

# LOGON REPORT 2002

## Lobbying in Europe

**A Challenge for Local  
and Regional Governments**



Local Governments  
Network of Central and  
Eastern European  
Countries

# LOGON REPORT 2002

## Lobbying in Europe

**A Challenge for Local  
and Regional Governments**



**funded by:**

REPUBLIK ÖSTERREICH

Bundesministerium  
für auswärtige Angelegenheiten

Austrian Federal Ministry  
of Foreign Affairs

**carried out by:**



Zentrum für Verwaltungsforschung  
Centre for Public  
Administration Research



AACT - Association of  
Austrian Cities and Towns

**Logon Report 2002**  
Lobbying in Europe

**Authors:**

Niels Boye	Danish Regions – Brussels Office
Edward Cameron	Independent Sustainable Development Consultant
Manfred Dammeyer	Member of the Committee of the Regions, Member of the European Convention
Sonja Fiala	City of Vienna
Vera Fochler	City of Vienna
Richard Kitt	Joint Brussels Office Local Government International Bureau (LGIB) and Local Government Association (LGA)
Frank Hiltermann	Association of Netherlands Municipalities (VNG)
Erja Horttanainen	Association of Finnish Local and Regional Authorities
Klaus Nutzenberger	Brussels Office of the German Association of Towns and Municipalities
Catherine Parmentier	EUROCITIES
Martin Pospischill	City of Vienna
Eva Pretscher	Vienna House in Brussels
Thomas Prorok	KDZ - Centre for Public Administration Research
Katarzyna Szczepanska	KDZ - Centre for Public Administration Research
Thomas Weninger	City of Vienna
Walter Wenzel	Council of European Municipalities and Regions
Simona Wolesa	Association of Austrian Cities and Towns – Brussels Office

Responsibility of content lies by the authors.

<b>Published by</b>	Erich Pramböck Association of Austrian Cities and Towns, City Hall, A-1082 Vienna
<b>Coordinated by</b>	Thomas Prorok, Katarzyna Szczepanska KDZ - Centre for Public Administration Research Mariahilferstrasse 136 A-1150 Vienna e-mail: <a href="mailto:prorok@kdz.or.at">prorok@kdz.or.at</a> Internet: <a href="http://www.kdz.or.at">www.kdz.or.at</a>  Thomas Weninger City of Vienna Chief Executive's Office – European Integration City Hall A-1082 Vienna
<b>Funded by</b>	Austrian Federal Ministry of Foreign Affairs
<b>Printed by</b>	Littera Druck, A-1120 Vienna
<b>Layout &amp; Production</b>	Karin Wieser, <a href="http://www.grafic.at">www.grafic.at</a> , A-1030 Vienna

© Lies with the organizations of the authors of the reports.

Vienna, October 2002

This report is also published on: [www.ceec-logon.net](http://www.ceec-logon.net)

ISBN 3-901683-16-X

## TABLE OF CONTENTS

### FOREWORD

Giscard d'Estaing, President of CEMR	13
Mayor Michael Häupl, Executive President of CEMR	15

<b>Chapter 1</b>	<b>EXECUTIVE SUMMARY</b>	<b>17</b>
<b>Chapter 2</b>	<b>DECISION MAKING PROCESS IN THE EUROPEAN UNION</b>	<b>27</b>
<b>2.1</b>	<b>THE PRELIMINARY STEPS OF THE LEGISLATIVE PROCEDURE – COMMISSION, COUNCIL AND PARLIAMENT</b>	<b>29</b>
<b>2.2</b>	<b>THE POSITION OF THE EUROPEAN COMMISSION</b>	<b>29</b>
2.2.1	Right of initiative and commission departments	29
2.2.2	The advisory committees within the Commission	30
2.2.3	Further steps and the decision making process in the Commission	30
2.2.4	Publication	31
<b>2.3</b>	<b>THE HEARING PHASE</b>	<b>31</b>
<b>2.4</b>	<b>THE DECISION MAKING PROCESS</b>	<b>31</b>
2.4.1	PRC and working groups	31
2.4.2	A and B-items	31
2.4.3	Decision procedure	32
<b>2.5</b>	<b>THE ROLE OF THE EUROPEAN PARLIAMENT</b>	<b>32</b>
<b>2.6</b>	<b>COMITOLOGY – IMPLEMENTING DECISIONS</b>	<b>32</b>
2.6.1	What is comitology?	32
2.6.2	The importance of comitology	33
<b>2.7</b>	<b>CONCLUSION</b>	<b>33</b>
<b>Chapter 3</b>	<b>LOBBYING – INFORMATION GATHERING, COALITION BUILDING, INCREASING INFLUENCE, MAXIMISING LEGISLATIVE IMPACT</b>	<b>35</b>
<b>3.1</b>	<b>POSSIBLE DEFINITION OF LOBBYING</b>	<b>37</b>
<b>3.2</b>	<b>NECESSITY OF LOBBYING AT EU LEVEL</b>	<b>37</b>

<b>3.3</b>	<b>METHODS OF LOBBYING</b>	<b>38</b>
3.3.1	Informal and formal contacts	38
3.3.2	Briefing papers, position papers, media management	39
3.3.3	Networking	39
3.3.4	Participation in Commission working groups	39
<b>3.4</b>	<b>DIFFERENCES IN APPROACH TO ORGANISED LOBBYING ACTIVITIES</b>	<b>40</b>
<b>Chapter 4</b>	<b>LIAISON OFFICES IN BRUSSELS</b>	<b>43</b>
<b>4.1</b>	<b>THE WORK OF EU LOCAL AND REGIONAL LIAISON OFFICES IN BRUSSELS</b>	<b>45</b>
4.1.1	Background	45
4.1.2	Administrative set-ups	46
4.1.3	Role, function and outcomes	48
4.1.4	Outlook	53
<b>4.2</b>	<b>EUROPEAN UMBRELLA ORGANISATIONS OF LOCAL AND REGIONAL LEVEL</b>	<b>54</b>
4.2.1	The Council of European Municipalities and Regions: Lobbying for formal EU level representation	54
4.2.2	Eurocities	62
<b>4.3</b>	<b>LIAISON OFFICES OF LOCAL AND REGIONAL ASSOCIATIONS</b>	<b>70</b>
4.3.1	Local Government International Bureau, Joint Brussels Office Local Government International Bureau (LGIB) and Local Government Association (LGA)	70
4.3.2	The Brussels Office of the German Association of Towns and Municipalities (GATM)	75
4.3.3	Vienna's Liaison Office	78
4.3.4	Case Study: The Austrian Modell	81
4.3.5	Danish Regions	82
<b>Chapter 5</b>	<b>LOBBYING EXPERIENCES MADE BY EXPERTS OF LOCAL AND REGIONAL LEVEL</b>	<b>85</b>
<b>5.1</b>	<b>LOBBYING IN THE EUROPEAN PARLIAMENT</b>	<b>87</b>
5.1.1	Introduction	87
5.1.2	The European Parliament	87
5.1.3	Members	87
5.1.4	Political Groups	88
5.1.5	Co decision	88
5.1.6	Interviews with Members of the European Parliament	90

5.1.7	Conclusion	91
5.1.8	Example of a written amendment	92

## **5.2 COMMITTEE OF THE REGIONS – INFLUENCING EUROPEAN POLITICS 93**

### **5.3 LOBBYING EXPERIENCES OF THE ASSOCIATION OF FINNISH LOCAL AND REGIONAL AUTHORITIES 96**

5.3.1	The Finnish local government system in an integrating Europe	96
5.3.2	The EU Policy of the Association of Finnish Local and Regional Authorities	97
5.3.3	Lobbying activities of the Association on Finnish Local and Regional Authorities	98
5.3.4	The Association's EU organisation	100

### **5.4 THE ASSOCIATION OF NETHERLANDS MUNICIPALITIES (VNG) 102**

### **5.5 MAKING YOUR VOICE HEARD ON ENVIRONMENTAL POLICY 104**

5.5.1	The Challenge of Environmental Policy	104
5.5.2	Meeting the Challenge and making your voice heard	105
5.5.3	Conclusion	107

### **5.6 SERVICES OF GENERAL INTEREST VERSUS STATE AID AND COMPETITION RULES – EUROPE, QUO VADIS? 108**

5.6.1	Introduction	108
5.6.2	A new strategy for Europe	108
5.6.3	Resistance increases	109
5.6.4	A chance for political change?	109
5.6.5	The European Court of Justice and the judgement of the advocate general in the Magdeburg-case	110
5.6.6	Situation in Austria	110
5.6.7	Are the convergence criteria through market openings out of reach?	111
5.6.8	Lobbying for equality in arms and social security	112
5.6.9	Conclusions	113

## **Chapter 6 ACTIVITIES TO ASSIST LOCAL AUTHORITIES IN THE CANDIDATE COUNTRIES 115**

### **6.1 PROGRAMMES BY EUROPEAN ORGANISATIONS 117**

6.1.1	Council of European Municipalities and Regions (CEMR)	117
6.1.2	Council of Europe	118
6.1.3	Assembly of European Regions (AER)	119
6.1.4	European Commission	120
6.1.5	Committee of the Regions (CoR)	122
6.1.6	The European Investment Bank (EIB)	123
6.1.7	Italian Chamber of Commerce	125

<b>6.2</b>	<b>PROGRAMMES WITH SEVERAL ORGANISATIONS INVOLVED</b>	<b>126</b>
6.2.1	LOGIN (Local Government Information Network)	126
6.2.2	FDI (The Fiscal Decentralisation Initiative for Central and Eastern Europe)	127
6.2.3	The World Bank and others	128
6.2.4	Canadian Urban Institute (CUI) and World Bank's Sub National Development Programme (SNDP)	132
6.2.5	Joint Vienna Institute (JVI)	132
<b>6.3</b>	<b>COUNTRY REPORTS</b>	<b>133</b>
6.3.1	Austria	133
6.3.2	Bulgaria	133
6.3.3	Cyprus	134
6.3.4	Czech Republic	134
6.3.5	Denmark	140
6.3.6	Estonia	141
6.3.7	Finland	143
6.3.8	Germany	145
6.3.9	Greece	148
6.3.10	Hungary	148
6.3.11	Latvia	149
6.3.12	Lithuania	155
6.3.13	Malta	158
6.3.14	The Netherlands	158
6.3.15	Norway	159
6.3.16	Poland	160
6.3.17	Romania	165
6.3.18	Scotland	165
6.3.19	Slovakia	166
6.3.20	Slovenia	167
6.3.21	Sweden	168
6.3.22	United Kingdom	168
6.3.23	Yugoslavia	169

<b>Chapter 7</b>	<b>THE CONVENTION ON THE FUTURE OF EUROPE – POSITION PAPER OF CEMR</b>	<b>173</b>
<b>7.1</b>	<b>INTRODUCTION</b>	<b>175</b>
<b>7.2</b>	<b>THE CONTEXT</b>	<b>176</b>
<b>7.3</b>	<b>TOMORROW'S EUROPEAN UNION – OBJECTIVES AND PRINCIPLES</b>	<b>177</b>
<b>7.4</b>	<b>THE COMPETENCES OF THE UNION</b>	<b>179</b>

<b>7.5</b>	<b>SUBSIDIARITY AND PROPORTIONALITY</b>	<b>180</b>
<b>7.6</b>	<b>THE INSTITUTIONS OF THE UNION</b>	<b>181</b>
<b>7.7</b>	<b>THE POLICIES OF THE UNION</b>	<b>182</b>
<b>7.8</b>	<b>THE RELATIONSHIP OF LOCAL AND REGIONAL GOVERNMENT TO CIVIL SOCIETY</b>	<b>183</b>
<b>Chapter 8</b>	<b>IMPLEMENTING THE EU ACQUIS AT LOCAL AND REGIONAL LEVEL</b>	<b>185</b>
<b>8.1</b>	<b>INTRODUCTION</b>	<b>187</b>
<b>8.2</b>	<b>LEGISLATION AND FRAMEWORK CONDITIONS IN THE ENVIRONMENTAL SECTOR</b>	<b>188</b>
8.2.1	Waste management	189
8.2.2	Water Quality – drinking water, waste water	193
8.2.3	Air quality	196
8.2.4	Trans-sectoral regulations	197
<b>8.3</b>	<b>LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING PUBLIC PROCUREMENT</b>	<b>197</b>
<b>8.4</b>	<b>LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING STATE AID</b>	<b>200</b>
<b>8.5</b>	<b>FRAMEWORK CONDITIONS FOR LOCAL AUTHORITIES IN THE FIELD OF ELECTRICITY AND GAS MANAGEMENT</b>	<b>200</b>
<b>8.6</b>	<b>FRAMEWORK CONDITIONS FOR PUBLIC UTILITIES</b>	<b>201</b>
<b>8.7</b>	<b>LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING ANTI-DISCRIMINATION AND FREE MOVEMENT OF PEOPLE</b>	<b>202</b>
<b>8.8</b>	<b>ACQUISITION OF LAND BY FOREIGNERS</b>	<b>203</b>
<b>8.9</b>	<b>LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING SOCIAL POLICY</b>	<b>204</b>
8.9.1	Health and Safety at Work	204
8.9.2	Equal opportunities	207
8.9.3	Social security, pension and retirement	207



<b>8.10</b>	<b>FRAMEWORK CONDITIONS CONCERNING LOCAL AND REGIONAL FINANCES</b>	<b>208</b>
8.10.1	Effects related to local taxes	208
8.10.2	European Monetary Union (EMU)	209
<b>8.11</b>	<b>LEGISLATION CONCERNING LOCAL ELECTIONS</b>	<b>209</b>
<b>8.12</b>	<b>LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING STRUCTURAL FUNDS AND REGIONAL POLICY</b>	<b>210</b>
8.12.1	EU Pre-Accession Aid: ISPA, SAPARD and PHARE 2000	211
8.12.2	ISPA – Instrument for Structural Policies for Pre-Accession	212
8.12.3	SAPARD – Special Accession Programme for Agriculture and Rural Development	212
8.12.4	Phare Programme	213
<b>8.13</b>	<b>FRAMEWORK CONDITIONS CONCERNING CONSUMER PROTECTION</b>	<b>213</b>
<b>8.14</b>	<b>LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING TRANSPORT</b>	<b>214</b>
<b>8.15</b>	<b>LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING POLICE AND JUDICIAL CO-OPERATION</b>	<b>216</b>
<b>8.16</b>	<b>FINAL CONSIDERATIONS</b>	<b>217</b>
<b>Chapter 9</b>	<b>EU – FUNDINGS FOR LOCAL AND REGIONAL LEVEL</b>	<b>219</b>
<b>9.1</b>	<b>PRE-ACCESSION INSTRUMENTS</b>	<b>221</b>
<b>9.2</b>	<b>THE COMMUNITY PROGRAMMES</b>	<b>222</b>
<b>Chapter 10</b>	<b>KEY EU INSTITUTIONS FOR LOCAL AND REGIONAL AUTHORITIES</b>	<b>241</b>
<b>10.1</b>	<b>EUROPEAN PARLIAMENT</b>	<b>243</b>
10.1.1	Legislative	243
10.1.2	Approval of the Budget	244
10.1.3	Supervision of the Executive	244
10.1.4	Organisation of the Parliament	245
10.1.5	Relevance to the local level	246

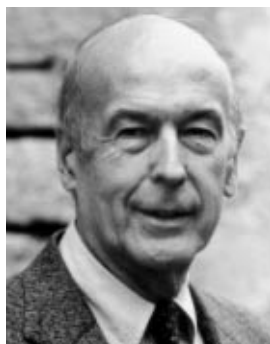
<b>10.2</b>	<b>COUNCIL OF THE EUROPEAN UNION</b>	<b>247</b>
10.2.1	Decision-making	247
10.2.2	Community Legislation	250
10.2.3	Organisation	250
10.2.4	Relevance to the local level	251
<b>10.3</b>	<b>EUROPEAN COMMISSION</b>	<b>251</b>
10.3.1	Members of the Commission	251
10.3.2	Democratic accountability	252
10.3.3	Organisation	252
10.3.4	Tasks	252
10.3.5	Relevance to the local level	254
<b>10.4</b>	<b>COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES</b>	<b>254</b>
10.4.1	The Court of Justice	255
10.4.2	The Court of First Instance	255
10.4.3	Relevance to the local level	256
<b>10.5</b>	<b>EUROPEAN COURT OF AUDITORS</b>	<b>256</b>
10.5.1	Reports, opinions and statement of assurance	257
10.5.2	Relevance to the local level	258
<b>10.6</b>	<b>THE EUROPEAN SYSTEM OF CENTRAL BANKS (ESCB) AND THE EUROPEAN CENTRAL BANK (ECB)</b>	<b>258</b>
10.6.1	Composition of the ESCB	258
10.6.2	Decision-making bodies of the ECB	259
10.6.3	Independence	260
10.6.4	Capital	260
10.6.5	Foreign Reserve Assets	260
<b>10.7</b>	<b>EUROPEAN INVESTMENT BANK</b>	<b>260</b>
10.7.1	Lending outside the Union	261
10.7.2	Source of Funds	261
10.7.3	Relevance to the local level	262
<b>10.8</b>	<b>SOCIAL AND ECONOMIC COMMITTEE</b>	<b>262</b>
10.8.1	Opinions	264
<b>10.9</b>	<b>COMMITTEE OF THE REGIONS</b>	<b>264</b>
10.9.1	Organisation	266
10.9.2	Relevance to the local level	266
<b>10.10</b>	<b>EUROPEAN OMBUDSMAN</b>	<b>266</b>

<b>Chapter 11</b>	<b>THE CEEC-LOGON INFO POINT ON THE INTERNET</b>	<b>269</b>
	<b>11.1 INTRODUCTION</b>	<b>271</b>
	<b>11.2 NEWS</b>	<b>272</b>
	<b>11.3 WORKING GROUPS</b>	<b>273</b>
	<b>11.4 CONFERENCES &amp; SEMINARS</b>	<b>274</b>
	<b>11.5 THE PROJECT</b>	<b>275</b>
	<b>11.6 PARTNERS</b>	<b>276</b>
	<b>11.7 DOCUMENTS</b>	<b>277</b>
	<b>11.8 LINKS</b>	<b>278</b>
	<b>11.9 CONTACT</b>	<b>283</b>





## MESSAGE FROM PRESIDENT VALÉRY GISCARD D'ESTAING



As President of the Council of European Municipalities and Regions, I welcome the work carried out by our national Associations in the framework of the LOGON project in view of preparation for enlargement.

Enlargement and the Convention on the Future of Europe constitute the major challenges of European construction, and in the upcoming months we will have to find answers to these challenges. With the Convention, we are preparing the Constitutional Treaty which should clarify and strengthen the political structure of the Union to allow it to successfully compete the stage of enlargement, which is absolutely necessary but highly complex. It is therefore essential that everything is in place to prepare for this stage, as close to our citizens, who at times appear rather hesitant and even reticent with this process.

This is the goal of LOGON, which aims to arise awareness amongst the local and regional Authorities, notably through thematic publications. I warmly welcome the quality of this work, which makes an important contribution to our debates and this essential stage in the construction of a United Europe.

Giscard d'Estaing

President of CEMR  
Paris, October 2002



## FOREWORD FOR THE LOGON REPORT 2002



Europe is facing a very important phase in its history. The enlargement of the European Union towards the countries of Central and Eastern Europe is getting more and more concrete forms. The negotiation process accelerates and the accession of most of the candidate countries is expected for 2004.

Local authorities and their associations have to prepare for applying the *acquis communautaire* and make use of the many opportunities – be it financial or non-financial – connected with membership in the European Union. It is the responsibility of the national level of the candidate countries to develop the necessary legal, organisational and financial framework.

But it is also extremely useful to exchange experiences between cities and municipalities in both EU-member and in candidate countries to better cope with the many changes implied with accession.

LOGON is the project, initiated in 1998 and operating under the umbrella of the Council of European Municipalities and Regions, to organise that exchange of experience and it is the LOGON-Report 2000, issued two years ago, that contains all necessary information from a local perspective how to best prepare for EU-membership.

Now, with the accession coming closer it is necessary to make a step forward towards partnership between the associations of EU-member and candidate countries in "making their voice heard" in the Union and thus strengthening the citizens' identification with Europe.

This LOGON-Report 2002 concentrates therefore on "Lobbying". It gives an overview over European decision making procedures and many good practices of representing the interests of the local level in the shaping of new European regulations.

As Executive President of the Council of European Municipalities and Regions and President of the Austrian Association of Cities and Towns – which has taken a leading role in this project – I would like to express my thanks to the many outstanding experts that have brought together their experience and wisdom in this publication. Many thanks go as well to the Austrian Government and Interreg. Both have continuously supported this project which – in my opinion – is an extremely valuable contribution to make enlargement a success and give a good chance to the development of a new Europe based on democratic rights, wealth, peace and local strength.

Michael Häupl

Mayor of Vienna, Executive President of CEMR  
Vienna, October 2002







## **Chapter 1   EXECUTIVE SUMMARY**





Thomas Weninger, City of Vienna, Chief Executive's Office - European Integration,  
Deputy Head

## MAKING YOUR VOICE HEARD

The European Union as a supranational association of states has grown historically in the past 50 years. The concept underlying the foundation of the Union was to overcome the historic differences between France and Germany and to secure lasting peace, safety and democracy in Europe. However, the local level, which surely is the level closest to the citizens, where citizens experience politics and administration in the most direct way, have only slowly entered the scene of European integration. The progressing integration process, driven particularly by the harmonisation of rules and regulations in the economic sphere, the creation of the single market and the introduction of the Euro as single currency, increasingly support the political integration of the Union. Thus, it is of growing importance for the local and regional level to make itself heard, to voice its concerns and interests in the Union, and to be directly involved in the decision-making processes.

Cities, towns, municipalities and regions are faced with a number of direct challenges with regard to the application and implementation of European legislation and indirect challenges as a result of the decision-making mechanisms which have been created at European level. More and more decisions are made in Brussels, while at the same time the number of players involved is increasing. Processes and procedures become more complex and work-intensive, and changes in decision-making structures and new information channels require an increase in communication and a considerable amount of flexibility to adjust to the new structures.

What makes membership in the European Union a rather delicate issue for the local and regional level is mainly the fact that decision-making processes include additional players who must be taken into account. The formal and informal ways of participating in defining and deciding the material contents of regulations under European law involve more players than the negotiation processes at domestic level have been hitherto used to. In the national legislative processes the municipalities and regions are familiar with, the number of players is known in advance. Because of the many years of experience with these processes, the players at national level have become predictable and their actions can be influenced. Membership in the European Union from the local and regional point of view causes this known circle of players to be enlarged, not only by the other member states and bodies of the European Union, but also by the various local entities of the individual member states. In this context, it would be wrong for the local and regional players to assume that a harmony of interests exists right from the outset. On the contrary, as a consequence of EU membership the competition already taking place between municipalities and regions at national level, e.g. for the establishment of enterprises, must be seen from a new, more dynamic perspective. Coalitions of interest between individual municipalities and regions, therefore, will be based on similar socio-economic, legal, political or ecological conditions instead of being determined merely by belonging to the same "level of government". Lines of conflict may well run across national borders. This makes it even more important to adapt swiftly to the new situation, in order to take advantage of the opportunity to draw attention to one's own concerns. And this may be done in two ways: at the internal level, as provided for in the national Constitutional Code – in this respect, particular mention should be made of the final declaration of the first LOGON conference at Vienna's City Hall in 1999, one essential item of which calls for

participation in the national decision and policy-making processes concerned with European policies – and of course, as a new alternative, at the external level in Brussels, which may also include issues regarding municipalities and regions of other member states.

Officially, municipalities and regions have to communicate their own concerns via the relevant member state, since within the EU's decision-making structures, national interests must be represented by the individual member states. The local and regional level has been officially involved in the decision-making structures only since the creation of the Committee of the Regions, for which the 1992 Maastricht Treaty provided the relevant legal foundation. However, the Committee of the Regions only performs an advisory function and at present is not involved in the EU decision-making process until a relatively late stage. Therefore, the municipalities and regions are called upon to voice their own interests and concerns in an informal way through lobbying activities in Brussels and to introduce them into the decision-making process early on, in the conception phase of new European rules and regulations.

### Requirements for successful lobbying

The following requirements are essential for the success of lobbying activities in Brussels:

- Formulating one's own interests in a clear and unambiguous way. In other words, the local and regional level will only be able to find an audience for its concerns if it has good arguments, good ideas and good concepts, in line with the motto "proposing ideas rather than opposing them". Pro-active, constructive und innovative proposals are clearly more welcome than mere opposition and activities which only aim at preventing something.
- Who is the right audience for my concerns? "It's not always what you know, but who you know."
- Finally, lobbying is also a matter of timing. "How to get the right information to the right person at the right time."

In order to represent local and regional concerns in Brussels and emphasise their importance, the establishment of so-called "Brussels Offices" has proved a successful lobbying strategy. Currently, about 2,600 stakeholders operate their own offices in Brussels – including about 200 offices representing the regional and local level. The requirements for the successful operation of an office in Brussels include:

- Constantly maintaining close contacts with "home". Above all, this means obtaining clear instructions from the respective municipality/region or the respective association. The better the contacts between the office in Brussels and the relevant entities at home, the greater the probability of successfully safeguarding one's own concerns and interests.
- An absolute imperative is the provision of adequate resources in relation to both personnel and the necessary working materials and equipment, especially representative rooms and state-of-the-art communication technologies. Without an adequate infrastructure, the

Brussels Office will not be able to ensure the success of the lobbying activities. The annual maintenance costs of an office are budgeted at a minimum of 150,000 EUR, which normally covers all personnel costs (the official delegate, an additional EU expert and secretarial support), the office rent and other administrative as well as representative expenses.

### Tasks of a “Brussels Office”

What are the most important tasks to be performed by a Brussels Office, the so-called “liaison office” of a municipality/region or an association in Brussels? Basically, a Brussels Office represents the interests of the sub-national level with the aim of enabling it to gain the greatest possible profit from EU membership. In this context, a Brussels Office fulfils the following functions:

- **Intelligence gathering:** Observing, analysing, and finally co-operating with the relevant entities at home in order to formulate one’s own positions and concerns and to introduce them into the EU’s decision-making processes. This requires knowledge and understanding of the rules and procedures of the European institutions; without adequate knowledge of the relevant working methods and the competent persons successful gathering of information and information work cannot be guaranteed. Information constitutes the basis for any effective policy and for any successful attempt at influencing decisions. Because of the “information explosion”, the overwhelming – and daily growing – amount of information regarding European integration, it is essential to carry out well-targeted PR activities which address these issues within the scope of local information management. Channelling the flood of “European” information, determining the amount of information required to make the necessary decisions, and detecting and eliminating information deficits are the basic prerequisites for the continuation of a fruitful local and regional policy within a united Europe. This comprehensive and critical information work especially includes the collection, processing, continuous verification and communication of information. In this respect, a Brussels Office assumes a prominent role and acts as Brussels-based interface between the EU and its own municipality/city, region or association.
- **Fund raising:** Membership in the European Union opens up the possibility of applying for financial support from the regional and structural funds of the Union. Timely information about current calls for tenders, knowledge about the time-intensive and sometimes lengthy procedures and the necessary co-ordination between the local, regional, national and European levels constitute essential requirements for a successful application for and implementation of EU support. In addition to the structural funds, the EU offers an array of programmes and Community initiatives, for example in the field of education and training and the promotion of cross-border, inter-communal co-operation, which are open to the regions and municipalities in order to obtain further financial support. In this context, the Brussels Office performs a series of essential tasks ranging from gathering timely information about calls for tenders to assisting with the filing of the project application with the European Commission.

- **Lobbying:** Lobbying means being able to explain the local and regional position to EU decision-makers with a view to the local and regional position being understood and adopted at an early stage.
- **Networking – relationship-building:** The ability to have warm relations with contacts is far more important and far more influential than any position paper. Alliance building should be as wide as possible, even co-operating with those normally opposed to you. Building ties with other local and regional representations or with other national associations is as important as belonging to a European organisation (i.e. CEMR). The advantage lies not only with the bigger influence exercised through the number of represented local and regional authorities but also through their personnel, their experience, and with the possibility of their obtaining early information about future policy developments. Holding periodic meetings (jours fixes) with other local/regional liaison offices is another essential criterion for successful lobbying activities in Brussels.
- **“National Networking”:** All EU citizens are entitled to work for an EU institution, in most cases after passing the required entrance examination. A successful Brussels Office attaches particular importance to its contacts with its “fellow-citizens” in the individual EU institutions, especially the Commission. These “fellow-citizens” constitute an essential source of information for a Brussels Office. On the one hand they are important informal contacts, and on the other hand they are experts who can be invited to speak on technical matters at home in order to report on current developments in individual fields. The establishment and maintenance of these contacts contributes significantly to the long-term effectiveness of a Brussels Office.
- **Assistance and advising of politicians:** As a result of membership in the European Union, numerous local and regional politicians are required to deal with European institutions and facilities for the first time. An adequate preparation and ongoing advice and assistance through the Brussels Office therefore constitutes an important prerequisite for successful “political” talks with politicians and representatives of the European Union’s institutions. Without doubt, one of the central elements of this “political” work is the membership in the Committee of the Regions (CoR). To provide assistance for a member of the CoR constitutes a special challenge, since it presupposes that the Brussels Office is acquainted with the individual issues discussed in the individual specialist commissions and is able to inform the CoR member swiftly about specific opinions which are currently being prepared. Furthermore, co-operation with other regions and municipalities is also of significance in the CoR in order to obtain a majority for one’s own position.
- **Promotion and representation:** A Brussels Office also serves as an economic and cultural representative of the respective municipality or region in Brussels. Ideally, the Brussels Office will be a popular place of encounter. In this respect it is also extremely important to invite representatives of the media in order to support public relations work.
- **Training:** With a view to reliable networking with one’s own organisation, the Brussels Office should also be used as a training and further training facility. On the one hand, the practice

of offering administrative staff internships in Brussels has proved very successful, since it contributes to firmly incorporating the European dimension within one's own administration and to raising people's awareness of European issues. If municipalities and regions become aware of the European dimension of their administrative work as a consequence of EU membership, they will be able to continue their favourable track record in the European Union. On the other hand, providing internships to employees from municipalities or partner regions from other member states offers a good opportunity to establish medium and long-term contacts, which in turn constitute an essential factor in effective joint lobbying activities.

### Partners for successful lobbying

The main partners for effective lobbying activities by a Brussels Office include:

- The European Commission, divided into Directorates-General, temporary working groups, committees, etc. It is in the European Commission where initiatives for new EU legislation are launched. Obtaining timely information about such initiatives opens up the opportunity to introduce one's own position in a constructive and innovative manner and at an early stage.
- The European Parliament. Apart from good contacts with the members of the European Parliament from one's "own" member state, thorough knowledge of the processes and organisational procedures is once again indispensable for effective lobbying.
- The European Council/the Council of the European Union is the body representing the national element, therefore the influence that can be exerted on the Council in Brussels is rather limited. The maxim that the political positions of a member state must first and foremost be influenced at home, in one's own member state, also holds true with regard to the Council.

As regards the effectiveness of lobbying activities, the principle that somebody who is able to put forward strong arguments and make constructive and innovative proposals will be more likely to gain attention and support than somebody who only wants to prevent something or who does not represent clear points of view applies to all three bodies of the European Union alike.

However, membership in the European Union requires the individual municipalities and regions in the respective member states not only to consider whether it is reasonable and useful to establish their own representation in Brussels, either jointly with other municipalities and regions or on their own because of their size and the available resources, but above all to adjust their own administration and the political level to the newly emerged "European" environment. In this regard it is important to ensure:

- that the proper goals are pursued;
- that it is possible to respond flexibly to new developments;



- that it is possible to show foresight and anticipation in one's actions – once again co-operation with the Brussels Office is indispensable;
- that a constructive communication and a constructive flow of information between the individual departments of the administration will be guaranteed and
- that the European dimension is regarded as an integral part of the relevant task in hand in all spheres of administration.

In conclusion, it has to be pointed out once again that membership in the European Union on the one hand involves a significant increase in information, which makes it necessary to filter out those pieces of information which are of relevance to the individual municipalities and regions, but on the other hand it also offers an array of options and opportunities for the development of the local and regional level in Europe. If municipalities and regions want to be successful at European level, they need to adopt clear positions, formulate clear points of view and represent the interests of their citizens, the citizens of Europe. Successful lobbying in Brussels requires proper networking at home. As Simona Wolesa stated in her paper: The Brussels office is only as good as the home base want it to be.

#### **The EU Convention – aiming at strengthening the local and regional level**

In the future, entities representing local/regional interests are called upon to raise their voices when the structure of the European Union is being revised, to learn from best practices and join forces to safeguard common interests.

While this LOGON report was being prepared, the discussion about the “constitution” of the European Union reached its climax. Officially, the local level is involved in the work of the Convention and in the general EU decision-making processes only via the Committee of the Regions with its advisory function. The Convention offers the opportunity to clearly underline the role and significance of cities and regions in the European Union and call for a stronger integration of local and regional organisations into the decision-making process, as well as for participation of cities and municipalities in areas of direct concern. Only then can we accomplish the main objectives of the Convention – creating a “new”, transparent, simplified and citizen-oriented European Union. The CEMR position paper, “The Convention on the Future of Europe” served to emphasise this point. Now we have to convince the members of the Convention of these concerns.

In addition to this formal, institutional approach to strengthening the local and regional level in the EU we have to ask ourselves what we can learn from lobbying activities and what we can learn from best practices. Experience has shown that lobbying is most effective when several associations or interest groups have adopted common positions to achieve their goals. The EU institutions are not convinced by a position paper prepared by a single national association but by the fact that this position is presented by several associations speaking with one voice. Brussels is full of offices of local and regional associations, of municipalities and regions. Of course, certain tasks can only be performed independently by the individual offices, but why should offices sharing common interests not co-operate in defending them? In some areas this has already become common practice. The results achieved by these co-

operations are particularly convincing in relation to support from the research and development budget of the European Commission. For the future, this might lead us to adopt the following strategy: whenever common interests exist, co-operation among the individual offices in Brussels and their co-ordinated efforts vis-à-vis EU institutions must be strengthened. Closer co-operation between local and regional liaison offices and their European umbrella organisations will not only be profitable to European cities and regions. The European Union will also benefit from such co-operation, since the national associations of the candidate countries will have been admitted and integrated into the relevant European umbrella organisations long before their accession to the Union, and adequate preparations will have been made for EU enlargement at the regional and local level.

Strong cities and regions constitute the basis for the economic and social cohesion which will ensure the success of European integration. With this publication and various other efforts, the CEMR wants to make its own contribution to accomplishing this goal.





## **Chapter 2    DECISION MAKING PROCESS IN THE EUROPEAN UNION**





Thomas Prorok, KDZ - Centre for Public Administration Research

Efficient lobbying is based on the knowledge of the structure, procedures, and the decision making processes within political and economic systems. The European Union offers numerous possibilities for interest groups to influence the European Union's decisions. The following specific insight into internal (supra-national) procedures in the EU shows where, how, and when lobbying efforts by local governments and associations can be effective.

## 2.1 THE PRELIMINARY STEPS OF THE LEGISLATIVE PROCEDURE – COMMISSION, COUNCIL AND PARLIAMENT

Before the legislative procedure can even start, ideas must be found and communicated. For this purpose the European Commission on a regular basis publishes Green and White Books dealing with the strategic topics handled by the European Union.

The Council and the Parliament can request the Commission to submit proposals for specific topics. Even though this does not restrict the Commission's sole right of initiative the Council's political authority should not be underestimated. The European Council provides the Union with the impulses required for its development and defines the general political objectives.

## 2.2 THE POSITION OF THE EUROPEAN COMMISSION

### 2.2.1 Right of initiative and commission departments

The legislative procedure is initiated by the Commission, which on the basis of its right of initiative establishes a proposal for the Community measure to be taken. The proposal comes from the competent department within the Commission. The right of initiative formally gives the Commission a monopoly on decisions relating to the date, form, and contents of the legislative measure. The Commission also has the power to further influence the legislative procedure by modifying or withdrawing its proposal.

The work is usually carried out in the department. Issues concerning different departments are always under the responsibility of the one department competent for the dossier contacting and consulting with the other associated services involved. The respective departments are then requested to issue a statement. Inter service meetings are organised in addition. The competent department always tries to obtain a consensus as otherwise one of the members of the Commission might reject the proposal upon the vote, in the college.

The proposals are generally agreed with national experts. These experts either meet in committees set up for this specific purpose or the information proceeds from ad hoc interviews with experts.

### 2.2.2 The advisory committees within the Commission

Through its civil servants the Commission maintains numerous contacts with experts and civil servants from the Member States. As these experts in most cases also act as members of the working groups established by the Council, an early contact between the Commission and the experts greatly enhances the probabilities for the draft to be implemented. Hearings of the committees can be either facultative or obligatory. The committees are both advisory and supportive. Some were established by the Treaty of Rome, but most were set up by secondary legislation.

In practice the committees are of special importance. The Commission gets an idea of the later implicability of the proposals and can work out compromises. The proposals and the attitudes shown by the Member States and the other organs are considered on all procedural levels. Member States try to implement their own interests as early as in the expert committees. Formally, however, during the advisory process of a legislative procedure the Commission is not bound by the proposals from the committees.

### 2.2.3 Further steps and the decision making process in the Commission

The legal service verifies the legal consistency of the drafts. The direct staff of the Commission members (chefs de cabinet or cabinet members) get together to prepare and ease the consultations in the Commission. At the beginning of each week the draft is first submitted in the meeting of the chefs de cabinet. If the chefs de cabinet agree on a resolution (A-points) the Commission in its meeting only needs to approve it formally. Failure to reach an agreement in the meetings of the cabinet and the Commission will make it necessary to convoke extraordinary meetings of the chefs de cabinet.

The members of the Commission consult on the draft which is approved with a simple majority in accordance with the committee principle. In addition to the "oral procedure in a joint meeting" the rules of procedure also provide for the "written procedure" and the "delegation procedure" as options for decision making.

The aim of the written procedure is to exclude technical matters from the meeting. One Commission member notifies the others of a proposal and establishes a term of 3 to 5 days to submit proposed changes. Once this term expires without changes, the proposal is deemed to have been approved.

The delegation procedure authorises a member of the Commission on certain measures regarding the management and the administration. During the meeting the Commission explicitly delegates the decision making power to the person in question. 60% of decisions are taken in this way. 15% in oral and 60% in written procedures.

#### 2.2.4 Publication

The draft is forwarded to the Council as a proposal by the Commission together with reasons. After delivered to the Council the proposals and changes approved by the Commission are published in the Journal, Section C.

### 2.3 THE HEARING PHASE

The Council must now verify whether other institutions (e.g. Committee of the Regions) have a hearing right. In most cases this hearing right is guaranteed by the treaties (obligatory hearing), in addition facultative hearings have become a rule in almost all cases. Even though the Council is not bound by these opinions, they are of enormous political relevance.

### 2.4 THE DECISION MAKING PROCESS

After the hearing phase the Council might have a modified version of the Commission's proposal.

#### 2.4.1 PRC and working groups

The Permanent Representatives Committee (PRC, COREPER) prepares the Council meetings. The PRC is a strongly formalised institution on an ambassadorial level, meeting weekly and preparing the Council meetings. The PRC in turn is in charge of many working groups established for all of the Community's areas of activity.

Before a Commission proposal is analysed in detail by the Permanent Representatives working groups established by the Permanent Representatives deal with the draft. For this purpose experts from the ministries of the Member States get together. The working groups of the Council now take up this proposal. Interestingly, these in most cases consist of the same representatives from the Member States as the supporting committees in the Commission. Here, however, they act as representatives of the national governments bound by specific orders and shall control and possibly modify proposals from the Commission with a view to a decision in the Council.

If these issues cannot be solved in the working groups they are handled in the Permanent Representatives Committee. Issues unsolved on that level will finally be dealt with in the Council itself.

#### 2.4.2 A and B-items

If an agreement is reached in the working group or the Permanent Representatives Committee it only needs to be confirmed by the Council. This summary decision making comes before the true items of the agenda (B-items) to be discussed before a decision is taken in the Council.



