ECR) and the Centre for European Policy Studies (CEPS). This analysis gives an overview of the levels of institutional and fiscal decentralisation in all EU countries. The Committee of the regions has commissioned other two important studies, predecessors of the Division of Powers project: “Study on the Division of Powers between the European Union, the Member States, and Regional and Local Authorities”, European University Institute of Florence, 2008; “Strengthening Regional and Local Democracy in the European Union”, II Vols., Observatory on Federalism and Public Governance, 2004. Equally important for these topics are two studies commissioned by the European Parliament: “An assessment of Multilevel Governance in Cohesion policy 2007-2013”, European Policies Research Centre and Metis GmbH, 2014 and “EU Cohesion policy and the role of the regions: investigating the influence of Structural Funds in the new Member States”, European Policies Research Centre of the University of Strathclyde, J. Bachtler and I. MacMaster, 2007.
of Spanish and Italian regions but also of German Länder and the Autonomous Regions of Azores and Madeira).

- **Administrative powers** include an array of different powers: the power to administer or enforce law, to carry laws into effect, implement government policies and exercise administrative control.
  - Regions with administrative powers may be entitled to levy taxes and might also have the power to adopt general regulations to complement legislation, although this depends on the balance of competence of each Member State.
  - Regions within unitary states do not generally have legislative powers and therefore only have administrative powers. As seen in the country profile section of this study, some unitary Member States are organised on a decentralised basis and others are not.
  - Regions within unitary decentralised states have generally greater powers. In the second case regions are commonly devolved levels of the central government, as for example Estonian, Romanian and Bulgarian regions, and clearly have, overall, much more limited competences in more areas of intervention.

### 4.3 Competences of regions in the areas of intervention for Cohesion Policy

All of the respondents have competences in at least one area of intervention. Administrative powers are the more frequent in all areas of intervention.

- **32.5% of respondents have legislative powers.** Although characteristically regions within unitary states do not have legislative powers, there are exceptions such as Açores and Madeira, Guadeloupe and Noord-Holland.
- Taking Transport as an example, the competences of regions go from the management of regional airports to the establishment of transport companies, the coordination and planning of the different means of transport, the elaboration of the regional scheme of infrastructure and transports and the exclusive legislative and executive competence for intra-regional transport.

**Figure 8: Levels of competences of Regions in the areas of intervention of Cohesion Policy 2014 – 2020**

Level of competences in the areas of intervention of Cohesion Policy

<table>
<thead>
<tr>
<th>Area</th>
<th>No Power</th>
<th>Administrative</th>
<th>Legislative</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-Carbon Economy</td>
<td>20%</td>
<td>35%</td>
<td>45%</td>
</tr>
<tr>
<td>Research and Innovation</td>
<td>18%</td>
<td>28%</td>
<td>55%</td>
</tr>
<tr>
<td>Social Inclusion</td>
<td>28%</td>
<td>48%</td>
<td>38%</td>
</tr>
<tr>
<td>Environment</td>
<td>28%</td>
<td>48%</td>
<td>28%</td>
</tr>
<tr>
<td>Climate change</td>
<td>30%</td>
<td>48%</td>
<td>23%</td>
</tr>
<tr>
<td>Labour</td>
<td>13%</td>
<td>15%</td>
<td>72%</td>
</tr>
<tr>
<td>Health</td>
<td>28%</td>
<td>65%</td>
<td>5%</td>
</tr>
<tr>
<td>SMEs competitiveness</td>
<td>30%</td>
<td>58%</td>
<td>6%</td>
</tr>
<tr>
<td>Education and training</td>
<td>28%</td>
<td>63%</td>
<td>10%</td>
</tr>
<tr>
<td>Tourism</td>
<td>28%</td>
<td>68%</td>
<td>5%</td>
</tr>
<tr>
<td>Transport</td>
<td>23%</td>
<td>68%</td>
<td>5%</td>
</tr>
<tr>
<td>Culture</td>
<td>25%</td>
<td>68%</td>
<td>5%</td>
</tr>
</tbody>
</table>
• Respondents have more competences in the areas of Culture, Transport and Energy Networks and Tourism and have fewer competences in Low-Carbon Economy, Information and Communication Technologies, Research and Innovation and Social inclusion.

