

POLICY ANALYSIS

The issues of decentralisation and devolution are discussed here from the viewpoint of the effectiveness of public policies, which is linked in a virtuous circle to ownership of those policies by individuals, public institutions and private companies. The very *raison d'être* of the Committee of the Regions resides in the awareness that local and regional authorities are crucial to the effectiveness of public policies. This is due to the fact that they have knowledge of their territories that the upper levels of government cannot have, powers and competences that give them a key role in many policy fields, and proximity to ordinary individuals, enabling them to listen, and speak, to them.

Irrespective of the extent of their competences, powers and resources, however, local and regional authorities' room for manoeuvre is bound by a framework of external conditions that are out of their control, but on which the upper levels of government have an influence. Examples of this are EU and national regulations, availability of funds and/or other incentives at EU and country levels, administrative red tape, and soft and hard infrastructures that can only be made available at a higher level of government.

To maximize the effectiveness and legitimacy of public policies, the assets of local and regional authorities need to be invested according to the principles of partnership and multilevel governance.

To maximize the effectiveness of a policy, the different levels of government should work in partnership to design and implement that policy. This includes not only identifying shared goals and targets, but also coordinating and integrating agendas along a common timeline in order to secure synergies and systemic effects. Partnership means involvement, and involvement increases ownership, which in turn, in a virtuous circle, makes delivery more effective.

Multilevel governance, as defined by the Committee of the Regions, is "coordinated action by the European Union, the Member States and local and regional authorities, based on partnership and aimed at drawing up and implementing EU policies". Within this context, respect for the principle of subsidiarity – whereby competences and resources must be allocated to the level of government which is closest to the general public (and) which can use them effectively – is a

prerequisite for effective multilevel governance, but is not sufficient. Therefore, whatever a country's situation in terms of constitutional layout (federal, centralised, decentralised) and institutional trends (decentralisation, devolution), what counts most is the need to set proper conditions for effective multilevel governance arrangements.

The same applies to EU policies, and the ongoing mid-term review of the Europe 2020 strategy is a good example. Europe 2020 was launched in 2010 to boost smart, sustainable and inclusive growth in the EU. The five headline targets of the strategy are underpinned by seven flagship initiatives and its governance is based on the open method of coordination. A mid-term review is now ongoing, and a revised version of the strategy is expected in early 2015 for the second half of its

life cycle. It is widely accepted that Europe 2020 has not delivered on its promises so far and that this is not only due to the impact of the economic crisis. The Committee of the Regions, in its Athens Declaration², has identified the challenges facing the renewed Europe 2020 strategy: it

needs a territorial dimension (setting regionally differentiated objectives and targets to take into account differentiated situations and potential) and multilevel governance approaches. In addition to increased policy effectiveness, multilevel governance would make the policy-making process more transparent and inclusive, spreading ownership of the strategy and its outcome.

While the Athens Declaration asks for multilevel governance and a territorial dimension to be taken on board in the European Semester (the Annual Growth Survey, the National Reform Programmes and the Country-Specific Recommendations), tentative approaches are already in place whereby the National Reform Programmes are designed in partnership. In Italy, for instance, the Conference of the Regions has set up an ad hoc regional team (RETE NRP) in charge of coordinating and forwarding regional contributions as an integral part of the NRP. A different approach has been adopted in Sweden where, although the subnational level does not officially contribute to the process of drafting the NRP to which it provides an appendix, interaction between all stakeholders at all levels is ensured by means of six consultations each year on Europe 2020. The Committee of the Regions' 5th Monitoring Report on Europe 2020 devotes an entire chapter to multilevel governance issues, presenting a series of good practices in the field. Governance modes vary from informal approaches, such as Local Strategic Partnerships (LSP) or Local Enterprise Partnerships in the UK, to contractual arrangements, such as the Contrats de Projets État-Région (CPER) in France or the conventions in Luxembourg, involving multiple actors from different tiers of government as well as relevant stakeholders, e.g. from the private sector. These examples show that, while there is no one-size-fits all solution, specific multilevel governance arrangements can and should be worked out to ensure effective delivery and broad ownership of the renewed Europe 2020 strategy.

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

2 Athens Declaration on the mid-term review of Europe 2020: 'A Territorial Vision for Growth and Jobs', and accompanying Mid-Term Assessment Report, 7 March 2014
<https://portal.conseuropa.eu/europe2020/Pages/MTAR.aspx>.