

The Committee of the Region's White Paper on Multilevel Governance: Perspectives for a Partnership-based European Union 2020-2030

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¹ Milestones as the reform of the structural funds (1988), the Maastricht Treaty (1992) allowing regional participation in the Council of Ministers, introducing the principle of subsidiarity, and establishing the Committee of the Regions (1994) created a context of high regional mobilisation, network creation, involvement in important EU debates (White Paper on EU Governance, The European Convention, IGC's...) against an ideological background where notions like «Europe of the Regions» were used with political determination.

1. The World Is a Changing

1.1. The European Union Has to Demonstrate Leadership

We can observe that in the economic world a lot of changes already have taken place over the last two decades. Multinationals became a reality and small and medium-sized enterprises (SMEs) internationalise. The market is definitely global today. Consequently, the ever more intensive contacts occur on the economic level, in social reality, it means we need to change the way politics is organised too. The creation of the European Union's Single Market demonstrates that the European Union is at the forefront of giving a solution to challenges of globalisation. The EU has the biggest Single Market. Not even China has a full fledged internal market. The EU's Single Market is of course highly political, it goes far beyond economics.

Today most of our member states have given up their currencies too (element of national sovereignty), this is a new political unity. The EU is not a nation state, but it goes far beyond intergovernmental cooperation and has clear cut federal features. We can observe a certain paradox in the history of the EU's integration process. The EU has on the one hand, certainly with ups and downs, achieved a continuous process of deepening its unity; on the other hand it has also promoted diversity by giving an impetus to regionalisation and decentralisation¹. More than one third of the current EU budget (2007-2013) is allocated to the financial instruments of the EU's regional policy. In this globalised world, in the EU, where states have given up elements of sovereignty and where regions are increasingly more important, it's no use to compare well-defined national sovereignties and to put them into competition. Today, also the boundary between the traditional

difference between public responsibilities and private activities is less clear. New services no longer have national boundaries, mobility of citizens is increasing. You have to work in partnership. Industries have understood that and have changed their hierarchy systems and cooperation methods.

The role of regions has clearly increased with the establishment of the European Economic and Monetary Union (EMU). This is especially though for the bigger and middle sized member states. In the past, countries could depreciate their national currencies to boost competitiveness. Today this is no longer possible. So the answer is to build clusters and pools of knowledge centres to increase competitiveness between industries in different (trans-border) regions of the EU. This so-called «cluster policy» is mostly conducted under the direct responsibility of the regions. In addition, regional and local authorities have gained important responsibilities for economic development (cf. the management of structural funds).

There is a clear tendency towards decentralisation both in the EU and in the world. The regional level now has a real role to play in various competences ranging from culture, education, tourism, integration of newcomers to so-called «hard» policies as export, and attracting foreign investments, industry, innovation or research and development policy. In the European Union there are yet about 270 regional authorities and 90,000 local authorities. Since the 1980s about 300 regions and bigger cities established an official representation in Brussels. This trend goes in line with the growing activities of the regions in the field of foreign policy. Some scholars observe a so-called «third wave» in sub-state diplomacy and argue that «the boundaries between diplomacy (generated by states) and sub-state diplomacy are visibly watering down»².

Two thirds of public investment is managed by regions and cities in the EU³. Hence, we simply can't reach the objectives of the Lisbon Strategy and its subsequent EU 2020 Strategy without them. This is why regional and local authorities need to be engaged in the political debates on the EU agenda. This is the only way forward to constitute also «European» politicians, close to the citizens. The idea is to have the architecture in place for more systematic cooperation between all those entities and actors who can contribute to the challenges and problems where citizens need a concrete answer to.

² J. Melissen, D. Criekemans, M. Duran, *Towards a «Third Wave» in Sub-state Diplomacy*, Antwerpen, University Press, 2009.

³ Dexia, *EU Sub-national Governments: 2008 Key Figures*, Document prepared by the Research Unit of Dexia Crédit Local with the help of the Council of European Municipalities and Regions, 2009-2010.