• It must be noted that Low-Carbon Economy and Information and Communication Technologies, as well as for instance SMEs competitiveness, are hardly ever stand-alone policy areas and therefore are traditionally integrated with Environment and Climate Change in the case of Environment. There is no single national ministry of SMEs competitiveness or Low-Carbon Economy for instance and Ministries dedicated to Information and Communication Technologies or Research and Innovation are generally rare.

4.4 Changes in the balance of competences since 2007

There were changes in the balance of competences between the central, regional and local level of governments in 20% of the cases since 2007-2013. In all these cases the level of competence of regional authorities increased.

Those respondents which increased their level of competences are Bretagne, Guadeloupe, Corse, Réunion, Noord-Holland, Peloponnisos, the Northern and Western Regional Assembly and Cornwall.

There are two administrative reform proposals in Estonia and Italy which aim at redistributing the balance of competences between the different levels of government.

However, there is no correlation between the change in the balance of competences and the change in the level of involvement. As we saw in a previous section, the levels of involvement of regions since 2007-2013 changed in 40% of the cases but less than half increased their level of involvement. Only the four French regions and the Peloponnisos increased both their competences and their levels of involvement.

The survey shows that there is a relatively close fit between the areas of intervention of Cohesion Policy and the traditional competences of regions, whether they are in regionalised or unitary Member States. There are differences across Member States but this reinforces the assumption that regions are legitimate actors of Cohesion Policy, and that they have a high degree of experience, knowledge and expertise in the areas of intervention for Cohesion Policy.

This fits well with some comments received about the perceived role of Cohesion Policy as a territorial development policy, with some respondents stating that ESI funds provided their regions with opportunities to develop and to implement investment projects in good condition, which could not have been financed through national or local financial sources.

The levels of competences increased in 20% of the respondents since 2007. However there is no correlation between the change in the balance of competence and the change in their level of involvement for Cohesion Policy programmes.

5. There is no consistent recognition of the island dimension within Cohesion Policy in island regions, regardless of EU Treaty provisions

Addressing specific territorial issues is a crucial role of Cohesion Policy and therefore a study case of one specific type of territory seemed very appropriate. This section focuses on Island regions and was made jointly with the Islands Commission of the CPMR.

Article 174 of the Treaty on the Functioning of the European Union recognises specific territories facing permanent handicaps that require special attention from the European Union. CPMR Membership comprises a number of regions which fall under the specific territories mentioned under Article 174 TFEU.

One of these specific territories is northern sparsely populated areas. Comments were provided by Norrbotten and Västerbotten, with Västerbotten welcoming the extra resources provided under article 92 (1) of the CPR
and the additional flexibility in terms of the allocation of funding for five thematic objectives. The extra allocation and flexibility allowed the region to focus better on regional needs.

The remainder of this section focuses on the islands dimension. **15 out of 40 respondents to this survey are island regions**\(^1\).

5.1 Country profile

- Three of the island regions are embedded in a regionalised state (Canarias, Illes Balears and Sardegna) and the rest are part of a unitary state;
- Five of these regions are outermost regions and therefore have special provisions under article 349 TFEU: Açores, Canarias, Madeira, Guadeloupe, and Réunion;
- Four regions have a special status within their Member State: Guadeloupe and Réunion are Overseas and Madeira and Azores are Autonomous Regions;
- Six of these regions have legislative powers: Canarias, Illes Balears, Sardegna, Madeira, Açores and Guadeloupe.

5.2 The majority of Island regions are highly involved in Cohesion Policy programmes

- The majority of island regions are formally involved within Cohesion policy (12 out of 15). Hiiumaa, Saaremaa and Gotland are only informally involved;
- Seven of these regions are managing authorities of an ERDF and/or ESF regional programme: Açores, Madeira, Sardegna, Réunion, Guadeloupe, Corse and Canarias. Canarias is managing authority of an Interreg programme;
- There have been changes in the level of involvement in three regions: Guadeloupe, Réunion and Corse are now managing authorities of ERDF and/or ESF programmes. There is a straight correlation between the level of decentralisation and the level of involvement since there has been a recent administrative reform in France increasing their level of competences and in this new programming period French regions have become managing authorities of ERDF/ESF regional programmes;
- There is, however, no correlation between the degree of regionalisation and the level of involvement; all but one of the regions being managing authorities are part of a unitary state. Canarias and Illes Balears are part of a regionalised state but are not managing authorities of ERDF regional programmes (Canarias Islands is Managing Authority of a cross-border cooperation programme but not of the Canarias ERDF regional programme).