A-items have already been sorted in the PRC. They are already ready for the vote and are submitted to the Council for the sole purpose of a summary decision without any prior discussion. About 80% of decisions are taken according to the A-items procedure.

### 2.4.3 Decision procedure

Decisions in the Council are taken either by simple majority, qualified majority, or unanimously. De facto the majority of decisions are taken by qualified majority.

## 2.5 THE ROLE OF THE EUROPEAN PARLIAMENT

Since the Treaty of Amsterdam the codecision procedure has been applied to most of the fields of Community legislation.

Application of the cooperation procedure is now confined to a few decisions in the field of economic and monetary union. The consultation procedure continues to apply to “sensitive” areas that still require unanimity in the Council, such as taxation, industrial policy, regional planning or the management of water resources, and to two areas requiring a qualified majority, the agricultural and competition policies.

Basic legislation dealing with the structural funds is adopted by the Council, acting unanimously after obtaining Parliament's assent. The assent procedure also applies to the adoption of international treaties that will involve amendment of an act adopted under the codecision procedure, have a significant impact on the budget or set up a specific institutional framework.

## 2.6 COMITOLOGY – IMPLEMENTING DECISIONS

The Council must transfer the authority for implementing the EC legislation it adopts to the Commission in these acts. As part of this process the Council may determine certain modalities for the exercise of these authorities. For this reason in 1987 it adopted the Comitology decision providing for various committee proceedings for advising and controlling the Commission in the exercise of its implementation powers by public officials from the member states.

### 2.6.1 What is comitology?

Comitology is the stipulation of implementing provisions by the Commission in cooperation with committees composed of national civil servants. For this purpose three types of committee proceedings have been established, the advisory committees, the management committees, and the regulating committees.

Advisory committees are mainly involved in the implementation of the Internal Market. Advisory committees are composed of representatives from the Member States and chaired by a repre-

sentative from the Commission. The committee gives its opinion on measures planned by the Commission. This opinion must be heeded by the Commission in as far as possible.

Management committees have been involved in the implementation provisions for agriculture since 1962.

The regulatory committee procedure is used in other areas of Community policies providing opinions on the implementation provisions planned by the Commission with a qualified majority of its members. If rejected, the Commission cannot immediately issue these provisions, but must first submit them to the Council for a vote.

### 2.6.2 The importance of comitology

Comitology, just like the entire committee system in the European Union, should not be underrated. It integrates the Member States into all decision making processes independently of the level and the organ. It is not possible to determine the exact number of committees on the Union level as many ad hoc committees distort statistics. All in all the total number certainly is more than a 6.000.

## 2.7 CONCLUSION

According to estimates Brussels has approximately 3.000 national or European groups. It may be assumed that more than 10.000 people can be defined as professional lobbyists. They are not officially registered.

They all try to influence decision processes through personal, informal contacts according to their own interests. These activities are particularly focused on the Commission, but also indirectly on the European Parliament and the Council through the national civil servants, further Institutions of the Union and the numerous committees.

The Commission sometimes also avails itself of the lobbyists' expert knowledge often triggering a synergy effect between the representatives of these interest groups and the European institutions.

Generally, the possibilities for the representatives of interest groups and thus also for local and regional governments associations within the EU to take influence are manifold. Examples can also be found in the supranational legislative process:

- before the legislative proceedings (committees of the Commission),
- during the proceedings (working groups in the Council, PRC, European Parliament, and Committee of the Regions) and even
- after the conclusion of the legislative process during the implementation phase (comitology).





**Chapter 3    LOBBYING –  
INFORMATION GATHERING,  
COALITION BUILDING,  
INCREASING INFLUENCE,  
MAXIMISING LEGISLATIVE  
IMPACT**





Simona Wolessa, Austrian Association of Cities and Towns - Brussels Office, Head

### 3.1 POSSIBLE DEFINITION OF LOBBYING

The word lobbying has its roots in the British parliamentary tradition. The “Lobby” is in front of the debating chamber of the House of Commons, which is the place where Members meet the public who try to explain to, persuade or entreat parliamentarians to support or oppose a cause. Lobbying still remains a way of influencing the political decision-making process for special interest or pressure groups. It has a negative image and is often suspected of putting democracy in danger because it is more accessible to the financially powerful institutions and multi-national companies than to the socially excluded, the unemployed, or local governments. However, democracy is safe as long as there are political parties, NGOs, local governments and other non-state actors who take up the interests of weaker members of the community. The more competition between different interests, the better for EU democracy, as long as the competition remains open to newcomers. Lobbying from governments and civil society contribute to the peaceful integration of Europe.

### 3.2 NECESSITY OF LOBBYING AT EU LEVEL

The EU helps form, design, implement and/or influence approximately 80% of all economic and 50% of all political decisions taken in the Community today. Therefore not only private companies but also all civil society including local governments and their associations need a direct link to Brussels and the EU institutions. Due to its position close to the citizens, local governments have earned a special place in the EU decision-making process.

A presence in Brussels is vital for local governments to influence policymaking and implementation effectively, and react appropriately to a rapidly changing environment.

Indeed there are thousands of national and international pressure groups in Brussels. At the last count there were 2.600 interest groups<sup>1)</sup> (see van Schendelen, 2002) and 850 accredited journalists in Brussels – far more than Washington DC. They all know that contacts and good timing are the keys to influencing the EU decision-making process.

These lobbying offices differ from each other in the quality of their work: good lobbying takes time and expertise. Information must be gathered, prioritised, analysed, condensed, disseminated and acted upon in a timely manner. Lobbying is complex and requires the art of relationship – building as much as the science of communications.

The EU machinery of common decision-making can be manipulated from outside and it is often possible to get a more-or-less desirable outcome.

1) European Trade Federations (32%); commercial consultants (20%); companies (13%); European NGOs in environment, health care, human rights (11%); national business and labour associations (10%); regional/local representation (6%); international organisations (5%); think tanks (1%) plus the Permanent Representations of EU Member State governments and ca. 150 delegations from foreign governments.

### 3.3 METHODS OF LOBBYING

Whatever methods you will use, the most critical component is timing (“How to get the right information to the right person at the right time”). It is essential to understand the legislative process and the key points at which your organisation can best make its voice and viewpoint heard and acted upon.

On a more personal level, you should appreciate the value of the contact person’s time by providing only concise and specific information pointing to the conclusion you are seeking to achieve.

#### 3.3.1 Informal and formal contacts

Personal contact based on mutual trust and respect is essential. Don’t contact the relevant official until you are thoroughly prepared to deal with the issues likely to trouble them. Do acknowledge the other sides strength, and/or your association’s/local government’s weakness on the way to rebut opposing argument.

The many personal contacts you have in your own country, you must develop in Brussels as well. The better you are connected, the more successful you are (“It’s not always what you know, but who you know”). Even if you do have an office there, a trip to Brussels should be as normal as a trip to your country’s capital. The administration in Brussels is YOUR administration. Except that the civil servants in Brussels are much more open and approachable and interested in detailed information than you would ever expect from your own national civil servants.

To do your job effectively, and to make those personal contacts and discussions count, you need to be up-to-speed on EU policymaking and implementation. The basic information you need be acquainted with is published by the Commission in the **EU Official Journal** and its supplement, (which can easily amount to around 40.000 documents a year).

In addition to these sources, the **regular reports** about specific policy areas (competition, single market, public procurement etc.) by the European Commission, the reports of the European Parliament, the Committee of the Regions and the Social and Economic Committee are all useful sources of information.

Additional important sources of information include:

- **Green Papers:** These reports, published by the Commission, address specific policy areas of significant importance. Green Papers provide an overview of the status quo and encourage discussion amongst the civil society on possible changes. Green Papers had been published on transport, energy, public procurement for example.
- **White Papers:** These reports already include precise legal proposals from the Commission. White Papers exist on unemployment in Europe, competition, for example.

These reports are especially important for local governments, as they are able to submit opinion papers directly to the Commission without the national government as a go between.

Finally, the annual legislative programme of the Commission is a valuable tool to get updated on the EU work agenda.

### 3.3.2 Briefing papers, position papers, media management

Information you provide should be brief, factual and scientific: biased information must be avoided as well as emotive language. Always be constructive: propose alternative solutions, formulations, compromise texts, as seems appropriate. If there are lobbyists working against your preferred solution, it is worth getting to know them and, where appropriate and feasible, exploring compromise suggestions to be made, or at least establishing the areas of common ground and those of conflict.

#### 3.3.3 Networking

Lobbying campaigns require a cohesive political strategy. Alliance building should be as wide as possible, even co-operating with those normally opposed to you; to quote Winston Churchill "My enemy's enemy is my friend". Building ties with other local and regional representations or with other National associations is as important as belonging to a European organisation (i.e. CEMR). The advantage lies not only with the bigger influence exercised through the number of represented local and regional authorities but also through their personnel, their experience, and with the possibility of their obtaining early information about future policy developments. This gives you the chance to start early with lobbying activities. However, it cannot replace the work of the individual offices. Networking also helps when searching for partners and alliances in order to submit trans-regional proposal and projects for funding.

#### 3.3.4 Participation in Commission working groups

A good way to get one's position heard is in official working groups. In the Commission alone there are thousands of working groups dealing with all kinds of topics. Wherever possible and appropriate you should try to be included in these working groups, either individually or as part of a broader coalition or alliance.

Invitations to participate are sent by the Commission to the Permanent Representatives to the EU. They then forward the invitations to the ministries in their respective countries. Who then participates is largely up to the national level.

If your working relationship with the national government is not very good, you may have difficulties placing experts on the national delegation to these Commission working groups. Therefore, another possibility is to send an expert on the delegation of a European organisation (i.e. CEMR), to working groups where local and regional governments are concerned (waste management, good governance etc). These organisations have reserved seats on the working groups. However, national governments and industry are the predominant participants.



### 3.4 DIFFERENCES IN APPROACH TO ORGANISED LOBBYING ACTIVITIES

Not all lobby groups, special interests, and civil society actors that seek to win friends and influence policymaking in the EU institutions are equally effective in their goals, whether those are to secure a license to operate or to bolster a balance sheet. No lobby group has its affairs in a perfectly organised state at home, but some simply understand the EU process better than others. (Compare van Schendelen, 2002)

**Multinational companies (MNCs)** set the trend in managing their EU public affairs professionally, both externally and internally. They have to. Internally they have to cope with an exceptional variety of cultures, role expectations and formal duties. Externally, they are extremely challenged by the EU. Most EU decisions deal with the integration of European markets and sectors and thus particularly affect MNCs. They not only understand they must influence the process, but they also have developed the capacity to do so.

MNCs usually fall back on sufficient financial means, technical experts, important networks and relevant positions. Many MNCs have a good image, receive a lot of invitations, particularly from the Commission and the Parliament, to enter the corridors and to participate in expert groups or intergroups.

Of course, the multinationals' aims in Brussels differ from each other, but nevertheless, most have a basic structure of their internal organisation in common. The central unit is the EU public affairs office, located in the headquarters and under the direct responsibility of some member of the Central Board. A Brussels Office usually comes under the control of the EU public affairs office.

Effective Brussels representative offices of leading European firms have a clear mandate from the company's headquarters, together with good two-way lines of communication. Those corporate offices in Brussels without the power to take the appropriate action if and when required, can fail to deliver for their employers. The price multinationals pay for distrusting their Brussels office is an unforced corporate passivity or absence on the EU playing field.

**Local government** have a somewhat weaker impetus for EU action, much fewer resources and skills, and a more local/regional than European interest orientation. Few have their own Brussels office but many are represented through their National local government associations in Brussels.

**Regional government** offices are reasonably resourced, have their own Brussels office, lobby for subsidies and are invited to participate in semi-formal and formal EU meetings. Co-operating with other regions in Europe, they succeed in presenting a European face. But most are poorly organised at home. Their government background, with elected politicians and mass publicity on the home front, often makes it difficult to determine a short list of priorities with clear targets beforehand and critical evaluations afterwards. Their EU performance is frequently that of their small team in Brussels acting autonomously.

**Non-Governmental Organisations (NGOs)** vary in their effectiveness. Most are just local or regional and have similar problems as local government. But some NGOs come close to multinationals in their effectiveness (such as Greenpeace, Amnesty International), which are usually excellently resourced and organised with ad-hoc teams and a Brussels office.

Some are national interest groups in a European disguise (Animal Welfare UK; Union of European SMEs – UEAPME – D). Their position papers are usually well attuned to the EU arena. They suffer from lack of resources and internal dissent.

**Non-EU interest groups** exhibit a wide variety of internal structures. The US Mission and the US Chamber of Commerce operate like the multinational model and have lines of communication to a host of and experts in Washington. Those with fewer resources and/or a more diminished interest in the EU, rely on their national governments representatives in Brussels, and their national associations, to keep them abreast of Brussels developments.

#### References

Van Schendelen, R., 2002, „Machiavelli in Brussels: The Art of Lobbying the EU“, Amsterdam University Press





## **Chapter 4    LIAISON OFFICES IN BRUSSELS**





Simona Wolessa, Austrian Association of Cities and Towns - Brussels Office, Head

## 4.1 THE WORK OF EU LOCAL AND REGIONAL LIAISON OFFICES IN BRUSSELS

### 4.1.1 Background

The first liaison offices emerged in the mid-1980s, about 30 years after the foundation of the European Community. This belated recognition and the inclusion of the sub-national level in European legal frameworks lies in the historic development of the Community – a community of Nation States only. (See also Hierl, 1995)

Even the adoption of the Single European Act (1986), which demonstrated a shift away from harmonisation towards the mutual recognition and thereby to the consideration of the sub-national units, could not hide the fact that the local and regional level was excluded from the development of the political process of the EC.

The establishment of the Committee of the Regions (Treaty of Maastricht, 1992) was the first step in formally recognising the role of local/regional players in the development of the Union. This provided a framework for their work, enhanced the status of the liaison offices and helped to promote them.

Before there was little or no possibility for sub-national units to co-operate or influence matters affecting them. The “Lack of supply” (of information) from the European institutions, the Permanent Representations and the National governments added to their weak position. The offices were unwanted and many Permanent Representations were irritated by them. They represented an open challenge to the central government’s legitimate role in representing the national state externally. (See also Connors, 1988; Jeffery, 1996)

The initial resistance of the Member States and their Representations to the opening of liaison offices was marked by an almost total lack of contact between the two. With the passing of time relations between them have improved considerably.

It was also difficult to find an agreement with the Belgian authorities, above all with the City administration in Brussels, about the legal status of the offices and their staffs. After years of negotiation it was finally agreed that the offices would informally be treated as having legal corporate status, thereby solving a large portion of the technical and legal problems connected with their establishment. A special agreement with the host country regarding tax was signed shortly after. As such the staff is allowed (or obliged) to have their salaries (and bonuses) taxed in their home countries. The legal context still varies between the individual offices, often depending on the type of model that is chosen.

Liaison offices grew in importance through the increasing complexity of the decision-making mechanisms, through the flood of laws and the widely discussed “transparency deficit” in the European Community.

Though they may differ in their size, structure and function, the work and presence of these offices is crucial for the sub-national level they represent and for the European integration process as a whole. (See Heichlinger, 1999)

#### 4.1.2 Administrative set-ups

##### 4.1.2.1 Introduction

The type of model used to promote their interests, the make-up and resources, funding capacities and, in some cases, the sponsors can be very different.

However, in general a Brussels office should be structured in a manner that maximises individual workers output and develops complimentary skills. Areas of work should be clearly defined while at the same time be flexible. A good database is essential. Quite a lot of information can be bought (for example from the EP) which saves an enormous amount of time.

The demands of the Brussels office needs be kept proportional to the number of persons employed. Right from the beginning it needs to be agreed upon how position papers are decided and who will write them (a consultant/the home office/the Brussels office). Weekly meetings must take place to keep everybody informed and up-to-date. Allowance must be made available for reading and for all staff members to develop their own areas of expertise. Given that the flow of information is constant, flexible, imaginative, and updated.

A successful office is built on an atmosphere of trust, respect between colleagues, and warmth. Successful lobbying ultimately depends on personal contacts and so the ideal lobbyist should be open, and pleasant. He or she should be comfortable in all settings, and with many different cultures and traditions. The ability to have warm relations with contacts is far more important and far more influential than any position paper.

A “typical” base in Brussels is centrally located (i.e. close to EU institutions), has one representative, officially appointed by its respective sub-national entity or grouping and supported by one or two additional staff members for administrative tasks as well as other functions. The ideal liaison office should have a modern PC with a fast internet connection, as much of the work depends on communications and the ability to access information quickly and easily. Additionally, standard equipment such as telephone, copy and fax machines are essential. A meeting room should allow officials from “home” properly to follow up their work in Brussels, especially between conferences, committee meetings etc. It is often shared with other liaison offices. The office should have information on the EU and the sub-national entity.

The annual maintenance costs of an office are budgeted at a minimum of 150,000 € which normally covers all personnel costs (the official delegate, an additional EU expert and secretarial support), the office rent, and other administrative as well as representative expenses. However, this amount may be multiplied by as much as ten in the case of some German or Spanish offices or for those offices representing a consortium of authorities and agencies. (Compare Heichlinger, 1999)

In general, offices which represent single regions in more federalised Member States tend to be bigger and better equipped. Usually they have clear instructions from home and consequently are well embedded in the national institutional structure as well as having a more focused funding source.

Considerable variation exists in the structure, level of resources and types of operations undertaken in Brussels by these offices. They display a wide diversity (See John, 1994).

#### 4.1.2.2 Office types

- **The Single Regional or Local Government Office:**  
These offices represent one region/city only. This model can be found with sub-national governments of federalised and regionalised Member States, such as Germany, Austria, Italy and Spain, but is also common among more centralised states (e.g. United Kingdom, France; cities' offices: London, Prague, Stockholm, Vienna).
- **The Consortia of Regional or Local Government Office:**  
Several regional, but mainly local groupings have jointly set up offices in Brussels. Their common factors lie with geography, economic or political affinities. The expenses are generally pooled among the members. The East Midlands (UK), North Sweden, and East Netherlands provinces for instance are offices representing more than one sub-national authority.
- **The Association Office:**  
A centralised body of the sub-national entities already has a "voice" to put forward their interests within the national framework and at EU level. These Brussels offices generally pursue a function, which is related to the legislative and the policy process of the EU and less to funding activities. (COSLA, AACT, NALAD, SALA etc.)
- **The "Umbrella" Style Organisation:**  
Central government takes the lead and maintains a mission, which provides premises and services to a number of the members' private, and public sector representatives at the sub-national level. These offices have a wider partnership base, which may include universities, chambers of commerce, and tourist boards and they often carry out paid consultancy services. Examples, which currently exist, include the Welsh European Centre, Scotland Europa and the Northern Ireland Centre.
- **The "Partnership" Office:**  
Partnerships of sub-national bodies are created to work together on a range of issues, which have a European dimension. [e.g. Regio Randstad (NL)]
- **The Cross-Border Regional Office:**  
The office is composed of sub-national entities from different Member States. They are often based on well established and hence close relationships between the entities, shared traditions and interests as well as joint participation in European initiatives and programmes.



Given these advantages, this model might be regarded as the future model for bases in the EU. [e.g. The Austrian-Italian EU Liaison Bureau of Tyrol (A), Alto Adige and Trentino (I); the Anglo-French office of Essex and Picardy].

The list of office models is naturally not exhaustive, more forms of representations could be identified and also the categorisation of the offices could differ. Crossovers between categories are possible.

### 4.1.3 Role, function and outcomes

#### 4.1.3.1 Introduction

A number of factors determine the nature, role, and functions of local/regional liaison offices in Brussels. Some of these factors have already been discussed (i.e. the form of the national government: Federal or unitary, the composition of sponsors; and the overall size of local/regional authority). These factors need to be noted when determining expectations, and evaluating the performance of the representation. It is not easy for a single municipality, especially for a smaller one, to try to influence national or EU legislation. Therefore co-operation with national and EU institutions is an important aspect for local and regional government.

It is absolutely essential for the local/regional and national governments to have a close working relationship. This is particularly important when examining the application of Community legislation at the sub-national level or checking the opportunities for local and regional government to influence the development of national and EU legislation. It is the state's representatives who have regular, official contacts with the "movers and shakers" of the European Union.

The sub-national units do not simply wish to obey EU legislation passively: It is important for them to influence the development of EU activities as early as possible. As a result, many have offices in Brussels, which play an important role in accessing information and building networks. In general, these national associations have considerably upgraded their co-operation with EU institutions and with their European representative bodies such as CLRAE at the Council of Europe, CEMR and AER.

Having an impact on new legislative initiatives requires a working relationship especially with officials of the **European Parliament** (regular contacts with at least the members from one's own geographic or linguistic circle are essential; regardless where it takes place), the **European Commission** (necessary if one wishes to obtain information at an early stage on future EU legislation) and the **Committee of the Regions** (as the official channel by which regional and local governments influences the Union's decision-making, COR has the opportunity to express its views on all legislative initiatives that have an impact on municipalities and regions. With initiative reports the COR may introduce new ideas for developing EU legislation).

#### 4.1.3.2 Role

The Brussels Office represents the interests of the sub-national unit, ensuring that it gains maximum benefit from its participation in the European Union. Principal roles are monitoring, lobbying, networking and promoting. (Compare Heichlinger, 1999)

The “monitoring” Role means observing the developments in upcoming EU legislation, particularly in relation to the **European Commission** (sole right of initiating EU legislation) and the **European Parliament** particularly in areas where it has co-decision making powers with Council. Thus the office should feed back this information, and with like-minded offices seek, if necessary to its use influence to have the proposal modified to the city's/region's benefit.

##### Practical advice:

For legal monitoring good knowledge about the EU institutions is essential. To know the principal players in a specific area of work is also essential. This might be quite time consuming as changes of personal (especially in the Commission) are frequent. Knowledge about which Directorate Generals (DGs) are linked to a specific work area, when a legal proposal is due, and who in the DGs is working on it, is necessary. It is important to find out if the selected DGs have (formalised) relations with local authorities. If not, helping to establish them might be useful. It is important to the offices to make a name for themselves especially in areas of importance to them so they will be contacted by EU officials and involved in developments. Informal relationships with key people in the Commission helps. These officials might rarely be on the highest levels, but will tell you what is going on inside the Commission.

The “Lobbying” Role means being able to explain the local/regional position to EU decision-makers with a view to the local/regional position being understood and adopted at an early stage. The focus of this activity is on European Commission/European Parliament officials and Members of the European Parliament (MEPs).

##### Practical advice:

Position papers used for this activity should be clear, short and to the point. These papers need to be written in easy accessible languages, at least in English and French. Follow up to the papers is very important. Papers should be preceded by discussions with the appropriate officials to ascertain their initial position. They should also be followed up with meetings to offer to explain the submission or ascertain whether, and if so where, its incorporation would cause problems. At the same time it may be appropriate to circulate your paper and meet with some or all of the following: other DGs, officials from other EU-institutions, the media, embassies and NGOs.

Next to the European Commission the **European Parliament** is a very good tool for putting pressure in specific areas and raising issues. Just as with the Commission, knowledge about the EP Committees and which of them are relevant for a specific area of work is essential. Important is also to know the rules of procedure of the Parliament, as well as to find out which MEP sits in the co-ordinators' group of a specific Committee. To find an MEP who is willing

to pass on information about decisions taken at co-ordinators' meetings is a big plus. This information could be about upcoming reports, the future rapporteurs and their political groups or about planned public hearings and the possibility of experts being invited. The office must try to influence these decisions. Maybe representatives from home could be invited to speak at hearings. Alternatively you could ensure that they are included in the platform of a specially convened meeting. Ideas for hearings can easily be put forward to MEPs. The office has to try to influence the reports the MEPs are writing. MEPs are also helpful in formulating written or oral questions to the Council and the Commission on specific issues. Good relationships with individual MEPs and their assistants are always helpful. A good assistant might be as important as the MEP.

Officials in the EP are often as important – if not more so – than MEPs. This observation applies equally to those working in political groups as well as those working in specific Committees. If they know the office has something to say and is well prepared – they will contact the office for further input.

The **Council of the European Union** is not so easy to work with since it represents national interests only. It has a rather distant relationship with local and regional governments. Council decisions must be lobbied for/against in the respective Member States. Once a topic has reached the Brussels platform in the Council, influence is very limited. The Council secretariat (the administrative body of the Council) will almost always refer lobbyists to the Permanent Representations of the respective countries for any question regarding meetings, agendas or other issues. Nevertheless, it is important to be on the Secretariat's mailing list for relevant meetings.

It is also useful to find out who in the Permanent Representation is dealing with which area of interest and to set up a regular meeting with that person. There is a possibility of finding out which issues will be high on the next Presidency's agenda. If one's own country holds the next presidency then lobbying for specific topics to be put on the agenda presents a possibility. The future presidency will almost certainly set up special sections for this, representing and co-ordinating the work of all relevant ministries. Sometimes this work starts as long as 18 months before the presidency commences. It is best for lobbying to be carried out "at home" rather than in Brussels, although the Permanent Representation will also be making an input, which could perhaps be influenced.

The **"Networking" Role** means to build ties with other regional and local representatives and with officials of the EU Institutions via social, as well as formal personal contacts. Common hobbies, tastes, interests are worth exploring and building upon.

#### **Practical advice:**

Especially at the yearly budget discussion it might be a good idea to become part of a group of lobbyists from different offices.

The **"Promotional" Role**: Some offices organise activities such as receptions, art exhibitions, book presentations and musical events, which provide bridges or contact points for intercultural

relations. Usually these activities are quite expensive and therefore tend to be organised by the larger offices.

Offices also promote their EU knowledge in the respective municipality/region. Training courses, conferences and round tables are organised, regular newsletters are published and traineeships for officials from “home” are encouraged. Study visits to the EU institutions are also popular. Visits of this kind are most successful when clear objectives have been set out. The importance of preparatory work in advance of these visits needs to be highlighted. Key contacts in Brussels are more likely to remember well-organised, informed, and engaged delegations.

**Practical advice:**

Not to forget - the media should be made aware that the office has something to say. It is always useful to find out which journalists work in what areas. The best possibility to get known in Brussels is to be quoted in “Agence Europe”, a daily news bulletin on all EU policy areas. Agence Europe is read by almost everybody who deals with European issues. It is important to get position papers and press releases printed. An influential weekly newspaper is the European Voice (an offshoot of The Economist).

**Summary of professional management of EU activities (see van Schendelen, 2002)**

Question	Homework: analysing	Fieldwork: organising
1. Who acts?	The internal organisation	Improving the organisation
2. Why?	Threats and opportunities	Choosing the strategy
3. For what?	Options	Determining the targets
4. To whom?	Crucial actors	Making relations, networks
5. Where?	Arenas	Forming coalitions
6. On what?	Dossiers and issues	Bargaining
7. When?	Time and agenda phase	Timing, agenda-building
8. How?	Methods, techniques, routes	Lobbying
9. Result?	Process evaluation	Learning

### 4.1.3.3 Function

Communication and Information form the basis of the service delivery mechanism in Brussels – all the offices are in the business of information provision. The Brussels office should keep the home base informed about ongoing or upcoming issues in Brussels. However, it is important that the home base should communicate to the Brussels office information of which they might have knowledge, and which the Brussels office might not have.

There are a number of ways in which information is exchanged:

- Attending or organising briefings, conferences, meetings, seminars and other events (gathering “hard information”);
- Sending out EU-Information reporting back from specific briefings or events;
- Responding to inquiries;
- Informal networking i.e. permanent personal contacts, which often turn into long-term relationships with EU officials, journalists and other delegates, which pave the way for representatives obtaining tip-offs about EU policy development (gathering “soft information”).

### 4.1.3.4 Outcomes

Effectiveness is difficult to determine. It is often related to influence, which again is seen as a by-product of access and being able to provide information to EU actors. But access does not automatically mean influence. Some offices might be assessed on the basis of a “funding-focused remit”, others are assessed on a much broader European strategy and hence the criteria used to measure their outcomes differ.

#### Practical advice:

As a rule one can say, if there are no precise objectives defined in the home city/region/association a Brussels office will only have limited success. The question always remains: Is the home base really interested in having a strong office representing them in Brussels and is it willing to support it. Is it willing to react on requests from the Brussels office to give input to reports, special questions from the Commission or MEPs? Is it willing to be used as a referral point by the Brussels office (to answer questions from the media, from MEPs, from EU officials etc)? Naturally, the Brussels office needs to be informed if and when meetings with EU decision makers are taking place.

How effective the office has been in securing objectives in relation to certain policy fields or funding depends on objectives, which have been set by the home office for the Brussels office. A Brussels office is only as good as the home base wants it to be.

#### 4.1.4 Outlook

The Brussels offices seem to perform quite well, if one considers the continued expansion in the number of offices, the growth in their personnel and financial resources as well as the increasing recognition of their contribution to the EU decision-making process and policy formulation at both the national and European level.

#### References:

Brita Bastogi, 2001, Unpublished Working Document, Brussels

Connors, T.D., 1988, The Non-Profit Organization Handbook, 2nd Edition, McGraw-Hill, New York

Heichlinger, A., 1999, "A Regional Representation in Brussels: The right Idea for Influencing EU Policy-Making?" EIPA Maastricht

Hierl, 1995, „Europa der Regionen: Eine Idee setzt sich durch: Ausschuss der Regionen“, Economica, Bonn

Jeffery, C., 1997, "Regional Information Offices in Brussels and Multi-Level Governance in the EU: A UK-German Comparison" and "Conclusions: Sub-national Authorities and European Domestic Policy", in The Regional Dimensions of the European Union, Frank Cass, London

John, P., 1995, "A Base in Brussels. A Good Investment for Local Authorities?", in LGIB, N 2, London

LOGON Report 2000, edited by Austrian Association of Cities and Towns, Vienna 2000

Van Schendelen, R., 2002, „Machiavelli in Brussels: The Art of Lobbying the EU“, Amsterdam University Press

## 4.2 EUROPEAN UMBRELLA ORGANISATIONS OF LOCAL AND REGIONAL LEVEL

Walter Wenzel, CEMR, Director of Brussels Office

### 4.2.1 The Council of European Municipalities and Regions: Lobbying for formal EU level representation

#### 4.2.1.1 Introduction

CEMR aspires above all at achieving appropriate local/regional government representation at the European level. Ultimate success could mean further lobbying becomes unnecessary, as proper channels for effective consultation would have been found – which realistically is still a long way off. Few member associations would claim to have achieved this even at their own national level ([www.cemr.org](http://www.cemr.org) see publication on national consultation procedures). At European level, CEMR is still fighting to obtain anything like the legal or constitutional guarantees some of its associations enjoy nationally.<sup>1)</sup>

Within the European sphere, central issues are still settled through Member State bargaining at intergovernmental conferences, which then lead to new treaty provisions. CEMR acts in this respect as a an essential forum of information and exchange, to allow for concerted actions to influence national “foreign policy” positions on issues ranging from “the future of Europe” to such immediate concerns as the liberalisation of services of general interest. In a similar way, the CEMR London Declaration, four years ago, asked for local government association involvement in the accession negotiations. The LOGON group then provided a practical follow up through an exchange with associations from the accession countries on the local government implications of the “acquis communautaire”.

Final EU policy adoption is in the hands of the Council, hence dominated by national governments that tend to react nervously to direct local and, particularly, regional governments representation, although (or rather because) the Maastricht Treaty already provides access to Council meetings for federal regions. The European Commission, on the other hand, has long since started to look beyond the formal comitology and discusses with us during our own committees meetings the impact of policies on the ground. When it comes to the European Parliament, parliamentarians are generally sympathetic to our position but in practice tend to be forgetful of local government concerns. They prefer to be reminded of any previous involvement in local government when European elections are drawing close.

1) CEMR federates 42 national associations that bring together 100 000 local and regional authorities in the wider Europe.

The current debates on European governance and the future of Europe bear the possibility of further breakthroughs for local government. CEMR is adjusting its strategies and lobbying instruments to drive some of its longstanding demands and is forging new alliances and partnerships within a changing local and regional government context.

#### **4.2.1.2 A changing CEMR committee structure**

Current lobbying on European legislation and policies revolves around 13 CEMR committees, working groups and networks, whose themes reflect the relevant European Commission Directorate Generals. They cover everything from environmental policy, to public procurement or the European social dialogue. Besides acting as exchange platforms between member associations on implementing EU law, their primary focus is influencing European Commission policy at an early stage.

The position papers that are drawn up in dialogue with the European Commission increasingly lead to follow-up actions in the Parliament or through Council Presidency conferences (see annex for details). Over the last two to three years, national associations have been increasingly successful in organising conferences on local government themes under their country's Presidency, drawing support from CEMR. Under the Danish Presidency, we are thus actively involved in four such events at present.

What then is the major innovation in the CEMR Committee structure? This work will have higher political profile and will become more pro-active through direct involvement of politicians. Involvement of mayors and regional politicians should allow us to pick up more on issues of immediate concern to our member authorities, instead of only reacting to EU priorities.

Existing working groups will continue to involve experts from our associations, but will be streamlined to report to either of three main political forums that will meet once a year to discuss policy priorities in the fields of :

- Sustainable development (environment, transport);
- Cohesion policy (urban, rural policy and the structural funds);
- The Lisbon agenda (employment, social inclusion and the knowledge society).

For practical reasons, some of these forum meetings will coincide with meetings of our Policy Committee (our decision making body) to allow our politicians to be able to easily attend both events. This will ensure an immediate policy follow-up on the political recommendations that the wider group of Forum participants will be putting forward.

#### **4.2.1.3 The Open Co-ordination Method and local government involvement**

A single Forum will deal with the Lisbon Agenda not only because "making Europe by 2010 the most competitive knowledge-based economy in the world, guaranteeing (full) employment,



inclusion and sustainable development“, raises key issues for local government. It is also the area in which the so-called “Open Method of Co-ordination”(OMC) finds wide application. The OMC aims to complement the Community method in areas where the Community has no or insufficient competences to act, but where EU level coordination is deemed necessary. It operates as an ongoing cycle of European strategy documents or guidelines that are adopted in the Council and followed up by National Action Plans (NAPs) whose results are then evaluated and peer reviewed in each spring Council session.

From the start, CEMR has closely cooperated with the Commission on the European Employment Strategy. It is the Commission that proposes it each year for adoption to the Council and that evaluates the outcome of the National Action Plans. The result has been that over the last two years the guidelines came to explicitly recognise the role of local and regional government in actually driving employment initiatives on the ground. The Commission has also accepted to introduce a special budget line to encourage local level innovation. At national level, central authorities now regularly consult many of our associations on the definition of the National Action Plans, which was not previously the case.

At the Lisbon Council meeting two years ago, the OMC was extended to include social inclusion, health, education and knowledge society issues. Again, these are areas in which local and regional governments can make a vital contribution through their associations.

The Commission is also proving quite open to CEMR suggestions on evaluation and performance benchmarking. Officials are interested in our feedback on local government association involvement in the definition of the National Action Plans. We are also discussing how benchmarking or rather “benchlearning” could usefully be extended to the local and regional level.

We are discussing an EU co-financed conference in Germany next year to discuss benchmarking local employment strategies. Again the Commission has followed our recommendation not to restrict benchmarking to the national level in the new eEurope action plan 2005. Our current KeELAN project – funded under the EU framework programme for research – is already developing typologies and road-maps for mayors and regional politicians to define their own local e-government strategies and will provide the basis for developing “benchlearning circles” and best practice dissemination.

#### **4.2.1.4 Partnership with other local government organizations**

Another major new development over the past two years has been the collaboration of CEMR with other relevant European local government organisations and networks to create common policy platforms or positions.

In drawing up our present policy paper on post 2006 cohesion policy, we not only have close dialogue with Commission officials, but also with some of the key local government organisations such as the Association of European Border Regions (AEBR), the European Association of Development Agencies (EURADA), the European Association for Information on Local

Development (AEIDL) or the Conference of Peripheral Maritime Regions of Europe (CPMR). The purpose has been to build as much common ground as possible to facilitate joint approaches to fight off Member State tendencies to renationalise cohesion policy, and to ensure sufficient funding.

For the same reasons, CEMR is participating in common European platforms such as an initiative to create a common European Public Social Platform with the Assembly of European Regions (AER), EUROCITIES, Quartiers en Crise and the European Social Network (ESN), an association of social service directors, in order to provide more weight to our common demands vis-à-vis existing NGO platforms. On the information society front, we co-operate closely through our information society network (ELANET) with Telecities and ERISA (a network of IT regions) to drive common local and regional government policy visions on the information society. Finally, we have also welcomed the recent broadening of the Sustainable Cities Campaign, in which CEMR has long played an active role, to now include some 15 local government organisations and networks.

Such initiatives are also more generally useful to organise systematic local government representation at a time when the European Commission, overwhelmed by the prospect of having to consult some 70 000 local and regional authorities, simply turns to the 200 or so predominantly regional offices in Brussels for representation of local and regional government issues and concerns.

#### **4.2.1.5 European governance and local government representation**

Overall, the governance debate has strengthened the role of local government as a key sphere of governance, at least vis-à-vis the Commission. In announcing a special communication on how to organise local and regional government consultation in the future, the Commission has given official recognition to this fact.

CEMR already made a number of concrete proposals and has asked for rules to guaranty representativity in the consultation process. It has also recognised the role of local government associations in organising governance.

A first step in this direction has been to submit some of its proposals jointly with EUROCITIES. This joint position, moreover, made a clear distinction between the contributions the CoR and the regional and local government associations can make to the different stages of consultation. While welcoming a strenghtened role for the CoR in the formal inter-institutional consultation process, the paper emphasised the role of the associations in the pre-consultation phase by the European Commission when preparing new policy or legislative initiatives.

On the Convention on the future of Europe, this initial co-operation between CEMR and EURO-CITIES has now been extended to regular meetings that also include the Secretary Generals of AER and CPMR to bring together all the key pan-European local and regional government associations in preparing common policy input.

Despite the natural sympathies to local government concerns that the Convention President Valéry Giscard d'Estaing may have as President of CEMR, these have not yet found much echo from the Convention members. In its report, the sub-working group on subsidiarity only indirectly hints at the fact that subsidiarity is a principle that not only applies to relations between the European Union and national governments, while the proposal to set up a special working group on local and regional government was rejected at the outset, after meeting with strict refusal of some Member State representatives.

One of CEMR's longstanding demands of bringing Europe closer to the citizen would already be met if the Convention succeeded in drafting a constitution – an outcome which now looks more likely. The fact that a more open process, such as the Convention, is preparing the Inter-governmental conference of 2004 is an equally positive sign.

#### 4.2.1.6 Conclusion

Whatever the final outcome of the Convention, CEMR will continue to lobby for its central demands of:

- Legal guarantees for consultation;
- A fuller statement of the principle of subsidiarity;
- Inclusion of the principles of the Charter of local self-government in the Treaty;
- The possibility, notably for the CoR, to appeal to the European Court of Justice against infringements of the subsidiarity principle.

Each success in achieving some of these demands will require CEMR to review its lobbying strategy and its institutional focus, as has been necessary after previous successes in obtaining the drafting and ratification of a Council of Europe Charter of Local Self Government (Ratification of the Regional Charter is still proving more problematic) and the establishment of the CoR during the Maastricht negotiations.

All in all, one might say that involvement of local and regional government in European decision-making remains the only true measure of building a democratic Europe and that CEMR will have to continue to lobby for this.

## **Annex:**

### **An example of CEMR lobbying: the Public Procurement Directives**

The Commission proposed two new directives<sup>1)</sup>, in May 2000, to revise the current rules governing public procurement in the EU, following a Green paper on the subject published in 1996 and a communication on policy priorities in 1998.

CEMR created a specific Network of experts (PPN) in 1997 to follow and provide input into this process. The PPN responded to both the Green paper and the following Communication.

Following the publication of the draft Directives the PPN adopted an overall position paper on the subject. On that basis a comprehensive list of amendments were drawn up, in December 2000 by two of the experts of the PPN, and approved by the PPN at its meeting in February 2001.