1.2. New Governance Structures Arise to Provide Pragmatic Answers on the Ground

1.2.1. *The European Grouping for Territorial Cooperation (EGTC)*

Policies must be adapted to new developments at all levels of government. One example is territorial cooperation, where national borders lose their function in some areas. The EU Regulation on the «European Grouping for Territorial Cooperation»⁴ (EGTC) makes it possible to establish an authority with its own budget and staff originating from different member states in it (e.g. a hospital serving two or more countries). Each EGTC constitutes an authority based on the nature of the problem and its geographic location, instead of sticking to logic of perceiving national borders as institutional boundaries. Fifteen EGTCs have been set up to date, with a further twenty in the pipeline⁵. These EGTCs represent a new governance model for partnership within the European Union, and provide their members with a long term sustainable legal framework for consolidating mainstream policies through a new model of cross-border governance. The challenges linked to globalisation are increasingly taking shape with little regard for national borders, around substantial functional spaces, hence the need for «place-based» policies. In this context, the EGTC has a great deal to offer:

1. It gives legal stability to cooperation and allows a variety of forms of multilevel institutional formatting;
2. It incorporates the genetics of «soft cooperation» and has the legal capacity to deliver structuring development projects;
3. For the first time, we have an instrument which is European in nature and has a strong territorial basis.

EU politicians at all levels of governance need to pool actions together in order to incorporate the specificities of the local dimension with economies of scale and scope in a cross-border and trans-national dimension. This is a time to bring «European territorial pacts» to life, based on new forms of «contractualisation», the respect of the principle of subsidiarity, the smart integration of policies, territorial cooperation and territorial dialogue.

⁴ Regulation (EC) No. 1082/2006 of 5 July 2006 on a European Grouping of Territorial Cooperation (EGTC).

⁵ See for a substantive overview of existing EGTCs and EGTCs under preparation, at <http://www.cor.europa.eu/pages/EventTemplate.aspx?view=folder&id=1ae87373-d198-4bf5-b26c-7e9930fb813e&sm=1ae87373-d198-4bf5-b26c-7e9930fb813e>.

1.2.2. *The Establishment of Macro-regions*

Also the establishment of the new «macro-regions» is a pragmatic answer to real problems on the ground that goes beyond mere cross-border cooperation. For example, the Baltic Sea is an area with a common history and a common identity. Since centuries there has always been commercial and cultural activities covering the entire region. Today, it's possible for this region to build itself a new role in the EU based on this common history. The problem is that public structures are mainly national. The EU's new Baltic Sea Strategy therefore is a new architecture for pragmatic cooperation comprising various action programs (e.g. tourism, education...)⁶. Moreover about eighty flagship projects are listed in the accompanying Action Plan⁷. In this framework, the member states have to address the regions and cities if they want to participate in this program. Currently the new macro-region for the Danube is under discussion⁸. At least twelve other potential macro-regions could be identified.

1.2.3. *The Euro-Mediterranean Regional and Local Assembly (ARLEM)*

Europe also needs to export this new partnership logic abroad, through its external policy. The establishment of the «Union for the Mediterranean», for example, provides for yet another innovative governance structure through which regional and local politicians, from all states bordering the Mediterranean, can meet and engage in dialogue⁹. It will be in the Euro-Mediterranean Regional and Local Assembly (ARLEM) that representatives from the EU member states and non-member states alike will translate the Union's objectives at local level to make joint actions happen¹⁰. We have to ensure that this partnership approach is enshrined in any future external policy of the EU with our partners in the north, in the south, and from the east to the west – be it via the «Northern Dimension Initiative», the renewed Partnership Agreement with Russia or the EU's Prospective «Eastern Partnership». Only with the involvement of public authorities at all levels on the one hand, and civil society on the other, will the EU's external policy be successful.

In general this new governance paradigm is accepted by the Heads of State and Governments. For the 50th anniversary of

⁶ See Conclusions of the European Council of 29-30 October 2009, 15265/1/09.