5.3 Regions were generally involved in the design of both the PAs and the OPs

- **Quality of involvement for Partnership Agreements varies significantly**
  - One respondent did not contribute to the Partnership Agreement: Gotland;
  - Some regions participated in several meetings with national authorities, stakeholders, some including participated in meetings the European Commission;
  - Others were involved in a national consultation process where the quality was poor and the comments were hardly incorporated: Shetland, Orkney and Western Isles.

- **Quality of involvement for Operational programmes**
  - The totality of island regions contributed to the Operational Programmes;
  - Seven of these regions designed the ERDF and/or ESF regional programmes;

\(^1\) The CPMR members of the Island Geographical Commission which participated in this survey were the Governo Regional dos Açores, Govern de les Illes Balears, Bornholms Regionkommune, Gobierno de Canarias, Collectivité Territorial de la Corse, Conseil Régional de la Guadeloupe, Conseil Régional de la Réunion, Region Gotland, Hiiumaa County, Governo Autonomo da Madeira, Orkney Council, Saaremaa County, Giunta Regionale della Sardegna, Shetland Council and Western Islands Council. Orkney, Shetland and Western Isles counties form part of the electoral Highlands and Islands which contains four island groupings, these three in addition to the Argyll Islands. However Orkney, Shetland and Western Isles constitute separated councils. Highland and Islands of Scotland have answered to this survey jointly. Hiiumaa and Saaremaa counties also answered jointly to this survey.
5.4 Article 5 and its Code of Conduct were respected, but some regions were particularly critical of the quality of the process

- All island regions consider that their Member State has successfully respected article 5 CPR and the Code of Conduct on Partnership;

- This masks stark differences of opinions with regards to the quality of the process. Where some regions were particularly satisfied about the quality of their involvement (and their influence), several respondents considered that the whole process was far too centralised and doubted that comments ultimately were incorporated. Two island regions did not contribute to the Partnership Agreement;

- Regarding their perceived degree of influence, in some of the most relevant aspects of the preparation of an operational programme such as the allocation of resources, the real influence of some respondents was very low.

![Level of influence of Island Regions]

**Figure 9: Perceived level of influence of island regions in terms of the development of operational programmes**

5.5 Link with Article 174

60% of island regions consider that no particular attention has been paid to their territorial specificities during the design of the Partnership Agreement and Operational Programmes in line with article 174 TFEU. 20% provided a mixed answer.

- In some regions, the island dimension was not taken into account...
  - Some regions consider that the island dimension is not taken into account and they are either treated as another continental part of their Member State or as rural areas;
  - The process of designing the Partnership Agreement and the Operational Programme was considered too centralised.

- ...there are question marks over the European approach
  - Some respondents state that the European approach as it is currently exercised and enshrined in the regulations is clearly insufficient and that the provisions under these articles are not sufficiently used. However attention was paid at national level and therefore enshrined in the Partnership Agreement;
Another island region considers that the fact that the region was an island had no bearing as regards the allocation of funds to the region, although the region was able to exert influence at the level of Operational Programme since the region has a board to assess the applications and send recommendations to the state unit for approval;

Another island region considers that the possibilities of Article 349 TFEU are not sufficiently exploited in their territory and therefore it should also its interpretation should be improved18.

... but other island regions consider that a particular attention was paid to them

Those regions that are satisfied and consider that particular attention has been paid to their island territorial dimension underline the inclusiveness of the process, and the close collaboration with national authorities in the Partnership Agreement.