The European Parliament, which has co-decision powers on this issue, adopted amendments to the proposal in January 2002.

The Commission presented a modified version of the proposal in May 2002.

The Council reached a political agreement in May 2002.

### **European Parliament**

Lobbying coordinated by the CEMR secretariat has focused principally on the European Parliament. The responsible Committee within the Parliament is the Legal Affairs and Internal Market Committee. The Environment Committee, Social Affairs Committee and Economic and Monetary Committee are responsible for preparing opinions on this proposal.

Members of the PPN had a first meeting with the rapporteur from the Legal Affairs Committee, Mr Zappalà (PPE) in December 2000.

Two representatives from CEMR took part in a European Parliament hearing in January 2001.

As from February, the CEMR secretariat sent its amendment proposals to the rapporteur as well as the shadow rapporteurs for each group and the coordinators responsible for the Legal Affairs committee within each Group. It also sent the amendments to the rapporteurs responsible for the opinions in the other Committees as well as other MEPs engaged on this issue.

The secretariat also drew up a standard "lobbying" letter and sent it to the PPN members and ELAN for them to lobby the relevant MEPs from their country.

1) Proposal for a directive on the coordination of procedures for the award of public supply contracts, public service contracts and public works contracts, COM(2000)275; Proposal for a directive on the coordination of the procurement procedures of entities operating in the water, energy and transport sectors, COM(2000)276

Between April and June 2001, the CEMR secretariat arranged a first set of meetings for a limited number of PPN experts (3 or 4) with the shadow rapporteurs / coordinators in the Legal Affairs Committee, for the principal political groups (other than PPE): PSE (Berger (A), Medina Ortega (Sp)), ELDR (Wallis (UK), Thors (S)), Greens (Hautala (SF)). Most MEPs showed a keen interest in the CEMR amendments and suggested to table some of them for the vote of the report in Committee.

The amendments tabled in the legal affairs Committee by the opinion rapporteurs and individual MEPs contained most of the CEMR amendments. On this basis, the CEMR secretariat drew up a voting list, with the help of experts from the PPN. The voting list was sent by e-mail and fax to all members of the Legal Affairs Committee a few days before the vote. Members of the PPN and ELAN also sent the voting list to their MEPs.

Many of the CEMR amendments were adopted in Committee. However a number of inconsistent amendments were adopted on some of the important issues.

Experts from the PPN therefore prepared some proposals for compromise amendments on that basis, which were sent to all the relevant MEPs.

The secretariat then organised a second set of meetings with MEPs in December 2001, before the plenary vote, to ensure that the amendments voted in Committee would be carried through in plenary, and that those that didn't get through would be tabled again. The MEPs were Wuermeling (PPE), Wallis (ELDR), Berger (PSE) and Crowley (EDD). The meetings proved useful, and the experts were able to discuss possible compromise amendments, to be tabled in particular by Wuermeling. Berger would re-table some of our important amendments.

The CEMR secretariat, with the help of PPN experts, drew up a voting list for the plenary, on the basis of the amendments tabled, and sent it by e-mail to most MEPs and by fax to the MEPs responsible for this issue within each group.

Most of the CEMR amendments adopted in Committee were carried through in plenary. Some of the compromise amendments were also adopted.

### Council

The CEMR position papers and amendments were sent to the permanent representations in Brussels. Members of the PPN also sent them to their governments.

A good contact was made with the person responsible for this issue within the Danish Permanent Representation.

## Evaluation

The CEMR lobbying activities towards the European Parliament in 1<sup>st</sup> reading were successful for several reasons:

- The issue is of great importance to local and regional authorities, and therefore the CEMR associations were very engaged;
- There is considerable expertise within the PPN on this issue;
- Two experts were willing to draw up comprehensive amendments, with clear justifications;
- Experts were willing to come to Brussels to meet MEPs;
- ELAN (group of national association Brussels officers) contributed considerably by lobbying their MEPs and providing feed-back to the secretariat;
- The CEMR secretariat was able to coordinate all the actions;
- The technical nature of the dossier meant that many MEPs appreciated having “ready-made” amendments.

Catherine Parmentier, EUROCITIES, Secretary General

## 4.2.2 EUROCITIES

### 4.2.2.1 Background and history

EUROCITIES was founded in 1986, by a group of large European cities. They felt the need to join forces in a network, on the one hand, to exchange expertise on how to deal with the new challenges faced by large cities in an increasingly urbanized world, and, on the other hand, to raise awareness at European level of the role of cities as important economic, social and cultural development centres, and of the necessity for an urban dimension of European policies.

The network grew quickly between 1986 and the late nineties, into a network which today gathers about 120 of the largest European cities, of which 20% are in Central and Eastern Europe.

The aims of the organisation are as follows:

- Ensuring that urban affairs are placed high on the European Union's policy agenda;
- Promoting transnational cooperation projects between its member cities across Europe;
- Promoting exchange of best practices and networking amongst Europe's large cities.

### 4.2.2.2 Administrative set up

The organisation is led by an Executive Committee of twelve cities. The President in 2002 is the city of Helsinki, represented by Ms Eva-Riitta Siitonen, Lord Mayor of Helsinki, and the Vice-President is the City of Leipzig, represented by Mr Wolfgang Tiefensee, Oberbürgermeister of Leipzig.

The organisation has established a central office in Brussels, directed by Catherine Parmentier, Chief Executive Officer. The office currently comprises about 30 members of staff, most of them specialised in various fields of urban policy.

We work through a range of sectoral groups active in all policy areas that are relevant for urban policy: governance, environment, transport, liberalisation of services of general interest, research, new technologies, social welfare, employment, urban regeneration, housing, education, urban security, culture, East-West cooperation, and Euro Mediterranean co-operation.

### 4.2.2.3 Strands of activities

EUROCITIES has developed its activities along three different and complementary strands of activities:

- Policy development;
- Experience sharing and transnational projects;
- Campaigns.

We do feel that the development of these three complementary strands in parallel is fundamental. The “lobby” work on behalf of local governments is particular, in the sense that it is not to be considered as a lobby on behalf of specific sectoral interests. The main mandate of public governments, whether local, regional, national, or European is the general interest, the common good of the citizens. In this regard, the European actions of local governments go into positioning its members, and acting as partners in the overall decision-making process. It aims at raising awareness on both the problems encountered by the local level and the opportunities offered by the local level. It also aims at reinforcing the public collective responsibility from the European to the local level, and vice-versa.

Therefore the policy development aspect of our work needs to be based on practices, on the experience at the basis. We both need to make pro-active, positive, creative proposals with regard to the shaping of future policies, and we need to test these out at local level.

On the other hand, we also need to raise awareness among citizens. Shaping or implementing good policies is not enough. In many fields, we also need to inform citizens on what are the main challenges to be tackled at local level, why such or such measures are being taken, and how they can contribute to an enhanced quality of life in the future. That is why we focus a lot of our activities on campaigning actions: campaigns to raise awareness among our members in the first place, and then among our citizens, on the need of new approaches, new practices, and new ways of consuming and of behaving.

This is why EUROCITIES over the past few years has engaged into a number of large-scale campaigns targeting either the local level or the citizens themselves:

- The Euro Exchange programme aiming at helping cities to promote the use of the Euro among disadvantaged groups;
- The European Day of the Entrepreneur aiming at encouraging cities to promote entrepreneurship and the creation of small and medium-sized enterprises;
- The European Car Free Day, followed every year by about 1,000 cities throughout Europe;
- The European Mobility Week, organized for the first time in September 2002 on the initiative of ACCESS-EUROCITIES for a new Mobility Culture, and aiming at raising European wide awareness on the problems of mobility within cities, and drawing attention to, and promoting the use of alternative mobility solutions for an improved quality of life for all.



#### 4.2.2.4 Work priorities over the next few years

Our work priorities over the next few years will be:

##### **Strengthening the role of cities in European governance**

This means on the one hand contributing to the work of the Convention on the Future of Europe, in order to reinforce the role of cities at European level, and have them involved in decision-making processes.

It also means reinforcing the role of cities at national level, while encouraging the establishment of national platforms. In this regard, it entails pursuing the development of tri-partite contracts in partnership with the European Commission, the national governments and partner regions, and the promotion of a regular dialogue with local and regional authorities.

Finally, it also means reflecting on new ways of governance at the local level, and having regular exchanges on new local governance practices. This will in particular be encouraged within EUROCITIES by the organisation of a range of European conferences on governance, each one focusing on different challenges of local governance: citizenship participation, building a vision of the city of the future with a range of different stakeholders, reviewing the concept of leadership or mainstreaming European policies in everyday local practices.

##### **Promoting social and territorial cohesion**

This is one of the main objectives of the European Union, and is a key objective for cities as well. It entails the necessity of the acknowledgement of an urban dimension in the cohesion and structural funds policies after enlargement. It also entails the necessity to implement successful measures to erase social exclusion within our cities. In this regard, local and regional authorities are key partners of national governments and should be fully associated in the conception of the national action plans on social inclusion in order to fully contribute to the EU Strategy on social inclusion.

Cities are also concerned about the speed of liberalisation of services of general interest, which have been in the past and still are an important aspect of social protection in many countries. Further liberalisation should be the object of a comprehensive preliminary impact assessment on affordability and equality of access with a view to safeguard the access to all fundamental rights.

Finally, Information and Communication Technologies, and the use that cities can make of them, offer new perspectives for territorial (virtual) cohesion, and new possibilities for governance practices and participative democracy. The TELECITIES network (EUROCITIES for new technologies) is very active in this regard, promoting contacts, exchanges of practices, assessments of successful practices, and research in this field.

Territorial cohesion will also depend on the way in which we liaise with new member states and their cities. Through its East West Committee, EUROCITIES has already developed strong cooperation and working relations with cities from Central and Eastern Europe. Before

enlargement actually takes place, cities have developed strong networks that go far beyond the current EU borders.

Also, beyond the present and future boundaries of the European Union, EUROCIITIES members are cooperating actively with cities surrounding the Mediterranean area, through the EUROMED activities, which also aim to promote exchanges, good practices and policy proposals.

### **Promoting sustainable development**

Since the Göteborg Summit this has become another priority objective of the European Union. Cities are key actors in this field, both in terms of consumers and main centres of economic development and as a key interface with the citizens. In this regard, EUROCIITIES is convinced that beyond the elaboration of suitable policies, cities also need to show the way. This is the main aim of the European Car Free Days organised every year since 2000 on the initiative of the ACCESS-EUROCIITIES for a new Mobility Culture network, which has now developed in the European Mobility Week. Besides important legislation being taken at different levels, European or national, an important aspect of sustainable development is awareness-raising among citizens, to make them understand the purpose and usefulness of ad hoc policies and to change behaviours and build common objectives to which each and every one of us should contribute and feel part of.

On the other hand, EUROCIITIES is also very active at policy level, as a partner of DG Environment in the elaboration of the thematic urban strategy announced in the VIth Action Plan for the Environment, and which is also one of the objectives to be developed through the pilot phase of the new tri-partite contract agreements (between local, national and European levels).

### **Visibility**

Besides, an organisation like EUROCIITIES needs to work on its image. It needs to be a reliable source of information and of expertise both for its members and for the European institutions. The communications tools developed by EUROCIITIES play a key role in supporting a coherent lobbying policy and practice. These include: cooperation with the national and international press, the organisation of high level international conferences, an active website, constant, regular, relevant and up to date information from, and to, members, and regular publications presenting best practices, outcomes of projects, or discussion papers.

### **Strengthening internal capacity and synergies**

The European Commission increasingly turns to EUROCIITIES for formal and informal consultation on ideas and pro-active proposals, in the field of research, new technologies, transport, environment or regional policy. This is the reason why we also need to strengthen within our own organisation and among our members, the European expertise. We need to start filling in the gap between European experts and local experts. Together we need to develop, the mainstreaming of European knowledge into our cities departments in order to also develop at local level, a European framework in which to work and to which to contribute.

Finally, EUROCITIES is convinced of the need and the added-value to build strong alliances with associated networks, on an ad hoc basis. It does so on general horizontal issues like governance and the convention work, with European associations of local and regional governments, like the Council of European Municipalities and Regions, the Conference of Peripheral Maritime Regions of Europe the Assembly of European Regions, or the Assembly of European Border Regions.

It also works in synergy with research networks like EURA (European Urban Research Association) or EURICUR (European Institute for Comparative Urban Research). It cooperates with regional networks like the Union of Baltic Cities.

EUROCITIES also organises joint events in partnership with organisations with which we have common agendas: in the poverty field, with the European Anti-Poverty Network or the Social NGO Platform; in the field of liberalisation of public services, with the CEEP (European Centre of Enterprises with Public Participation) and CELSIG (European Liaison Committee for Services of General Interest); in the field of environment, through the European Sustainable Cities Campaign, namely with Energie-Cités, the Climate Alliance, ICLEI, or the World Health Organisation.

#### 4.2.2.5 Case study: new european governance and convention

To illustrate how EUROCITIES works you will find below a short outline of our past and planned activities in the field of new European governance.

The debate on new European Governance was launched by Commission President Prodi in early 2000 when he first announced the publication by the European Commission of a White Paper on European Governance. The challenge for the cities was multiple: the issue of new European governance entails on the one hand the role that cities can and should play at European level, it also entails the relations between local and regional governments and national governments, and the way in which the processes are coordinated, and finally it entails local governance practices, and the way in which cities, “at home”, apply new ways of governance, and with what rate of success.

EUROCITIES saw it as a unique opportunity to promote the necessity of vertical cooperation with different “spheres” of governance, the necessity to reinforce intercity cooperation at national level in order to position the local governments as partners of national governments and finally the necessity to exchange experiences on new ways of governance, new forms of leadership at the local level, enabling the establishment of a more participative democracy.

From the very beginning of the drafting process of the White Paper on European Governance, EUROCITIES contributed to the paper through position papers and drafting proposals elaborated by its ad hoc Working Group on Governance. The Commission Task Force on Governance, was contacted from the start. Jérôme Vignon, head of the Task Force, attended several EUROCITIES Executive Committee meetings, and exchanged on the status and role of local and regional governments in the new Europe.

As a result the White Paper which was published by the European Commission in the Summer of 2001 did acknowledge for the first time the very specific status of local and regional governments organisations, as compared to the NGO world, or organised civil society, and pleaded for increased synergies between the various levels of public governments. This is for us a major achievement, in the sense that cooperating with the local and regional levels of governments should not be seen as a dilution of, or a threat to, public responsibility, but rather as a general reinforcement of the power and responsibility of elected representatives, in the framework of a continuous debate and consultation with the wide range of stakeholders and interest groups.

The idea of tri-partite contracts was also raised in the White Paper as a possibility for different levels of government to work together towards common objectives. In this regard, EUROCITIES immediately mobilised a substantial number of member cities, and their surrounding regions, to enter into a pilot phase aimed at producing with the European Commission by the end of 2002, templates for tri-partite contract agreements. In this regard, more than acting as a lobby group, it functioned as a partner of European institutions, mobilising its members and their partner regions in view of a common investigation work on the potential and necessary modalities of tri-partite contracts. The launch of the pilot phase took place on 11 September 2002, in the presence of the Commissioner Margot Wallström who lent her personal support to the initiative.

With regard to the role of cities and regions at European level, the main focus of the work of EUROCITIES at the moment is the Convention work, and the place that local and regional governments could or should have in a future constitutional treaty.

In this regard, it soon became very clear that the various organisations and bodies representing local and regional governments would have to harmonise their positions and speak with one voice in order to make an impact.

Early in March 2002, when the Convention started to work, the first informal meetings of European associations of local and regional authorities met together. It eventually led to the setting up of an informal platform gathering the CEMR (Council of European Municipalities and Regions), the CPMR (Council of Peripheral Maritime Regions), the AER (Assembly of European Regions) and EUROCITIES. The four organisations announced their common approach to the work of the Convention officially to Giscard d'Estaing early May 2002. In parallel, they started to work with the Committee of the Regions, while participating in and contributing regularly to the CoR Working Group on the Convention.

Jointly with the CoR, and in close coordination with the office of the President of the Convention, these organisations managed, in June 2002, to have a special session devoted to the hearing of local and regional authorities in the framework of the hearings devoted to the Civil Society. It was the first, shy, step at EU level of an official recognition of local and regional governments as being different from organised civil society.

The European associations of local and regional governments managed to present common lines of thought and actions. As a follow up to that hearing, the two Commissioners representing the European Commission at the Convention, A.Vitorino and M.Barnier, organised a special session in September 2002 where the European associations of local and regional governments could be heard.

What are now the challenges ahead? The “listening” phase of the European Convention has resumed. The Convention has set up a series of Working Groups with the mandate to prepare key documents on specific topics to be considered in the future by the Convention in plenary sessions.

European associations of local and regional governments, despite the growing recognition of the necessity to better integrate the various levels of public governments (from European to local) in the decision-making processes, still seem to lack channels within the Convention to further convey their message.

The request for setting up a Working Group to specifically address the issue of local and regional governments within the Convention has been countered, and so far not established. The Contact Group on local and regional governments, which met once in June, has not been re-convened since then. The Convention Working Group on Subsidiarity has not integrated new blood in its vision of Subsidiarity in its draft conclusions.

If local and regional governments are to be part of the architecture of public governments in the future, a lot of work still needs to be done, that should be carried forward in a creative way by the main political parties in Europe but also by key individuals within the Convention. The issue is not as such on the agenda. It needs to be pushed through and mainstreamed throughout the range of issues addressed. It will need both courage and creativity for the Convention members.

In this regard the platform that European associations of local and regional governments have set up recently will now be mobilised throughout its national, regional, and local members. Throughout Europe, in the coming weeks and months, high level meetings and seminars will be organised to exchange experiences on the role of local and regional levels of government in the future Europe. Representatives of cities and regions will have to recall, and prove, the fundamental role of local and regional governments in Europe’s architecture. Europe will not manage to fill in the democratic gap if it does not work in close synergy with the local level, the one closest to the citizens.

In the future we need to work in two main directions:

- We need to ensure that the Subsidiarity principle is defined and understood as involving all sub national levels of government, including the regional and the local level;
- We also need to ensure in the future constitutional treaty that consultation with local and regional governments is part of the decision-making process.

In this regard, the Communication which is currently being prepared by the European Commission on consultation with local and regional governments should be interesting, and worth leaning on. EURO CITIES together with its partner organisations at European level, will ensure to send to the authors within the Commission some pro-active proposal in this regard.

On the other hand the current debate within the Institutional Affairs Committee of the European Parliament is also worth noting. The draft report prepared by Giorgio Napolitano is most interesting in its approach towards local and regional governments. The challenge now in this regard is to see what will be the use of the document, and whether or not, its final version will be part of the Convention working documents and debates.

It is a reality today that the vast majority of European citizens live in cities. Europe is the most urbanised continent in the world. It is the cities and regions, which have to implement the largest part of European policies, it is cities and regions, which enable, or prevent, social cohesion, economic, social and cultural development. Cities and regions are key partners for the major objectives of the Union, including sustainable development. Europe will not reach its full potential without associating them fully to decision-making processes.

The Convention is a key opportunity for cities, through their networks, to modernise the European framework.

## 4.3 LIAISON OFFICES OF LOCAL AND REGIONAL ASSOCIATIONS

Richard Kitt, Joint Brussels Office, Local Government International Bureau and Local Government Associations

### 4.3.1 Local Government International Bureau, Joint Brussels Office Local Government International Bureau (LGIB) and Local Government Association (LGA)

#### 4.3.1.1 Overview

The Local Government International Bureau was established in 1988. The LGIB works in effect as the European and International arm of the Local Government Association for England and Wales (LGA) which represents all local authorities in England and Wales. It also represents the new Northern Ireland Local Government Association (NILGA) and provides all-UK secretariats (including Scotland) on CEMR, Committee of the Regions and CLRAE.

The LGIB currently has 26 staff, of which 22 are in London, 3 in Brussels and 1 in Wales.

Our overall aim is:

"to promote high quality local government and its interests within Europe and internationally."

We also have eight key objectives which form the heart of our corporate planning process:

- to influence key decision-makers and opinion-formers in order to promote the interests of UK and European local government;
- to promote the values and role of local democracy within Europe and internationally;
- to keep UK local government informed about European and international policy, legislation and developments which may affect their operation and services;
- to support elected Members appointed to represent UK local government on European and international bodies;
- to provide an action research resource on local government practice and systems worldwide;
- to promote international links and exchange of experience between local authorities and their associations for mutual benefit and learning;
- to participate in and promote international local government capacity-building;
- to be an effective ambassador for UK local government.

#### 4.3.1.2 LGIB Brussels Office

The Brussels Office was established in December 1992 as the representative office of the LGIB and (since 1997) the Local Government Association.

The Brussels Office combines the roles of listening post, advocate for local government interests, and support to elected-members. In more detail, the office provides:

- a locally-based, multilingual primary contact-point on English and UK local government for MEPs and EU institutions, the UK permanent representation, Brussels-based press and media, and enquiries from non-UK local authorities;
- intelligence-gathering on legislative, policy and funding developments and advice to local authorities generally, both via the LGIB “European Information Service” bulletin, contributions to LGA committees and working groups, and in response to direct enquiries; speaking engagements; and contributions to publications;
- influence through established contacts with key policy-makers, decision-takers and opinion-formers; collaboration with other UK representative offices, co-ordination of regular meetings and briefing sessions of the UK network; representation of English local government in various networks and at external forums;
- provision of strategic advice, planning, local knowledge, contacts and facilities for visiting LGA delegations; contributions to other local government delegations to Brussels, from UK and elsewhere; contributor to EU Visitors’ Programme (EP/Commission official visitors’ facility);
- general liaison with Brussels Offices of other national associations, both bilaterally and via the European Local Authority Network (ELAN);
- local “troubleshooting” and progress-chasing on behalf of LGIB/LGA colleagues.

In addition to the above, the Brussels Office delivers the LGIB’s role as secretariat to the UK Delegation to the Committee of the Regions, in collaboration with the LGIB London Office. As far as the Brussels Office is concerned, this involves attending all meetings (plenary sessions, committees, ad hoc working groups and preparatory meetings) to provide on-the-spot assistance to UK members; liaison with CoR secretariat, political groups and other national delegations; contribution to briefing process; occasional drafting of reports; follow-up to adopted opinions. This function represents a significant part of the workload.

#### **4.3.1.3 Lobbying**

Lobbying is probably the most important function of the LGIB Brussels Office and of the LGIB generally.

##### **Priority-setting**

The process starts with the setting of annual lobbying priorities at the start of each year. In practice this is based on the LGIB’s corporate strategic priorities; the domestic priorities of the Local Government Association (LGA); and an analysis of how the European Commission’s work programme impacts upon those priorities. This is essentially a reactive process, although increasingly we are also trying to proactively influence the Commission’s own agenda.



During this phase we exchange information with other national associations of local government, notably via the ELAN network, with a view to sharing assessments of the Commission's work programme and to help shape the work programme of the CEMR. The LGIB's lobbying priorities are agreed at political level by the LGA European & International Executive.

### Strategic planning

Once priorities have been established, we seek to set a strategy by identifying key objectives, identifying key contacts, estimating a likely timetable for critical events, and developing a media strategy. The implementation of these strategies is monitored and managed through monthly meetings of all relevant LGIB policy officers from London and Brussels offices.

All early intelligence on the likely content of forthcoming proposals listed in the Commission work programme is important during this process. This may be achieved through direct contacts with Commission officials; through briefings given to the UK network of Brussels Offices; through briefings given to ELAN meetings; and through Commission officials' presentations to CEMR, CoR and EP committees.

### Influencing decisions

- **drafting phase**

The most effective phase for influencing new policy and legislation is during the Commission's drafting phase. The LGIB sets a high value in establishing and maintaining contacts with Commission officials. For example, an established contact with the desk officer drafting the Social Inclusion Action Programme led to parts of the proposal actually being drafted with that official in the LGIB office. However, this is not a common event and bilateral contacts are rarely so rewarding.

Commission officials are relatively open and helpful, but they appear to prefer to receive representative groups covering several Member States, rather than special pleading from an individual country or region. This is where the role of the CEMR as a representative body can be so decisive, and the LGIB continually argues in favour of including CEMR in Commission working groups. The LGIB lobbied successfully for the White Paper on Governance to include a commitment to a "systematic dialogue with national and European associations of local government." We are now lobbying with CEMR and ELAN colleagues to get this commitment implemented.

- **political phase**

Once a Commission proposal has been published, it enters into a more political phase of decision-taking, involving the Committee of the Regions as a consultative body and the EP and Council as key decision-takers.

The LGIB, which is the secretariat to the UK Delegation of the Committee of the Regions, finds that the CoR is an effective body for giving voice to the concerns of local government during this political phase. For this reason, the UK Delegation actively seeks rapporteurships on key opinions. The Delegation also seeks to promote the impact of its opinions

by facilitating direct contact between UK rapporteurs and their EP counterparts, and by circulating CoR opinions to relevant Parliament committees and UK government officials. Thus, whereas the CoR has no formal powers in the decision-making process, its opinions can influence the EP position and thereby the final legislation. This was the case, for example, where UK and Danish rapporteurs combined on a CoR opinion on the European Employment Strategy, calling for national governments to consult local government associations in the drafting and implementation of National Action Plans – this was taken up by the EP following a presentation by the UK rapporteur to the EP Employment Committee and supplemented by suggested textual amendments being tabled by “friendly” UK, Danish and German MEPs.

The European Parliament is probably the most effective vehicle for exerting influence, as more than 55% of its amendments are included in final legislation. Therefore the LGIB Brussels Officer has a frequent presence in EP committees to maintain contact with UK MEPs and to monitor developments. The LGIB is active in suggesting amendments to EP reports, either through general briefings or (more effectively) by actually drafting suggested texts. Where this can be supported by a CoR opinion, so much the better. The LGIB will also strive to get support from other national associations in contacting their MEPs. This approach has been especially effective in the budgetary sphere, where co-ordinated action by ELAN colleagues has repeated secured increases in the twinning budget, from a proposed 4m Euro a few years ago, to 10m Euros today.

The Council of Ministers takes the final decision – increasingly in co-decision with the EP – therefore it represents the critical phase of decision-taking. Unfortunately, it is also the most secretive and most impenetrable. The LGIB is seeking to improve its home contacts with government officials and relevant MPs, as these will help to establish the UK “line”. At the time of writing we are enjoying a close relationship with the UK government on the Convention on the future of the EU, which will culminate in a major joint conference in London in November 2002. The Brussels Office has good links with the UK Permanent Representation, which is often a helpful source of intelligence, but as with the LGIB Brussels Office itself, UKREP are largely promoting a policy objective established from “home”.

- **flanking measures**

The CEMR continues to have a role during the political phase due to its ability to deliver technically detailed and expert positions on current draft legislation. The UK section was especially active in preparing and promoting the CEMR’s position paper on public procurement. The promotion of this paper was crucial, and very effectively organised by the CEMR secretariat who deployed the national associations to good effect in lobbying their respective MEPs. About 50 CEMR amendments were tabled by MEPs.

It is also important to identify strategic or tactical allies from amongst the various interest groups, non-governmental organisations and other opinion-formers in Brussels and nationally. The LGIB Brussels Office has in recent months been working closely with the European Disabilities Forum on preparations for the European Year for people with

disabilities in 2003, and with the British Tourist Authority on the current reorientation of EU tourism policy. Collaboration with such bodies, whether European NGOs or national interest groups, gives the LGIB access to key decision-takers where the policy specialism of the body concerned can carry a message with greater authority and impact than could a local government body.

Similarly, networks of national and regional representations can be effective in combining to give access to decision-takers with special ties to an individual region, such as MEPs selected on a regional mandate. The LGIB Brussels Office facilitates a network of UK regional and sub-regional representations – through meetings, e-mail circulars and a dedicated UKBO website – in order to promote LGIB positions having a horizontal impact. The LGIB London Office facilitates a parallel network of European Officers. These two networks were effective during the last phase of structural funds reform, where diverse contacts with individual Commission officials, regional MEPs and national MPs, and contacts with regions in other Member States, all combined to secure certain key objectives in the Agenda 2000 debate.

- **implementation and evaluation phase**

This phase is becoming increasingly crucial. More and more, EU legislation is adopted as “framework legislation” and “directives”, which allow more scope from national parliaments to implement as they consider appropriate. In particular, this is the point where excessive bureaucracy can be introduced, and is the point at which domestic decisions are taken about who will be responsible for implementing new policies and paying for it. A case in point is the “Directive on substances that deplete the ozone layer”, where the Directive is silent about who must collect and recycle waste fridges and similar products – in the UK domestic implementing legislation effectively, and controversially, passed responsibility to local authorities who were saddled with a large financial burden. This is an area where the “headquarters” team can be particularly influential. This is likely to be increasingly important with the more frequent use of the so-called open-method of co-ordination.

**Further information:**

[www.lgib.gov.uk](http://www.lgib.gov.uk) or by e-mail at [enquiries@lgib.gov.uk](mailto:enquiries@lgib.gov.uk) (or telephone +44 20 7644 3100).

At time of writing the author is completing a publication on local government representation and EU lobbying.

Klaus Nutzenberger, Brussels Office of the German Association of Towns and Municipalities

#### **4.3.2 The Brussels Office of the German Association of Towns and Municipalities (GATM)**

##### **4.3.2.1 Preliminary remarks**

The new Brussels office of the German Association of Towns and Municipalities was established on the 1<sup>st</sup> April 2002. The office plays a major role in the “European Work” of the GATM. Its activities are centred around information, exchange, relations and lobbying. The result of its activities should lead to higher awareness about EU activities and better influence on EU policy. On the other hand, it is also an important task of the Brussels Office to raise the awareness for European policy in the municipalities as well. The Brussels office of GATM is part and chair of the German Local Government Office (Eurocommunale), the joint European Office of the different German Associations of local government at federal level, with eight employees based in Brussels.

The German Association of Towns and Municipalities, based in Berlin (headquarter) and Bonn, represents over 13,000 municipal authorities in Germany, mainly medium sized towns and municipalities, with approx. 43 million residents. GATM carries out its work independently of any state subsidies. The positions in the associations’ bodies (e.g. policy committee and executive board) are filled in tendency with the votes of the elections at local level in Germany.

##### **4.3.2.2 Work content**

The work areas of the Brussels office of GATM follow the activities of the EU, mainly of the European Commission, the European Parliament and the general political discussion. According to the annual work programme of the Commission, the Brussels office together with the GATM Europe Department draws up a priority list of topics.

Categories of work areas (crossovers possible):

- EU activities, which influence the institutional and political role of local government (e.g. EU-Convention, services of general interests, position of local self government in Europe, reform of CoR);
- EU activities, which influence the controlling function of local government (e.g. environmental protection, health care, civil protection, right of asylum/immigration law);
- EU activities, which influence the economic activity of the local government (Art. 16 TEU) (e.g. water and waste management, municipal utility, saving banks, public procurement, communal hospitals).

Considering the areas listed above, it is easy to recognise the intense relation between policy made at European and at local level. An interrelation, which is only surprising at first sight.

After the decisions of the European Summit in Nice, the European Union is to restructure responsibilities and competencies between the different governing levels: Europe, Member States, Regions. This raises questions about the constitution and role of self government in the EU. If the European Union wants to install an all-covering control network for 15, and soon for 20 Member States, it must answer the question with whom the responsibility of public services' maintenance lies. Will it be the EU, the Member States, the regional or local level. These important issues are currently the top lobbying priorities for the Brussels GATM office.

#### 4.3.2.3 Working method

##### a) European Institutions

###### European Commission

Given that the European Commission has the right of initiative, the office main lobbying focus lies with the Commission. Contact persons are the responsible officials in the Directorate Generals (DGs) who draft the first legal proposals. The various DGs usually appreciate first-hand information on specific topics (e.g. transport, environmental protection, competition, social affairs and internal market). The Brussels office is e.g. in close contact with the officials responsible for drafting the public procurement regulation on public transport, it is also involved in lobbying activities concerning environmental liability and in the debate about liberalising the water management sector.

On occasion the Commission approaches the lobbying scene in Brussels by organising public hearings and by asking for position papers on various topics. It is important to be present at the hearings and to submit position papers. The Whitepaper on "European Governance" and the Communication on the "Consultation Procedure" is therefore of significant importance for the office's work.

###### European Parliament (EP)

In addition to the Commission, the EP is also open to lobbying from the local level. The EP is especially influential in the co-decision procedure (e.g. environmental protection). Suffice to say, that it is not enough just to lobby a specific political group or some Members of the European Parliament (MEPs). Lobbying efforts must be made across party lines and Member States. The EP and Commission are interested in experts' input, especially from the local level, which in the end has to implement European law. Considering this situation, it is a key task of a Local Government European office, to be a "mediator" between the European institutions and the local governments representatives. This is why the Brussels GATM office organises meetings or roundtables with MEPs, assistants, EU-officials and representatives of local governments from Germany and other Member States.

##### b) International Cooperation

This leads directly to another point of successful "European Work" for our office, the international cooperation. Especially the debate on services of general interests (Art. 16 EC-Treaty) showed how different these European policy matters are seen and handled in the various

Member States. Very often, it is complicated to find and define a common European point of view, regarding new EU proposals and policies. Nevertheless, this task is important and must be solved successfully.

An important platform for the “local European discussion” within the EU is CEMR, the Council of European Municipalities and Regions. CEMR is the European umbrella organization, representing more than 40 national local government associations in Europe. GATM is a member of CEMR. Co-operation with CEMR belongs to the daily work routine of the Brussels office. The GATM Brussels office is also a member of CEEP, the European Association of Public Enterprises. This shows: International co-operation is of significant importance to the Brussels office, and will be more so in future. As the European Union is developing – local government associations will have to follow suit.

Building alliances points to the main concept of lobbying activities in the future. Local representations in the Union have to develop an ever closer co-operation. This is especially valid for the co-operation with local government associations from the Candidate Countries. Their arrival in Brussels is eagerly awaited by the associations already represented in Europe’s capital.

**Further Information:**

Deutscher Städte- und Gemeindebund  
German Association of Towns and Municipalities  
[www.dstgb.de](http://www.dstgb.de) (German)

Brussels Office:  
Eurocommunalle  
- Deutscher Städte- und Gemeindebund -  
Direktor Dr. Klaus M. Nutzenberger  
Avenue des Nerviens, 9 – 31  
B-1040 Brussels  
Tel. : 0032-2-7401640  
Fax : 0032-2-7401641  
EMail : [dstgb@eurocommunalle.org](mailto:dstgb@eurocommunalle.org)

Eva Pretscher, Vienna House in Brussels, Head

#### 4.3.3 Vienna's Liaison Office

##### "Wien-Haus"

After the successful referendum to adhere to the European Union in 1994 (66% pro-votes), the City of Vienna decided to install a Liaison Office in Brussels. In 1995, the City council decided to buy a beautiful fin de siècle patrician house (1995) located at the south end of the European Quarter, a building ideally designed to also represent the cultural values of the city with its sophisticated art de vivre. But "Wien-Haus" was from the beginning on also meant to host two distinguished institutions: the City of Vienna administration/The Liaison Office of the City of Vienna, and the Brussels office of the Vienna Business Promotion Agency/WWFF. The core piece of the House is – at least to the visitor – the sumptuous reception room on ground floor: More than a hundred persons can attend conferences and receptions. The offices are located in the three storeys above, the most upper floor offers a spacious apartment for the numerous trainees from the city of Vienna administration or from city administrations in EU candidate countries.

##### Politics and Economy: well combined at "Wien-Haus"

"Wien-Haus" is a branch of the Chief Executive's Office of the city of Vienna administration and comprises its actual Liaison Office – focusing on all legal and political matters of interest to a regional administrative body – and the **Brussels Office of the Vienna Business Promotion Agency** covering all topics of interest to economy, private businesses (SMEs!), private institutions (research sector!), and delivers specified information and lobbying on funding possibilities. The Brussels office being well embedded in a European affairs department at home (together with a Euro-Info-Center and a Euro-Info-Point) can concentrate on precise answers and networking in special interest areas.

The City of Vienna has organised its European affairs in a home-based department (MA 27) for economical, technical and funding aspects (Objective 2, Urban I and Urban II, Interreg, etc.) and defines its general political strategies through the Chief Executive's Office (MD-EIW). The Liaison Office is attached to the latter.

##### The Liaison Office of the City of Vienna

Its functions are:

- to gather information on proposals of and developments within the European Union, to filter and analyse them and to pass them on to the relevant department/person in Vienna ("intelligence-gathering-function");
- to keep permanent contact to all levels of EU institutions officials and discuss with them the interests of the city of Vienna ("lobbying function");
- to represent the Austrian capital city's social, cultural and economic assets ("representational function");

- to train regional/local administration's officials in EU matters. The Liaison Office up to now welcomed 40 officials from 8 countries on its two fully equipped trainee desks ("training function");
- to host visitors from politics, economy, administrations, private and public associations, universities and schools to be familiarised with the working methods of EU. Liaison Offices can be and should be an important transmitter enhancing the general acceptance and understanding of EU in our respective home country ("public relations function"). Political visitors also can rely upon their Liaison Office as their "regional embassy" to prepare their international networking in and around the Committee of the Regions sessions and other official and informal EU meetings.

### Intelligence Gathering

Accumulating information is not the purpose – interpret information in its context and – most important – reflecting it with adequate partners back home, that is to be achieved. Plus: the perfect cooperation between the "generalist" in Brussels and the "specialist" of the headquarter. Up to now, the Vienna Liaison Office was involved in public procurement, liberalisation of public services, avoiding of proceedings for failure (for instance because of Vienna's apiculture law...), research on details in programme regulations, and many others.

### Lobbying

Unlike numerous examples from tv sitcoms may suggest, lobbying does not mean bribing in a five-star-restaurant. Lobbying is, in fact, spending many hours in one of these small EU commissions offices debating figures, statistics, transition periods, very many details, and fighting for wordings. It means, using the weapon of detailed facts, arguing for the interests of your city or region. And: choosing the right moment to do so: i.e. as long, as the Commission itself is still in its planning phase if at all and how a topic should be handled on a European level. By the way: such a dialogue is open to the European Union members only!

Lobbying in this sense is also common practice with Members of the European Parliament (MEPs), especially since the Treaty of Maastricht defined the codecision procedure. More or less a regular briefing sessions with MEPs help keep the liaison offices up to date. And, last but not least, lobbying means also to bring together viennese politicians and officials with the "right" people within the European institutions and all the other networks here in Brussels. The motto being: the movers and shakers are never alone!

### Networking

Many regional offices, indeed, keep close contacts and alliances in relevant topics, Vienna for instance with other city-regions, other capital cities or other metropolises, such as Berlin, Hamburg, Stockholm, Madrid, London and with other networks (Eurocities, CCRE, UITP etc.) to coordinate its positions in urban political questions towards the Commission. Sessions of the Committee of the Regions are used for informal meetings between representatives of the regions to define best practices and eventual alliances.



### **Meeting point Vienna: the representative function**

A Liaison Office should not only link EU-Brussels to (in this case) Vienna, but also link Vienna to Brussels: familiarise this international European public with viennese culture, contribute to the “common Europe of peoples” and insinuate viennese art de vivre into the unfortunately often very technocratic Brussels everyday life treadmill. The cultural evenings at Wien-Haus – always followed by a reception – have gained Brussels-wide reputation in the six years of its existence and presented icons as distinct as Johann Strauss and Ludwig Wittgenstein, Franz Schubert and Adolf Loos, Jewish Vienna and young and/or controversial authors. After all, Vienna is also famous for being a world hub of world culture. As a contribution to European cultural diversity, these conferences are all given in German language.

Wien-Haus also serves as a platform for presentations of the most diverse topics: the Danube regions and the TINA transport networks; an Austrian initiative for European migration policy; the Serbian opposition radio B 92 during Milosevic regime; the founding of Airport Regions Conference; a discussion on the Stability Pact and the Balkans; the “eastern” enlargement and many others.

Some 3.000 persons visit Wien-Haus every year and enjoy the opportunity for informal conversations in an leisure atmosphere. A successful event policy helps setting the ground for successful lobbying.