⁷ Commission staff working document accompanying the Communication of the Commission concerning the European Union Strategy for the Baltic Sea Region, SEC (2009) 712/2.

⁸ See for a general presentation, at http://ec.europa.eu/regional_policy/cooperation/danube/index_en.htm.

⁹ See for a general presentation of the process, at <http://eeas.europa.eu/euromed/>.

¹⁰ See for a general presentation of the ARLEM, at <http://www.cor.europa.eu/pages/CoRatWorkTemplate.aspx?view=folder&id=38133fb1-2263-415e-9a23-90b831a7e3cc&sm=38133fb1-2263-415e-9a23-90b831a7e3cc>.

the Treaties of Rome the EU institutions declared on 25 March 2007 in Berlin that: «There are many goals which we cannot achieve on our own, but only in concert. Tasks are shared between the European Union, the member states and their regions and local authorities»¹¹. Furthermore recent Eurobarometer research merely confirms that in many member states the national level has less credibility than the regional or EU levels. 59% of the respondents estimate that local and regional authorities are not sufficiently taken into account in the European decision-making process¹².

In legal terms the Lisbon Treaty offers also new opportunities for more participative governance structures. First, it explicitly recognizes the competences of regions and local authorities as enshrined in the national structures¹³. The EU's natural partner is therefore not anymore merely the national level. Second, it also enshrines the objective of territorial cohesion (in addition to social and economic cohesion)¹⁴. Third, the definition of the principle of subsidiarity now explicitly mentions the local and regional level¹⁵. Furthermore the regulatory and financial impact of proposed EU legislation on regional and local authorities is to be taken into account. Also regional parliaments will have to be consulted by the national Parliament following the amended Protocol on the Principles of Subsidiarity and Proportionality¹⁶. The new Citizen's Initiative might become yet another tool to strengthen participative democracy in the EU, whilst strengthening the synergies between existing platforms and contributing to the emergence of new thematic networks or *e-fora*¹⁷. Finally, it should be mentioned that the convention method is yet the ordinary method for Treaty change¹⁸. Hence the participation of legitimate actors as the European Parliament, the Committee of the Regions, the European Economic and Social Committee, members of the national parliaments to the future construction of the European Union will be assured.

1.3. New Trends in Policy Making

Not only do we need a different kind of cooperation between the institutions to tackle today and future challenges both efficiently and in time, we also have to invite the political associations and relevant actors to share in the debate.

¹¹ Declaration of European Heads of State and Governments on the occasion of the 50th anniversary of the signing of the Treaties of Rome, Berlin, 25 March 2007.

¹² Survey (Eurobarometer) conducted by the European Commission among 27,000 European citizens in 27 member states in October and November 2008, published in February 2009.

¹³ See Articles 4 and 5 TEU.

¹⁴ Article 3 TEU.

¹⁵ Article 5 TEU.

¹⁶ Articles 5 and 6, Protocol 2 on the Application of the Principles of Subsidiarity and Proportionality.

¹⁷ Articles 9-11 TEU.

¹⁸ Article 48 TEU.

Therefore we need to cultivate a holistic approach and stimulate integrated (cross-sectoral) policy making. In other words, we have to halt the silo mentality. The EU's maritime policy is a good example of this new logic and comprises next to security also environmental elements, whilst pursuing an enhanced cooperation between the EU, the member states, regional authorities and even the international level.

Just two years ago, the world was brutally shaken by a systemic crisis. Its shock waves are still being felt today. Indeed, the changes that are inevitably related to progress and their consequences are accelerated; the imbalances in the current economic and financial system are being highlighted, as is the vulnerability of many of our fellow-citizens. In order to tackle the consequences of this crisis and to foster socio-economic transformation on the ground, there is a need for a new form of governance that assures more synchronisation, coordination and cooperation.

Also climate change and energy needs are forcing the international community to conclude an «ecological new deal»; demographic changes and migratory pressures are key factors in developing a new concept of solidarity and international relations; the need to find new sources of growth is pushing us to search for a new world balance between traditional powers and emerging countries, to make changes and invest in a knowledge-based society and in technological progress.