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Figure 10: Map of island regions and the level of attention paid to their territorial specificities in accordance with article 174 TFEU

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18 Article 349 TFEU sets out provisions for Outermost Regions, due to their structural social and economic situation, “compounded by their remoteness, insularity, small size, difficult topography and climate, economic dependence on a few products, the permanence and combination of which severely restrain their development”. The article also foresees specific measures in a variety of areas as well as conditions of access to structural funds and to horizontal Union programmes.
There are very mixed responses as to whether the island dimension of Cohesion Policy is a reality for the 2014 – 2020 operational programmes.

Although all islands regions were included in the process of developing Operational Programmes, there is little evidence to suggest that all of them were given special treatment on the basis of their status as insular regional authorities.

No respondent mentioned that Article 174 TFEU was a driving factor in terms of implementing an island dimension within Cohesion Policy.

Some island regions have a special status provided under the constitutional framework of their Member State. Based on the responses received, one hypothesis could be that the high degree of satisfaction with regards to the island dimension of Cohesion Policy in these regions is mostly due to the special status they have at national level, and not thanks to the provisions provided under Article 174 TFEU.
Recommendations from Regions to improve partnership

CPMR Regions were also asked to provide recommendations to improve the partnership principle within Cohesion Policy and beyond. These recommendations are summarised and grouped together below.

**On Partnership issues:**

- To designate regional authorities as management authorities of all regional programmes;
- To improve the quality of informal involvement by enlarging working groups, clarifying structures, roles and responsibilities of the different committees and groups, increasing transparency, increasing the quality of discussions, improving guidance, setting up independent arbitration committees between the managing authority and the regional authority (when it is not itself the managing authority) and involving partners on a more pro-actives basis;
- To increase the involvement and influence of regional authorities on the implementation and management of operational programmes and not limit it only to programming;
- To improve the dialogue between the Member State, the managing authority and intermediate bodies and regional authorities;
- To provide a more central role to regions in the allocation of funding. A respondent consider that ESI funds should be 100 % allocated to regional authorities. Another respondent stated that considering the competences of it region all funds should be allocated to regions through regional programmes and not only 45 % as it happens currently;
- To improve the coordinating and guiding function of the Partnership Agreement;
- To conduct negotiations on the Partnership Agreements and Operational Programmes in the form of tripartite discussions between the Member State, the Commission and those responsible of drafting the Operational Programmes.

**On simplification of Cohesion Policy:**

- Simplification of the designation procedure for management and control authorities;
- Further steps to simplify administration of the ESI funds on the level of managing and audit authority; so far, administration has only been simplified on the Commission level and - to some degree - on the beneficiary level;
- Simplification at the managing authority level: “additional requirements such as Cohesion, Fraud Risk assessment, Annual Accounting are all placing additional burdens on Managing Authorities (...). A renewed focus on results has not resulted in a lessening of financial management and control. In fact the financial management and control requirements have become more onerous along with new reporting requirements and a new more demanding performance framework”;
- A more simplified bureaucracy to allow the increase of the project implementation rate;
- Increase transparency and publicity regarding criteria to co-finance projects;
- Reduce the amount of control levels;
- More management flexibility to be able to respond better to regional needs.
### On timely negotiations of the EU Cohesion package, Partnership Agreements and operational programmes and the role of the European Commission:

- The European Commission should only provide a framework and **not provide excessive details regarding the implementation of Operational Programmes**;

- **To improve consistency of EU regulations** linked to Cohesion Policy;

- **Timely adoption** of the Cohesion legislative package;

- Negotiations over Partnership Agreements and Operational Programmes were too laborious;

- EU Policy makers should be in closer contact with those who actually manage regional policy on a daily basis.

### On the goals, objectives and missions of Cohesion Policy:

- Clarify the current and future direction of the policy: is it a regional policy in favor of regions or a policy to ensure financial transfers to the territories for the benefit of Member States?

- Stronger acknowledgement of the bigger challenges of islands, compared with rural and peripheral areas in general.
Avenues for further work

The survey explored two dimensions of Cohesion Policy: the quality of the involvement of regions with Cohesion Policy, and its level of legitimacy as a territorial development policy with Regions at its very heart. Responses to the survey raise a number of issues:

- Article 5 CPR and its Code of Conduct are certainly a step in the right direction. The vagueness of the provisions under Article 5 CPR, however, fully explains the breadth of responses collected within this study;
- There is a marked difference between respecting Article 5 provisions (which was achieved in a majority of cases) and quality of involvement and partnership;
- Comparing traditional competences of regional authorities and areas of intervention of Cohesion Policy confirms that regions are legitimate actors at the centre of the policy;
- The specific situation of islands was not a factor that was taken into account in all island regions with regards to the development of operational programmes.