### **A place for trainees**

Two fully equipped trainee desks (i.e. telephone, fax, internet/e-mail etc.) and one equally fully equipped and furnished apartment are at the disposal of colleagues from different departments of the City of Vienna administration or from city administrations in candidate countries. So far, 40 persons (27 from eight candidate countries and 13 from City of Vienna departments) have had the opportunity to share our experiences for three to six weeks, get acquainted to the working methods of the European Union institutions, learn about their “règles de jeu”.

Theoretical training consists of explanations of primary law, the forms of law-making processes including co-decision process; practical training how to obtain information and how to deal with it. The topics cover questions of regional and city politics, EU funding opportunities, environmental policy etc. The trainees are sent across Brussels to visit and meet officials in Commission, Council, Parliament and their respective Mission to ensure a practical experience and numerous personal contacts “to take home”.

### **The staff**

The City of Vienna Liaison Office employs altogether four persons: one head of office, one deputy, one administration assistant and one secretary; the Brussels Office of Vienna Business Promotion Agency employs two to three persons: one head of office, one assistant, eventually a long-term trainee. The permanent staff is exclusively recruited in and sent from Vienna, with the exception of the Liaison Office’s secretary (a sur-place contract Belgian).

Simona Wolessa, Austrian Association of Cities and Towns - Brussels Office, Head

#### 4.3.4 Case Study: The Austrian Modell

The interests of Austrian local governments are safeguarded by the Association of Austrian Cities and Towns (AACT) and by the Association of Austrian Municipalities (AAM).<sup>1)</sup>

In 1995, in the course of the EU adjustment of the Federal Constitution, the Länder and the local governments were given the right of participation in integration-policy issues concerning them [Article 23c)<sup>2)</sup> and d)<sup>3)</sup> of the Federal Constitution].

The AACT and the AAM have the right of information and comment on issues concerning local governments. Information is channelled through the Federal Chancellery, the Federal Ministry of Foreign Affairs and the other respective federal ministries. The Associations receive a wide variety of documents and participate in the internal preliminary discussions of the ministries [Article 23 d) para 1].

Provided by a provision in the Austrian constitution, the Länder and the two Associations are additionally entitled to propose to the government delegates to be nominated to the Committee of the Regions of the European Union [Article 23 c) para 4].

Already in August 1994 the AACT and the AAM in 1996 delegated one staff member each to Brussels. Both staff members are integrated into the Austrian Permanent Representation's (PermRep) organisational system. To have an office in the Austrian PermRep guarantees rapid information exchange with representatives of federal ministries and direct contact with other Austrian representative bodies in the PermRep (Länder representative, Chamber of Commerce, Chamber of Labour, Federation of Industry, National Bank, Association of Farmers, Trade Union).

As the AACT and AAM staff members belong to the official Austrian delegation to the EU they may participate in Council working groups, which is quite a unique possibility in the Union. Nevertheless, their main job in Brussels is similar to the rest of local government liaison offices in Brussels: monitoring, lobbying, networking and promoting local government interests at the European level.

- 1) Article 115 Paragraph 3 of Austria's Federal Constitution (B-VG) specifies that:  
"The Association of Austrian Municipalities and the Association of Austrian Cities and Towns are the authorised representatives of local-government interests."
- 2) Article 23c Paragraph 4 of the Federal Constitution:  
"Austrian co-operation with the nomination of the members of the Committee of Regions and their representatives should be based on proposals made by the Länder and by the Association of Austrian Cities and Towns and the Association of Austrian Municipalities. In this respect, the Länder, the Association of Austrian Cities and Towns and the Association of Austrian Municipalities should together nominate three representatives."
- 3) Article 23 d Paragraph 1 of the Federal Constitution:  
"The Federal Government must immediately inform the Länder about, and give them the opportunity to comment on, any projects within the European Union framework that affect the autonomous sphere of activity of the Länder or that may otherwise be of concern to them. Such comments should be addressed to the Office of the Federal Chancellor. The same applies to local government in cases where its actual sphere of activity or other major concerns are involved. On these matters, the Association of Austrian Cities and Towns and the Association of Austrian Municipalities are responsible for representing local authorities (Art. 115 Para. 3)."

Niels Boye, Danish Regions, Head of Brussels Office

#### **4.3.5 Danish Regions**

##### **Introduction**

Danish Regions was founded in 1913 and represents the interests of all 14 regions in Denmark and provides services and information in order to promote the policies of the regions. Danish Regions promotes and supports the principles of regional autonomy and acts as spokesman for the regional government interests towards the central government and other social partners. Further, Danish Regions serves as the central wage bargaining organisation of the regions.

The main tasks of the regions in Denmark are: Hospitals, Health care and medicines, Social services, Education, Public transportation, Regional planning and Protection of the environment.

##### **Purpose of the office in Brussels**

Since more and more EU-legislation becomes domestic policy and is being implemented by regional and local authorities it is of vital importance to promote Danish Regions interests towards the EU-institutions by getting information at an early stage, establish relevant contacts and by presenting the positions of Danish Regions as early as possible in the decision making process. The Bruxelles office should ensure continuity and availability in the relations with the EU-institutions and other relevant bodies.

##### **Structure**

The Brussels office is an integral part of the Department of International Relations and Business Development in Danish Regions and the office also serves as a general EU-office for all the departments in Danish Regions. Further, there is an agreement with the Municipality of Frederiksberg securing that the municipality receives early information about any relevant EU initiatives.

The Brussels office itself employs one head of office one principal and one stagiaire. Twice a year the office also includes an employee stationed for a period of three months from one of the departments in Danish Regions.

##### **Working areas**

- Provide an early information about political initiatives from the European institutions relevant to the Danish regions, establish relevant contacts and to present the positions of Danish Regions as early as possible in the decision making process;
- Assist the Danish members of the Committee of the Regions in cooperation with the Department of International Relations and Business Development in Danish Regions;

- Identify and inform about development-perspectives within the EU of interest to the Danish regions;
- Circulate information about the Danish regions and the regional government system.

### **The way we work**

- Acquire information on new initiatives at an early stage (drafting);
- Create overview of the decision making process, e.g. time schedule;
- Feed information and positions on specific policies/initiatives to the European Commission;
- Present possible amendments to MEP's in order to promote our position;
- Get in dialogue with the Danish Permanent representation to the EU;
- Identify and establish/maintain relations to alliance partners ("friends").

### **Lobbying**

There seems to be some important preconditions for efficient lobbying in the EU, which could be summarized as:

- Early information/warning on new initiatives;
- Thorough and specific knowledge and input to decision makers – e.g. relevant criticism and/or new ideas;
- Think European – get partners from other countries who share your viewpoint;
- Follow the case through the entire decision making process.

### **Partners and networks**

- Officials working in different EU-institutions;
- The Danish Permanent Representation to the EU;
- The secretariat of the Committee of the Regions;
- The secretaries of the national delegations in the Committee of the Regions;
- The European Commission;
- The European Parliament;
- Briefings by The Danish Permanent Representation (e.g. Environment, Education and Employment);
- Network for the representatives of the Baltic Sea Region (Informal Baltic Sea Group etc.);
- National associations of local and regional authorities from other EU countries (the ELAN group);
- The Brussels-office of the different counties.

### **Further information:**

Danish Regions, Head of Bruxelles Office Mr. Niels Boye,  
Rue de la science 4, B-1000 Bruxelles,  
Phone: (+ 32) 2 550 12 80, Fax: (+ 32) 2 550 12 75  
e-mail: nib@arf.be





**Chapter 5    LOBBYING EXPERIENCES  
MADE BY EXPERTS OF LOCAL  
AND REGIONAL LEVEL**





Vera Fochler, City of Vienna, TINA Vienna Transport Strategies GmbH, former member of the office of the Austrian MEP Hannes Swoboda

## 5.1 LOBBYING IN THE EUROPEAN PARLIAMENT

### 5.1.1 Introduction

Lobbying has unlike traditional institutions and bodies representing common interests or interest communities a highly dynamic character and requires a flexible management, which is similar to a project management. To initiate a development process is one thing, its control is another.

If one heeds this rule, it is necessary to know the European institutions and the procedures to become a European Law of a proposal/communication of the European Commission. The Lobbyist must be at the correct time at the right place asking for the exact knowledge of all the interests of the groups which he representative and about the correct form for his matters.

### 5.1.2 The European Parliament

The European Parliament represents 375 million European citizens in 15 countries, involved in the process of European integration through their 626 representatives in the European Parliament. The arrival of new members will enrich the EU through increased cultural diversity, interchange of ideas, and better understanding of other peoples.

The peoples of the nations of Europe elect every five years the members of a single parliament. Like all parliaments, the European Parliament has three fundamental powers: legislative power, budgetary power and supervisory power. Its political role within the European Union is growing.

The European Parliament has steadily acquired greater influence and power through a series of treaties. These treaties, particularly the 1992 Maastricht Treaty and the 1997 Amsterdam Treaty, have transformed the European Parliament from a purely consultative assembly into a legislative parliament, exercising powers similar to those of the national parliaments. Today the European Parliament, as an equal partner to the Council of Ministers, passes the majority of European laws – laws that affect the lives of Europe's citizens.

### 5.1.3 Members

The Members of the European Parliament (MEP) sit in political groups in the Chamber, not in national delegations. Parliament currently has seven political groups, as well as “non-attached” Members. Members also sit on parliamentary committees and delegations, as either full or substitute members. They spend one week each month at a plenary session in Strasbourg – Parliament full session, further two-day plenary sessions are held in Brussels, two weeks are foreseen for meetings of Parliament's committees in Brussels and the remaining week is devoted to meetings of the political groups.



The representatives of each country have the right to process all documents, commentaries, amendments as well as session contributions in their mother tongue translators and interpreters of the European Parliament work in the eleven official languages of the Union (Danish, Dutch, English, Finnish, French, German, Greek, Italian, Portuguese, Spanish and Swedish). That will be supplemented with the respective country-language of all candidate countries in the enlarged union very soon.

#### 5.1.4 Political Groups

The vast majority of MEPs belong to one of the political groups. Members who do not belong to any of the groups are known as “non-attached Members”. A political group must include MEPs from more than one Member State and have a minimum number of members. There are currently seven political groups in the European Parliament. The groups draw on more than a hundred national parties. Several of the political groups have links to parties at European level, recognised by the Treaty, as a factor for integration within the European Union which contributes to forming a European awareness and to expressing the political will of the citizens'. Each political group has a chairman, a bureau and a secretariat.

Before votes in plenary sessions, the groups consider reports from Parliament's committees in the light of their political views and often table amendments to them. They also play an important part in deciding on the agendas for plenary sessions and choosing the topical issues to be placed on these agendas.

A parliamentary committee, a political group or a given number of Members can put oral questions to the Council and Commission. These questions, on topics of political importance, usually lead to a debate.

#### 5.1.5 Co decision

The co decision procedure involves one, two or three readings. Its effect has been greatly to increase the number of contacts between the European Parliament and the Council, the co-legislators, and with the Commission.

- The Commission proposes a legislative text and one of the standing committees (the “committee responsible”) is instructed to draw up a report and appoints a rapporteur (i.e. a member of the Committee who is charged with the task of drafting the Committee's report). One or more other committees may be asked to deliver opinions. Each adopts its opinion and forwards it to the committee responsible; MEPs – and the committees asked to deliver opinions – can table amendments to the draft report drawn up by the rapporteur.

This is the first opportunity to bring in the interests of lobbyists which the representative presents itself. It can take place in form of telephone conversations, short letters, personal conversations or meetings with a group of like-minded interest bearers and the representative. The first telephonic contact reception with the representative of the European Parliament, a decision-maker has to be after the commission published its communication.

The suggestion of the commission is explained to the lobbyist from the view of the rapporteur and he formulates amendments to the report according to the level of importance.

Even the political groups have a look at the report with their political point of view. When the lobbyist brings up his interests in this phase also in these committees it is well prepared. This happens through a representative of her/his trust, possibly in form of a written text direct to the parliamentary party.

- The committee responsible then adopts the text, possibly with some changes.

If the lobbyist attained knowledge too late from the suggestion of the commission, the next opportunity (before vote in the plenary session) to take influence on the content of the document is during a date with the rapporteur where it is possible to discuss alteration and the possible compromise.

- Finally, the report is discussed in plenary session. The committee responsible, the political groups or a number of Members may table amendments to it.

Still at this point the possibility of a vocal inquiry, an amendment exists. However, due to the short time between discussion and vote of the plenum, the chance of influence is very low. If there is a proposal from the European Commission of great public interest, effects on the sustainability or existence precaution, (e.g. Public Transportation, Liberalisation of mail services) where a lot of amendments have been brought the course of the first reading might be delayed.

In such a case, the parliament or the parliamentary party can organise public hearings for a better understanding of the proposal. All committee members, representatives of the commission, experts for this topic and the public are invited to these hearings. The rapporteur has the possibility to explain his points of view once again. Even now it might be possible to arrange a meeting with the representative or experts on the Lobbyists' interest (if they are not sufficiently considered up to now).

- Parliament votes on the report, thereby adopting its position on the original proposal. This is the first reading.
- The Council of Ministers either approves Parliament's amendments – in which case the legislative proposal is adopted – or modifies them by adopting a common position.
- On the basis of a recommendation by the relevant standing committee, the European Parliament delivers an opinion at second reading: it approves, rejects or amends the Council position by an absolute majority of its Members (314 votes).

This second reading doesn't differ from the first reading procedure. After the commission delivers the text back to the parliament, there exists a next possibility for the Lobbyist to contact the rapporteur for promoting her/his interests. After agreement, she/he can also prepare written amendments for the Member on time.

- After the plenary vote the Commission takes account of Parliament's amendments and forwards an amended proposal to the Council. The Council can adopt Parliament's amendments that have been accepted by the Commission by a qualified majority, or modify Parliament's amendments only by a unanimous vote.
- In the event of disagreement between Parliament and the Council, a conciliation committee made up of the members of the Council and a delegation from Parliament meets for a maximum of six weeks. The 15-member EP delegation, which reflects the composition of Parliament, is chaired by one of its Vice-Presidents. It always includes Parliament's rapporteur.
- In the vast majority of cases the two parties reach an agreement, in the form of a joint text.
- Parliament is invited to confirm this agreement at the third reading. If no agreement is reached, the proposal for a Community 'law' was not assumed. (I.e. it lapses).

### 5.1.6 Interviews with Members of the European Parliament

Crosswise interviews with Members of the European Parliament represented in different political groups have been done. Agreement prevailed with the following questions like this:

What does effective Lobbying mean?

- The discussion has to be problem-oriented in form of personal conversations and not on basis of a general discussion;
- Time and patience of the MEP as well as her/his assistants should not be overused;
- If possible bring the already exact statement of the problematic articles or amendments;
- Improvement suggestions with detailed reason;
- With vote respects always discreet remains;
- Written information of lobby groups without any personal contact to the Decision-makers seems little effective.

What is the meaning of "on time" in this context?

- Agreement of a date with the rapporteur, as soon as possible (after the commission had passed on the legislative text to the Parliament);
- It depends on the inconsistency of the report, scope of the matter and the proposed alterations;
- With reports without Rapporteur and Shadow, amendments should be submitted approximately one week before course of the period, normally earlier: If it is about the vote commendation, a few days are enough.

Where are the limits for lobbying?

A good lobbyist must recognize the borders of her/his possibilities. If she/he begins, to put pressure on the decision-maker or to move own advantages in the foreground, Lobbying can achieve exactly the opposite effect. There are contending of the text borders as well like temporal borders (it could be possible that Decision-makers have no time for conversation).

- Make sure that you are welcome for a meeting (telephone call, short announcement letter);
- Be in time for the meetings;
- Please accept other opinions (it could be that the Decision-maker has her/his basic position and she/he is probably not able to deviate so the Lobbyist has to be content with a compromise);
- Try to bring an abridged version of your requests (no long talks with short sense).

#### 5.1.7 Conclusion

Lobbying is an important form of communication and should serve the understanding between the people and their representatives in the institutions.

Lobbying must be seen as an important link for formation of opinions.

The lobbyist then becomes successful if she/he:

- knows well the interests of the people she /he represents;
- studies exactly the suggestion of the Commission;
- leads a discussion with an expert about the respective topic;
- formulates point-exactly the amendment after she/he spoke with the rapporteur or the political representative;
- brings the amendment into the right form. The form is important to guarantee the Procedure of the course and to make the work for the officials of the parliament and the translator easier (see example of an amendment).

### 5.1.8 Example of a written amendment

For the DRAFT REPORT on the proposal for a European Parliament and Council regulation on establishing a European Railway Agency  
(COM(2002)23 – C5-0046/2002 – 2002/0024(COD))  
Committee on Regional Policy, Transport and Tourism  
Rapporteur: Gilles Savary

## EUROPÄISCHES-PARLAMENT

1999



2004

*Ausschuß: Regionalpolitik, Verkehr und Fremdenverkehr*

Datum: 25. September 2002

**ÄNDERUNGSANTRAG von:** Hannes SWOBODA

zum ENTWURF EINES BERICHTS/ **Gilles SAVARY** PE 314.700  
EINER STELLUNGNAHME von

**über/zu den Vorschlag für eine Verordnung des Europäischen Parlaments und des Rates zur Einrichtung einer Europäischen Eisenbahnagentur**

Vorschlag für einen Beschluss KOM/SEC/SYN: KOM Dok  
(2002) 23 C5:0046/2002

Unterschrift:

(Änderungsantrag 7)  
Artikel 29 Abs 1

1. Dem Verwaltungsrat gehören an:  
- sechs Vertreter des Rates,  
- sechs Vertreter der Kommission,  
- drei unabhängige Persönlichkeiten ohne Stimmrecht, die aufgrund ihres anerkannten branchenspezifischen Sachverständnisses von der Kommission ernannt wird.

1. Dem Verwaltungsrat gehören an:  
- sechs Vertreter des Rates,  
- sechs Vertreter der Kommission,  
- **sechs Vertreter des sektoralen Sozialen Dialogs,**  
- drei unabhängige Persönlichkeiten ohne Stimmrecht, die aufgrund ihres anerkannten branchenspezifischen Sachverständnisses von der Kommission ernannt werden.

#### *Justification*

*Der Verwaltungsrat hat weitreichende Kompetenzen hinsichtlich der Arbeitsweise und des Arbeitsprogramms der Agentur. Um eine kongruente und konsistente Arbeit der Agentur zu ermöglichen, die sich mit sämtlichen Aspekten des Schienenverkehrs auseinandersetzt, ist eine Berücksichtigung der Sozialpartner unerlässlich.*

Prof. Dr. Manfred Dammeyer, Member of the Committee of the Regions, Member of the European Convention

## 5.2 COMMITTEE OF THE REGIONS – INFLUENCING EUROPEAN POLITICS

Some of the most salient and customary rhetoric figures in connection with European politics include statements on the increasing European integration and the ever more frequent substitution of national laws by European provisions, directives and regulations which are approved by Brussels and no longer in the national capitals or the parliaments of the regions or even the city council – a process bound to intensify even more in the future. In most cases this is followed, depending on the position taken by the speaker, either by eloquent complaints about the unjustified loss of power on the “lower” level which is closer to the citizens and the increase in power and uncontrollable activities of EU bureaucracies, or else the appeal to take seriously the process that in this integrating Europe, true to the treaties negotiated and approved by the Member States, political activities are naturally also shifted to the European bodies and institutions.

Protagonists of both sides often find it difficult to maintain the right balance between the justified demand not to strip those bodies that are close to the citizens of all power and to curb activities on the European level on the one hand and, on the other, the necessity to take a transnational and, in this respect, European influence on the decision-making processes in the European institutions.

Deficits in this process, of course, are far from being the prerogative of the representatives of the municipalities, the regions, and the national instances. What we perceive as the European Union today, is a product created in many single steps, negotiations, and activities which have been a far cry from a straightforward development.

During a very long time the European Union (or rather: the European Communities) has (have) been blind with regard to the regions and the municipalities in the European Member States as independent institutions sovereignly endowed with a mandate from the voters. This is also astonishing as already since the beginning of the European unification efforts the regional dimension has been one of the foundations for all unification efforts: as early as in his speech on 9th May 1949, regarded by many as the birth certificate of the United Europe, the French Foreign Minister Robert Schumann demanded an institution to control French and German coal and steel production to restrict these sectors so important for war from national activities and to relieve the regions dominated by these sectors in all countries from weapon production whose first victim they kept becoming time and again. The European Coal and Steel Community (ECSC), at the time the first European institution established for fifty years and about to expire right now, has, as a fact, always engaged in regional policies.

And in the European Economic Community (EEC) regional politics and schemes to boost the regional economy as well as regional funds have always been the supporting pillars of the economic activities of the European Commission. At no time, however, the targets of such activities, the regions, have ever been actors and directors on the European stage.

All this changed only when the first regions set up their own representations in Brussels, first of all the two German countries of North-Rhine/Westphalia and Bavaria, and when, at exactly

the same time, they were also respected as legitimate actors both in the Single European Act from 1986 as well as in their relations with the European institutions by exerting pressure on their national governments.

By virtue of the Maastricht Treaty from 1992 – and again through their influence on the national governments negotiating the Treaty – they achieved the creation of the Committee of the Regions and the inclusion of the principle of subsidiarity into all the treaties as a principle binding for all European Institutions, restricting and curbing activities on a European level and acknowledged as a political principle with respect to the original competences of the “lower” instances closer to the citizens. In 1997 the Treaty of Amsterdam even further enhanced the competences of the Committee of the Regions. Meanwhile the Committee of the Regions has become the one organ of the EU where the representatives of the regions and of the municipalities independently engage in activities in different political fields towards and together with the other European institutions. But it is also here that bi- and multilateral arrangements and agreements can be made serving as a basis for the joint stance of several partners or the execution of joint cross-regional and cross-national projects. And there are plenty of examples for both.

The representatives of the regions and of the municipalities have thus become real and acknowledged partners of the European political debate, which, in addition to important considerations for respective national politics, has mainly strengthened the competences and potential influence of the regions in the various Member States of the EU. Nowhere are there any tendencies for increased centralism; but almost everywhere the regions have increased their powers; devolution in Great Britain with the strengthening of Scotland and the Welsh Parliament, the „Regionförbundet” trials in Sweden, the new solutions for the self-conscious regioni in Italy, etc. etc.

And this domestic growth in the powers of the regions is, of course, also seen in Brussels and is respected so that also there they can act with much greater self-assurance. And these appearances in Brussels are in no way any longer reserved for the top representatives of the regions and the municipalities, the Prime Ministers and the Provincial Governors, Ministers, and Lord Mayors. By now all European regions and federations of regions, many large cities and all municipal associations have set up their own representations in Brussels. And these representations which sometimes quite modestly describe themselves as information bureaus are the playing fields of expert moderators of the European debate acting in both directions: influencing the European institutions and initiating contacts for domestic representatives.

The regions just like many large cities have taken the representation of their interests into their own hands, acting autonomously or concertedly together with others representing the same or similar interests. In any case they have acquired, within a very short time, enough competence not to be subordinated to the European institutions.

They gather information on planned European legislation, prepare it for their own countries back home where it can be discussed, and from where these processes in Brussels can also be influenced. Politicians and administrators from the respective regions or municipalities thus

also have the possibility to learn in person how decisions are prepared in Brussels and how they are taken, who is involved, how they may be influenced, how one and the same question can be seen and assessed differently in different countries, and possibly also what different traditions, experiences, interests in other countries have also led to policies different from those used at home and whose appropriateness has never been doubted to date.

The realistic ideas thus formed may also include the realisation that what is familiar from back home may not be regarded as a model worth copying by others: they all do it differently. But then, one might also find that if one wishes to influence European decisions it is necessary to seek a European dialogue and to stick exclusively to domestic experiences. This is particularly important if decisions shall be influenced in these fields which are particularly intensely coined by one's own vital interests and if one is firmly convinced that the solutions heard at the European institutions are wrong.

It is also important to appreciate the relevance of co-operation with those parts of the civil society that pursue the same interests. And how important it is to involve these personalities from the federations and companies in the political deliberations on European solutions. Of course, both the European Institutions as well as the EU bureaucrats respect tried practices, have insight into good solutions, are interested in acceptable solutions, maybe even understand the demand for restrictions for the European level on the basis of the principle of subsidiarity. And this is why every discussion makes sense, the demand for the state of the considerations and preparations of decisions as well as the clear reference to one's own interests and their mobilisation.

The realisation that European regulations, European discussions, and transnationally defined decision-making techniques truly affect all political fields will thus have, as a realistic consequence, the participation of really all (!!!) the players in this discourse on European integration. Those sectors which so far have deemed themselves largely uninvolved particularly need to learn to understand this process. Therefore those parties which enable and moderate the influence on European decisions in Brussels – for instance in the European institutions – at the same time also always influence the partners unfamiliar with Europe.

It is completely obvious that such processes have been necessary. Everyone guards their own interests; this is a charge hardly ever resolved by anyone else. And if the other partner does not want to watch or to listen, has not (yet) understood that he must show consideration or consider interests, help is needed. And this requires allies. And here again we learn that European questions also command a European, a transnational answer.



Erja Horttanainen, Association of Finnish Local and Regional Authorities

### 5.3 LOBBYING EXPERIENCES OF THE ASSOCIATION OF FINNISH LOCAL AND REGIONAL AUTHORITIES

#### 5.3.1 The Finnish local government system in an integrating Europe

In the Nordic countries, local authorities have an exceptionally wide range of functions: the local authorities have the main responsibility for welfare services and basic technical services. The local authorities' share of public spending is higher than in other European countries. Also, the size of municipalities is relatively large compared to Central and Southern Europe. In Finland, the municipalities have a particularly important status and perform a wide variety of functions.

The European Union membership and the development of the Union impose new requirements at the regional level, Finland has developed an original local authority-based concept of regional government. The Regional Councils have become the body responsible for regional strategies and land use planning, they also have an important role in drafting and implementing EU Structural Fund programmes. The special characteristics of the Finnish local government define the views on European policy of the Association of Finnish Local and Regional Authorities.

From creating an internal market, the European Union is developing towards a citizens' union that also emphasises social and cultural values. A great number of issues that are important to the localities and regions are now on the EU agenda. Today it is also evident that the European Union has important indirect effects on local government activities. The economic guidelines of the EU, for example, affect the local authorities' sources of funding and thereby also their possibilities to provide basic services for their residents. Furthermore, new regulatory mechanisms that have an impact in areas where the Union strictly speaking has no or little legislative power are developing within the EU. The open method of co-ordination is a good example. From a Finnish local government perspective there is one trend in the recent development of the EU that is particularly noteworthy: through such guidelines and regulatory mechanisms the influence of the EU is beginning to be felt in large local government sectors of basic services, e.g. social services, health care and education.

Partly as a result of this development, it is now more important than before for the EU to involve the regions and localities so that they exert influence on Union policies. An important step in this direction was the establishment of the Committee of the Regions. The important status of the regions and localities has also been recognised in the preparations of the new European Governance. A positive factor is the increased dialogue between local government and the EU. However, at the same time, one must emphasise the importance of a clear division of competences between the EU and the Member States. The definition of the respective competences must be based on the principles of subsidiarity and proximity.

Finland's membership of the EU has changed the activities of the Association of Finnish Local and Regional Authorities as a lobbying organisation. As a considerable part of EU legislation

relates to matters falling within the powers of local and regional authorities, EU lobbying plays an important role in the Association's activities. It is essential that local authorities and regions participate in EU policy-making as well as in the handling of concrete EU affairs.

### 5.3.2 The EU Policy of the Association of Finnish Local and Regional Authorities

In the definition and implementation of the localities' and regions' policy towards the EU, emphasis must be on setting goals and priorities. It is important that EU action as well as national action is goal-oriented and based on clearly defined objectives. The definition of goals and their implementation is, of course, more difficult in an international than in a domestic context, as conflicting interests and cultural differences always need to be taken into account. Nevertheless, goal-orientation is a necessary prerequisite for those who wish to operate internationally.

Lack of information has long ago ceased to be a problem in EU affairs, but finding information that is relevant from one's own point of view in the mass of otherwise interesting information may prove difficult. Having already set priorities, it is easier to filter the flow of information. However, new questions arise continually, and it is important to be able to study them in detail, sometimes without being prepared.

The Association of Finnish Local and Regional Authorities defines the objectives of its European policy in a periodically updated document entitled "The EU Policy of the Association of Finnish Local and Regional Authorities". The document was first written in 1995, when EU matters properly speaking first appeared on the Association's agenda. The effects of the integration on local government in Finland had, of course, been studied by the Association before Finland joined the EU. The Association's EU policy guidelines were reviewed in 1998, when it was already fairly easy to get an idea of the importance of the Union to the local government sector. The Association's EU policy document was updated once again in Spring 2002. Over the last years, the development in the Union has been so rapid and the changes so great that it was necessary to review the policy guidelines. The effects of the EU on Finnish local government, our welfare society model and regional development are assessed in the document, approved by the Board of the Association. The document sets the general objectives for the Association as an interest group and examines EU policies from the perspective of local authorities and Regional Councils.

The Association's EU policy is based on the need to secure and develop the effectiveness of Finnish local government by influencing the EU's decision-making processes and by utilising the opportunities for international co-operation provided by the Union.

The Association's aim is a democratic, open European Union that takes into account the viewpoints of citizens and local and regional authorities when decisions are made. EU activities must be based on the principles of transparency, proportionality and proximity. The European Union should promote equality between people in all fields. The promotion of sustainable development is an important global task for the EU. Public services are provided and financed in different Member States in very different ways. The differences and diversity between Mem-

ber States, regions and local authorities must be recognised. The obligation to respect national distinctive features, included in the Treaty on the European Union, must be taken into account in the preparation of all EU actions.

#### Objectives of the Association's EU policy:

- Local and regional viewpoints are taken into account in the EU's decision-making processes;
- The EU's decision-makers respect the principle of local self-government and the differences between and diversity of Member States, regions and local authorities;
- The distinctive features – equality, universality and financing from tax revenues – of the Nordic welfare model based on local authorities are taken into account when preparing decisions at EU level;
- The administrative and economic impacts of EU legislation on the operations of local authorities and regions are clarified before decisions are made;
- EU legislation is reduced and simplified by abandoning unnecessary and over-detailed regulation;
- The local authorities' opportunities to influence the preparation of EU affairs at national level are improved;
- The EU institutions, particularly the Commission, must create a regular procedure whereby the opinions of local authorities and regions are heard at an early stage in the preparation of affairs;
- Public discussion about EU affairs is deepened;
- The openness of the EU's decision-making processes and administration is increased;
- The position of the Committee of the Regions as a channel of influence for local authorities and regions is strengthened;
- Finnish politicians act in key positions in European associations and institutions of regions and local authorities.

### 5.3.3 Lobbying activities of the Association on Finnish Local and Regional Authorities

In the EU policy document, the Association's role in relation to EU affairs is defined in the following way:

- Influencing the EU's decision-making processes;
- Provision of expert and training services;
- Dissemination of EU information;
- Making Finnish local government and welfare system better known;
- Dissemination of good practices through EU projects.

It is a precondition for effective lobbying that the core message is delivered over and over again. The localities and regions should be able to influence the preparatory work at national level in EU matters. In addition to this, it is necessary to have contacts with EU institutions. European organisations also provide a good way of exerting influence.

The experts of the Association strive to maintain direct contacts with the Commission. This is essential because the Commission must obtain information from representatives of local authorities and regions as a basis for their measures. This is particularly important for Finland and the other Nordic countries because the Nordic welfare system and strong local self-government are usually poorly known in the EU institutions. Contacts with the Finnish members of the European Parliament and with the Committee of the Regions are also important for the Association when it carries out its EU lobbying work. The Association acts as the secretariat of the Finnish delegation to the Committee of the Regions, and the Association's experts advise the Finnish members of the Committee in the preparation of the Committee's opinions.

Many European associations of local and regional government focus their activities on EU lobbying. The Association of Finnish Local and Regional Authorities considers it important that Finnish politicians participate in the activities of various organisations. Achieving an influential position in the associations' decision-making systems requires an active approach and long-term work from their members. The Association assists representatives of the Finnish local and regional authorities who have been nominated as chairpersons of associations or members of their boards.

Representatives of the local and regional authorities should participate actively in the preparation of EU affairs at national level when legislative projects affect local or regional government. The Association is represented in a number of sub-committees of the Finnish national Committee for EU Affairs. These sub-committees are important information channels for the Association. The Association gives opinions on EU affairs to ministries; in some cases, representatives of the Association have been members of working groups preparing EU affairs in ministries. Parliamentary committees have also consulted the Association. However, at this stage the Association does not yet participate systematically in the preparation of Finland's national EU positions in questions that affect local authorities.

### **EU policies of relevance to the Association's lobbying activities**

In representing the interests of its members, the Association aims at covering all EU policy areas that have an impact on Finnish local and regional authorities, with continuous lobbying in areas such as:

- Social and health care services;
- Education;
- Culture;
- Youth policy and sports;
- EU citizenship from the perspective of local authorities;
- Free movement of people and immigration policy;
- Employment policy and its local dimension;
- Regional policy;
- Regional planning;
- Urban policy;
- Rural development;

- Environment;
- Energy;
- Transport policy;
- Trans-European networks;
- EU competition policy;
- Public procurement;
- Industrial policy and State aid;
- Public utilities;
- Information society;
- Equality;
- Labour market policy.

New European Governance and the future of Europe are other examples of current issues in the Association. The Association has presented its views on the development of European Governance to the Commission. The Association has also participated in a working group that drafted the Finnish government's position on the Commissions proposal. The Association has followed the work of the European Convention, partly through the Committee of the Regions and through the Finnish members of the Convention. Efforts to influence the Structural Fund reform are, of course, an issue of high importance at the moment. The Finnish Regional Councils and the Association have together drafted positions to be presented to the Commission. There has also been active co-operation with the Ministry of the Interior

#### 5.3.4 The Association's EU organisation

EU affairs are part of the Association's ordinary lobbying duties, which is why the responsibility for them has been distributed much in the same way as the Association's other activities. The Association's Board decides upon the Association's positions in principle on EU affairs. The Association's Regional and Industrial Development Unit is responsible for co-ordinating affairs relating to the European Union, while the other units bear the responsibility for EU affairs in their own fields. Experts who deal with EU affairs form the Association's EU expert network. The network holds meetings four or five times a year to discuss topical EU affairs. Representatives of central government or research institutions are often invited to speak at the meetings. In this way, EU experts are briefed on current issues. At the same time, the Association gets an opportunity to present its own views. The invited speakers include a member of the European Convention and an MP who were involved in the drafting of the EU Charter of Fundamental Rights. Representatives of the EU Secretariat at the Prime Minister's office have reported, for example, on EU Summits.

##### Brussels office

The Association of Finnish Local and Regional Authorities and Swedish Associations of Local and Regional Authorities have shared an office in Brussels since the autumn of 1992. The Brussels office obtains information and relays the Association's views particularly on those EU policies and regulation projects that have an immediate effect on Finnish local authorities and regions. Meetings and seminars promoting the Association's objectives are held in the

Brussels office to maintain contact with the European Commission. In addition, the Brussels office is used as the base for Finnish local and regional decision-makers, for example members of the Finnish delegation to the Committee of the Regions, whenever necessary. Current issues for the Association's Brussels Office include services of general interest, environmental issues and the open method of co-ordination as well as other policies relevant to the Finnish model of a welfare society. The Brussels Office is, of course, actively monitoring ongoing reform projects such as the discussion on the future of Europe and the Structural Fund reform.

### **EU information and projects**

The Association's EU activities also include providing information to its members. The Association actively disseminates information on all activities of the European Union that are significant for local authorities. EU information is distributed, for example, on the Association's web pages, the magazine of the Association and separate publications. Members of the Association's EU expert network provide guidance in EU affairs relating to their own fields. The Association supports the participation of local authorities in the EU Programmes. A guide has been drawn up for this purpose, which provides an overview of the financing opportunities provided by the EU. Information about programmes and other financing opportunities are also regularly published on the Association's home page. The Association's library is an European Reference Centre.

The Association has participated in a number of EU-funded projects either as the project co-ordinator or as one partner of the project. Participation in these projects contributes to support EU lobbying efforts, as this is a way of gaining practical experience of the implementation of EU policies. Many local authorities have participated in these projects. Some projects have even included participants from other European countries. The Association's EU projects have covered a wide range of issues, including information society, the implementation of the EU's employment strategy, personnel matters in social welfare and health care, and the ways in which the learning abilities of children having difficulties in reading and learning can be supported. The Association has implemented an extensive Tacis project with the aim of reforming Russian local government. It has also trained representatives of the regional and local government of the EU's candidate countries in matters related to EU membership in various training projects.

Frank Hiltermann, Association of Netherlands Municipalities

## 5.4 THE ASSOCIATION OF NETHERLANDS MUNICIPALITIES (VNG)

In 1912 Dutch municipalities decided to set up an association to represent their interests. At first the association's task was the joint purchase of coal for their energy supply. Soon after, the VNG's tasks expanded to being a platform for the dissemination of knowledge and exchange of experience. The municipalities delegated tasks to the VNG, such as a central employer's role for the employment of all municipality officials. They joined forces in the association, entrusting it with the management of all of their joint concerns. The expertise and effectiveness of the VNG grew rapidly. It recruited increasing numbers of specialists in all fields of policy for general managerial issues. These specialists offered more and more products and services targeting daily local governance, varying from model legislation to special insurance coverage, from research to computer databases.

Through specialised help desks, administrators and officials have access to all data and knowledge at the VNG and to other associated information sources. Nowadays the association has more than 500 employees. For over 50 years, all municipalities have been voluntary members of the association. This 100% representation increases the influence and profile of the Association as the protector of local government interests and as a negotiating partner for other layers of government and national and international stakeholders. The Association has learned to handle the conflicting interests of its members. The VNG is currently playing an important role in helping to guide the future course of the political/administrative system in the Netherlands.

In the last 15 years EC-legislation has turned out to have increasing influence on many, often surprising, activities of local and regional authorities. It is logical that municipalities in turn try to intervene on the European level. In recent years, municipalities have found new ways of standing up for their own interests effectively, particularly in informal ways.

Officially, there are very few possibilities for municipalities to exert influence. The European decision-making process was originally an interstate matter, and in the course of time there have been few changes in this respect. Hard decisions are taken mostly by the Council and in an increasing amount of cases by the European Parliament.

However, there has been an increase in the importance of regions and local government in the EU, with the result that national governments have forfeited some of their power. This trend started with the Committee of the Regions. In the Netherlands the VNG and the IPO (the organisation of Dutch provinces) propose candidates for the Dutch delegation in the Committee of the Regions. Both organisations also have the secretariat for the delegation.

Next to the Committee of the Regions the VNG is also involved in the activities of the CEMR. Several employees of the VNG participate in working groups of the CEMR and the Brussels representatives of the VNG also participate in the ELAN working group, the representatives of the national associations of local and regional authorities in the Netherlands.

Since 1993 the VNG has an own office in Brussels.

The basic activities of this office are:

- gathering information, relevant for our members;
- influencing the policy-making process and decision-making process, lobbying;
- assisting the members in the Committee of the Regions;
- assisting participants in CEMR working groups, or participating in these groups on behalf of the VNG;
- Participating in other relevant meetings to gather information and promote interests;
- co-ordinating European policy within the association;
- participating in national meetings about European policy;
- assisting representatives of local government during visits in Brussels.

On the national level the VNG participates in the Europe Consultation Group. This is a monthly gathering of policy officers of the VNG, the Association of Dutch Provinces (IPO), the Ministry of Interior and the Ministry of Foreign Affairs. In this group the rolling agenda of the European Union is being discussed and views on agenda items are being changed.

The VNG and the IPO participate in the National Working Group on New Commission Proposals. This group meets twice a month. Within this working group all the national ministries, the VNG and the IPO come together to discuss the most recent proposals of the European Commission. Following these discussions short position papers are being written. These position papers are sent to the national parliament and are being used in working groups of the Council of Ministers.

The VNG participates in several working groups of the national government, for example on state aid, public procurement and structural funds.