Given all these challenges – all closely linked to globalisation – and given the current trend towards a stronger global government, a partnership approach is favored from the local level to the global level and vice versa. Over the last decade numerous new networks and platforms were established. Many of these functional (virtual) groupings go beyond the mere exchange of best practices and constitute a burning platform for renewed action, both politically and in concrete tangible operations on the ground. New *e*-techniques obviously contribute to the growing understanding that we live in a net(worked) world¹⁹. Knowledge is power. However, in the networked world *shared* knowledge is even more powerful. The European Union has to adapt itself to this reality in order to promote, preserve and protect its unique model. Vice versa the EU's new model of governance might very well inspire other leading powers in the world.

¹⁹ A.M. Slaughter, *America's Edge-power in the Networked Century*, in «Foreign Affairs», January-February 2009.

2. Shaping a European Union Working in Partnership

2.1. The Committee of the Region's White Paper on Multilevel Governance

In 2001, the European Commission paved the way for better European governance with its White Paper on European Governance, highlighting amongst others the role of consultation and systematic dialogue as good practices in governing²⁰. Following our growing interdependence and the speedy pace of globalisation, decentralisation and internationalisation, today, a new stage is necessary. The Committee of the Regions wants to go beyond participation and consultation, and evolve towards more «shared» responsibility for regional and local authorities, which helps to increase joint ownership and implementation of the European project²¹.

It is the responsibility of all politicians at the European, national, regional or local level to move the European integration process forward. The Committee of the Regions has tried to shoulder this responsibility fully within its own sphere of influence by publishing its White Paper on Multilevel Governance²². In this paper, it submits its idea for a Community method based on a system of governance which involves local authorities in the framing and implementation of community policies.

The Committee of the Regions has been defending the advances in European integration since 1994 and pleading for greater democratisation in public affairs²³. It is therefore essential that in the decisive phases of the European Union's political process, Europe should be built in partnership. We need a European Union that is built *with* the regions, *with* the towns and cities and *with* the local authorities.

Hence, it is essential to abandon the hierarchical and pyramid-like approach which places Europe above the member states, the member states above the regions, the regions above the towns and local communities. Instead of this constraining system, we need a new partnership in order to respect the constitutional rules in force in the member states and community law – «a partnership for the future» – between these different levels of power and legitimate centres of democracy. Multilevel governance is not a utopia or just an

²⁰ White Paper on European Governance, COM (2001) 428 final.

²¹ Note that the European Commission's White Paper on European Governance mainly deals with actions the Commission should undertake, although the White Paper also calls upon member states to step up the involvement of regional and local actors in EU policy making or urges the Committee of the Regions to play a more proactive role in the policy cycle, COM (2001) 428 final, p. 14.

²² White Paper of the Committee of the Regions on Multilevel Governance, CoR 89/2009 final.

²³ See for the CoR's Mission Statement (adopted on 21 April 2009 for the occasion of its 15th anniversary), at <http://www.cor.europa.eu/pages/PresentationTemplate.aspx?view=folder&id=19e72e24-e2f2-4483-a33c-3c3e6003b101&sm=19e72e24-e2f2-4483-a33c-3c3e6003b101>.

ideal or a model. It is a method and a solution for:

- making the community method more inclusive and efficient;
- developing a genuine culture of inter-institutional cooperation and;
- stimulating participation in the European process.

Multilevel governance was introduced in the EU lexicon as a form of «good governance» that improves the EU's legitimacy by sharing its making through real co-ownership, either in the pre-legislative «shaping» phase or later, during the decision-making mechanisms, when the most appropriate²⁴. Multilevel governance is indeed not a theory, which seeks to clarify complex decision-making processes; rather, it is an approach to make EU decisions better shared. It represents an instrument of analysis, whilst it does not address the sovereignty of states. In other words: multilevel governance removes the grey area between intergovernmentalism and supranationalism, leaving a descriptive structure in its place²⁵.