Taking into account these findings it is clear that provisions on partnership and multilevel governance should be clarified and further strengthened to guarantee the quality of the involvement of all regional authorities.

Considering the highly political nature of negotiations over Cohesion Policy legislation and the setup of the EU budget relying primarily on national contributions, it is of no wonder that Member States are in the driving seat when it comes to defining partnership arrangements with regions. Under these circumstances, the margin for manoeuvre is therefore fairly limited to substantially change the status quo in the future. The fact that Cohesion Policy is under intense scrutiny because of its poor reputation as a development policy is not a helpful factor.

But this is not to say that the Commission should hide behind the variety of institutional frameworks at the level of Member States to maintain the vagueness of the wording of both Article 5 CPR and the Code Conduct. In fact, evidence from this study suggests that countries with a strong regional structure (such as Spain) are not necessarily provided with a corresponding high level of responsibilities for Cohesion Policy. The approach to enforce Article 5 CPR, therefore, is far from consistent.

This study opens up possible avenues for further work for the CPMR and its Member Regions.

- **Continue to make the case for a policy that needs regional authorities to thrive.** A possible next step could be to look at the added value of Cohesion Policy investments on growth and jobs in peripheral maritime regions compared to other sources of funding.
- **Giving Article 5 CPR real ‘teeth’ by making its provisions an ex-ante conditionality.** Establishing the provisions on partnership and multilevel governance as pre-conditions for effective and efficient use of all ESI funds could strengthen the quality of involvement of Regions in Cohesion Policy. However, this may add excessive administrative burden to an already hefty policy.
- **Incorporating the Code of Conduct as an article into the new legislative package.** Strengthening article 5 with the incorporation of the provisions of the Code of Conduct and in parallel reinforcing the wording of its provisions could be a step forward. This would clarify matters for managing authorities.

This study is a first step establishing a clear picture of the added value of ESI funds on regional economic development and legitimising the role of regions for the delivery of Cohesion Policy programmes. The CPMR will continue exploring possible avenues for further work above on improving partnership and ensuring multilevel governance and shared management of Cohesion Policy in view of the post-2020 Cohesion Policy proposal in 2018.
Annex – List of respondents to the survey

- Bornholms Regionskommune (DK)
- Collectivité Territorial de la Corse (FR)
- Conseil Régional de Bretagne (FR)
- Conseil Régional de la Guadeloupe (FR)
- Conseil Régional de la Réunion (FR)
- Consiliul Judetean Tulcea (RO)
- County Council of Norrbotten (SE)
- Cornwall Council (UK)
- County Council of Calarasi (RO)
- District Government of Burgas (BG)
- District Government of Varna (BG)
- Generalitat de Catalunya (ES)
- Giunta Regionale della Sardegna (IT)
- Giunta Regionale de Toscana (IT)
- Gobierno de Canarias (ES)
- Gobierno de Cantabria (ES)
- Govern de les Illes Balears (ES)
- Governo Regional dos Açores (PT)
- Governo Autonomo da Madeira (PT)
- Helsinki-Uusimaa Region (FI)
- Hiuumaa County (FI)
- Junta de Andalucía (ES)
- Mecklenburg-Vorpommern (DE)
- Northern & Western Regional Assembly (IE)
- Orkney Islands Council (UK)
- Parnumaa County (EE)
- Peripheria Peloponnisou (EL)
- Podlaskie Voivodeship (PL)
- Principado de Asturias (ES)
- Provincie Noord-Holland (NL)
- Region Nordjylland (DK)
- Region Midtjylland (DK)
- Regional Council Kymenlaakso (FI)
- Region Västerbotten (SE)
- Region Gotland (SE)
- Region Skåne (SE)
- Saaremaa County (EE)
- Shetland Islands Council (UK)
- The Highland Council (UK)
- Western Isles Council (UK)