The national government, the VNG, the IPO and the Association of Dutch Waterboards have set up an expertise centre for European law and policy for decentralised authorities. This expertise centre informs local and regional authorities about new European legislation, policy and programs. The local and regional authorities can raise questions or exchange best practices. The centre can also give advice to national government about European issues, relevant for local and regional authorities. Also expertise and assistance can be given about the implementation of European legislation.

**Further information:**

Ruthy Reinders, [ruthy.reinders@vng.nl](mailto:ruthy.reinders@vng.nl)

Frank Hiltermann, [frank.hiltermann@vng.nl](mailto:frank.hiltermann@vng.nl)



Edward Cameron, Independent Sustainable Development Consultant, Brussels

## 5.5 MAKING YOUR VOICE HEARD ON ENVIRONMENTAL POLICY

### 5.5.1 The Challenge of Environmental Policy

There was a time, in the not so distant past, when environmental policy was relatively straightforward. In those days, a lobbyist didn't need to know much more than the difference between Consultation and Co-decision to get his or her point across. Recognising the distinction between a Regulation and a Directive was about as tricky as the process could get. The nature of environmental policy followed the tested command and control route, with the European Institutions passing legislation and the Member States (supposedly) implementing it.

Unfortunately things are not as simple as they used to be. The shortcomings of the traditional approach were laid bare in successive Assessments of EU policy, most recently in the Global Assessment of the Fifth Environmental Action Plan. This Global assessment was damning when dealing with the failure to implement much of the legislation at national, regional, and local level. Moreover, the assessment also pointed to increased pressure on Europe's urban centres as well as the continued decline of Europe's environment.

As a result, Environmental policy in the European Union now stands at a crucial crossroads. With most stakeholder groups questioning the effectiveness of using command and control as the sole policy mechanism, more flexible options are slowly coming to the fore. These include market-based instruments such as taxes or environmental liability (providing a useful means to pay for abatement and clean-up operations while steering consumers and industry in the right direction) and preventative techniques such as Environmental Impact Assessment and Strategic Environmental Assessment. For their part, industry groups continue to celebrate voluntary agreements such as EMAS and Eco-labelling.

This already intricate set of instruments is set to increase with the development of Tri-Partite Contracts, the ongoing Governance debate, and the new emphasis on Environmental Communication.

Other factors are also impacting on the way policy is made, and on the direction policy is going in. Among these are:

- The ever-increasing number of lobbyists in Brussels. One glance at the European Public Affairs Directory will reveal more than 10,000 lobbyists representing interests as diverse multi-national companies, human rights NGOs, and of course local and regional government. This list is far from complete, but be assured that they all have positions to advance, and they all have their own style of making sure that those positions are heard.
- The gradual movement from pure environmental protection to an approach centred on the three pillars of sustainable development (social, economic and environment). This can manifest itself in a number of different ways, some positive, some not so positive. Some interest groups see sustainable development as a form of "environmental creep", whereby other policy areas are forced to meet strict environmental criteria. Environmental NGOs,

on the other hand complain that “integration” actually allows for environmental policy to be watered down by interest groups representing the energy or agricultural lobbies. One thing is for sure, Environmental policy impacts on all sectors and all stakeholders like never before, and so the successful lobbyist needs to have broader horizons than before.

- The ongoing governance debate could have a huge impact on how policy is made as transparency, participation, and consultation become mainstreamed. This could provide new channels of communication between the institutions and the various interest groups. On the surface it could have great benefits for local and regional government by providing access to previously closed Expert Groups in the Commission. On the other hand, by providing greater access to more interest groups, the governance process could dilute the power in the hands of elected representatives at the local and European levels.
- Shifting policy priorities to meet new goals. Environmental policy is frequently determined, not by environmental goals, but by policy goals. What is more important, materials recycling or energy recovery? What target should we meet, increasing the number of recycled goods, or meeting our commitments to Kyoto? In a perfect world both commitments could be met at the same time, however environmental policy is often characterised by trying to get the best possible deal, while postponing the perfect world to another day.

The net effect of all of this is quite clear, namely that Environmental Policy making is becoming one of the more complex processes in Brussels and so influencing the debate requires a very sophisticated approach.

### 5.5.2 Meeting the Challenge and making your voice heard

Of the modes of persuasion furnished by the spoken word there are three kinds. The first kind depends on the personal character of the speaker; the second on putting the audience into a certain frame of mind; the third on the proof, provided by the words of the speech itself – Aristotle (384 – 323 B.C.).

The word lobbying has developed a rather unsavoury connotation in recent years. To many, lobbying is regarded as a form of propaganda or corruption, practiced by unscrupulous people operating in dark places. In light of this it is perhaps a little unfair for me to characterise Aristotle as the first great lobbyist, however the above quotation captures the essence of what is needed by the successful lobbyist, especially given the new focus on environmental governance.

If we read between Aristotle's lines we can distil a number of basic rules that should be followed by the environmental lobbyist. I have tried to elaborate on these below:

- **Timing:** Standard explanations of EU decision making leads one to believe that policy is made as a result of delicate negotiations between Commission, Council, and Parliament. In my experience of dealing with sustainable development policy, I have seen that the best place to influence policy is right at the beginning of the process in the Commission expert groups. It is in these fora that the various stakeholders come together to prepare

new initiatives, collect best practice and data, and to discuss the shortcomings of existing regimes. It is true that the three main institutions take the decisions that matter, but they do so based on the information that comes out of the Expert Groups. It is therefore crucial to establish a good working relationship with officials in the Commission.

- **Know whom you are dealing with inside and out:** The ability to represent requires an in-depth knowledge of whom you represent and also of whom you are trying to influence.
- **You will win more through your actions than through your arguments:** The European Commission receives countless position papers from a huge range of interest groups. A best practice report will go further than a policy/position paper. The goal is to promote an idea or concept, and not to promote the organisations itself. An organisation that looks for self-promotion is one that will be avoided.
- **Personal contacts** are essential: your representation in Brussels needs to be staffed by people who can network with ease, people who are persuaders rather than salesmen. A friend or ex-colleague in the Commission will often go that extra mile to support you and your work.
- **Learn to make the institutions dependent on you:** A number of organisations have learned to make themselves indispensable; these include members of the Green Eight and also a number of local government bodies. The principal reason for this is that they have established themselves as innovators. The Commission now turns to them for ideas, and so they have a privileged position when it comes to getting information or influencing policy.
- **So much depends on reputation – guard it with your life:** Reputation means everything. Those organisations with a reputation for delivering, for being constructive and innovative, these are the organisations that are influential, these are the organisations that will impact on policy, these are the organisations which receive funding. Once a reputation has been damaged it is very difficult to repair it. There are countless organisations in Brussels, if your organisation does not deliver, then the Commission will turn to one that does.
- **Be the change you wish to see:** The governance debate concentrates on reform in the widest possible sense. When encouraging the European Institutions to reform you should also be mindful of our your own need to change and to innovate.
- **Partnerships:** Try to build partnerships with a wide range of organisations and interest groups. Don't waste too much time preaching to the converted, you need to invest in new partnerships and a future audience – take your opinions to people who will challenge them and so improve them.
- **A positive message:** Too many organisations base their lobbying activities on what they are against. Businesses in particular have a bad reputation within DG Environment for being negative and confrontational. Proposing ideas rather than opposing them can achieve far more.

### 5.5.3 Conclusion

I began this article by trying to draw a clear line between how environmental policy was, and where it is going. To conclude I would like to draw a similar distinction between the type of lobbying/communication I have witnessed during the past four years in Brussels, and the type I would like to see in future. The traditional and tired model is one characterised by:

- Lobbying only when you are against an initiative;
- Refusing to dialogue with other stakeholder groups just because they are of a different opinion;
- Presenting position papers with no real content – Trying to have influence in order to have proposals modified does not count as innovative thinking;
- Targeting the wrong people at the wrong time.

There is also an alternative model, one, which is characterised by being pro-active, constructive, and innovative. One that involves delivering results to decision makers rather than position papers. One that requires building partnerships with a diverse range of stakeholders rather than looking for support in your own narrow circle. This is the model that is likely to yield the best results.

Ultimately, I believe the successful organisation is the one that realises that we need to change from being lobbyists to being activists.

Martin Pospischill, City of Vienna, Chief Executive's Office, Statutory Matters, Redress and Appeals

## **5.6 SERVICES OF GENERAL INTEREST VERSUS STATE AID AND COMPETITION RULES – EUROPE, QUO VADIS?**

### **5.6.1 Introduction**

Emerging markets in service-sectors traditionally dominated by the state like energy, telecommunications, postal services or public transport recently resulted in new discussions about the future of public services and the single market. Services of general interest cover market and non-market services which the public authorities class as being of general interest and subject to specific public service obligations. In Europe we all witness the current process of the liberalisation of the energy markets. Other market openings have already taken place (e.g. telecommunication) or are close at hand (e.g. public transport). Private companies and new operators no longer offer public services just within the borders of individual Member States. Their economic activities increasingly affect the trade between Member States. Market related services may get into conflict with the rules of the single market. This is a problem especially in Member States with a long and successful tradition in (state owned) public enterprises. Decisions are soon to be taken, whether the general state aid and competition rules fully apply to the public enterprises. If so the results will directly shape the future picture of the European society and the role of the national governments of the Member States. Otherwise the role of the national states and the public enterprises will have to be clarified and transparently designed. This, too, will lead to the question, what competences shall remain with the member states in a future Europe.

### **5.6.2 A new strategy for Europe**

Against the background of the globalisation of trade, the completion of the internal market and a rapid technological change the European Council of Lisbon requested the Commission to design an internal market strategy in services for Europe. Accordingly, the EU is to become the most competitive and dynamic knowledge based world-economy by 2010. Obviously the summit of Lisbon intended to send out an optimistic signal to its members: that Europe is well aware of the alarming figures concerning the demographic development on the continent after 2010 and that this development will be encountered by a clear strategy. On the other hand strategists in Brussels state frankly that the "battle" for world market shares – especially against the US – will only be a success, if a legal framework is provided in time that allows the European economy to grow constantly by at least 3% p.a..

To reach these goals the European Commission aims at liberalising markets by putting individual services sectors to public tendering. Doing so, classical state-related services shall also be made accessible to private operators. The market openings are expected to result in a sound competition between many private and public operators and in lower costs for the consumers. Another aim is to set free the full potential of the single market. Market barriers and restrictive practices are to be removed. Last but not least, the European Commission claims that the capital markets require transparency and competition in order to strengthen their efficiency and the common currency. At first sight it seems that the only remedy for the European hurts and grieves is seen in the liberalisation of the public services sector.

### 5.6.3 Resistance increases

Although the Member States are bound by the Amsterdam Treaty itself to abolish all practices of forbidden subsidies and obstacles for competition and trade concerning their public enterprises voices can be heard louder recently that plead for other solutions to the problem. The critics state that neither Art. 16 nor Art. 86 paragraph 2 do provide a legal basis to protect the services of general interest from the competition and state aid rules, nor do they contain any definition to clarify both purpose and contents of such services. In fact they could turn out to be counterproductive for the current discussion, as the competition and state aid rules appear to be legally protected rather from the services of general interest than vice versa. The justification to maintain a sector according to Art. 86 paragraph 2 within the services of general interest requires the proof, that the application of the competition and state aid rules will prevent the fulfilment of the special task legally or actually. In reality such a proof will be almost impossible to come up and succeed with.

Negative examples of market openings in the US and in Great Britain clearly show that things also can go wrong thoroughly. One of the main problems with the liberalisation of market sectors seems to be that competition is frequently reduced exclusively to the price of a service. The breakdown of the energy market in California, Silicon Valley, in 2000 and the drama of British Rail with almost non existing infrastructure investments for many years should make us aware of paying close attention to what is going on in Europe behind the curtains. Critics say that price competition without supporting environmental and social measures will never result in a sustainable economic development in Europe. Sustainability is a key element in the steady progress of economic growth that must not be overlooked.

### 5.6.4 A chance for political change?

As a reaction to the criticism concerning the dictatorship of the common competition and state aid rules in all areas of the European integration the European institutions gave proof of an intense fight about the future of the services of general interest in the last couple of months:

- On 15<sup>th</sup> October 2001 the Commission issued an interpretative communication on the Community law applicable to public procurement and the possibilities for integrating social considerations into public procurement. Another interpretative communication had already done likewise for integrating environmental considerations into public procurement on 4<sup>th</sup> July 2001;
- Few weeks later the European Parliament (EP) adopted a report about the communication from the European Commission – services of general interest in Europe. There the EP amended the original text in favour of the services of general interest significantly and removed all tendencies and intentions of the Commission to open the water supply market, too;
- On 14<sup>th</sup> November 2001 the draft regulation from the Commission for liberalizing public transport in Europe was rejected in the first session of the EP with a clear majority. The

EP adopted numerous amendments to the draft version and expressed its wish for an explicitly defined sector, where the specific obligations of the public services could be met according to a legal framework different from internal market regulations. This step forced the Commission to think over the topic and present a new draft regulation on 21<sup>st</sup> February 2002;

- Finally the services of general interest were discussed on the agenda of the European Summit in Laeken. There the European Council requested the Commission to provide a legal framework taking into account and providing more legal safety for the services of general interest.

#### **5.6.5 The European Court of Justice and the judgement of the advocate general in the Magdeburg-case**

An additional focus was put on the state of the arts by the question, whether subsidies for the compensation of costs that arise from the fulfilment of obligations concerning services of general interest infringe Community law, especially Art. 92 paragraph 1 of the Treaty.

Actually there is a pending case before the Court (reference for a preliminary ruling from the German Bundesverwaltungsgericht – case C-280/00 “Magdeburg”) concerning state aid payments in public transport. In his judgments from 19<sup>th</sup> March 2002 the advocate general recommends the Court to change his points of view in the “Ferring-case” (C-53/00) and subsume all state aid payments under the rules of Community law. The advocate general argues, that a strong and powerful control of state aids by the European Commission is the only safeguard for fair play within the internal market.

Whatever judgement the Court will pass the decision is vital for the future of the services of general interest in Europe. Even though nobody is probably able to see clear all the consequences in one way or the other at the moment.

#### **5.6.6 Situation in Austria**

Austria is a Member State with a long tradition in public services and its specific obligations. Here, public services have not been regarded as a trading good. Public services were only to maintain and guarantee the supply. The step by step approach to market openings in Europe has led to a radical change in many areas. Structures formerly designed to provide a good and sufficient services supply have all of a sudden become useless. Public enterprises face new challenges in the role of a (sometimes global) player within the market. Regional and local authorities increasingly find themselves in the position of ordering services rather than operating in the market themselves. This affords measures – and time – to restructure the field of traditional public services.

### 5.6.7 Are the convergence criteria through market openings out of reach?

An obstacle to a rapid change of structures is the question of personnel-costs and employment. This mainly affects “high salary” countries like Austria. Experts admit that successful restructuring examples show cost reductions of about 80% in the area of personnel and only about 20% by technical innovation, change of production modes or range of services. In addition many employees have got guaranteed working contracts with local or regional authorities and cannot be dismissed. This means an enormous financial burden for a public authority operator especially when he does not emerge as the best candidate from a tendering procedure (e.g. because a private operator is able to submit a cheaper call due to lower personnel costs). The public authorities have to pay large parts of its personnel even when it actually is not “employed”. It is hard to believe that market openings with the question of employment and personnel not solved will lead to stable budgets and the safeguard of the so called Maastricht-criteria.

Above all the process of liberalisation and outsourcing also means a loss of local democracy: politicians are “deprived” of their decision making competences and responsibility for economic development in the region. Economic autonomy is hereby diminished, citizens are cut off their political rights to influence the local economic situation. It is interesting to observe the gap between the individual citizen and the European institutions widen. How to bridge this gap and “sell” Europe to its people is already a challenge beyond the power of most politicians.

One of the reasons for the growing unrest against all sorts of liberalisation, market opening and outsourcing may be found in the fact, that the EU and its institutions shy every proof that the new system will turn out to be beneficial for all Europeans at the end of the day. And what, if the synergies hoped for will not set free the full potential of the single market and have a sustainable impact on the development of the European integration process? It seems that the discussion is slowly reaching its turning point and that help – surprisingly – will come from the European institutions themselves.

How one of the main problems – the question of personnel and employment – has been tackled insufficiently until this very moment, shows the following example: On 25<sup>th</sup> January 2002 the European Court (C-172/99) judged that a situation in which the operation of bus routes passes from one bus undertaking to another as a consequence of a tender procedure under Directive 92/50/EEC on public service contracts is to be regarded as a transfer of a business for purposes of Article 1 (1) of Directive 77/187/EEC. This is a small step into the right direction to safeguard employees’ rights in the event of transfers of undertakings. However, it does not solve the fundamental problem of how to proceed with a large working stock in such a case. Finally it makes a big difference to deal with the personnel problem of one single bus line or the liberalisation of all public transport modes in a metropolis like Paris, London, Berlin or Vienna. Until now the European institutions have neither presented any specific ideas of how to solve these problems, nor did they propose any training programmes for those employees that will probably not “survive” a wave of liberalisation. In a time of economic recession Europe will have to find specific answers to the main problems of the market rather than present general strategies for the best shareholder value.



### 5.6.8 Lobbying for equality in arms and social security

The success story of the European Integration is based primarily on close economic co-operation between the Member States in a common market with trade barriers widely removed. This process has strongly shaped the nature of the EU and is by no means finished nowadays. Control of competition and state aid rules are as important today as at the very beginning of the single market. The fundamental principles of the European Economic Community shall not be questioned here.

But it has to be stressed that other principles were added lately, as Europe moves further into the direction of a political Union. The process of integration has led to several overlaps between European competences and those of Member States. Actually we are facing political discussions that aim at listing up the individual competences on European and national level. The question of a competence catalogue for Europe is directly linked with the limits of the single market. As the internal market further develops, ever more competences are being indirectly transferred to the European level – this again leads to the question how communal undertakings are supposed to survive and at the same time fulfil their specific obligations in a fully harmonized market.

The exorbitant sums of (hostile or friendly) take overs of communal undertakings by global market giants like Vivendi, Connex, Stagecoach, EdF, RWE, E.On etc. in strategic vital fields of interest such as energy, drinking water supply or public transport make it hard to believe in the goals listed up in the internal market strategy of the European Commission instead of the maximising of big investor shareholder value. The sad example of British Rail should be a warning signal not to let whoever privatise wins and socialise losses.

The interests of the economy are massive. The public enterprises will have to learn quickly to plead for their interests on the European level with a strong voice and take on the fight for market indicators different from price and personnel only. This will allow them to compete under equal terms in public tender procedures. The current discussion about the future of public services of general interest provides a good opportunity to make these points clear. By the method of benchmarking it will be possible to define precise indicators and put them on display for all public services across the continent. International comparison will help to detect and document best practise examples and mistakes in the process of market openings. These data should put the European Commission into the position of deciding on a sound legal basis whether or not it is sensible to liberalise a public services sector.

### 5.6.9 Conclusions

The discussion about the future of public services of general interest in Europe is fully on. In principle we all wait for the call which way to follow: to rather copy the US model or to go an authentic European way. I believe that there is a lot to learn from the US, but to imitate the positions of the US in the world (e.g. WTO, Kyoto, social security and health-services) will hardly contribute to a sustainable development in Europe and the rest of the world.

Europe should have the courage and pursue its own way.

The services of general interest in Europe form an important pillar of the European society and should therefore not be given up heedlessly. Well aware of the great responsibility the European Commission and the European Court still hesitate to decide on these important matters. Public enterprises now have the chance to point out the positive aspects of their services, take clear positions in the current discussion and keep improving their competitive capacity.





## **Chapter 6    ACTIVITIES TO ASSIST LOCAL AUTHORITIES IN THE CANDIDATE COUNTRIES**





Simona Wolessa, Austrian Association of Cities and Towns - Brussels Office, Head

## 6.1 PROGRAMMES BY EUROPEAN ORGANISATIONS

### 6.1.1 Council of European Municipalities and Regions (CEMR)

#### 6.1.1.1 Activities of CEMR

Through its committees CEMR actively prepares local and regional authorities for the impact of enlargement. CEMR highlights the organised presence of CEMR in Central and Eastern Europe through the strengthening of their representative organisations, it encourages exchange of experience between local and regional authorities and defends the place of local government in the accession process.

#### 6.1.1.2 Programme LOGON (Local Governments Network of CEEC)

**Background:** created in 1997; during a first period until 2000, local authorities from the new Member States (A,SV, Fin) collected their accession experience to pass this information on to associations in the Candidate Countries; LOGON brings together national associations from all CC and from current EU Members States to meet several times per year in 2002 and 2003 to prepare these Associations for their role in the accession process. Leading partner: Austrian Association of Cities and Towns.

**Objectives:** to strengthen the umbrella-organisations of local authorities in the Candidate Countries; discussing experiences of Local Authorities in EU Member States (competence and duty of the local level), thus making the national organisations a worthy instrument to strengthen the local level in the Candidate Countries. The project is focusing on building structures for communication to support know-how exchange on the main issues of responsibility of local authorities.

The individual measures of the LOGON project are summarised in work packages according to themes:

- Expert studies, reports and guidelines for work;
- Conferences (lobbying, good governance, services of general interest); expert seminars (new public management);
- Study visits;
- Communication and documentation (internet platform and virtual meeting point);
- Project documentation and dispatch;
- Overall management – project management.

**Financing:** The project is predominantly financed by the Austrian Ministry of Foreign Affairs, Interreg, by the AACT, the Finnish and Swedish Local and Regional Associations. Accommodation and travel expenses are paid to some extent for participants from the Candidate Countries.

**Time frame:** from 2002 to the end of 2003

**Contact addresses:**

SecGen Erich Pramböck, Association of Austrian Cities and Towns

Tel: +43 1 4000 899 91, Fax: +43 1 4000 71 35

e-mail: post@stb.or.at

Thomas Prorok, KDZ - Center for Public Administration Research

Tel: +43 1 892 34 92 0, Fax: +43 1 892 34 92 20

e-mail: prorok@kdz.or.at

Internet: www.ceec-logon.net

## **6.1.2 Council of Europe**

### **6.1.2.1 Congress of Local and Regional Authorities in Europe (CLRAE)**

**Mission statement:** The CLRAE has no specific activities in view of the EU-enlargement, it concentrates on all members of the Council of Europe. The practical help of CLRAE for candidate countries is one programme called ENTO.

### **6.1.2.2 Programme E N T O – (European Network of Training Organisations for Local and Regional Authorities)**

**Background:** created in 1994 by the Council of Europe; ENTO is an NGO with observer status with CLARE. In pursuing its aim it seeks also to support the Council of Europe's and the European Union's work for better standards of public administration all over Europe. ENTO provides expert help and training for staff of local and regional authorities. It promotes co-operation between local and regional government training centres, linking national organisations with their counterparts in other countries.

**Activities:**

- Organising one or two seminars each year on topical issues for the management of local and regional authorities, focusing particularly on the implications for training and development services. Each seminar is hosted by an ENTO member and is held in a different European country.
- Publishing a newsletter with details of the network's activities, updates on the Council of Europe's and the European Union's work, information about members and their activities, articles of general interest, opportunities for members to publicise their activities and products and to request help or information from other members.
- Publishing a Directory that provides details of all member organisations including contact names, addresses, telephone/fax/e-mail numbers, description of the organisations, their objectives and activities.
- Facilitating partnerships among the members.

- Encouraging exchanges of the staff and elected representatives of local and regional authorities, trainees, teachers and students.
- Supporting members with setting up study tours to other countries by providing contacts and information.

**Financing:** Membership fees, sponsorships from some member organisations and financial support from the Council of Europe.

**Contact address:**

Mr Ulrich Bohner, Deputy Chief Executive of CLRAE  
 Tel: +33 3 88 41 22 48, Fax: +33 3 88 41 27 51  
 e-mail: ulrich.bohner@coe.int

Mme Linette TAESCH, secretary  
 e-mail: Linette.Taesch@coe.int  
 ENTO – Secretariat, Tel: +33 3 88 21 45 28, Fax: +33 3 88 21 45 29

### **6.1.3 Assembly of European Regions (AER)**

#### **6.1.3.1 Activities of AER**

AER will specifically:

- Operate as an efficient system for transfer of know-how and information to its members.
- Upgrade the AER Summer School and make more Western European regions participate in its future development.
- Extend and intensify the CENTURIO programme i.e. by ensuring the appropriate follow-up measures.
- Encourage all forms of partnership projects between regions from Eastern, Central and Western Europe and EU-Programmes.

#### **6.1.3.2 Programme C E N T U R I O**

**Background:** Created by the AER in 1994, CENTURIO aims at promoting exchanges of know-how and experiences in the field of regional democracy and administration between civil servants and elected representatives from European Regions.

**Activities:**

- a) Classic CENTURIO traineeships:  
 Organised by regional administrations for elected representatives and civil servants from Central and Eastern European Countries. The traineeships are generally carried out in two different Regions, for approximately 4 weeks each time, in order to enable the participants to diversify their experiences and broaden their mutual contacts.



- b) Twinned traineeships:  
Mutual exchanges (simultaneous or consecutive) between administrators and/or elected representatives from Regions of Western, Central and Eastern Europe.
- c) Traineeships organised in Regions of Central and Eastern Europe:  
Representatives of one (or several) of the Western regional administrations could be invited by the Regions of Central and Eastern Europe to offer placements "in the field" for the politicians and officers of these Regions; could be organised within the framework of a follow-up to the "Classic" CENTURIO traineeship and could also involve former CENTURIO co-ordinators and trainees.
- d) CENTURIO Forum:  
Guests and hosts are invited to exchange their experience and to assess the outcome of the Centurio traineeship once a year. It also aims at launching new partnerships. Next Forum: 25<sup>th</sup> October 2002 in Vienna

**Financing:** Each traineeship is entirely financed by the participating Regions: the trainees pay for their own travel, and the co-ordinators cover the accommodation and daily expenses of the trainees.

**Time frame:** annual

**Contact address:**

Ms Laura de Rose, Programme Head  
e-mail: [lderos@are-regions-europe.org](mailto:lderos@are-regions-europe.org)

Ms Agnès Ciccarone, Assistant  
e-mail: [a.ciccarone@are-regions-europe.org](mailto:a.ciccarone@are-regions-europe.org)

Tel: +33 3 88 22 07 07, Fax: + 33 3 88 75 67 19  
Internet: <http://www.are-regions-europe.org>

#### **6.1.4 European Commission**

**Programme:** TAIEX (Technical Assistance Information Exchange Office)

**Background:** set up in January 1996 to provide the CEEC with technical assistance on approximation of legislation. The service "assistance to the sub-national level" was launched in 1997 to inform and prepare administration at sub-national level and local authorities of the Candidate Countries for their rights and obligations with respect to effective enforcement of transposed EC legislation.

TAIEX is a Commission Office supported by a PHARE multi-country programme and is part of the Directorate-General Enlargement of the European Commission. Its services are complementary to the services already offered by other relevant PHARE programmes.

Whereas in the past TAIEX assistance was limited to legislation related to the Single Market, its mandate has been extended in Agenda 2000 to cover all of EU legislation (the entire *Acquis Communautaire*) and to also provide assistance to all levels of government. It is now also available to Cyprus.

**Activities:** TAIEX aims at improving knowledge of the implications of EC legislation at sub-national level and supporting effective transposition of EC legislative measures in specific sectors at regional and local level (environment, public procurement, state aids, consumer protection, social issues, transport, etc.) in the form of expert missions, seminars, workshops and study visits. It also provides database tools to the Candidate Countries for facilitating and monitoring the approximation progress as well as to identify technical assistance needs.

TAIEX however, does NOT cover other subjects such as cross-border co-operation, regional policy and regional development, access to structural funds and programming.

**Services:** Expertise is provided from officials of the European Commission, but mostly from officials of central, regional and local authorities of EU Member States in charge of enforcing Community legislation.

Multi-country workshops in Brussels and the Candidate Countries; Short-term expert mobilisation; Study visits to the European Commission and to Member States; Situation reports and assessment analysis studies may also be produced. Additional services: external working groups in the Candidate Countries; Assistance for Private Sector Associations, in the field of Agriculture, for Parliaments and Legislative Councils, for the Finance Sector, in the field of Justice and Home Affairs, in the field of interpretation and translation.

This assistance is provided in an integrated way. Where possible, assistance activities are organised in sequences following or complementing each other in subject, target group, or approach. This implies that requests for assistance will need to be incorporated into this general scheme.

**Target groups at sub-national level:** Civil servants of decentralised departments of central administration, civil servants of local and regional authorities in charge of enforcing and implementing legislation at sub-national level. Additional target groups: administrators from the governmental and non-governmental public administrations, civil servants working in Parliaments and Legislative Councils; professional and commercial associations representing social partners, representatives of trade unions and employers' associations; judges and lawyers; interpreters, revisers and translators of legislative texts.

**Application:** It is recommended to co-ordinate the request with a central body in the Candidate Countries, such as the Ministry or Central Office in charge of regional issues, public administration or European Integration, or the Ministry competent in the specific area included in the request, training institutions such as Institutes of Public Administration, and other bodies and associations representing regional and local authorities.

**Financing:** The services are funded out of a PHARE multi-country programme at the disposal of the TAIEX office, they are in principle free of charge for the beneficiaries in the Associated Countries. Costs for the organisation of workshops, study visits, mobilisation of Member States experts and other TAIEX services are met according to pre-defined rules and rates following the general instructions for the administration of the PHARE programme. If clients come from the Member States and act as speakers, they will receive a DSA (daily subsistence allowance) and an FAA (fixed additional allowance). In general TAIEX only pays a DSA which also representatives from the candidate countries receive. Interpretation is only paid if TAIEX organises a seminar.

**Contact address:**

Adam Aldridge  
80, av de Cortenberg, 1049 Brussels/ Belgium  
Tel: +32 2 299 19 35, Fax: +32 2 296 68 40  
e-mail: Adam.ALDRIDGE@cec.eu.int  
Internet: <http://cadmos.carlbro.be>

### 6.1.5 Committee of the Regions (CoR)

**Background:** There is a poor understanding of the role local and regional governments have to play in the enlargement process. Even within the EU institutions there has not always been enough emphasis given to the fact that firm local and regional foundations are the key to successful enlargement. The EU's work is greatly enhanced by efficient and largely autonomous municipalities and regions. The ongoing negotiations place far too little emphasis on this fact. It is therefore important to draw to the attention of the governments and parliaments of the Candidate Countries to the need for strong local and regional government as a major factor in successful EU membership.

**Mission statement:**

- Giving information on the local and regional consequences of EU-membership;
- Providing representatives of the candidate country local and regional authorities with the opportunity to experience the CoR's work prior to membership;
- Focusing on the necessity of an immediate application of the principle of subsidiarity even during the pre-accession period.

**CoR COMMITTEES:**

- a) External relations (RELEX) (replaces former CoR-EU Applicant States Liaison Group):  
The committee deals with enlargement and related issues. Other CoR committees will continue to deal with enlargement questions related to their own areas. The CoR wants to ensure that the interests of local and regional authorities in the Candidate Countries are taken into account in the work of other EU institutions.

**Work programme:** various reports and CoR initiative reports under the title "relations to the Candidate Countries regions and local authorities" are planned for 2002.

- b) **Joint Consultative Committees (JCC):** JCC are legal bodies that act as the consultative body for the Association Council (AC). AC comprise the EU and the Heads of State for the Applicant Countries. The JCC can submit recommendations to the AC of the applicant state concerned. It is therefore an important mechanism for ensuring that the voice of local/regional government is fed directly into the accession process. Similar committees of the AC have already been established at the parliamentary level and also to represent the social partners. The EU representatives in each respective case are the EP and the ESC.

This most recent initiative to aid the process of enlargement at the local and regional levels of the applicant countries is an important opportunity for the direct dialogue for local and regional governments of EU and Candidate Countries. Close attention is being paid to the composition and organisation of the committees, and to the need of secretarial support. The Council has pronounced its decision in favour of establishing a joint committee with Poland, the Czech Republic and Cyprus. Joint committees with Bulgaria, Slovenia and Slovakia are planned.

**Activities:** Series of conferences in Candidate Countries. Each conference is followed by ongoing relations between local and regional representatives in the Member States and in the applicant country hosting the conference.

At the conferences, 4 pillars are discussed: Local and regional authorities on the eve of EU enlargement – status report, EU- enlargement and the ramifications for the country's local and regional authorities, Preparing the local and regional authorities for accession, The ramifications of community membership for the local and regional authorities.

**Financing:** A certain amount of the CoR budget (for elected participants from Member States and Candidate Countries accommodation and travelling expenses are paid; CoR tries to share most of the costs of the hosting region/city when organising a meeting).

**Contact address:**

Mr. Thierry Castillon, Committee of the Regions  
Tel: +32 2 282 22 03, Fax: +32 2 282 23 21  
e-mail: [thierry.castillon@cor.eu.int](mailto:thierry.castillon@cor.eu.int)

**RELEX Committee:**

Olga Baus, secretary  
e-mail: [Olga.bausgibert@cor.eu.int](mailto:Olga.bausgibert@cor.eu.int)

### 6.1.6 The European Investment Bank (EIB)

**Background:** The European Investment Bank is the European Union's lending institution. It was created by the Treaty of Rome and its shareholders are the fifteen Member States of the European Union. The Bank is financially independent. The EIB is the world's largest multilateral lending institution. The EIB has a first class rating which enables it to raise funds at keen

terms on the capital markets. It provides medium and long-terms loans for projects meeting Community policy objectives.

EIB financing in Central and Eastern Europe takes place within the framework of European Union support for the countries in the region.

**Activities:** The Bank finances viable public and private sector projects in infrastructure, industry, agro-industry, energy, tourism and services of benefit to the productive sector. It supports infrastructure projects with special emphasis on Trans-European Networks (TENs), e.g. energy, telecommunications and transport, as well as environmental investments.

Investment projects in social infrastructure such as health, general education and welfare are eligible for EIB finance since the Amsterdam Summit (1997).

Small and medium-sized projects with a total investment cost not exceeding Euro 25 million are financed through intermediary financial institutions under the EIB's global loans scheme.

**The role of Municipalities:** Several of the public sector projects eligible for EIB financing are promoted by municipalities. Typical examples of municipal projects are environmental projects in water and wastewater, municipal transport and other urban investments aiming at improvements of quality of life. For various reasons, incl. budgetary discipline, the central authorities are often unprepared to guarantee municipal borrowings. In so far it is of high importance to the Bank's work in the region to contribute to the development of a municipal borrowing capability similar to the one of municipalities within the Union. This can only be achieved and justified on the grounds of a supportive framework providing sufficient safety and comfort to the future municipal creditors in each of the countries concerned. The Bank is committed to the broadening of municipal borrowing capacity in the accession countries of Central and Eastern Europe and has already commenced with various initiatives in the accession countries. (see the Bank's accession strategy "review of current and future lending policy")

**Financing:** The EIB is a complementary source of funds and, within the framework of an appropriate financing plan, can provide up to 50 % of the cost of a project. The Bank's financing activities are, therefore, always undertaken in conjunction with the promoter's own resources and other sources of long-term finance.

**Contact address:**

EIB Headquarters

100, boulevard Konrad Adenauer, L-2950 Luxembourg

Tel: +352 4379 1, Fax: +352 4377 04

Max Messner, Press and Information Officer for Central and Eastern European Countries

Tel: +352 4379 3150, Fax: +352 4379 3189

e-mail: M.messner@eib.org

Internet: <http://www.eib.org>

### 6.1.7 Italian Chamber of Commerce

#### Central European Chambers of Commerce Initiative (CECCI)

**Background:** Established in 1995, the European Commission recognises CECCI as an important instrument to increase co-operation among central Eastern European countries, in order to guarantee stability and to avoid the emergence of new dividing lines in Europe. CECCI includes 16 countries, among them Bulgaria, Czech Republic, Hungary, Poland, Slovakia, Slovenia, Romania, Austria and Italy.

**Purpose:** This collaboration has allowed know-how transfer and the benchmarking of many important Chamber activities, such as quality services, legal status, economic and legislative information, regarding SME in particular.

#### Activities:

- The Chambers of Commerce focus their attention on the business policies, giving priority to the information economic and training activities. Two working groups were created: the Economic Information Group and the Managerial and Entrepreneurial Training Group. Each Chamber is represented in the working groups by its own delegate. The aim of the working groups is to suggest projects and to find financial support for them, especially from International Organisations (like the European Bank for Reconstruction and Development or the European Union).
- The fourth CEI Economic Forum was held in Trieste in November 2001.

#### Programmes:

- "Training programme": financed through PHARE with the aim of improving the integration and the co-operation between Western and Eastern Chambers participating in the project.
- "Training the Trainers" programme: specific focus on the creation and support of Small and Medium Sized Enterprises (SME); project has been financed by the Italian Ministry of Foreign Affairs and by the Federal Economic Chamber of Austria.
- Central European Economic Network: financed by the Italian Ministry of Foreign Affairs with the aim to promote and develop business opportunities among the members of CECCI. The Network is divided into two sections; the Documentary System and the Supply Demand System.

#### Events concerning local authorities:

- Second CEI Economic Forum in Prague: CECCI confirmed
  - to develop their role of mediators between the public administration and the enterprises;
  - to reinforce their representation in local Government and Economies;
  - to promote networking for the implementation of the Governmental strategies. The principal objective, among others is to simplify the administrative and regulatory business environment and improve SMEs.

- Third CEI Economic Forum in Budapest: The presidents confirmed that cooperation across regional borders has many economic benefits to offer to the regions and companies concerned, and that many administrative restrictions are gradually eliminated and measures promoting cooperation are welcome.

**Contact address:**

Marco Lopriore

e-mail: marco.lopriore@unioncamere.be

Carlo Spagnoli

e-mail: carlo.spagnoli@unioncamere.it

UNIONCAMERE

22, rue de l'Industrie, B-1040 Brussels

Tel: +32 2 512 22 40, Fax: +32 2 512 49 11

## 6.2 PROGRAMMES WITH SEVERAL ORGANISATIONS INVOLVED

### 6.2.1 LOGIN (Local Government Information Network); established in 1998

**Organizations involved in this programme:** Council of Europe, Open Society Institute, World Bank, United States Agency for International Development (USAID), United Nations Development Programme (UNDP).

**Background:** LOGIN was set up to implement the programme “development of an on-line information dissemination tool with the aim of building policy making capacity at the level of local government decision makers”. It was founded to improve the capacity and professionalism of local government and community development actors through the exchange of information and experience in East Central Europe and countries of the former Soviet Union. It serves as a clearinghouse for information and activities relevant to local government officials, in support of their professional development and the reform of local public administration. As of April 2002 LOGIN is present in the Czech Republic, Poland, Hungary, Latvia, Lithuania, Bulgaria, Russia, the Ukraine and the Slovak Republic. The aim of the project is to include all CEE countries in the network.

**Activities:** LOGIN provides up-to-date, practical, user friendly information on legal and administrative structures, local finances and financial management, politics and political culture, minority issues local government service provision, privatisation, outsourcing, co-operation with civil organisations, institutional development, education, transportation and more. The LOGIN on-line library contains 3.034 full text downloadable documents (28.04.02) on nine languages and continues to grow.

**Organisation:** On the regional level a Regional Co-ordinator is located at the Open Society Institute in Budapest. On the country level organisation selected as National Anchors are

responsible for information needs assessment, information collection, processing and dissemination as well as working with the Regional Co-ordinator on other LOGIN related tasks such as marketing the system.

**Financing:** The main donors for LOGIN are its founding agencies: the Council of Europe, Open Society Institute Local Government Initiative, World Bank and USAID. As the project developed other founders joined in such as UNDP, the Danish Ministry of Interior, the Czech Government and the Information Program of the Open Society Institute. Donors provide funding for national partner institutions and cover the cost of maintaining the regional office.