The *vertical* dimension of multilevel governance covers all levels of policy making: from the global to the local. It highlights the increasingly fading distinction between domestic and international politics. Furthermore, all levels cannot be neatly pigeonholed. This image is misleading: levels are essentially interlocking. Indeed, when implementing a strategy commonly agreed upon as the prospective «EU 2020 Strategy» or the EU's Climate Change Strategy, all actors – public and private – should take the proper responsibility, assigned to them in a democratic society. In an EU context, especially the involvement of the regions and cities enhances legitimacy.

Multilevel governance should not be confused with «decentralisation.» This is the term we normally use to talk about the shift of power from the central state towards other kinds of governance. Multilevel governance, therefore, is not a threat but an opportunity for decentralised institutions, since they are being given access to the policy-making process in the EU at the conceptualisation phase, and not just at the moment of implementation. Consequently, the *principle of subsidiarity* is enhanced by a dynamic understanding of multilevel governance. This principle, enshrined in the treaties, means that decisions within the European Union should be taken at the closest practical level to the citizens. The European Union should not take on tasks which are better suited to national,

²⁴ For a substantive overview on the definition, historical analysis, empirical analysis and concept of multilevel governance see S. Piattoni, *The Theory of Multilevel Governance: Conceptual, Empirical and Normative Challenges*, Oxford, Oxford University Press, 2010.

²⁵ F. Delmartino, a contribution to the CoR Ateliers cycle on multilevel governance during 2008-2009, at <http://www.cor.europa.eu/pages/CoRAWorkTemplate.aspx?view=detail&id=06f56151-e636-404b-b525-711414e09ae8>.

regional or local level. On the flipside, the European Union must take action in case where it represents the best level for pursuing common objectives. Multilevel governance is about *sharing* competences, rather than *splitting* competences. The legitimacy of the EU lies in its *efficiency*, in its *openness*, its *participation*, *accountability*, *effectiveness*, *delivery*, and *coherence*. Multilevel governance strengthens all of these principles and guarantees their interconnectivity.

Finally, multilevel governance in the European Union is essentially *multi-channelled* as well. Regions and cities must have the opportunity to choose freely through which gateways they voice their concerns, ideas and interests. This idea is intrinsically linked to *participative democracy* as society is becoming more pluralistic. People want to participate, decision making is scattered, and top-down or unilateral decisions are simply no longer acceptable in our democracy. Multilevel governance offers a participatory answer in providing tools for participation to regions, cities, and ultimately the citizen. Moreover it favors cooperation and *democratisation* itself as it multiplies opportunities for citizens to influence government. The alternative to multilevel democracy is not simple democracy, but ineffective democracy. It is hence a highly valid way to strengthen the democratic debate within the Union²⁶.

It is crucial to have regional and local politicians on board at the very beginning of the EU decision-making process. They have the task of implementing EU directives on the ground. They are the ones facing pollution, urban transport or waste management problems on a daily basis. They need to ensure that immigration and integration go hand in hand. They are the ones who have to make growth and jobs happen.

The Committee of the Regions has therefore set out in its White Paper on Multilevel Governance concrete proposals for strengthening the involvement of Europe's regions and cities in future EU decision making²⁷. Moreover, the Committee is ready to monitor on a regular basis the development of multilevel governance within the EU's governance model(s), eventually leading to the adoption of a European Charter on Multilevel Governance, as a basis for inclusive governance principles and procedures in Europe. This commitment is perfectly logical as the Committee itself is the incarnation of this concept, and this since the very beginning of its existence

²⁶ L. Hooghe, G. Marks, *Rise of Regions*, in «Cahiers of the CoR», no. 1, 2009, p. 20.

²⁷ White Paper of the Committee of the Regions on Multilevel Governance, CoR 89/2009 final.

– yet only sixteen years ago. In its White Paper the Committee put forward thirteen proposals and ten key examples in order to build the European Union in partnership. It has been conceived as a formal contribution of the Committee to the Reflection Group on the Future of Europe 2020-2030, chaired by the former Spanish Prime Minister Mr. Felipe Gonzales. However it is also addressed to the member states, the EU institutions, regions, cities, socio-economic partners and other stakeholders²⁸.

2.2. Multilevel Governance Helps Bridging the «Delivery Gap»

2.2.1. *Tackling Climate Change Together*

Regarding the debate about delivering, and especially regarding climate change, we can cite the Covenant of Mayors²⁹, signed by already more than 1000 cities in Europe. These authorities signed a commitment to take actions that are under the responsibilities of local authorities in order to mitigate climate change. They will be able to deliver because they can invest in energy saving and the organisation of transports, or make it more difficult to use cars within their territory. You can measure their delivery as well because clear objectives and evaluation and monitoring mechanisms are in place as foreseen in the Covenant. In Copenhagen, the Committee of the Regions, together with the US Conference of Mayors³⁰, very clearly demonstrated this new horizontal contract for local delivery in the field of climate change as a good practice. Following the 2009 COP-15 Copenhagen Summit, the co-operation between the Committee of the Regions and the US Conference of Mayors will be deepened. So this level of authority if organised in a coordinated way can deliver results. The Committee will analyse whether it will be possible to develop new Covenants in other policy areas in the future – e.g. related to migration/integration or the pursuit of the EU 2020 Strategy objectives.

2.2.2. *The Territorial Impact of the Crisis*

Coming back to the current crisis, we should mention here that regional and local authorities stand for more than 2/3 of public capital investments and represent 16% of the EU's

²⁸ See for a general presentation of the Reflection Group and its proceedings, at <http://www.reflectiongroup.eu/>.

²⁹ See for a general presentation, at <http://www.cor.europa.eu/pages/EventTemplate.aspx?view=folder&id=174063af-d5da-4901-a2fc-829015c0c6ee&sm=174063af-d5da-4901-a2fc-829015c0c6ee>.

³⁰ The US Conference of Mayors issued a similar Agreement to the Covenant, also signed by more than 1000 US mayors, at <http://www.usmayors.org/climateprotection/revise/>.

overall GDP³¹. This equals an economic weight corresponding to ten times the accumulated budgets for the European recovery plan decided on in December 2008 or fifteen times the current EU budget. Innovation and research clearly starts at the local level. The challenge will be for the EU to coordinate the political action in aid of recovery in order to suggest a more balanced alternative of sustainable development and contribute to the objective of territorial cohesion through the cooperation of various actors, the direct involvement of local and regional authorities and recourse to the public-private partnership. Also the prospect of introducing a «European Semester»³² as a constitutive part of the new economic governance model for the EMU will only fully come to an effect if also regional and local authorities are incited to synchronise their budget too and help pursuing overall strategic EU objectives as the EU 2020 Strategy's headline goals. They should thus be sufficiently associated to the new economic governance system. Likewise the participation of regional parliaments (with legislative powers) could be envisaged in case national parliaments will debate on an annual basis their prospective budget orientations with the European Parliament³³. Finally, regions and cities could be better involved in the completion of the Single Market. Many regions with legislative powers have important responsibilities to (at least partially) transpose EU Single Market directives. Furthermore regional and local authorities can help identifying remaining bottlenecks or facilitate (in)directly the exercise of the four freedoms within their territory. Professor Mario Monti therefore rightly proposed a new integrated and partnership-based strategy for the Single Market³⁴. It should be highlighted that the new strategy helps above all achieving more territorial cohesion. Last but not least, regional and local representatives can also help to communicate this new strategy and the expected benefits thereof to the citizens (proximity argument).

³¹ Dexia, *EU Sub-national Governments: 2008 Key Figures*, cit.

³² Conclusions of the European Council, 17 June 2010. See also *Reinforcing Economic Policy Coordination*, COM (2010) 250 final; *Enhancing Economic Policy Coordination for Stability, Growth and Jobs - Tools for Stronger EU Economic Governance*, COM (2010) 367/2.

³³ See the proposals of the European Parliament's Budget Committee (CoBu) on this point: A. Lamassoure, Working Document on *Financing the 2020 Agenda Despite the Budgetary Crisis*, 6 May 2010.