**Contact address:**

Kristof Zoltan Varga, Project Manager  
LOGIN – Budapest 1397 Pf. 519; Hungary  
Tel: +36 1 327 3100 or 2420, Fax: +36 1 235 6180  
e-mail: kzvarga@osi.hu  
Internet: www.logincee.org

## 6.2.2 FDI (The Fiscal Decentralisation Initiative for Central and Eastern Europe)

**Organizations involved in this programme:** Council of Europe, Organisation for Economic Co-operation and Development (OECD), United States Agency for International Development (USAID), World Bank, Open Society Institute, the Danish Ministry of the Interior, the Italian Ministry of Foreign Affairs, the Canadian International Development Agency and the United Nations Development Programme.

**Background:** FDI was founded as a response to the need of economies in transition to deal effectively with the formulation of decentralisation policies at every level of government, especially the local level. FDI uses grant funds to support activities identified and carried out by Central and Eastern European institutions and experts. The programme is driven by the needs of local governments and other institutions directly related to the process of decentralisation.

**Target groups:** Local governments (municipalities, city councils, etc.), institutions working in areas of action-oriented research, training, and policy analysis related to local government, regional and national associations of local authorities, Non-Governmental Organisations active in concerns related to municipal and community development, central government ministries or agencies involved in the development of local government and independent researchers.

**Activities:**

- conferences, seminars and policy studies that build on operational action oriented research into fiscal decentralization policy topics related to local governance, assignment of expenditure functions, sub-national finance, inter-governmental fiscal transfers, local government borrowing and debt, local government-owned enterprises, and local government financial management.



- technical assistance to analyze and search for solutions to specific problems affecting local governments; institutional strengthening studies and action plans; facilitating access to global experience on specific themes; preparing comparative case studies; and facilitating communication efforts and exchanges of practical experience and best practices within Central and Eastern Europe.
- limited number of grants aimed at building capacity of local governments in municipal development issues such as expenditure and revenue management, local governments and financial markets, local economic development, municipal accounting, economic base analysis, privatization of state-owned enterprises, infrastructure provision, and management and financing.
- support to municipalities and the associations of local governments and encourages efforts to improve local service delivery; exchanges and workshops to strengthen municipal associations in their capacity to relate to central government institutions on fiscal decentralization issues.

**Contact addresses:**

Ondrej Simek, FDI Secretariat  
PO Box 519, 1397 Budapest  
Tel: +36 1 327 3862 or 2402, Fax: +36 1 327 3105  
e-mail: osimek@osi.hu  
Internet: <http://lgi.osi.hu/fdi>

Alessandro Mancini, Council of Europe  
Tel: +33 388 41 22 65, Fax: +33 388 41 27 84  
e-mail: Alessandro.Mancini@coe.int

Leif Jensen, OECD – Paris  
Tel: +33 1 45 24 94 90, Fax: +33 1 45 24 18 84  
e-mail: leif.jensen@OECD.org

Robert Ebel, World Bank, Washington, DC  
Tel: +1 202 473 41 50, Fax: +1 202 676 98 10  
e-mail: Rebel@worldbank.org

Tony Verheijen, United Nations Development Program  
Tel: + 421 2 59337 435, Fax: + 421 2 59337 450  
e-mail: tony.verheijen@undp.org

### 6.2.3 The World Bank and others

**Background:** To better serve Central and Eastern European countries the World Bank strengthened its cooperation with the European Commission and other international institutions involved in that region. A Memorandum of Understanding (MoU) was signed between the

World Bank, the European Commission and the European Bank for Reconstruction and Development in April 1998. The European Investment Bank also agreed to closely collaborate with the MoU signatories, when appropriate. The MoU was later signed by the International Finance Corporation, the Nordic Investment Bank and the Nordic Environment Finance Corporation.

In May 2000, the World Bank also signed a similar MoU with the Council of Europe Development Bank, to increase cooperation in selected EU candidate countries. In March 2000, this MoU, originally covering the Phare financial instrument on the EC side, was extended to ISPA and SAPARD.

**Strategy:** The World Bank's country assistance strategy for the EU candidate countries supports the EU accession agenda. It also focuses on overall economic development, growth and poverty reduction in these countries. The Bank is assisting the countries through lending operations directed at helping candidates meet EU accession related infrastructure needs, as well as implement the "acquis communautaire". The Bank is also supporting projects and activities which are not explicitly covered by the acquis (education, health, social development and protection, public administration and good governance, and knowledge economy).

The World Bank is also assisting through analysis and dissemination, including country economic studies, focusing on accession (emphasizing the coherence and proper sequence of reforms and managing the fiscal costs of meeting EU requirements), and through cross-country programmes to derive lessons for all acceding countries, including through the establishment of appropriate networks among candidate and EU member countries. The general direction and content of the Bank's programmes is spelled out in the individual country assistance strategies (CAS) which are discussed with both Bank member governments as well as civil society representatives.

**Contribution to the Enlargement Process:** The Candidate Countries have been members of the World Bank for a number of years and have received important lending and non-lending support. They have asked the World Bank to focus its support on their efforts to become EU members. The European Commission consults closely with the World Bank, the International Monetary Fund (IMF), OECD and other European financial institutions during the preparation of its economic chapter of the annual "Regular Reports" which assess the Candidate Countries' progress in meeting the EU membership requirements.

Individual country support is spelled out in the respective Country Assistance Strategies. In addition, country-specific work on EU accession is complemented by the World Bank through cross-country analysis to: (i) study in greater depth important issues that can only be touched upon through a cross country analysis, (ii) derive general policy lessons that can be useful to all accession countries, and (iii) identify areas in the integration/accession strategies where close coordination among accession countries may be beneficial. This cross country work focuses, among other, on two areas: (i) ensuring that the EU accession countries will be able to compete in the EU single market, and (ii) implement EU regulations in the most efficient way. Work in the first area covers trade, labor markets, regional development, and investment

and macro financial policies. In the second area, the focus is on institutional strengthening and administrative reforms.

**Programmes:** The World Bank conducts direct and indirect partnership activities with the European Commission and various bi- and multilateral agencies and institutions in the European Union and EU candidate countries:

- a) European Commission, EBRD, NIB, NEIC, CoEDB;
- b) Open Society Institute: EU Accession Monitoring Program;
- c) Bertelsmann Foundation: Towards EU Integration & Cities of Change Programmes.

#### 6.2.3.1 Partnership with the European Commission (EC)

The EU enlargement cooperation takes the form of a Memorandum of Understanding (MoU). The MoU includes a so-called "higher level" meeting – at the Vice-President level – once a year and more frequent working group meetings – where the Bank is presented by its senior partnership advisor, who is based in Budapest. These high level meetings have the aim to coordinate respective assistance strategies, both as regards lending as well as analytical reviews and support. The programme has an "exit strategy" in the sense that Bank assistance to these countries will cease once the countries have become EU member countries. Starting in mid-2001, the cooperation gives special emphasis to the issue of "Knowledge Economy" (KE), with the Bank and the EC, in close cooperation with EIB, EBRD and OECD, assisting EU candidate countries to launch national KE strategies.

#### 6.2.3.2 Partnership with the Open Society Institute (OSI)

The Open Society Institute EU Accession Monitoring Programme monitors compliance with aspects of the Copenhagen political criteria for accession. Reflecting the interests of the Soros foundation network, monitoring focuses on minority rights, judicial independence, corruption and equal opportunities for women and men.

The goals of monitoring are the following:

- To promote public awareness of the EU accession process;
- To help ensure that the EU's annual evaluations of compliance with the Copenhagen political criteria in candidate states are made clearly and consistently, on the basis of accurate and comprehensive information supplied by independent, non-governmental monitors;
- To evaluate and promote transparency in EU assistance to the candidate states, and thereby to identify possible areas in which OSI and other funders may help the relevant governments and the EU promote compliance with the Copenhagen political criteria;
- To support ongoing monitoring of human rights and rule of law issues by civil society throughout the European Union.

### 6.2.3.3 Partnership with the Bertelsmann Foundation

The Programme “**Cities of Change**” is based on a Memorandum of Understanding signed in 1998 by Germany’s Bertelsmann Foundation. It is intended as a vehicle to build close relations among 10 reform minded secondary cities in Central Europe all of which have been deeply affected by both their countries’ economic reform programmes and by the prospective accession to the European Union. The purpose of the network is to assist local authorities in building local institutions ready to meet the challenges of a decentralized market economy within a wider regional and global context. The cross country networking ensures that experiences are being shared widely and that learning takes place across national boundaries among both technical staff and political leadership. The whole programme of learning is based on a strategic management approach to local government and the encouragement of stakeholder involvement. The present members of the Network comprise Smolyan and Pazardjik in Bulgaria, Gyor and Tatabanya in Hungary, Liepaja and Rezekne in Latvia, Poznan and Ostrow- Wielkoploski in Poland and Poprad and Kosice in Slovakia.

The network operates in two cluster groups of 5 cities of 5 different countries each. The cluster themes address key development challenges in environmental management, especially solid waste, and in enhancing local economic development. There is a plenary session for all network members once a year, preceded by 4 cluster meetings, two per cluster theme. The MoU envisages a 5 year program, divided in two segments, of which the first pilot phase is planned to be completed in 2002.

The Programme “**Towards EU Integration**” is based on a Memorandum of Understanding (MoU) concluded in 1997 with Germany’s Bertelsmann Foundation. It is intended as a vehicle to listen to and disseminate voices from civil society in EU candidate countries on matters of concern and interest in the context of the EU enlargement debate. Network events take place about three times a year and focus on demand driven topics. The network’s proceedings are published in November 2001, it was decided to extend the network and open it to research institutes and think tanks from the countries in the Western Balkans which have been offered an “EU integration perspective” and thus, want to share knowledge and experience with their peers from EU candidate countries.

**Contact address:**

Rachel Taylor, The World Bank – Brussels Office  
10, rue Montoyer, Brussels  
Tel: +32 2 552 00 52, Fax: +32 2 552 0025  
e-mail: [rtaylor@worldbank.org](mailto:rtaylor@worldbank.org)  
Internet: <http://www.worldbank.org>

Vivien Gyuris, Regional Office Hungary  
Bajcsy-Zsilinsky 42-46 H-1054 Budapest  
Tel: +36 1 374 95 73, Fax: +36 1 375 9510  
e-mail: [Vgyuris@worldbank.org](mailto:Vgyuris@worldbank.org)

#### 6.2.4 Canadian Urban Institute (CUI) and World Bank's Sub National Development Programme (SNDP)

**Background:** SNDP is an attempt to further develop the piloting concept of technical assistance to a more comprehensive and consistent type of technical assistance. The mission of the programme is to design a strategy for the central government to implement which is also supported and accepted by local government. LGI's (Open Society Local Government Initiative) analyses and findings are used for SNDP project implementers.

CUI is engaged in developing a programme to increase the independence of the municipal level in Hungary. To accomplish this objective, the programme will engage in research (in specific municipalities), in stakeholder co-ordination and in capacity building.

**Activities:** Service delivery, Property taxation, Municipal Credit Worthiness

**Contact address:**

Canadian Urban Institute

Karie Mark, Regional director

Tel: +36 1 217 9041/103, Fax: +36 1 216 3001

e-mail: kmark@mri.hu

#### 6.2.5 Joint Vienna Institute (JVI)

**Organizations involved in this programme:** Bank for International Settlement, European Bank for Reconstruction and Development, International Bank for Reconstruction and Development, International Monetary Fund, Organisation for Economic Co-operation and Development and World Trade Organisation.

**Background:** The JVI was established in 1992 to provide high-quality, practical training to public sector officials and private sector managers from the transition countries. The JVI is a co-operative venture of its sponsoring organisations. The European Commission has also played an important role and has financed, through its TACIS programme, the delivery of Introductory Courses in JVI Centres. Generous financial support and co-operation is being received from the Austrian authorities, as well as from a number of donor countries (Belgium, the Netherlands, Norway, Switzerland).

**Activities:** Training is provided through an extensive programme of seminars focusing on special issues and through a longer, policy oriented course covering issues that arise in different fields of economic policy. The sponsoring organisations provide staff, financial resources and their expertise.

#### Courses and seminars:

- Macroeconomic Management;
- Financial Systems;
- Trade Policy and International Trade Regimes;
- European Aspects;
- Social Policy;
- Corporate Governance and Private Sector Development;
- Managing Transition;
- Banking Supervision;
- Changing Role of Government in Economic Reforms;
- EU/EMU – one year experience;
- Expenditure Policy and Social Safety Nets;
- General Data Dissemination System;
- Pension Policy and Pension Reform;
- Public Expenditure and Treasury, etc.

#### Contact address:

Pamela Bradley, Director of JVI  
 Erdbergstraße 186-190, A-1030 Vienna  
 Tel: +43 1 798 9495, Fax: +43 1 798 0525  
 e-mail: [jvi.jvi@mail.cybertron.at](mailto:jvi.jvi@mail.cybertron.at)  
 Internet: <http://www.jvi.org>

## 6.3 COUNTRY REPORTS

Chapter 6.3 is based on a survey. Associations from the Candidate Countries which didn't participate in the survey are mentioned with contact persons.

### 6.3.1 AUSTRIA – Austrian Association of Cities and Towns

See LOGON

### 6.3.2 BULGARIA – National Association of Municipalities and Regions of Bulgaria

Information available from:  
 Monika Romenska  
 National Association of Municipalities and Regions of Bulgaria  
 16-20 Alabin Street, 1000 Sofia  
 Tel: +359 2 9800 304, Fax: +359 2 9800 313  
 e-mail: [m.romenska@namrb.org](mailto:m.romenska@namrb.org)

### 6.3.3 CYPRUS – Union of Cyprus Municipalities

Information available from:

Athos Germanos, PO Box 22033, 1516 Nicosia

Tel: +357 2 2669 150, Fax: +357 2 2677 230

e-mail: endeky@cytanet.com.cy

### 6.3.4 CZECH REPUBLIC – Union of Towns and Communities of the Czech Republic (UTC-CR)

#### 6.3.4.1 European Project – Enhancement of Active Participation of the Local Level at the European Union Accession Process

**Background:** The project began in March 2001 upon agreement of four CEEC associations of local governments with support of Local Government Initiative (LGI), Open Society Institute (OSI). EU associations of Finland, Sweden and the Netherlands are also involved as advisors.

**Project Partners:** Local Government associations of Hungary, Poland, Slovak Republic and the Czech Republic, Local Government Initiative (LGI), Open Society Institute (OSI) and Association of Finnish Local and Regional Authorities, Swedish Association of Local Authorities (SALA) and the Netherlands Association VNG.

#### Objectives:

- increase the intensity of networking among the CEE associations;
- exchanging experience with peer associations of sub-national authorities in EU accession countries, and EU member countries;
- assist the CEE national associations of local authorities with their policy making process for EU accession;
- streamline the activities of the CEE associations with the political agenda of the European Union.

#### Activities:

- four working group established – Employment, Law Harmonization, Regionalism, Information Society;
- preparation of 8 studies in 4 subject matters;
- preparation of position papers;
- participation at CEMR committee meetings, meetings of CoR dissemination of information about the finding among members of the associations, to the national governments and to the European Union.

**Time Frame:** since March 2001 until December 2002.

**Financing:** Local Government Initiative (LGI), Open Society Institute (OSI).

**Contact Address:**

Ms. Gabriela Hermannova  
Department of Foreign Affairs  
Union of Towns and Communities of the Czech Republic

**6.3.4.2 MATRA II Project – Quality Enhancement of Regional and Local Elected Councillors in the Czech Republic**

**Background:** The estimated number of councillors elected in local elections in the Czech Republic is about 74.000 every forth year. Most of the councillors stem from very small municipalities (80% of total number of almost 6.200 municipalities in the Czech Republic has less than 1.000 inhabitants, with statistical peak of the latter much nearer to 100 than to 1.000 ones). Especially for this group of elected representatives in local and regional government, training and education opportunities are lacking. However, the complexity of local administration and the new challenges of a completely new tier of government at the regional level make it necessary to offer them attractive and professional training and education products in order to cope with the current challenges in Czech society. One of the project goals is to fill the gap.

**Contractor:** Association of the Netherlands Municipalities (VNG)

**Project Partners:** VNG, UTC CR, Association of Hetmen CR, Ministry of the Interior of the Netherlands, Czech Ministry of the Interior, Czech Ministry of Regional Development, FALA, Czech Television, Platform Habitat NL.

**Project Summary:** The main objective of the project is to enhance the quality of the elected representatives of local and regional government in the Czech Republic. This will be done by the production of a handbook, targeted at the (newly) elected local representatives in the Czech Republic, combined with two series of television programs and by the building up of structural training capacity to address the information and training needs of elected councillors.

A side objective of the project is to improve the working relations between the Ministries of the Interior and the associations of municipalities and regions in the Czech Republic and The Netherlands as a contribution to the process of modernisation of public administration in the Czech Republic.

**Target Group:** All (newly) elected local representatives, the associations of municipalities and regions, the training foundation for local administration and the Ministry of the Interior in the Czech Republic.

**Duration:** 30 months (July 2001 – December 2003)

**Total Project Budget:** NLG 1.995.617,—. Most of it goes from the Dutch Ministry of Foreign Affairs (Matra).



**Contact Address:**

Mr. Jaromir Jech, Executive Vice-chairman of the UTC CR for Inner Affairs and Legislation

**6.3.4.3 Local Government Support Program – Central Europe (LGSP-CE)**

**Background:** Twinning contacts between Federation of Canadian Municipalities (FCM) and the UTC CR were established in the second half of nineties last century. There was also some involvement of FCM and/or other Canadian Authorities (e.g., Canadian Urban Institute – CUI, Canadian branch of International Centre for Sustainable Cities – ICSC, or Canadian International Development Agency – CIDA) in the other Central European countries. After decision of Canadian Government, to support only multilateral international projects, the LGSP – CE for four Central European (CE) countries has been started in December 2001.

**Project Partners:** Local associations, governments and municipalities representatives of four Central European countries, CUI, FCM, ICSC, CIDA.

**Project Objectives:** Increase the effectiveness of sub-national reforms by developing the capabilities of local governments and their associations in the Czech Republic, Hungary, Poland and the Slovak Republic. Reinforce municipal commitments to urban sustainability through the planning and design of practical demonstration projects. Synchronize and expedite accession to the EU of the four CE participating countries.

**Activities:**

- **Activity 100: Capacity Building of Municipal Associations**  
Focusing on their role in disseminating information to municipalities and in acting as a spokesperson on behalf of municipal interests.
- **Activity 200: Capacity Building of Municipalities**  
Strengthening the capacity of two of municipalities in each of the four countries so that they can better prioritise their needs based on democratic processes and to prepare sound proposals to funding agencies based on these needs.
- **Activity 300: Design and Preparation of Demonstration Projects**  
Will focus on identifying priority projects, evaluating these projects and preparing project work plans and budgets.
- **Activity 400: Communication and Dissemination**  
Sharing lessons learned and maximize the exposure and impact of the project's activities to municipalities, associations, universities and other interested organizations.
- **Activity 500: Project Management**  
Establishing systems and processes to effectively manage and evaluate the performance of various project components. Establishing and maintaining project management and financial management systems, as well as performance measurement systems, to ensure the program is responsive to changing needs and is achieving results.

**Duration:** 30 months

**Financing:** CIDA (about 2,5 mil. CAD), unspecified support (e.g. parts of travel expenses) by participating associations and municipalities.

**Contact Address:**

Dr. Vaclav Cerny, Ph.D., UTC Executive Vice-chairman for Foreign Affairs

#### 6.3.4.4 LOGIN – Local Government Information Network

**Background:** The idea standing behind LOGIN project was to offer local government associations from European post communist countries tool for sharing experience on their way to democracy and finally to accession EU. The project began in 1999 and was designed to promote professional development of local government officials and employees and to strengthen the capabilities of organizations that support public administration at the local level. Its main objective is to facilitate the exchange of information through the Internet in addition to traditional methods including workshops, publications, conferences and training. Login Internet component provides summaries and full text documents useful for local government officials in Central and Eastern Europe and is feature of all partners existing Web site.

**Project partners:** Associations of local authorities, NGOs, Universities and private companies able to provide information of interest to local authorities. LOGIN has been carried on in all four CE countries, Baltic republics, Bulgaria, and Ukraine.

**Objectives:**

- To provide information to decision-makers at the local level through the exchange of knowledge and experience on both national and international bases;
- To share information, develop networks, improve the services that are provided to municipalities on both national and international bases;
- To develop ability to find solutions to local problems without seeing central government funding as the only option.

**Target Group:** Local government authorities, civil servants of local, regional and governmental bodies.

**Sponsors:** Leading international organizations that work in the area of local democracy and in public administration, provide information on fiscal decentralization, good governance and economic development. They include: USAID, Council of Europe, OSI, UNDP, World Bank.

**Duration:** not limited

**Financing:** UTC CR budget for 2001-2003 period of total approx. USD 65.000.

**Contact address:**

Dr. Vaclav Cerny, Ph.D., Executive Vice-chairman of the UTC CR for Foreign Affairs

**6.3.4.5 Partnership with Standing Conference of Towns and Municipalities of Yugoslavia (SCTMY)**

**Background:** After political changes in the Federal Republic of Yugoslavia, the UTC CR was contacted by representatives of the SCTMY with the aim to renew old traditional and friendly relations between Czechs and Serbian. This was accepted by decision of the UTC CR Executive Council. A visit of SCTMY representatives to Prague for discussion about forms and content of co-operation followed up, resulting in Work Plan for the first year of co-operation.

**Project Partners:** The UTC CR and SCTMY, municipalities' representatives of both states.

**Objectives:**

- Promoting Co-operation of the two countries
  - a) through twinning of both the Municipalities and the Local Associations;
  - b) by mutual visits of experts and youth representatives of both countries.
- Exchange of information
  - a) using www-pages (SMOCR-LOGIN) for publishing documents of mutual interest (municipal laws, case studies, etc.);
  - b) using Network of National Associations of Local Authorities (NALAs) of South Eastern Europe (SEE).
- Supporting development of Local Self-government and municipal public services in Yugoslavia, especially through:
  - a) Exchange of experience concerning privatisation of public services in the Czech Republic, citizen participation in decision making processes, and implementation of European Charter of Local Self-government;
  - b) Organization of municipal administration by exchange of concrete examples of municipal offices organization in both states, civil servants visits in municipalities.
- Extending bilateral project to multilateral by negotiating with EU Local government associations for joining the partnership.

**Duration:** not limited

**Financing:** the UTC CR

**Contact Address:**

Dr. Vaclav Cerny, Ph.D., Executive Vice-chairman of the UTC CR for Foreign Affairs

#### 6.3.4.6 Visit Tours of Mayors' delegations from Byelorussia, Albania and Montenegro to the Czech Republic

**Background:** Since 1999 a tradition of visit tours of Mayors' delegation from Byelorussia to the Czech Republic has begun. The tours have been provided under the auspices of Congress of Local and Regional Authorities of Europe (CLRAE) and Byelorussia Office of Organization for Economic Cooperation and Development (OECD). The tradition has grown onto Albania and for the year 2002 also to Montenegro. A visit of the latter delegation is being organized in the form of a joint project of the VNG, the UTC CR and the Association of Towns of Montenegro.

Visit tours on the territory of the Czech Republic are organized in such a way that (usually) several Czech municipalities host delegations of Mayors.

**Project Partners:** The UTC CR, CLRAE, VNG, OECD, Associations of Local Municipalities, Local Municipalities in the Czech Republic.

**Objectives:**

- getting knowledge about self-government in the Czech Republic to elected representatives (mayors, councillors) of involved countries on the spot – in the milieu of Czech City Halls and the UTC CR Office;
- exchange of information about responsibilities, ownership, system of financing, etc., of municipalities in the Czech Republic and visitor's country;
- discussing legislation framework of municipalities in the countries, its pros and cons;
- showing the Czech Republic and its municipalities from a broader perspective than only of Capital City.

**Time Frame:** unlimited

**Financing:** UTC CR, OECD (for Byelorussia), VNG (for Montenegro), and Educational Centrum for Public Administration – VCVS (for Montenegro).

**Contact Address:**

Ing. Tomas Jirsa, Mayor of Hluboka nad Vltavou  
 Member of Executive Council of the UTC CR  
 Head of the UTC CR delegation to CLRAE  
 Mestsky urad Hluboka nad Vltavou  
 Masarykova 36, 373 41 Hluboka nad Vltavou  
 Tel: +420 38 7966 156, Fax: +420 38 7966 152  
 e-mail: [jjirsa@hluboka.cz](mailto:jjirsa@hluboka.cz)

#### 6.3.4.7 CEMR LOGON II Project – Local Government Network

**Background:** The Executive Council of the UTC CR approved participation in CEMR LOGON II on its meeting on 16 May 2002.

**Contact Address:**

Dr. Vaclav Cerny, Ph.D., Executive Vice-chairman of the UTC CR for Foreign Affairs  
Svazmest a obci Ceske republiky  
Pacovska 31, 140 00 Praha 4  
Tel: +420 2 6121 1424, -1310, Fax: +420 2 6121 131  
e-mail: cerny@smocr.cz

#### 6.3.5 DENMARK – National Association of Local Authorities in Denmark (NALAD)

**Background:** NALAD is heavily involved in the transformation process towards democracy in Eastern and Central Europe. Their consultant services has been financed by bilateral and multilateral organisations such as the World Bank, the EU, the OECD, the UNDP, the Danish Government, DENIDA.

**Activities:**

- decentralisation reforms and institutional building;
- training and human resource development;
- support to local government associations;
- EU preparation and integration;
- inter-municipal co-operation;
- management audit and contact management;
- organisational development;
- protection of the environment;
- housing and town planning;
- information technology in the local government;
- elderly care;
- registration and information systems;
- public and private sector co-operation;
- co-operation between central and local governments;
- territorial reform of local governments;
- Local Government Finance.

Projects are conducted in close co-operation with a wide range of partners (ministries, local government associations, private companies, etc...).

**Contact address:**

National Association of Local Authorities in Denmark  
Gyldenlovesgade 11, DK-1600 Copenhagen V, Denmark  
Tel: +45 33 1227 88, Fax: +45 33 1440 41

### 6.3.6 ESTONIA – Association of Estonian Cities (AEC)

**Background:** AEC has prioritised close cooperation with national associations of local authorities in other countries, namely there are cooperation projects in process with the national representative organisations of the local authorities of Netherlands, Denmark, Belgium (Flanders), Finland, Sweden and Poland. City partnership is being developed with the state of Maryland in the USA.

**Programmes:**

- AEC has continuously been in good working relations with the **Association of Finnish Local and Regional Authorities**. In the framework of this co-operation the Estonian-Finnish Twinning Conferences take place every three years where municipal officials both from Finland and Estonia discuss the results of their joint activities and the development possibilities for the future. The co-operation with the Finnish Association is also active in other areas. According to the cooperation protocol seminars on topical issues for municipalities are being organized, i.e. on European integration, local self-government legislation. Estonian and Finnish municipality elders and mayors have study visits in Finland and Estonia. This cooperation is covered by the funds of the Finnish and Estonian associations.
- The relations with our long-term partner VNG, the **Association of Netherlands Municipalities** have been fruitful over the years. We have worked together with the Social Welfare project financed by the Dutch Government. The project was directed towards the cities having twinning linkages with Dutch cities (Tallinn, Tartu, Pärnu). In the framework of the same project the AEC made a research on the problems of Estonian local governments in the field of social welfare studying more in detail the cases of some 10 typical local governments. The result of the research was a publication and a seminar where the research material was disseminated. A project "The European Dimension of Local Government Policy in Estonia" during which a survey on EU-legislation for local government in Estonia was carried out in 2000-2001. As a result of this survey 3 spheres were selected (employment, environment and rural development), which were explored further in three regions in Estonia and policy documents were compiled according to the results. This project was financed by the MATRA program. Currently local government leaders' training program is being carried out by the Estonian Business School Executive Training Center in cooperation with VNG financed by the Netherlands Inter-Municipal Cooperation Program for Accession to the EU (GST Program).

Our co-operation concentrates today mostly on the work with the Flemish Section in Belgium – the Association of Flemish Cities and Municipalities. According to the co-operation agreement of 1997-1998 the following areas were dealt with: development of twinning relations (establishment of a twinning market in the Internet), training and consultancy on European matters for AEC officers, exchange and transfer of know-how in other issues, accession to the European database. In the framework of the 2000-2001 program "Support of the Association of Estonian Cities (AEC) and Training of Civil Servants and Office Holders of Estonian Cities" a training cycle for Estonian politicians and civil servants in the frame of capacity building, exchange of know-how on intermunicipal co-

operation and housing and support for municipal IT-centre in Estonia. The project is financed by the Ministry of the Flemish Community.

- The relation with the **Local Government Denmark** is of growing importance. One of our joint activities was the Phare Partnership II project. This project was directed towards developing the capacity of the Baltic municipal associations and the co-operation with them. With the Danish Association and sponsored by UNDP we have trained local politicians. The other aim of the project was to find potential trainers for local training centers to act as trainers in the follow-up seminars. In the framework of the cooperation program the EU information officer who was trained in Denmark and in Brussels was employed. In co-operation with the Danish Association a publication "The European Union and Estonian Local Governments: Direct and Indirect Influences on Estonian Local Governments" financed by the Danish Foreign Ministry's FEU Program.
- The AEC has had a cooperation with the **Swedish Association of Local Authorities** over the years in the spheres of local democracy and self-government. The objectives of the last project "Supporting the sister-organisations of the Associations of Local Authorities of the Baltic states and Poland in the Process of Preparing for the European Union Membership" to strengthen the image and role of local authorities, their respective associations in the process of national negotiations for the EU membership, prepare the policies for the process of implementation of the EU legislation, establish networks and prepare models for working with the EU bodies. The projects have been financed by Swedish International Development Agency (SIDA).
- In 1999 a cooperation agreement was signed with the **Association of Polish Cities**. The aim of the agreement is to promote democratic and effective local government in Estonia and Poland; to contribute towards better management of local government; to further friendship and twinning relations between local authorities of the countries of the parties; to assist in the enlargement of the European Union and the accession of Estonia and Poland. A big twinning conference between the Estonian and Polish towns took place in May 1999. In 1999 the Polish representatives had visits to their twin towns. In November of 1999 a delegation consisting of the representatives of the Association of Estonian Cities and local authorities visited a trade fair in Warsaw.

The representative of the Association of Estonian Cities and Kunda municipality took part in "Baltica 2000" – the Congress of NGOs from European twin-cities in Gdansk in September of 2000. The events have been financed by the twinning partners and both associations.

- Cooperation with the **Associations of Local Authorities of Latvia and Lithuania** has mostly taken place together with the Nordic associations. In the framework of the Open Society Institute project financed by OSI the Baltic associations assess the impact of the EU to local authorities. There is also Nordic Council of Ministers' project on development of local and regional administration where three Baltic associations are involved. The aim is to strengthen the co-operation among the Associations in the Baltic countries, increase

theirs capacity and the quality of services provided to their members. Another aim is to establish a fund where local authorities and other institutions (parties, universities etc.) can apply for the support in order to implement some small scale and local initiated activity on EU issues with the participation of Nordic countries. This is financed by the Nordic Council of Ministers.

- Cooperation with the **Norwegian Association of Local and Regional Authorities** was started in 1991 when Estonia was visited by Norwegian governmental delegation. In 2001 a delegation from the Norwegian Association of Local and Regional Authorities visited Estonia. Currently a Research Centre for local authorities and a management training are being prepared that will be financed by the Norwegian Ministry of Foreign Affairs.
- We have constantly been trying to expand the geography of our relations and not to limit ourselves with contacts in Northern Europe. In May 1996 the AEC started working relations with the **National Association of Local Councils in Great Britain** and we concluded an International Accord for co-operation. Since 1995 the AEC has relations with the city of **North Tyneside in UK**. In the framework of that co-operation the training seminar for key politicians in Estonian local government was organized and 5 of them went to an individual internship in North Tyneside for 6 weeks. The project was financed by the British Know-How Fund. In October 1999 and March 2000 AEC assisted in organisation of youth exchange between young offenders and social workers of North Tyneside and Estonian counterparts on drug prevention and youth employment issues. This event was also financed by the British Know-How Fund.

**Contact Person:**

Katri-Liis Lepik, International Relations Officer  
Eesti Linnade Liit  
Vana-Viru 12, 15078 Tallinn  
Tel: +372 69 43 411  
e-mail: katri-liis.lepik@ell.ee; katriliis@ell.ee

### 6.3.7 FINLAND – Association of Finnish Local and Regional Authorities

**Background:** In the preparations of the enlargement of the European Union, the Association of Finnish Local and Regional Authorities has specially noted the requirement regarding well-functioning administrative systems in the Candidate Countries. The Association has trained local governments in Candidate States in view of EU-membership by means of different projects and bilateral contacts. Representatives as experts also in the EU-training the Commission has organised for Candidate Countries.

**Co-operation projects with:**

- **ESTONIA** – The Association has concluded a cooperation agreement with the Estonian associations. On the basis of this agreement the Finnish Association has organised a series of seminars in Estonia and study visits. The topics of the seminars have included for



example municipal legislation, local authorities as employers, the European Union, technical services and waste management. The development of local democracy is one of the themes of seminars and specialists' meetings to take place in the future. Relevant legislation in both countries has been translated into Estonian or respectively into Finnish. Meetings of the directors of the Estonian and Finnish associations take place regularly.

- **LATVIA** – The Association has organised a training project for Latvian local authorities in Riga on European integration. The aim of the project was to give information to trainers who in their turn organised courses for representatives of local authorities. 15 trainers were trained and a publication was prepared for municipalities. A joint seminar for local authorities in Latvia and Finland will be organised in September 2002.
- **LITHUANIA** – In cooperation with the Association of Lithuanian Local Authorities, the Finnish Association and Ministries of Internal Affairs of both countries organised a seminar on public participation in October 2001. Negotiations for further cooperation with Lithuania are in view.

**“Active Participation of CEE Associations” project:** Enhancement of the Active Participation of CEE Associations of Local and Regional Authorities in the Process of European Union Enlargement is a project in which the Association of Polish Cities, the Association of Towns and Communities of Slovakia, the Union of Towns and Communities of the Czech Republic and the Partnership of Hungarian Local Governments are involved. The Association of Finnish Local and Regional Authorities participates as mentor association in information society questions.

**“Locregis” project:** Locregis (Local and Regional Information Society) project aimed at developing tools to measure the impact of local and regional information society projects on regional development. The participating CEE countries were Hungary, Slovakia, Czech Republic, Estonia and Latvia. The project has cooperation also with Poland and Slovenia.

**Town twinning:** Cities and municipalities in Finland have several twin towns in the Candidate Counties, most in Estonia (more than 200). The Association of Finnish Local and Regional Authorities organises meetings for representatives of twin towns, such as the meeting of Estonian and Finnish Twin Cities held in Estonia, Tartu in September 2001 with the title "Enlargement of the European Union and regional development", in which representatives from more than 80 municipalities from both countries participated.

**Contact address:**

Erja Horttanainen, EU Affairs Manager  
Association of Finnish Local and Regional Authorities  
Toinen Linja 14, FIN-00530 Helsinki  
Tel: +358 9 771 2528, Fax: +358 9 771 2535  
e-mail: [erja.horttanainen@kuntaliitto.fi](mailto:erja.horttanainen@kuntaliitto.fi)

### 6.3.8 GERMANY – Association of German Cities

**Project Theme:** Municipal Environmental Protection in Central and Eastern Europe. Creating an exchange forum for municipalities in Poland, the Czech Republic, Hungary, the Baltic States and Germany.

**Background:** The idea behind the project is that the experience in municipal environmental protection gained in the East German federal states, which started from a similar situation, can also be used for the development of local authorities and governments in CEE. The Difu, as a joint research institution of the German municipalities, can call on extensive experience in the implementation of municipal environmental protection in transformation processes from East-Germany. In addition, the current activities are based on a previous project carried out by the Difu from 1993 to 1998 with the support of the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU) for municipal environment protection in CEE (Hungary, Slovakia, the Czech Republic and Bulgaria).

To date, a number of organisations have become involved in projects related to environmental protection on local level in CEE. Experience shows that the transfer of knowledge comes up against limitations if the existing administrative structures do not yet permit the implementation of effective environment protection measures. Another essential prerequisite for an efficient know-how transfer is a sufficient knowledge of the administrative structures and reforms in the target countries. Successful trans-national co-operation in municipal environmental protection must not be a one-way-street; it requires a high degree of mutual exchange of experience between all parties involved.

The planned activities in the project are thus based on the following demands:

- Existing partnerships between municipalities should be built on; binding and precisely defined targets for sustainable structures should be developed and implemented;
- The initiatives and measures for municipal environmental protection already proposed and/or implemented in CEE-countries should be taken into account and integrated into the further project planning. The results should be made available in the target countries (use and extension of existing structures for national information networks on municipal environmental protection in the CEE-states, networking and development of synergy in the transfer of knowledge);
- Development of new forms for the know-how transfer and exchange of experience appropriate to the need and the users (expansion of the range of services beyond publications and seminars);
- Similarly – in addition to the transfer of expertise – contacts and information to Germany should be mediated to provide German municipalities with a platform for contacts to Central and Eastern Europe.

**Thematic Specification:** A wide range of topics will be covered ranging from waste management, waste water treatment, water supply, energy supply, to air pollution control. In addition, transport systems, public-private partnerships (PPPs), environmental management, local environmental reports and information systems, public participation, city marketing and Local Agenda 21 will be addressed as well. In consultation with the partners, the specific contents and the detailed plan of action will be developed.

**Contents:**

The project aims to realise the following contents:

- Development and organisation of a user-oriented exchange of know-how and experience, mediated by seminars and workshops in Poland, the Czech Republic, Hungary, the Baltic states and Germany (3 seminars per country and year);
- Initiation and accompaniment of partnership processes and multilateral forums for exchange between local governments, institutions of urban affairs, municipal associations, environment groups and other communal stakeholders, including existing co-operative projects;
- Development of a website, the "CEE Local Government Forum for Environmental Protection", as an information pool and an interactive forum on the Internet;
- Technical support for transformation processes related to environmental protection at the local level in Central and Eastern Europe (working materials, direct mediation of expertise, experts' database etc.);
- Co-operation with international municipal organisations such as the Council of European Municipalities and Regions (CEMR), national municipal associations, and international environment and financial institutions, as well as public relations to promote support for and awareness of the project;
- Co-operation with research institutions for urban development and communal affairs to ensure the scientific quality and practical implementation in the CEE-Countries.

**Aims:** The aim of the project "Environmental Protection on Municipal Level in Central and Eastern Europe (CEE)" is to support local authorities in the development of their environmental capacities and the fulfilment of their environmental tasks. To this end, the German Institute of Urban Affairs (Difu) and its CEE partner institutes are initiating and supporting a comprehensive and adequate transfer of knowledge relevant to the problems at hand focusing on municipalities in CEE (information offers und administrative exchange of know-how by means of seminars, workshops, trans- and international conferences, webpage forum for information and interchange). In addition to the transfer of expertise to Central and Eastern Europe, the project also aims to facilitate the flow of contacts and information to Germany and to initiate and accompany partnership processes. An adequate network shall be built up, thus, also providing German municipalities with a platform for contacts with CEE countries.

**Results:** By means of supporting the knowledge and capability building of municipalities and local environmental administrations, the project will on one hand encourage the self-potentials for finding solutions and solving environmental problems on local level, thus resulting in direct environmental improvements. On the other hand, the value of the project will lie in middle- and long-term effects. It will serve the capacity building of local authorities in CEE and will create a basis for integrating environmental issues in communal acting and administrative management.

**Addressee:** Primarily focusing on Hungary, the Czech Republic, Poland, the Baltic States and Germany the project can and shall in future be enlarged to other CEE countries and Member States. Main addressees are municipal administrations for environment, urban development and transport, research institutions of urban affairs, public utilities organisations in the partner countries as well as interested German municipalities and regional associations. Other municipal and non-municipal stakeholders such as innovative small and medium-sized companies in the energy and environment sector, for instance, will be addressed as well.

**Financing Sources:** The German environmental foundation "Deutsche Bundesstiftung Umwelt" (DBU) has great interest in the project and therefore suggested and is financing a ten-month preliminary study. It is envisaged to seek for additional financial sources such as, for instance, national funds for environmental protection, INTERREG III, ISPA or others to firstly, broaden the scope of the project and to increase the means of information transfer, and secondly to continue the project after the expiry of the initial funding.

**Time Schedule:** The project is initially planned for duration of three years optimistically starting in November 2002.

**Preliminary Study:** Since October 2001 until the middle of August 2002 the Difu is carrying out a preliminary study. Currently, the project programme is concretised, the proposal substantiated and the specific situation and needs in each country are assessed. Since a considerable part of the project co-ordination and the expert input should be provided by partner institutes within the target countries it is a primary goal of the pilot phase to find suitable project partners for a close co-operation on the inland project planning and realisation as well as for scientific input.

**Project Information:** Preliminary study: October 2001 to August 2002; Planned Main Phase: November 2002 to October 2005; With the support of the German environmental foundation "Deutsche Bundesstiftung Umwelt" (DBU).

**Contact address:**

Jens Libbe, Christine Krüger, Deutsches Institut für Urbanistik  
 Straße des 17. Juni 112  
 D-10623 Berlin  
 Tel: +49 30 39001 184  
 e-mail: c.krueger@difu.de  
 for further projects contact: [www.avantis.org.nl](http://www.avantis.org.nl)

### 6.3.9 GREECE – Hellenic Agency for Regional Development and Local Government (EETAA)

**Background:** Greece is seeking integration into the work of specialist international organisation such as the Development Assistance Committee (DAC) of the OECD. It has established through the Ministry of National Economy a five-year programme of bilateral state development assistance from 1997 to 2001. Technical co-operation is particularly important. It includes the transfer of know-how and development actions on various issues.

**Programme:** Development of administration and civil society – This target sector is implemented by the Hellenic Agency for Regional Development and Local Government on behalf of the Ministry of Interior, Public Administration and Decentralisation. It concerns the provision of assistance for the strengthening of administrative mechanism, for the promotion of efficient and virtuous administration and for the civil environment and the quality of life.

**Activities:** Specific projects have been implemented in the CEEC Poland, Bulgaria, Romania and Cyprus under the titles “Technical co-operation with self-government authorities of Poland towards its accession into the European Union”, “Development and strengthening of energy offices in Bulgaria and Romania in charge of actions for energy saving in public and municipal buildings” and “Technical cooperation towards the accession of Cyprus into the European Union”, “Consultative support to local authorities of Cyprus towards accession into the European Union”.

**Contact address:**

Mrs. Valia Pelekanou

Hellenic Agency for Regional Development and Local Government (EETAA)

Solonos 43, 10672 Athens

Tel: + 30 10 364 08 30, Fax: + 30 10 363 94 12

e-mail: [civilsoc@eetaa.gr](mailto:civilsoc@eetaa.gr)

Internet: <http://www.ypes.gr/KAB> and <http://www.eetaa.gr>

### 6.3.10 HUNGARY

Information available from:

Dr. György Csalotzky

TÖÖSZ, Eötvös u.10, 1067 Budapest

Tel: +36 1 322 38 43, Fax: +36 94 322 74 07

e-mail: [toosztit@mail.matav.hu](mailto:toosztit@mail.matav.hu)

### 6.3.11 LATVIA – Association of Local and Regional Governments of Latvia (ULRGL)

#### LOGIN – Local Government Information Network

**Short Description:** Internet-based knowledge network disseminating real world expertise on local government issues from municipal finance and budgeting to citizen participation and European integration (sophisticated data-base in the Internet). Elaboration and improvement of the ULRGL home page [www.lps.lv](http://www.lps.lv).

**Partners:** Project is realised in partnership with other CEE countries like Poland, Hungary, Lithuania, Bulgaria, Ukraine, etc..

**Financing:** Open Society Institute in Hungary – financial support, World Bank FDI initiative – financial support, ULRGL – in kind.

**Contact Person:**

Kristof Zoltan Varga  
e-mail: [KZVarga@osi.hu](mailto:KZVarga@osi.hu)

Evita Grzibovska  
e-mail: [evita@lps.lv](mailto:evita@lps.lv)

#### Strengthening the co-operation between the Associations of Local and Regional Authorities in the Baltic States

**Short Description:** Exchange of experience between the 3 Baltic associations on various issues (history, tasks, structures of associations, negotiation system with the central government, role of associations in promotion of regional development in the context of EU enlargement, co-operation with international organisations, next meeting – work with members, local government revenues, future co-operation, Nordic experience).

**Partners:** Association of Estonian Cities (AEC), Union of Estonian Associations of Local Authorities (UEALA), Association of Local Authorities of Lithuania (ALAL), Nordic Council of Ministers, Klaipeda Office (NCM).

**Financing:** NCM financial support, ULRGL – in kind.

**Contact Person:**

Justas Sakenas, ALAL  
e-mail: [justas@vilnius.lt](mailto:justas@vilnius.lt)

Dace Damkevica, ULRGL  
e-mail: [dace@lps.lv](mailto:dace@lps.lv)

### **Enhancing Active Participation of the Baltic State's Sub-national Governments in the Process of EU enlargement**

**Short Description:** 3 national studies on the topics of regional development, employment and environment shall be elaborated by experts of each association in the Baltic States, afterwards 3 national position papers shall be elaborated by each country, 3 regional studies (by all 3 countries) and 3 regional position papers, also preparation of 9 national advocacy strategies for each position paper, 2 workshops, conference, etc..

**Partners:** Open Society Institute in Hungary (OSI), ALAL, AEC.

**Financing:** OSI – financial support, ULRGL – in kind.

**Contact Person:**

Ondrej Simek  
e-mail: [Osimek@osi.hu](mailto:Osimek@osi.hu)

Dace Damkevica  
e-mail: [dace@lps.lv](mailto:dace@lps.lv)

### **Enhancing effective relations between citizens and local authorities in Latvia**

**Short Description:** Training of trainers on topics of local government policy cycle, relations with the inhabitants, administration, etc. 2 pilot projects – involvement of citizens in decision making process on administrative territorial reform and integration of minorities within the local government.

**Partners:** VNG (Association of Netherlands Municipalities), Local Government Training Centre – Latvia (LGTC).

**Financing:** MATRA programme – financial support, ULRGL – in kind.

**Contact Person:**

Dace Damkevica  
e-mail: [dace@lps.lv](mailto:dace@lps.lv)

Norbert Pijls  
e-mail: [norbert.pijls@vng.nl](mailto:norbert.pijls@vng.nl)

### **Promotion of twinning activities between Finnish and Latvian local authorities**

**Short Description:** Organisation of the twinning conference in Finland for the interested local and regional authorities from Latvia and Finland, reports/discussions on different topics of mutual interest.

**Partners:** Association of Finnish Local and Regional Authorities

**Financing:** Finnish Ministry of Interior – financial support, EC Twinning programme – financial support (not yet confirmed), both associations – in kind.

**Contact Person:**

Helena Johansson

e-mail: [helena.johansson@Kuntaliitto.fi](mailto:helena.johansson@Kuntaliitto.fi)

Evita Grzibovska

e-mail: [evita@lps.lv](mailto:evita@lps.lv)

**Improvement of the work of ULRL using experience of the Norwegian Association of Local Authorities**

**Short Description:** Change the model of the Association – by political parties.

Co-operation and conference in EU enlargement context.

**Partners:** Norwegian Association of Local Authorities

**Financing:** Norwegian Ministry of Foreign Affairs – financial contribution, ULRL – in kind.

**Contact Person:**

Elita Cakule

e-mail: [elita.cakule@ks.no](mailto:elita.cakule@ks.no)

Dace Damkevica

e-mail: [dace@lps.lv](mailto:dace@lps.lv)

**Exchange of experience for executive directors**

**Short Description:** Exchange of experience, how to develop activities.

**Partners:** Norwegian Association of Local Authorities, Association of Executive Directors of Local Governments of Latvia (AELGL).

**Financing:** Norwegian Ministry of Foreign Affairs – financial contribution, AELGL – financial contribution.

**Contact Person:**

Elita Cakule

e-mail: [elita.cakule@ks.no](mailto:elita.cakule@ks.no)

Bruno Otersons

e-mail: [bruno@lps.lv](mailto:bruno@lps.lv)



### **Strengthening the Role and Functions of Local Government Executive Directors in Latvia**

**Short Description:** Training of self-government executive directors in Latvia, study tour in Denmark (exchange of experience), elaboration of the handbook for executive directors.

**Partners:** Local Government Denmark, Association of Executive Directors of Latvian Local and Regional Governments, ULRGL as a partner-institution.

**Financing:** Ministry of Interior of the Kingdom of Denmark – financial support, Association of Executive Directors of Latvian Local and Regional Governments – 15% financial and in-kind.

**Contact Person:**

Holger Pyndt, project manager, LGDK

e-mail: hep@kl.dk

Bruno Otersons, project co-ordinator, ULRGL

e-mail: bruno@lps.lv

### **EU Integration project**

**Short Description:** Training for the representatives of the local governments from the ULRGL regional information centres and other local government information centres, planning regions, etc. on EU issues, finance opportunities and project preparation. Elaboration of information materials.

**Partners:** Local Government Denmark

**Financing:** Ministry of Foreign Affairs the Kingdom of Denmark – financial support, ULRGL – in kind.

**Contact Person:**

Holger Pyndt

e-mail: hep@kl.dk

Dace Damkevica

e-mail: dace@lps.lv

### **Supporting the sister organisations of the Associations of Local Authorities of Estonia, Latvia, Lithuania and Poland in the process of preparing for the EU membership**

**Short Description:** Aim of the project was the introduction of the local government representatives with the EU legal and other requirements for local level, training visits to Sweden, Brussels (representative offices of Swedish local authorities and regions), conference in Poland, elaboration of the strategies of the Associations on dissemination of EU information for the members. The continuation of the project is anticipated.

**Partners:** International Development Agency of Swedish Association of Local Authorities

**Financing:** SALA IDA – financial support, ULRGL – in kind.

**Contact Person:**

Lea Lisagor (from now on)

e-mail: carl.mattsson@svekom.se

Evita Grzibovska

e-mail: evita@lps.lv

**Social Assistance to Youth Risk Groups**

**Short Description:** The aim of the project was to get acquainted with the social welfare system of Sweden and its experience in order to apply the positive experience for improvement of social system in Latvia. Several study visits and meetings have already taken place.

**Partners:** Swedish Association of Local Authorities, 7 Latvian local authorities.

**Financing:** SALA IDA – financial support, ULRGL – in kind.

**Contact Person:**

Marianne.Brattberg

e-mail: Marianne.Brattberg@svekom.se

Silvija Simfa

e-mail: silvija.simfa@lps.lv

**Co-operation with Stockholm – Malar region in Sweden**

**Short Description:** Co-operation agreement has been signed mutually supporting co-operation in the following spheres: local and regional democracy and institution building, regional planning and infrastructure, business, SME, tourism, environment, education, training, youth activities, culture, sport, health care and social protection, integration in EU. Several meetings have already taken place. Seminars on environment issues, culture and tourism issues, and social and social and health care are planned.

**Partners:** Municipalities of Stockholm – Malar region

**Financing:** Stockholm – Malar region – different funds, ULRGL – in kind.

**Contact Person:**

Lilliane Westerberg

Ligita Zacesta

e-mail: ligita@lps.lv

### **Municipal Yearbook (not yet confirmed)**

**Short Description:** Elaboration of a book containing statistical information (on population, number of inhabitants, finances, etc.) about all the local and regional governments in Latvia to be published once in two years.

**Partners:** Open Society Institute in Hungary

**Financing:** OSI – financial support, ULRGL – in kind.

**Contact Person:**

Kasso Zsuzsanna

e-mail: kasso.zsuzsa@axelero.hu

Evita Grzibovska

e-mail: evita@lps.lv

**Assistance to the Saeima EU information Centre for printing-actual fact-sheets for country-side people (not yet confirmed finally)**

**Short Description:** Project in frame of bilateral relations between the Finnish Embassy in Latvia and the Saeima which concerns printing of fact-sheets on actual items of EU impact - information that meets the needs of different groups of society (house-wives, pensioners, SME employees, unemployed, farmers etc.) and their distribution to inhabitants through local governments.

**Partners:** Saeima EU information Centre, European Affairs Committee of the Saeima, Finnish Embassy in Latvia.

**Financing:** Finnish Embassy in Latvia – financial support, ULRGL – in kind.

**Contact Person:**

Ivars Busmanis

e-mail: busmanis@saeima.lv

Dace Damkevica

e-mail: dace@lps.lv

### **CEEC-LOGON II**

See LOGON

**Contact person:**

Evita Grzibovska, Adviser on Foreign Affairs, ULRGL

Tel: +371 750 8534

e-mail: evita@lps.lv

### **6.3.12 LITHUANIA – Association of Local Authorities in Lithuania (ALAL)**

#### **Strengthening the Image and Competence of ALAL**

**Activities:** Preparation of ALAL Annual report. Creation of computer database for municipal financial indicators.

**Partners:** Swedish Association of Local Authorities (SALA), Swedish International Development Agency (SIDA).

**Financing:** SIDA-financial and technical support, ALAL – in kind.

**Contact Person:**

Justas Sakenas (ALAL)

Tel: +370 2 79 13 53

e-mail: justas@vilnius.lt

Elin Haggbom (SALA)

Tel: +46 8 4527100

e-mail: Elin.haggbom@svekom.se

#### **Establishment of ALAL Consultancy Centre**

**Activities:** Preparation of business plan for the establishment of ALAL Consultancy Centre. This Centre is supposed to provide payable services for municipalities.

**Partners:** The Norwegian Association of Local and Regional Authorities (NALRA)

**Financing:** NARLA – financial and technical support, ALAL – in kind.

**Contact Person:**

Justas Sakenas

Tel: +370 2 79 13 53

e-mail: justas@vilnius.lt

Lars Ramstad (NALRA)

Tel: +47 71 22 27 20

e-mail: Lars.ramstad@mr-fylke.org

### **Strengthening the Co-operation between the Associations of Local and Regional Authorities in the Baltic States**

**Activities:** Promotion of citizens' participation in local self-government affairs.

**Partners:** Associations of Estonian Cities (AEC), Union of Estonian Associations of Local Authorities (UEALA), Union of Local and Regional Authorities in Latvia (ULRGL), Nordic Council of Ministers (NCM).

**Financing:** NCM- financial support, ALAL-in kind.

**Contact Person:**

Justas Sakenas

Tel: +370 2 79 13 53

e-mail: justas@vilnius.lt

Audrone Auzbikaviciute (NCM)

Tel: +370 6 420530

e-mail: klaipeda@nmr.lt

Dace Damkevica (ULRGL)

Tel: +371 7508535

e-mail: dace@lps.lv

Jaanus Tarnov (AES)

Tel: +372 6943420

e-mail: jaanus@ell.ee

### **Capacity Building in Lithuanian Local Self Government**

**Activities:** Seminars and training.

**Partners:** Finish Ministry of Interior, Association of Finish Local and Regional Authorities (AFLRA).

**Financing:** Finnish Ministry of Interior, ALAL-in kind.

**Contact Person:**

Justas Sakenas

Tel: +370 2 79 13 53

e-mail: justas@vilnius.lt

### **Strengthening Capacity of Lithuanian Local Authorities in the process of EU enlargement**

**Activities:** Support for the ALAL and its Consulting Centre, Support for ALAL in representing interests of Lithuanian local authorities in EU matters, Training.

**Partners:** NALRA

**Financing:** Support of NARLA, ALAL in kind.

**Contact Person:**

Justas Sakenas

Tel: +370 2 79 13 53

e-mail: justas@vilnius.lt

Timo Linkola (AFLRA)

Tel: +358 9 7711

e-mail: Timo.linkola@kuntalitto.fi

### **Support to ALAL: EU Training and Consultations**

**Activities:** Training and consultations for Lithuanian municipalities: strategic planning, project preparation, lobbying in EU institutions.

**Partners:** International Co-operation Agency of the Association of Netherlands Municipalities (VNG-International).

**Financing:** VNG International - financial support, ALAL-in kind.

**Contact Person:**

Justas Sakenas

Tel: +370 2 79 13 53

e-mail: justas@vilnius.lt

Norbert Pijls

Tel: +31 70 373 83 02

e-mail: Norbert.pijls@vng.nl

### **Enhancing Active Participation of the Baltic States' Sub-national Governments in the Process of EU Enlargement**

**Activities:** Regional development study.

**Partners:** Open Society Institute (Hungary), ULRGL, AEC.

**Financing:** OSI, Support, ALAL-in kind.

**Contact Person:**

Justas Sakenas  
Tel: +370 2 79 13 53  
e-mail: justas@vilnius.lt

Ondrej Simek (OSI)  
Tel: +36-1 327 3862  
e-mail: osimek@osi.hu

**EU integration in Lithuania at the Local Government Level**

**Activities:** Developing consultancy services to local and regional authorities of Lithuania. Creation of Network of EU informants. Training, consultancy – EU issues.

**Partners:** Local Government Denmark

**Financing:** LGD - financial support, ALAL in kind.

**Contact Person:**

Justas Sakenas  
Tel: +370 2 79 13 53  
e-mail: justas@vilnius.lt

Helle Willumsen  
Tel: +45 24 27 48 19  
e-mail: hew@kl.dk

### 6.3.13 MALTA

Information available from:  
Malta - Local Council's Association  
e-mail: lca@lca.org.mt

### 6.3.14 THE NETHERLANDS – VNG International – The International Co-operation Agency of the Association of Netherlands Municipalities

**Programme:** Municipal Co-operation with Accession States (GST- Programme)

**Background:** GST was created in 1998 by the Dutch Ministry of Foreign Affairs to advise the local authorities of the Candidate Countries on the preparations for EU membership.

**Activities:** Two sorts of activities are eligible for funding:

- twinning projects between local authorities in the Netherlands and accession countries to improve the adoption and implementation of the *acquis communautaire* on local authorities' level in the accession countries. (i.e. importance of EU-membership to municipalities, implementation of EU legislation on local level, improve quality of public sector, writing proposals to obtain EU financing, administering/monitoring of EU financed projects etc.)
- twinning projects between local authorities in the Netherlands and accession countries to adjust the organisational structure and institutional capacity of the local authorities in the accession countries. (i.e. improve the quality of local management, local democracy, citizen participation, public services, public relation and communication etc.)

**Time frame:** until the end of 2004

**Financing:**

From the Ministry of Foreign Affairs: 1998: € 200.000, 1999-2004: € 1.000.000

**Contact address:**

Drs. Norbert A. E. M. Pijls  
VNG International  
Sophialaan 9, PO Box 30435,  
2500 GK The Hague – The Netherlands  
Tel: +31 70 373 87 09, Fax: +31 70 373 86 60  
e-mail: [norbert.pijls@vng.nl](mailto:norbert.pijls@vng.nl)  
Internet: [www.vng-international.nl](http://www.vng-international.nl)

### 6.3.15 NORWAY – Norwegian Association of Local and Regional Authorities

- **Co-operation between Norwegian Municipalities and candidate countries.**  
With support from the Ministry of Foreign Affairs 8 Norwegian municipalities and 2 regions co-operate with Latvian municipalities; 8 Norwegian municipalities and 2 regions co-operate with municipalities in Lithuania.

The aim of this co-operation is to achieve democracy and sustainable marked economy, capacity building of local government.

- **Capacity building of national associations of local and regional authorities in EU candidate countries.**  
The Norwegian Association cooperates and supports capacity building projects with sister organisations in Estonia (Union of Estonian Cities and Union of Estonian Associations of Local Authorities), Latvia (Union of Local and Regional Government of Latvia), Lithuania (Association of Local Authorities in Lithuania) and Slovakia.



- **Cross-border co-operation:**

The Norwegian Association also supports projects for regional cross-border co-operation. Co-operation partners are the Council for cross-border co-operation between Russia, Estonia and Latvia and the Council for cross-border co-operation between Latvia, Lithuania and Belarus. These projects are financed by the Norwegian Ministry of Foreign Affairs.

**Objectives of the cooperation:**

- To raise awareness of cross-border co-operation issues throughout Latvian, Estonian, Lithuanian, Russian and Belarusian border regions:
  - Transformation of the border from a line of separation into a place of communication between neighbours;
  - Overcoming mutual prejudices to build respect and understanding;
  - Overcoming national peripherality and isolation;
  - Promotion of economic growth, development and improvement of living standards.
- Strengthening of administrative structures of the Councils and local authorities as the main actors in cooperation.
- To facilitate the effective transfer of information, best practice and expertise in the field of cross-border co-operation.

**Contact address:**

Elita Cakule,  
Norwegian Association of Local and Regional Authorities  
Haakon VII's gt.9, Postboks 1378 Vika,  
0114 Oslo  
Tel: +47 24 13 27 04, Fax: +47 22 83 62 04  
e-mail: elita.cakule@ks.no

### **6.3.16 POLAND**

#### **6.3.16.1 Union of Rural Communes of the Republic of Poland**

**Support for local authorities from rural areas in implementation of EU standards (PHARE)**

**The aim of the project:** Creation of information system for local authorities in rural areas concerning the influence of Acquis Communautaire implementation on rural local authorities (with focus on issues specific to rural communities) connected with Poland's accession to EU.

**The target groups:** Local authorities representatives from rural areas, indirectly inhabitants of rural areas.

**Partners:** COSLA Scotland

**Financing:** EUR 19,050.- 75% of total eligible project cost received from the EC Delegation in Warsaw.

**Contact Address:**

COSLA/SCOTTISH LOCAL GOVERNMENT OFFICE

Scotland House

Rond-Point Schuman, 6, B1040 Brussels

Tel: +322 282 8395, Fax: +322 282 8429

**European Rural Municipal Dialogue on Environmental Protection (PHARE, applied for)**

**The aim of the project:** Creation of the support system for rural municipalities targeted at tasks implementation in the sphere of environmental protection in accordance with EU regulations.

**The target groups:** The project will be directly dedicated to about 600 representatives of proximately 200 rural municipalities (inhabitants, councillors, local authorities, NGOs' representatives). Indirectly, via publications, brochures, press, web-sites) of the remaining 2.200 rural municipalities' inhabitants.

**Partners:** COSLA Scotland, IWU Germany.

**Contact Address:**

COSLA/SCOTTISH LOCAL GOVERNMENT OFFICE

Scotland House, Rond-Point Schuman, 6

B-1040 Brussels

Tel: +322 282 8395, Fax: +322 282 8429

**Strengthening Acquis Implementation at Regional Level (PHARE)**

**The aim of the project:** Ensure that the Acquis is not only incorporated into legislation but also applied in Polish local authorities (counties, municipalities).

**The target groups:** Local authorities in counties and municipalities, indirectly their inhabitants.

**Partners:** LGDK – Denmark

**Contact Person:**

Mr. Kim Bonne

Pre Accession Adviser, PHARE-Twinning Project

e-mail: kim\_bonne@mail.ukie.gov.pl

### EU Fellowship for Local Government Associations of Poland, Czech Republic, Hungary and Slovakia (Open Society Institute)

**The aim of the project:** to commence and develop cooperation with representatives of local authorities' organizations represented in Brussels. This cooperation will be mainly focused on issues concerning the impact that Poland's accession to the EU may have on rural communes.

**Partners:** COSLA – Scotland

**Financing:** Amount received from the LGI EUR 2.230,–

**Contact Person:**

Ondrej Simek, Project Manager  
Local Government and Public Service Reform Initiative, Open Society Institute  
H-1051 Budapest, Nador u. 11  
Tel: 36 1 327-3104 or 2402 Fax: 36 1 327-3105  
Internet: <http://lgi.osi.hu/>

**Contact Person:**

Union of Rural Communes of Poland  
Waldemar Grzegorzczuk, foreign relations officer  
ul. Kantaka 4, 61-812 Poznan, Poland  
Tel: 061 851 74 18, Fax: 061 851 99 61  
e-mail: [biuro@zgwrp.org.pl](mailto:biuro@zgwrp.org.pl)

#### 6.3.16.2 Association of Polish Cities (APC)

##### EU integration and local authorities in Poland

This Programme is implemented jointly by LGDK – Local Government Denmark and the Association of Polish Cities (ZMP). The project is financed by the Danish government.

**Duration:** 1<sup>st</sup> January 1999 – 22<sup>nd</sup> April 2002.

The main aim of the project is to help local authorities in Poland in their preparation for EU membership. This objective is met by making the local authorities throughout Poland aware of the demands that a future membership of the EU will put on their administration, especially in relation to the task of implementing the EU-legislation. The project is building upon the Danish experiences with EU membership, but still more important is to gather new knowledge and experiences from Polish local authorities themselves. In order to meet the overall objective, this project is consisting of the following activities:

- Analysis of pilot local authorities in Poland concerning future demands of EU membership. 5 local authorities have been selected covering most of the wide differences between Polish local authorities in terms of size, economical development and geographical conditions.

The selected local authorities are Zelow/Belchatow, Torun, Tuchola, Biala Podlaska and Borne Sulinowo. They are analysed with focus on their present administrative capability to administer EU policies and regulations, with recommendations for possible changes. Each local authority has chosen a specific area for the analysis. The areas analysed are the following:

- Public procurement in the local authority of Zelow/Belchatow;
  - Environment in the local authority of Toru;
  - Social and labour market policy in the local authority of Tuchola;
  - Energy in the local authority of Biala Podlaska;
  - Agriculture and rural development in the local authority of Borne Sulinowo.
- 
- Assistance to the Association of Polish Cities in informing their members during the process of preparation for EU membership. The Association of Polish Cities will be supported in performing the task of assisting local authorities in Poland on EU integration. Two persons responsible for this field within the association are trained. They are and will be able to provide information, assistance and advice to the members concerning EU issues.
  - Training of the key persons from the local authorities involved as pilot areas and the EU officer employed in APC. A total number of 9 persons from the local authorities involved as pilot areas as well as the responsible persons from the APC have been given extensive training. The training has partly been taking place as a study trip to Copenhagen and Brussels and partly as on-the-job training and network meetings in Poland where the participants exchange experiences and are trained in specific subjects. The persons trained are forming a network of EU experts in the field of local governments and this knowledge will later be of use when the network will be partly responsible for dissemination of the results from the analysis.
  - Support for publication of information materials about the EU and the consequences for the local and regional authorities. The results of the project are published by the APC.
  - Regional seminars in Poland. Representatives from all the local authorities in Poland can participate in these regional seminars, where the results from the project are presented. A series of four seminars on this subject will be arranged on 4 different geographical locations in Poland. These seminars were held at the beginning of 2002.

**Methodology of work on the analysis:** The results from the project are published together and disseminated during the regional seminars. The publication contains 5 analysis devoted to the following areas of administrative powers of local authorities: public procurement, environment, energy, agriculture and rural development, social policy and labour market. Each analysis was completed as a joint effort of a Danish expert chosen for the task by the National Association of Local Authorities in Denmark and Polish experts provided by the pilot local authority in question and the Association of Polish Cities. Danish experts came to their pilot local authorities in Poland for short visits (5 working days) in order to hold interviews and meetings with local people with expertise in a relevant field. It was the task of a Danish expert

to present the involvement of local authorities in Denmark in the EU policy in question, e.g. environmental policy. This knowledge and experience was then analysed from the perspective of administrative structure and tasks of local authorities in Poland.

Finally, the results were confronted with existing reports and studies on Poland's accession to the EU, for example Poland's Position Papers for the Accession Negotiations with the European Union, and drafted legislation which has a priority in Polish Parliament as securing compliance with the *acquis communautaire*. Consequently, the analysis shows the burden of EU related tasks facing local authorities in Poland on the basis of Danish experience. The reports on environment, social policy and labour market and public procurement have more general character as compared to the reports on energy and agriculture and rural development which are focused upon "their" pilot local authorities. However, there is some general reference, which makes it possible to use the results of all reports by all local authorities in Poland.

#### **Enhancement of active participation of CEE Associations of Local and Regional Authorities in European Activities (EAP)**

With the financial support and assistance of the Local Government Initiative (Budapest) the Partnership of Hungarian Local Government Associations has launched this project. Through this initiative it is expected that the local governments in the participating CEE countries and their associations will be able to influence the EU accession and negotiation process lead by their national governments.

The EAP project runs from February 1<sup>st</sup>, 2001 until the end of June 2002 and it is a joint effort of four CEE associations: Polish, Czech, Slovak and Hungarian.

The goals of the project are:

- increase the intensity of networking among the CEE associations;
- exchanging experience;
- assist the CEE national associations of local authorities with their policy making process for EU accession;
- streamline the activities of the CEE associations with the political agenda of the European Union through the CoR and through working actively at CEMR.

**The strategy of the project:** Establishing of 4 working groups, which comprise of representatives of each CEE association and one representative from a mentor association. Each working group prepares 2 studies, which will serve as the background to prepare position papers, which will be the advocating tool of the associations, and will represent a joint opinion of the 4 associations. The topics chosen for the working groups:

- Employment;
- Regionalisation;
- EU law harmonisation;
- Information society.

**Mentor Associations:** VNG, Swedish Association of Local Authorities, Finnish Association of Local and Regional Authorities.

**Participating Associations from CEE:** Association of Polish Cities, Association of Towns and Communities of Slovakia, Union of Towns and Communities of the Czech Republic and Partnership of Hungarian Local Governments.

**Financial and professional assistance:** Local Government Initiative (LGI), Open Society Institute.

**Contact person:**

Katarzyna Halas, Project coordinator, Association of Polish Cities

Tel: +48 61 8530 813, Fax: +48 61 8530 842

e-mail: [kasiah@zmp.poznan.pl](mailto:kasiah@zmp.poznan.pl)

### **6.3.17 ROMANIA – Federation of Municipalities of Romania**

Information available from:

Christine Mihaescu

e-mail: [Christine.mihaescu@falr.ro](mailto:Christine.mihaescu@falr.ro)

### **6.3.18 SCOTLAND – Convention of Scottish Local Authorities (COSLA)**

**Background:** COSLA is currently focusing its activities with candidate countries on Polish regions and municipalities.

**“EU Fellowships for Local Government Associations of the Czech Republic, Hungary, Poland and Slovakia”** funded by The Local Government Reform Initiative of the Open Society Institute (project with the Union of Rural Communes of the Republic of Poland).

**Objectives:**

- to commence and develop co-operation between the Polish Union of Rural Communes, key EU officials and European organisations and associations of local government. This cooperation is focused on the strategies and reforms needed at local level in order to respond effectively to the impact of EU accession on rural authorities. The medium-term aim is to create an information system for local authorities concerning the implementation of the *acquis communautaire*.
- to assist the Polish Union in intelligence gathering, advocacy and partnership building, funding opportunities, support to elected members, best practices in community planning and local development.

“Dream Teams” (ongoing project with Swietokrzyskie Region, Poland)

**Objectives:**

- to provide training and networking opportunities to young graduates from a region of Poland with high levels of unemployment;
- to create a workforce with a high level of skills and an ability to work easily with other European companies and public sector bodies;
- to raise awareness among Polish local government officers and other groups of young professionals on the opportunities and challenges presented by Polish accession to the EU;
- short term exchange of local government officials from the region in Brussels;
- to apply jointly for EU Youth Programme funds with a local/regional government/NGO partnership from the region with partners from Bulgaria, Czech Republic, Sweden, Spain and Netherlands.

**Contact address:**

COSLA Brussels office, Scotland House  
6 Rond Point Schuman, 1040 Brussels  
Tel: +32 2 282 83 95, Fax: +32 2 282 83 99  
e-mail: cosla@pophost.eunet.be

### 6.3.19 SLOVAKIA – Association of Towns and Communities of Slovakia

- Impact of the EU membership on Danish municipalities and their involvement in European affairs (25/7–3/8/2001)  
Partner: AgroForum, Denmark
- Impact of the EU membership on Danish municipalities and their involvement in European affairs – Phase II (2002, in preparation)  
Partner: AgroForum, Denmark
- Technical Assistance and Preparation for Development of Technical and Administrative Methodology for Community Structural Funds Programmes (2002, in preparation)  
Partner: Europrogetti e Finanza, Italy
- LOGIN – Local Government Information Network 2001  
Partner: OSI Local Government and Public Service Reform Initiative
- Cooperation at the Local Level: A Fund to initiate Comprehensive Projects between Local Authorities and Roma Minorities in Slovakia (2002, in preparation)  
Partner: VNG International, Netherlands

- Implementation of Fiscal Decentralisation in Slovakia 2000-2001  
Partner: Canadian Urban Institute, Toronto, Canada
- Providing European Information Service in the Slovak Republic 2002  
Partner: The Know-How Fund, Local Government Information Bureau, London, UK
- Enhancing Active Participation of the Local Level at the EU Accession Process, 2001-2002  
Partner: Open Society Institute, Budapest, Hungary
- LOGON – Local Government Networking, Phase II. 2002  
Partner: CEMR, Austrian Association of Cities and Towns

**Contact person:**

Ing. Rudolf Damasek, Head of International Relations Section  
Zdruzenie miest a obcí Slovenska (ZMOS)  
Association of Towns and Communities of Slovakia  
Bezrucova 9, 811 09 Bratislava, Slovakia  
Tel: +421 2 529 64 914, Fax: +421 2 529 64 256  
e-mail: [rdamasek@zmos.sk](mailto:rdamasek@zmos.sk)

### 6.3.20 SLOVENIA – Association of Municipalities of Slovenia

The Slovenian Association works closely with various Austrian partners, mainly with the Austrian Association of Cities and the Austrian Association of Municipalities.

Within the frame of INTERREG III C a three year project in co-operation with the Center for Public Administration Research (KDZ), the TECHNIKUM (school for public administration) and an Italian (Friuli) partner was launched in 2002. The project aims to strengthen the human resources of the Association who in return will build a center for the empowerment of local self government in Slovenia (similar to the above mentioned Center for Public Administration Research – KDZ). Currently the project is in the preparation phase, it is planned to start with activities in the spring of 2003.

The project is being financed with INTERREG III C money. Funds are also made available from the KDZ and the Association of Slovenian Municipalities.

**Contact person:**

Dr. Mitja Slane, Association of Municipalities of Slovenia  
Kopitarjev trg 1, SI-1217 Vodice  
Tel: +386 833 22 93, Fax: +386 833 22 95  
e-mail: [mitja@zdruzenjeobcin.si](mailto:mitja@zdruzenjeobcin.si)  
Internet: [www.zdruzenjeobcin.si](http://www.zdruzenjeobcin.si)



### **6.3.21 SWEDEN – Swedish Association of County Councils, Swedish Association of Local Authorities**

Information available from:  
Tommy Holm, 118 82 Stockholm  
Tel: +46 20 31 32 30, Fax: +46 20 31 32 40  
e-mail: tommy.holm@svekom.se

### **6.3.22 UNITED KINGDOM – Local Government International Bureau (LGIB)**

LGIB is currently involved into the following projects:

- **POLAND:** Over the last two years the LGIB has worked closely with the British Embassy in Warsaw and the Foreign and Commonwealth Office on activities to support the new Polish regions. This has included participation in a Conference in Gdansk and the delivery of a seminar in Opole to the Marszalek Office's on Brussels representation.

The LGIB is currently co-organising with the Association of Polish Cities the 3rd UK Polish Local Government Conference. This Conference will take place in the Polish resort of Sopot in April and will involve over 120 participants including the British and Polish Ambassadors. Themes for the Conference include accession and the management of European funding, the development of regional links and the potential for commercial exchanges. The conference will also provide an opportunity for dialogue on how UK local government can continue to support and co-operate with Polish regional and local government.

- **CZECH REPUBLIC:** The LGIB is involved in a similar regional government programme with the FCO and British Embassy – Prague. The Hejtmen (Czech regional governors) visited the UK in Summer 2001 and as a result a project was developed that would allow Czech regional administrators from a range of disciplines to visit the UK on a one week work-shadowing visit. This visit took place in November 2001 and was co-ordinated by the LGIB. 27 Czech regional administrators were hosted by 19 UK regional and local authorities.

A follow-up Conference in January in Prague was attended by Czech and UK local and regional government representatives and Nick Raynsford the British local government minister. As a result of the success of this initiative the LGIB and the British Embassy – Prague are in consultation regarding further co-operation including a number of more targeted work-shadowing/officer exchange projects.

- **HUNGARY:** The LGIB's well respected journal European Information Service (EIS) is franchised to Hungary. Under a project funded by the UK government information on a wide range of European issues is translated into Hungarian and distributed to all Hungarian local authorities. This project has now been running for two years.

- **SLOVAKIA:** A similar project to that in Hungary has recently been developed for Slovakia. This project is supported by the British Embassy – Bratislava and enables the Slovak Association of Towns and Municipalities to distribute European information in Slovakian to all its members.

**Financing:** All the projects are funded by the UK Foreign and Commonwealth Office. The EIS publication (European Information Service) franchises are worth around 2,000 UKP per year. The total cost of the element of the Czech work shadowing was around 20,000 UKP. The LGIB wants to extend its activities to other applicant countries particularly Hungary and Bulgaria.

**Contact address:**

James Beadle, Principal International Links Officer  
Local Government International Bureau  
35 Great Smith Street, London SW 19 3BJ  
Tel: +44 171 664 3118, Fax: +44 171 664 3138  
e-mail: james.beadle@lgib.gov.uk

### **6.3.23 YUGOSLAVIA – Standing Conference of Towns and Municipalities of Yugoslavia (SCTMY)**

SCTMY is currently involved in the following activities:

#### **6.3.23.1 Multilateral activities**

**Network of National Associations of Local Authorities of South-eastern Europe (NALAS-SEE)**, under the auspices of the Council of Europe – Congress of Local and Regional Authorities of Europe. The Network is aimed at establishing closer contacts between the local government associations of Croatia, Bosnia (both entities), Slovenia, Serbia, Montenegro, Kosovo, Albania, Greece, Bulgaria, Romania and Moldova.

The years' plan of activities comprises various meetings and training sessions, as well as the creation of a Website. The Network is still in the making, but first results are already quite obvious, one of them being the NALAs website ([www.nalas-see.org](http://www.nalas-see.org)). Currently, the project is funded by the Swiss foundation FEDRE, by the CLRAE and (for two training courses) by the OSI.

**Contact person:**

Alessandro Mancini (CLRAE)  
e-mail: Alessandro.MANCINI@coe.int

Monika Romenska (NAMRB)  
e-mail: M.Romenska@namrb.org

**Network of Local Democracy Agencies** is also one of the networks formed by the CLRAE in order to promote local democratic practices within the Region of Former Yugoslavia and SEE, as well as to introduce new partnerships between the municipalities of the region and those from Europe. Since three Local Democracy Agencies function in the FRY (Serbia and Montenegro) – in Subotica, Niksic and Nis, the Standing Conference is taking active part in the activities concerned and in the dissemination of the results.

**Funding:** The Government of Ireland is the main financial supporter of the Network, but the funding is also sought from various external partners (organisations and individual municipalities from Western Europe).

**Contact person:**

Antonella Valmorbida

e-mail: a.valmorbida@libero.it

### 6.3.23.2 Bilateral projects

**Project cooperation with the Cités Unies France**, with the aim of capacity building of the Standing Conference, started last year, comprising training, development of the SCTMY website and of organizing decentralized city-to-city cooperation between French and Serbian towns. The project is funded by the French Ministry for Foreign Affairs and realized in cooperation between CUF and the SCTMY.

**Contact person:**

Mr. Andreas Korb

e-mail: a.korb@cites-unies-france.org

**Swedish Government support** to the capacity building of the SCTMY, started in 2001. Duration: three years. Aim: training of the members of SCTMY board and staff in defining mission and development of strategy of the association. Technical equipment for the SCTMY also provided by the project. Financial support: by SIDA (Swedish International Development Agency). In the first year, the project was realized by SALA – IDA (Swedish Association of Local Authorities). For additional two years, international contractor will be selected following the SIDA procurement rules.

**Contact person:**

Mr. Adam Amberg, SIDA, Belgrade

e-mail: adam.amberg@foreign.ministry.se

**5-year Capacity building project** for the SCTMY funded by USAID, just about to start. Aimed at developing strategy and training of leadership and staff of SCTMY for all kinds of activities of the association. Duration of Project: 5 years. Realization of the Project: DAI (Development Alternatives Inc.). The project is a part of the wide scale – SLGRP (Serbian Local Government Reform Programme), aimed at reforming local government system and practices in Serbia.