³⁴ M. Monti, *A New Strategy for the Single Market*, 9 May 2010, at http://ec.europa.eu/bepa/expertises/visitor-programs/mario_monti/index_en.htm.

2.2.3. *The EU 2020 Strategy: A Chance for Multilevel Governance*

As outlined in the European Commission consultation document on the EU 2020 Strategy the interdependence between member states, regional and local authorities and socio-economic partners at all levels a «multi layer» approach

needs to be favored in the Lisbon Strategy's successor³⁵. This is a very positive starting point as the priority that will be given in the 2020 Strategy to policy actions in the fields of education, training, research, innovation, entrepreneurship, green and sustainable transformation of the society, socio-economic recovery and sound budgets at all levels, etc. highly interferes with competences that are often typically decentralised.

So, how could this «partnership» approach then be concretely reflected in the Commission's final proposal? The following lines of action could be developed:

1. First, the future strategy could clearly promote coordinated and integrated policy making *inter alia* through the use of so-called «multilevel governance agreements» between various levels of governance, including the Union level. In the past there was some experimentation with so-called target-based «tripartite agreements»³⁶, but the time has come to bring this instrument to another level by introducing clear incentives, and to bring in at least the possibility of «contractualisation» in the prospective strategy. The objective being that better results could be fostered on the ground, adapted to «place-based» problems and opportunities as argued by Fabrizio Barca in his report on the future cohesion policy³⁷. This approach should result in the conclusion of flexible «territorial pacts» that would help delivering the EU 2020 Strategy, whilst taking regional specificities of a given territory into account. As from the year 2011 the Commission should start experimenting with this kind of innovative tools for translating overarching EU objectives into concrete territory-specific targets that should consequently be duly monitored, evaluated and updated.

2. Second, the role of regional and local authorities' in pursuing the objectives of the 2020 Strategy should be explicitly recognised in the strategy. Regional and local authorities are to be recognised as genuine partners. The factual figures on their economic role in the European Union; their legal strengthened recognition – and that of the Committee of the Regions – in the Lisbon Treaty; the new EU objective of territorial cohesion, and the overall trend towards more decentralisation/devolution, all demonstrate this very well.

3. Third, the proposal could provide a toolbox of various multilevel-governance-based instruments and toolboxes for

³⁵ Commission Working Document *Consultation on Future EU 2020 Strategy*, COM (2009) 647/3, p. 9.

³⁶ See for example the Tripartite Agreement between the European Commission, the Italian Government and the Region of Lombardy of 15 October 2004, at http://ec.europa.eu/governance/docs/texte_convention_tripartite_en.pdf.

³⁷ See also F. Barca, *An Agenda for a Reformed Cohesion Policy. A Place-based Report to Meeting European Union Problems and Expectations*, April 2009, at http://ec.europa.eu/regional_policy/policy/future/pdf/report_barca_v0306.pdf.

increasing the ownership of both: the regional and local authorities, and the socio-economic partners. Indeed, also the leading socio-economic partners expressed «their concern that member states had not engaged sufficiently with the process, leading to a lack of involvement of stakeholders at grassroots level»³⁸. Ten years after the first debates on the conception of the Lisbon Strategy – and five years after its Mid-Term Review – the time has come to conduct an in-depth debate with the member states on the matter in the relevant Council configurations.

4. Fourth, the CoR's White Paper on Multilevel Governance does put forward some concrete proposals to bring more flesh around the MLG approach:

- Can one strengthen next to a «cross-cutting integrated approach», the well known partnership principle in the governance of the 2020 Strategy? Indeed, round tables including all relevant stakeholders, and in particular all government levels, could be set up in each member state with a view to monitoring the implementation of the new strategy on the ground. Giving national and territorial stakeholders a say should be an ingredient of the new strategy.

- Can the Open Method of Coordination become more inclusive by introducing indicators on «participatory» governance, encouraging member states to report on «how» they include regional and local authorities in the conception, follow up, and implementation of their «national strategic reference frameworks»?

- Can member states also be requested to report on the pursuit of certain «territorial» indicators, following the introduction of the territorial cohesion objective in the Lisbon Treaty, and thus requiring member states to demonstrate «how» they better address the territorial differences within their country whilst pursuing sustainable socio-economic transformation on the ground?

- Can we bring in new additional «horizontal covenants» between regions or cities in order to achieve certain quantitative indicators of the strategy as for example: the 3% GDP investment in R&D; the 75% employment rate target; or possible new indicators as fostering access to education and vocational training. The success of the Covenant of Mayors engaging already more than 1000 mayors to go beyond the

³⁸ «Euractiv», 25 November 2009. See also EESC, *A Programme for Europe*, p. 10, at <http://www.eesc.europa.eu/resources/docs/eesc-2009-10-en.pdf>.

EU's 20-20-20 climate targets demonstrate indeed the potential of the latter Covenant approach.

– Finally, can the EU further stimulate regions to draw up their own «regional 2020 strategic action plans»? And would the European Commission also be ready to comment on these regional strategic action plans, that could be annexed to the «national strategic reference frameworks»³⁹? Furthermore, would the Commission be ready to engage further in an annual exchange of views with regionally-appointed «2020 contact points» or «2020 coordinators» too?

The results of the «consultation on the CoR White Paper» learn that the vast majority of the respondents support the proposal to reform the governance model of the Lisbon Strategy to make the model of its successor more inclusive towards regional and local authorities, for example by adding a territorial dimension⁴⁰. In general the respondents consider there is still a significant scope for applying the multilevel governance principles to the revised Lisbon Strategy, particularly in the elaboration and implementation of the National Reform Programs, which they feel have to be primarily based on regional and local ones, with the inclusion of civil and socio-economic partners. The EU 2020 Strategy therefore needs to cultivate partnership, a cross-sectoral integrated approach, and a smarter mix of regulatory reform; whilst providing an overarching framework to leverage better coordinated and targeted financial incentives on the ground.

3. Outline

When we look towards 2020-2030 and the global challenges, «good governance» and «solidarity» are the two essential issues that stand out for the future of Europe. Both must be at the heart of our concerns, especially if we want to extend the dream of the founding fathers of this century and go beyond the Union of a whole continent and the building of a Single Market. The next step we should move towards should be delivering the ownership of the European project to citizens. The Committee of the Regions' offer to «build Europe in partnership» answers this necessity. It should be duly

³⁹ It should be noted that this is already the practice in Belgium.

⁴⁰ Consultation Report on the White Paper of the Committee of the Regions on Multilevel Governance, CoR 25/2010.

highlighted that also the Reflection Group on the Future of the EU 2030 explicitly calls for «a new compact» between all levels of governance⁴¹. This wake-up call further strengthens the Committee's views that the time for a European Charter on Multilevel Governance is right. Such a Charter should further elaborate on basic principles as the principle of mutuality and the principle of institutional autonomy; participative mechanisms as coordination, consultation and concertation; and fundamental values such as partnership, openness, transparency, solidarity and proximity.

It is our conviction that the European Union, as a form of «intelligent organisation» should be firmly based on multilevel governance. It is the best way to co-govern globalisation in an increasingly interdependent and network-oriented world. Instead of favoring confrontation between various sovereign entities, multilevel governance encourages a more inclusive and flexible approach. This will enable the development of a new dynamic in EU policy making by allowing for a genuine partnership between all levels of government (vertical), including socio-economic partners (horizontal) that will increase the EU's chances to deliver results on the ground and to improve citizens' quality of life. The political European Union of tomorrow is therefore to be built on shared values, partnership, and multilevel governance.

⁴¹ Report of the Reflection Group on the Future of the EU 2030, *Project Europe 2020-2030, Challenges and Opportunities*, 8 May 2010, p. 6, at http://www.reflectiongroup.eu/wp-content/uploads/2010/05/reflection_en_web.pdf.