**Contact Person:**

Steven Rosenberg, Director of SLGRP

e-mail: [steven\\_rosenberg@dai.com](mailto:steven_rosenberg@dai.com).

**Specific projects:**

- Project with Alliance to Save Energy, funded by USAID, aimed at developing practices of energy efficiency in municipalities of Serbia, realized through the SCTMY Committee for Energy Saving. Duration – one year, possible continuation.
- Project with DFID (Department for International Development – UK), to establish a Social Welfare Committee within the SCTMY. Apt to start in the year 2002.
- Project with ICMA (International City/County Managers Association) on training local representatives on city management techniques and skills.

**Contact:**

e-mail: [skgoj@eunet.yu](mailto:skgoj@eunet.yu)





**Chapter 7    THE CONVENTION ON THE  
FUTURE OF EUROPE –  
POSITION PAPER OF CEMR**







Rat der Gemeinden und Regionen Europas

Council of European Municipalities and Regions

Europæiske kommuners og regioners råd

Sumboulío tw'n Eurwpaikwn Dhmw'n kai Perifereiwn

Consejo de municipios y regiones de Europa

Consiglio dei comuni e delle regioni d'Europa

Raad der Europese gemeenten en regio's

Conselho dos municípios e regiões da Europa

## 7.1 INTRODUCTION

The Council of European Municipalities and Regions (CEMR) represents 42 national associations of local and regional government in 30 countries of Europe. Our member associations represent some 100,000 local and regional authorities. CEMR has, for over 50 years, supported a Europe that is politically integrated, endowed with strong common institutions, and has always promoted the integral role of local and regional government within these processes. Local and regional governments represent the deep roots of European as well as national democracy. CEMR welcomes the decision to set up the Convention, and supports the perspective of establishing a constitutional framework for the European Union.

CEMR is honoured that our President, M.Valéry Giscard d'Estaing, has been chosen as the President of the Convention. In March this year in Valencia, we held a first debate, and reached initial policy positions, in relation to the work of the Convention. This position paper is the product of further reflection by our members, who are united in our vision of a strong, democratic, transparent and effective European Union. In short, we believe it is time for the Union to be built on a constitutional basis that can be understood by our citizens, which is close to them, and which is seen to address their interests.

We draw attention, at the outset, to the fact that the very first Article of the Treaty on European Union proclaims that we are

“creating an ever closer union among the peoples of Europe, in which decisions are taken as openly as possible and closely as possible to the citizen.”

We believe it is time that the commitment to bringing the Union close to the citizen is put on a far more solid foundation. This point is indeed made in the Laeken Declaration.



## 7.2 THE CONTEXT

In today's complex and fast-moving world, new forms of government and governance are required to meet the challenges facing our citizens and societies. None of the major issues can be successfully tackled by any one level, or sphere, of government. Rather, what is required is a coherent and integrated system of governance, from European to local. If we take the problems of employment creation, social inclusion, urban policy, rural development, migration or the environment, it is clear that effective solutions to each of these requires an active partnership between all spheres of government. The European and national associations of local and regional government play a key role in this regard.

This point was made in the Commission's 2001 White Paper on European Governance, which points out that the EU's legitimacy

“today depends on involvement and participation. This means that the linear model of dispensing policies from above must be replaced by a virtuous circle, based on feedback, networks and involvement from policy creation to implementation at all levels.”

This reference to “all levels” includes, of course, the four levels – European, national, regional and local. All play an essential role in governance and government in Europe.

The European Union has tremendous successes to its credit. It has been a force for peace, within its borders and in its external policy, for democracy, increasing prosperity, and for social progress. But to preserve and extend these benefits, and to promote its basic values, the Union needs to develop to a new stage. The Treaty of Nice demonstrated the limitations of the previous method of changing the Treaties, leading to hugely complicated provisions that tend to reflect sectional interests. We are on the verge of a major process of enlargement, which offers the opportunity to embed our values within a wider continental domain. Europe requires a stronger vision, as well as a practical political structure, to ensure its future vibrancy and success.

Moreover, recent events have highlighted the need – already mentioned in the Laeken Declaration which set up the Convention, to reduce the gap between the Union and many citizens. One essential means of addressing this gap is to ensure that tomorrow's Union is built on the principle of subsidiarity and includes the vital role of local and regional government as essential elements in its construction.

In short, the Union needs to be endowed with an up to date constitutional framework which is intelligible and transparent, which is closer to the citizen, is based on basic principles (including democracy and subsidiarity), and which is committed to partnership working. Moreover, CEMR stresses the importance of both male and female participation in Europe's political life on an equal basis.

### 7.3 TOMORROW'S EUROPEAN UNION – OBJECTIVES AND PRINCIPLES

We propose that there is a relatively short founding text for the new European Union, which sets out its mission and objectives, its key principles, its competences, and its institutions. More detailed matters should be set out in a second part, which might be more simply amendable than the first part.

As a first step towards transparency and simplicity, we recommend that the current distinction between the European Union and the European Community (with separate treaties and objectives) be ended. We propose that there be a single European Union, with a single treaty/constitutional text, endowed with legal personality. This does not prevent there being separate pillars for specific types of subject and means of action, though we place on record our view that, as far as possible, the current Community method should be the dominant means of decision-making and action by the Union.

We consider that the EU Charter of Fundamental Rights should be included, at the outset, in the new constitutional Treaty for the Union. This will express the commitment of the Union and the member states to the rights set out in the Charter, and reinforce the concept and content of European citizenship. We consider, however, that the economic and social rights set out in the Charter should not give rise to new financial obligations upon local and regional governments unless, following consultation, these are fully provided for.

We believe that the objectives of the Union need to be set out in clear, short form. Most of the main objectives are to be found in Article 2 of the Treaty on European Union, and these overlap to a considerable extent with the “tasks” of the European Community, as set out in Article 2 of the Treaty establishing the EC. These objectives need, however, to be more simply set out. We emphasize that economic and social cohesion should remain one of the key objectives. Moreover, we believe that maintaining the role of key public services should be included among these objectives (developing the concept of services of general economic interest). The Union must not be simply an economic union, but needs to ensure – through application of the overarching concept of sustainable development – a proper integration of the economic, social and environmental dimensions. We also propose that one of the objectives be to promote twinings and exchanges of experience between civil society and all spheres of government, as a key means of creating greater understanding and solidarity across the Union.

We recommend inclusion in the new text of two kinds of principles. The first relates to what we call the Founding Principles of the Union, drawing on those currently set out in Article 6 of the Treaty on European Union. These are currently: liberty, democracy, respect for human rights and fundamental freedoms, and the rule of law, as “principles which are common to the member states.”

We propose that this list be defined further, in particular to develop more clearly the scope of democracy. Democracy needs to be enhanced within the workings of the European Union

itself, and we must point out that local and (where developed) regional democracy are vital components of democracy, alongside national democracy.

We propose, in particular, that the principle of local democracy be enshrined within the Union's commitment to democracy. This could be done by a specific reference and commitment to the principles of the Council of Europe's Charter of Local Self-Government of 1985, which has been signed by all current Member States, and by all accession states, and ratified by almost all. It may thus be seen as a part of the *acquis communautaire*. An important reason for including a specific commitment to the principle of local democracy is to make clear that any attempt by a member state to abolish local democracy would involve a breach of the Founding Principles, and permit the Union to take appropriate action. At present, this is not evidently the case.

In this context, we also recommend that the current reference, in Article 6 TEU, to the Union respecting the identities of its Member States, should include reference to "the Member States, including (in accordance with their internal organisation) their regions and municipalities", or some similar formulation.

In addition to the Founding Principles of the Union, setting out key values, we also believe there needs to be a statement of what we call the Governance Principles, which are in effect operational principles. In our view, the Commission has gone a long way in setting these out in its White Paper on European Governance. The Commission's proposed list includes openness, participation, and accountability, as well as subsidiarity and proportionality. We suggest that there are three other key Governance Principles, which are

- Proximity (i.e. closeness to the citizen)
- Consultation
- Partnership

For us, consultation of our European and national associations at a formative stage is of particular importance, whenever new legislation is being developed which affects our main responsibilities.

These Governance Principles are of particular importance in ensuring that, in future, the Union works as a multi-level, or multi-sphere, partnership. Such a partnership requires that the contributions of the local, regional, national and European governments are integrated, and seen as a comprehensive system whose goal is the development and delivery of better policy for citizens. For the most part, we see these Governance Principles as laying the basis for standard-setting and good practice, not as legalistic ones. The possible exceptions are subsidiarity and proportionality, which are of major importance to us, and to which we return at paragraph 26.

## 7.4 THE COMPETENCES OF THE UNION

Today, almost all of the “competences” of the European Union and Community are shared ones. We believe that this will and should remain the case for the future, for reasons set out below. First, we need to clarify that the EU and EC today do not have what are called competences – rather, for the most part they are described as “activities” in Article 3 of the European Community treaty. The list of activities in that Article uses very varied language and reflects the “geological” development of the Community through different treaties. Moreover, the current treaties are not transparent, as drafted, as to which carry legislative powers.

We consider that a Union founded on democracy and the rule of law requires a clear statement of its competences. If a governmental body is to pass laws, it is desirable that citizens know what subject this legislative power applies to. Different federal states have different answers to the problem of allocating competences, balancing in different ways the desirability of certainty, and the need for future flexibility. The German Basic Law is an example of a more detailed allocation of competences; the US constitution, on the other hand, is an example of a federal state with few competences clearly allocated.

We recommend that the Union has a clear list of competences, defined by subject-matter, and that these are expressed in general terms. This provides a fair balance between certainty and flexibility. For example, we envisage the Union having competences such as “environmental policy” or “economic and social cohesion”. We do not think it possible at this stage to try to define the competences of the Member States – they would have the power to legislate and act in areas not covered by Union competences.

We believe there are three kinds of competence. First, the exclusive competences of the Union, which at present are few. These include customs and commercial policy, monetary policy for the euro-zone, and the legal basis of the internal market. Some of our members wish to see this set of exclusive competences enhanced, e.g. in the field of foreign affairs. Second, there are the primary shared competences, in which it is recognized that the Union takes the lead in relation to policy and legislation, but where the Member States (and their regional and local authorities as relevant) have a power to legislate and act, so far as this does not contradict the primary European policy or legislation. Third, there are the complementary shared competences, where the primary role remains with the Member States, but where it is recognized that the Union has a supporting role to play, e.g. through financing programmes or pilots, or through active co-ordination.

Under this three-fold division of types of competence, the constitutional text should set out which competences fall under each head, and what powers the Union has in relation to each competence. Does it have the power to legislate? Does it have power to spend and to co-ordinate? Where a competence carries the power to legislate, does this include the power to pass Regulations, with directly applicable and possibly detailed provisions? Or does it carry the power to pass framework directives, which set out the objectives of the legislation, but leave it to the Member States (and their infra-national governments) to implement, taking into account more local circumstances and traditions? CEMR favours, wherever possible, the use of framework directives – see paragraph 29 below.

In all cases, European Union decisions or activities which have financial implications for regional and local authorities should only be taken where adequate financial resources are securely provided. The principle that new tasks and obligations must be clearly financed is for us a most important one, given that local and regional government implement much European legislation, and needs to be written into the Treaty itself.

Whilst we believe in the need for specific competences to be set out, we also recognize that over the decades, the Union needs to be able to evolve, to address new issues. We therefore propose that the Union should have the power, as at present (Article 308) to add new competences, but only where both parts of the legislature (Council and Parliament) so agree, possibly through a special majority. We propose that the European Court of Justice should have power to determine whether the Union's other institutions are acting beyond the scope of their competences, and if so to annul the action in question.

From the above, it will be evident that we see competences not only as a legislative issue, but as covering any legal power to act. In this sense, local and regional governments of all types have important competences. Some regions in Europe have legislative powers, some do not. Legislation is an important means of acting in the public domain, but not the only one, nor always the most important. Therefore, in many of the subject-matters of the Union, such as transport, employment, rural policy, environment, social affairs and so on, local and regional authorities all have an important role to play, within a coherent and integrated system of governance. This point is vital when we turn to consider the question of subsidiarity.

## 7.5 SUBSIDIARITY AND PROPORTIONALITY

In the introduction to this paper, we referred to Article 1 of the Treaty on European Union, with its reference to decisions being taken as closely as possible to the citizen. Yet at present, the Treaties contain no articulated means of putting this into effect. This provision of Article 1 needs to be maintained in the new constitutional text.

The obvious and logical way of giving effect to Article 1 is via the principle of subsidiarity. The Treaties currently limit the application of the principle to the relationship between the Union and the Member States. But the principle of subsidiarity in truth is an organizing principle that applies to all spheres of government. In effect, subsidiarity means that decisions and actions should be taken by the sphere of government closest to the citizen that is effective for the purpose. In very many cases, local or regional governments are the appropriate sphere of government.

Yet at present, local and regional self-government are often undermined by excessively detailed legislation emanating from the European Union (and also, we would add, from national legislatures). Therefore the principles of subsidiarity and proportionality should lead the EU to concentrate on framework directives, rather than detailed regulations. This would respect the roles and diversity of national and regional actors, and enable regional and local authorities to adapt the objectives of European legislation to their respective circumstances and needs.

The use of detailed Regulations should be kept to a minimum, where there is an overarching need for uniform European rules, e.g. in relation to the single market.

In a system of many shared competences, it is still necessary to know who may do what. Take the environment as an example. There is a role for the Union to legislate where there is a clear pan-European interest. National governments may legislate or have their own policies, where not contradicting European law. Regional and local governments act within their own domains, e.g. via Local Agenda 21. It is the principle of subsidiarity, supplemented by that of proportionality, which determines the “who does what”.

We recognize that a constitution for the Union must lay down principles which are common to the Union and all Member States. Subsidiarity is such a principle. But the basic text should not seek to force the Member States to organize their internal regional and local government framework in particular ways.

Accordingly, we believe it essential that the new constitutional text defines subsidiarity in an inclusive way, covering regional and local governments, as well as European and national governments. This is necessary to reaffirm the principles of local and regional self-government, drawing on the universally accepted principles of the European Charter of Local Self-Government. We are willing to offer drafting comments to achieve this result; examples of such possible amendments are appended to this paper. In particular, we propose that existing Article 5 be amended to include a specific reference to regional and local authorities. There needs to be a mechanism (legal or political) for reviewing the application of the principle, as between the Union and Member States – see next paragraph. We propose that within each Member State, there is a duty to have a mechanism for reviewing the application of the principle of subsidiarity, as it applies within that state. The Union would need to affirm that such a mechanism exists in practice, but would not interfere in how this operates.

We do not have a united position on whether the principle of subsidiarity, as it affects the EU, should be enforced through legal means (recourse to the European Court of Justice) or through a political mechanism. While the “legal” course has attractions, it risks giving too much power to lawyers and judges at the expense of democratic decision-makers. If the political course is chosen, we suggest a Subsidiarity Committee, which must include nominees from regional and local government, as well as from the Union’s institutions and national Parliaments. We believe the tests set out in the Protocol on Subsidiarity and Proportionality remain valid, and could be adapted to infra-national application.

## 7.6 THE INSTITUTIONS OF THE UNION

CEMR remains committed to the application of the Community method to the maximum extent possible. We believe it is vital not to bypass the Parliament in important issues, and consider that the subjects for the open method of co-ordination need to be based in the constitutional text, and be subject to Parliamentary scrutiny insofar as firm decisions are involved. We are also firmly of the view that local and regional government must be fully involved in open co-ordination processes that touch upon our main competences.

So far as legislation is concerned, we propose that co-decision between Parliament and Council become the norm. This is both simpler to understand, and more democratic in principle. We believe that the current make-up of the institutions provides for two legislative “houses”, Parliament and Council, and do not accept the need for another “house”. On the other hand, we believe it essential, in the interests of openness and democracy, for the Council, when legislating, to act openly and publicly, bringing its procedures more into line with those of national or federal legislatures.

We accept the need for the Union, especially in the international arena, to have a stronger identity and presence, which in part is a matter of competences, and in part a matter of how the European Council works. But we consider it dangerous to give major new executive powers to the European Council which are not subject to democratic control through the Union’s institutions. Otherwise, we believe that the disconnection between the “ruling elite” of the Union, and the people, will grow ever wider.

We reaffirm our belief in the importance of the Committee of the Regions within the Union’s framework, representing local and regional government within the formal decision-making process. We propose that the Committee should be defined as an institution of the Union, to reflect the important role of our spheres of government in the governance of Europe. We note that the Committee’s full title includes local as well as regional bodies, and believe this to be essential for the future. At present, the delegations of some countries include little, if any, representation from local government. We propose that there be a duty to ensure an equitable balance of representation between local and regional government in each state’s delegation.

## 7.7 THE POLICIES OF THE UNION

We have, in previous sections of this paper, looked at competences from a formal perspective – what are they, what powers do they carry etc. So far, we have not considered them from the point of view of substance. We do not intend to go into detail at this stage, but wish to make a few points.

We believe, as indicated under objectives, that economic, social and territorial cohesion, and regional policy in general, remain important issues for the Union. These are key areas in which the Union demonstrates its solidarity and commitment to address structural inequalities. We therefore oppose any attempt to “renationalize” such competences.

We also believe that the reference in Article 158 to rural areas needs to be balanced by a reference to urban areas. Most of the Union’s population lives, and will live, in urban areas, and the Union needs to be able to intervene in a strategic way to address both urban and rural structural inequalities.

Moreover, in relation to agricultural and rural policy, we strongly favour a policy approach which promotes rural development rather than unlimited subventions to agricultural production. We hope that this change of focus will be adopted.

Consistent with our proposal that twinnings and exchange of experience be included as objectives of the Union in their own right, there needs to be an express competence (though not a legislative one) for the Union to promote and fund such activities. This power should not be limited to exchanges within the Union, but should also include twinnings and exchanges with counterparts in other countries, where this is in the interest of the Union.

## 7.8 THE RELATIONSHIP OF LOCAL AND REGIONAL GOVERNMENT TO CIVIL SOCIETY

The Convention has at this stage seen local and regional government as falling under the “umbrella” of civil society. We wish to emphasize that our spheres of government are, by definition governmental, and not non-governmental. For the future, therefore, we urge the Convention to treat local and regional government as conceptually separate from civil society. All spheres of government need to engage closely with civil society – this is one of the key ways of bringing the Union closer to its citizens. Local and regional government have much experience in working with local communities and their organisations, an experience which can be valuable to the Union for the future.







**Chapter 8    IMPLEMENTING THE  
EU ACQUIS AT LOCAL  
AND REGIONAL LEVEL**





Sonja Fiala, City of Vienna, Chief Executive's Office - European Integration;  
Thomas Weninger, City of Vienna, Chief Executive's Office - European Integration,  
Deputy Head (Austria)

## 8.1 INTRODUCTION <sup>1)</sup>

The implementation of approximately 60 per cent of all mandatory European-law based regulations has to be carried out by local governments. This is an attempt to give an overview on the major fields of local actions requested by European Union's legislation. However, it has to be considered that in most cases the said formal legal actions are preceded or paralleled by a variety of legally still not binding, but politically important steps, to mention only the EC communication "Sustainable Urban Development in the European Union: a Framework for Actions" (KOM/98/06055, final version 28.10.1998).

Above all, the White Book of the European Commission on the completion of the Single Market in 1985 (KOM(85)310 final) and the following directives and preliminary decisions gave a major impetus to the European integration on a local level. A shining example for regulations concerning the Single Market having immediate local effect is the public contract awarding.

The continuously proceeding integration aiming at the implementation of the known four freedoms has evolved further political fields on the European as well as on the local/regional level. In fact, an increasing number of political realms of the European Union of high local significance.

The enlargement of the European Union represents a major challenge for the Union as a whole, as well as for each applicant country at a national as well as at a regional and local level. Local and regional authorities will not only have to implement a major part of the *acquis communautaire* and may even be held responsible for failure to do so ("direct effect"), they will also have to cope with the social, economic and ecological challenges of membership.

- Cities/Regions have to implement EU legislation incorporated into national law and in some well-defined cases ("direct effect" of primary and secondary legislation, see below) need to adhere to EU law even if it is not – or not properly transposed – into national law.
- Cities/Regions have to implement or administrative provisions within their areas of competence.

The current EU funding available for sub-national institution-building is, however, not adequate and does not systematically address the problems and needs of the sub-national level in the candidate countries.

One of the most distinctive features of the EU is that in many policy areas it does not have its own machinery for implementing the decisions it takes. It is customary to say that the Union's decisions are implemented by the Member States.

<sup>1)</sup> This chapter is a revised version of the Logon Report 2000.

Nevertheless, closer examination reveals that, since the scope of its decision-making powers has expanded to include virtually all sectors of economic and social policy, the Union's decisions are now in practical terms increasingly implemented by local and regional authorities even if the legal responsibility lies with the Member States. Moreover, the role of local and regional authorities is not confined solely to implementing legislation; rather, they often play a key role in initiating and maintaining a desired course of development.

In this context it is necessary to note that due to its peculiar structure and evolution, the EU system does not only operate on the basis of legally binding primary and secondary legislation and case law, but is also based on providing certain incentives (programmes and other funding opportunities) to actors of civil society in order to better attain the European model of society as outlined in the common provisions of the EU Treaty.

In areas such as in the field of social inclusion, integration of minorities or employment, cities and regions play a major role in helping to attain EU standards and in contributing to the "process of creating an ever closer union among the peoples of Europe". The EU related activity of cities and regions goes far beyond the purely legalistic implementation of EU law which in many cases does in itself not provide the desired impact on the living conditions and quality of life of EU citizens.

It is also important to note that cities and regions provide the level of government the closest to the citizens and local businesses. Accordingly cities and regions have a task/responsibility as information provider to the general public about the impact of EU membership and the legal, economic and social changes going with it.

Due to the restricted and rather narrow approach of this overview such fields of legislation with an indirect but nonetheless profound impact on local authorities have not been included in this background document. It has been clear to the authors of this paper that responsibilities and tasks as well as constitutional or delegated powers of cities and regions vary from country to country. Therefore also the direct impact of EU legislation may vary from country to country.

## 8.2 LEGISLATION AND FRAMEWORK CONDITIONS IN THE ENVIRONMENTAL SECTOR

Community policy, and environmental policy in particular, aims to achieve sustainability. The principles underlying that policy are set out in Article 174 of the Treaty of Amsterdam.

The Commission's opinions identified, for all the applicant countries, a need to strengthen the administrative structure necessary for environmental management. This general weakness varies in level from country to country and some further investigation is needed in order to identify the precise scope of the problem and to develop solutions.

Implementation and enforcement of environmental legislation is often delegated to regional or local authorities or other institutions responsible for monitoring, issuing of permits and in-

spection. In many cases, the work of these bodies will be seriously affected by the new legislation, with additional obligations requiring more efficient management and additional staff training. The development of regional and local environmental administrations will need specific attention in all the candidate countries.

A recent report summarises the findings of a coping exercise of the European Sustainable Cities and Towns Campaign. According to this report only a minority of local authorities of the associated countries is fully aware of EU environmental legislation issues: appropriate knowledge in the associated countries is still not commonplace.

Gaps in knowledge seem to be mainly the result of inadequate and weak communication structures and national governments withholding this information from the local level. Even if national governments do have the necessary information, transfer to local authorities does not always occur. This can be attributed to a number of reasons, such as lack of appropriate resources, lack of staff, poor targeting of information, lack of responsibility of local authorities in these fields and low overall attention to the issue.

### 8.2.1 Waste management

The overall structure for an effective waste management regime is set out in the Waste Framework Directive and the complementary Hazardous Waste Directive. These directives establish the framework for waste management structures, which has been elaborated by two types of “daughter” directives: one group sets down requirements for the permitting and operations of waste disposal facilities. The other group deals with specific types of waste such as oils, packaging and batteries.

#### Overview on the EU Waste Management System

##### Waste framework:

- Waste Framework Directive (75/442/EEC amended by 91/156/EEC)
- Hazardous Waste Directive (91/689/EEC)

##### Special wastes:

- Packaging (94/62/EC)
- Waste Oils (75/439/EEC)
- PCB's and PCT's (96/59/EC)
- Sewage Sludge (86/278/EEC)

##### Processing and disposal facilities:

- incineration of waste (2000/76/EC)
- end-of life vehicles (2000/53/EC)
- Landfill (99/31/EC)

##### Transport/import/export:

- Shipment of waste (259/93/EEC)

Therefore, the following statutory documents of the European Union are of main importance for local authorities with respect to waste.

#### **Waste Framework:**

##### **Waste Framework Directive (75/442 EC amended by 91/156 EC)**

The directive aims at protecting human health and the environment against negative effects of the collection, transport, treatment and disposal of waste. As there is no blueprint which solves everything, the EU works with a set of principles:

- Prevention: waste production must be reduced and avoided where possible;
- Polluter pays: those who generate waste pay the full cost of their actions;
- Precautionary : rather than waiting for problems to appear, they need to be anticipated;
- Proximity: waste should be dealt with as close as possible where it is produced.

The national competent authorities under the Directive must draw up waste management plans as soon as possible, covering the wastes to be recovered or disposed of, technical requirements, special arrangements for particular wastes, and suitable disposal sites or installations. The national authorities also serve as the permit authorities for establishments carrying out disposal or recovery operations.

##### **Hazardous Waste Directive (91/689/EEC)**

The principal aim of the Directive is to formulate a common definition of hazardous waste and introduce greater harmonisation of the management of such waste. It lists hazardous wastes, constituents and properties which render waste hazardous. Establishments which carry out their own waste disposal will need a license. Hazardous waste management plans have to be published by the competent authorities, either as part of the general waste management plan (according to 75/442/EEC) or separately. The competent authorities must inspect installations producing and receiving hazardous waste as well as means of transporting the waste. Stricter control procedures such as inspection of installations are also required. The so called “daughter” directives can be divided into directives setting requirements for specific waste streams and those setting requirements for disposal facilities.

#### **Special wastes:**

##### **Packaging and packaging waste (94/62/EC)**

The packaging Directive prescribes recycling quotas (regarding both the material itself and through incineration) for packaging waste (50 to 65 percent in weight) as well as material recycling quotas (25 to 45 percent in weight, at least 15 percent for each material). This presupposes organising the separate collection and recycling of this waste, which has to be organised (and paid for) by local authorities. Packaging waste is usually collected by private companies and in some cases by the municipalities themselves. Existing systems would have to be assessed to ensure compliance with EU requirements and avoid distortions of the free market.

#### **Disposal of Waste Oils (75/439/EEC)**

This Directive aims to create a harmonised system for the collection, treatment, storage and disposal of waste oils; Member States must ensure the safe collection and disposal of waste oils. Adequate disposal structures and strict control procedures have to be put in place in order to avoid illegal or inadequate disposal of waste oils.

#### **Disposal of PCB's and PCT's (96/59/EC)**

The Directive aims at the elimination of PCB's and PCT's and at the decontamination of equipment containing them. Strict regulations and enforcing instruments have to be created or strengthened in order to ensure the enforcement of the requirements of the Directive.

#### **Batteries and accumulators containing dangerous substances (91/157/EEC)**

Member States must draw up programmes to reduce their heavy metal content, to promote the marketing of improved batteries and accumulators, to gradually reduce the phased out products, to promote research and favour the use of less-polluting substitute substances in them. Consumers must be fully informed about aspects of the risks and disposal opportunities.

#### **Sewage Sludge used in agriculture (86/278/EEC)**

The Directive aims to control the use of sewage sludge in agriculture by establishing maximum limit values for concentrations of heavy metals in the soil and in the sludge, and maximum quantities of heavy metal (cadmium, copper, nickel, lead, zinc and mercury) which may be added to the soil. The authorities responsible for water treatment, waste management, agriculture and enforcement will need to work together to achieve the aims of the Directive.

#### **Processing and disposal facilities:**

##### **Incineration of waste (2000/76/EC)**

The aim of this Directive is to prevent or to limit as far as practicable negative effects on the environment, in particular pollution by emissions into air, soil, surface water and groundwater, and the resulting risks to human health, from the incineration and co-incineration of waste. This aim shall be met by means of stringent operational conditions and technical requirements, through setting emission limit values for waste incineration and co-incineration plants within the Community and also through meeting the requirements of Directive 75/442/EEC.

##### **End-of life vehicles (2000/53/EC)**

This Directive lays down measures which aim, as a first priority, at the prevention of waste from vehicles and, in addition, at the reuse, recycling and other forms of recovery of end-of life vehicles and their components so as to reduce the disposal of waste, as well as at the improvement in the environmental performance of all of the economic operators involved in the life cycle of vehicles and especially the operators directly involved in the treatment of end-of life vehicles.

##### **Landfill Directive (99/31/EC)**

The Directive intends to prevent or reduce the adverse effects of the landfill of waste on the environment, in particular on surface water, groundwater, soil, air and human health. It defines



the different categories of waste (municipal waste, hazardous waste, non-hazardous waste and inert waste) and applies to all landfills, defined as waste disposal sites for the deposit of waste onto or into land. A standard waste acceptance procedure is laid down so as to avoid any risks:

- waste must be treated before being land-filled;
- hazardous waste within the meaning of the Directive must be assigned to a hazardous waste landfill;
- landfills for non-hazardous waste must be used for municipal waste and for non-hazardous waste;
- landfill sites for inert waste must be used only for inert waste.

The Directive sets up a system of operating permits for landfill sites. Applications for permits must contain the following information:

- the identity of the applicant and, in some cases, of the operator;
- a description of the types and total quantity of waste to be deposited;
- the capacity of the disposal site;
- a description of the site;
- the proposed methods for pollution prevention and abatement;
- the proposed operation, monitoring and control plan;
- the plan for closure and aftercare procedures;
- the applicant's financial standing;
- an impact assessment study, where required under Council Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment.

Member States must ensure that existing landfill sites may not continue to operate unless they comply with the provisions of the Directive as soon as possible. Member States must report to the Commission every three years on the implementation of the Directive. On the basis of these reports, the Commission must publish a Community report on the implementation of the Directive. Local and regional authorities have a major role to play in implementing this Directive and in reporting to their national authorities.

Additionally the issue of transport, import and export of waste is dealt with under a specific Regulation.

#### **Transport/import/export:**

##### **Shipment of Waste**

This Regulation (259/93/EEC) on the supervision and control of shipments of waste within, into and out of the European Union establishes a system for controlling the movement of waste. Member States must identify the appropriate competent authority or authorities to control the movement of wastes under the regulation. Special training is likely to be necessary to supplement procedural information.

Concerning other waste related legislation, the following proposals are currently under discussion:

- a draft directive on the incineration of non-hazardous domestic waste to replace the existing, not updated directive;
- a proposal for a directive on the recycling of used vehicles (published in the Official Journal C 337/3, 1994).

### 8.2.2 Water Quality – drinking water, waste water

Water is one of the most comprehensively regulated areas of EU environmental legislation. Early European water policy began already in the 1970s, since then it had become clear that an efficient protection of water needs emission limit value legislation as well as water quality standards legislation, i.e. a so-called “combined approach”. In the following you will find the main Community legislation in the field of water policy.

#### Drinking water Directive (80/778/EC)

This Directive is designed to safeguard human health by establishing strict standards for the quality of drinking water. Member States have to monitor drinking water quality and take the necessary steps to ensure compliance with the mandatory standards. Amongst others, the limit values for lead and tri-halogenated methane (by products of chlorination) may require increased investments, since old lead pipes need to be replaced. The Member States have met their obligations if the water in their distribution systems does not exceed the limit value.

#### Urban Waste Water Directive (91/271/EEC)

This Directive aims to protect surface inland waters and coastal waters by regulating collection and treatment of urban waste water and discharge of certain biodegradable industrial waste water (basically from the agro-food industry). All municipalities with more than 15,000 inhabitants (until the end of 2000) and more than 10,000 inhabitants (until the end of 2005) must dispose of secondary treatment facilities, i.e. a biological purification process. 2005 is furthermore the deadline for the introduction of secondary wastewater treatment for all municipalities with 2,000 to 10,000 inhabitants whose wastewater is emitted into inland waters (or estuaries). More advanced treatment is required for so-called sensitive areas (i.e. water bodies subject to eutrophication or in danger to become so). For certain marine waters, primary, i.e. mechanical treatment might be sufficient, provided it can be proved that the water quality is not adversely affected.

In co-operation with their national governments, cities and regions need to:

- Identify agglomerations, which need a sewerage system and/or a treatment plant or its improvement;
- Establish a phased implementation programme for sewerage and treatment systems;
- Develop detailed capital investment strategies in order to cope with the expenditures needed to construct, improve or replace sewerage and/or treatment systems;

- Assess costs for users, develop strategies for cost recovery (cf. also Water Framework Directive on full cost recovery);
- Develop and implement strategies for the reuse and/or disposal of sewage sludge from waste water treatment, including where necessary the phasing-out of discharge or dumping to waters;
- Assess the need for training the necessary staff for maintenance of sewerage systems and treatment plants.

**Nitrates from Agricultural Sources Directive (91/676/EEC)** concerning the protection of water against pollution caused by nitrates from agricultural sources complements the Urban Waste Water Directive by reducing and preventing the nitrates pollution of water from agricultural sources, i.e. chemical fertiliser and livestock manure, both to safeguard drinking water supplies and to protect fresh water and marine waters from eutrophication.

**Directive 2000/60/EC of the European Parliament and of the Council of October 23<sup>rd</sup> 2000 establishing a framework for Community action in the field of water policy**

The hitherto use-oriented rules for water management were replaced by this comprehensive framework Directive on water management. For the first time, emission and immission standards are combined with an ecological orientation (biological water quality). Principally, the new instrument provides for cost-coverage prices for all forms of water use, including drinking water supply and wastewater. The idea behind this Directive is that it forms the very basis of the European water strategy. It aims to bring considerable improvements in sustainable and integrated management of our water resources. For the first time it covers, in a single legal text, all types and uses of water. It repeals no less than six existing European water Directives (dangerous substances, surface water, fish water, shellfish water, ground-water and information exchange).

The purpose of this Directive is to establish a framework in order to achieve the following four main objectives of a sustainable water policy:

- sufficient provision of drinking water;
- sufficient provision of water for other economic requirements;
- protection of the environmental;
- alleviation of the adverse impact of floods and droughts.

Member States will have to ensure that services to water users are paid at full cost recovery prices (basically prices for water supply and waste water collection and treatment). The programme of measures will have to be based on all relevant water-related legislation, be it Community, national, regional or local legislation and will have to be legally binding.

With the Framework Directive the European Commission follows the pattern it has established in the fields of waste and air quality which are also governed by a single integrated framework Directive supported by a series of technical Directives setting limitations and requirements.

The following directives will be lifted **seven years** after getting into effect of the Directive 2000/60/EC of the European Parliament and of the Council of October 23<sup>rd</sup> 2000 establishing a framework for Community action in the field of water policy:

**Surface Water for Drinking Water Abstraction Directive (75/440/EEC)** concerning the quality required of surface water intended for the abstraction of drinking water lays down requirements to ensure that it meets certain minimum standards specified in the Directive. Wherever a water body used or intended for use in drinking water abstraction does not meet the requirements, Member States have to establish and implement plans of action;

**Measurement and Sampling of Surface Waters Directive (79/869/EEC)** establishes the sampling and measurement procedures for the waters covered by Directive 75/440/EEC;

**Decision 77/795/EEC on Information Exchange** establishes a common procedure of exchange of information on the quality of surface fresh waters in the EU. The Decision establishes a network of monitoring points with a monitoring regime covering several parameters.

The following directives will be lifted **thirteen years** after getting into effect of the Directive 2000/60/EC of the European Parliament and of the Council of October 23<sup>rd</sup> 2000 establishing a framework for Community action in the field of water policy:

**Dangerous Substances Discharges Directive (76/464/EEC)** on pollution caused by certain dangerous substances discharged into water requires Member States to control all emissions of dangerous substances by a permit or authorisation system. Daughter Directives have so far covered 18 substances at a Community level. The Directive obliges Member States to set maximum emission limit values established in these directives;

**The Fish Water Directive (78/659/EEC)** seeks to protect those fresh water bodies identified by Member States as fish waters. It sets water quality standards for salmonid waters and cyprinid waters;

**The Shell Water Directive (79/923/EEC)** seeks to protect those coastal and brackish water bodies identified by Member States as shellfish waters. For those it sets water quality standards;

**Groundwater Directive (80/68/EEC)** on the protection of groundwater pollution caused by certain dangerous substances will be integrated in the forthcoming Water Framework Directive. The Directive seeks to control the direct and indirect discharge of certain substances into the groundwater. This is to be achieved primarily by an authorisation system for discharges as well as disposal or tipping. For certain substances and groups of substances any discharge to groundwater is prohibited, whilst others must be subject to an elaborate authorisation procedure;

**Bathing Water Directive (76/160/EEC)** on the quality of bathing waters seeks to ensure the quality of bathing water throughout the EU, both for fresh water and coastal waters bathing areas. Member States have to take all appropriate measures in order to comply with the mandatory quality standards laid down in the Directive.

### 8.2.3 Air quality

Directive 96/62/EC on ambient air quality assessment and management, known as the Air Quality Framework Directive, aims to set the basic principles of a common strategy which:

- Defines and establishes objectives for ambient air quality in the Union in order to avoid, prevent or reduce harmful effects on human health and the environment as a whole;
- Assesses the ambient air quality in Member States on the basis of common methods and criteria;
- Produces adequate publicly available information about ambient air quality and ensures that it is available to the public by means of alert thresholds, etc.;
- Maintains ambient air quality where it is good and improves it in other cases.

The Framework Directive sets key pollution management parameters for the private sector. New standards will be adopted under the Directive which will replace earlier directives concerning sulphur dioxide and particulates, lead and nitrogen oxide, described below. Over a period of ten to fifteen years, optimal ambient air quality limit values, margins of tolerance, assessment procedures and reporting requirements will be established for individual pollutants through a series of daughter directives. The first of these daughter directives (99/30/EC) concerning NO<sub>2</sub>, SO<sub>2</sub>/particulates and lead was adopted in 1999. Further daughter directives have been released such as the Directive 2000/69/EC relating to limit values for benzene and carbon monoxide in ambient air and the Directive 2002/3/EC relating to ozone in ambient air.

Once limit values and alert thresholds have been determined, ambient air quality will have to be assessed. Action plans must be drawn up for zones which do not meet the limit values. Measures must integrate the protection of air, water and soil and be aimed at meeting deadlines. The public must be informed when alert thresholds are exceeded.

The Directive's requirements presuppose adequate administrative systems, scientific know how and standards-based regimes for the management of ambient air quality. Often new procedures of consultation between authorities, alignment of monitoring and measuring methodologies, reporting and assessment will be needed. Laboratories must be accredited in a manner consistent with European standards for quality assurance. Both laboratories and measuring sites must have organised systematic internal quality controls. Air quality improvement plans must be developed for areas of poor air quality with specific improvement deadlines. The plans may provide for measures to control or suspend activities such as motor vehicle traffic which contribute to the limit values being exceeded. Representatives from air polluting industries as well as other interested parties should be consulted on implementation requirements, especially on the drawing up of the improvement plans so as to smooth the way to compliance with air quality standards.

#### National emission ceilings for certain atmospheric pollutants (2001/81/EC)

The aim of this Directive is to limit emissions of acidifying and eutrophying pollutants and ozone precursors in order to improve the protection in the Community of the environment and human health against risks of adverse effects from acidification, soil eutrophication and

ground-level ozone and to move towards the long-term objectives of not exceeding critical levels and loads and of effective protection of all people against recognised health risks from air pollution by establishing national emission ceilings, taking the years 2010 and 2020 as benchmarks, and by means of successive reviews.

#### **Limitation of emissions of certain pollutants into the air from large combustion plants (2001/80/EC)**

This Directive applies to combustion plants, the rated thermal input of which is equal to or greater than 50 MW, irrespective of the type of fuel used (solid, liquid or gaseous). For these plants some rules for granting the permit or licence as well as emission limit values for dust, SO<sub>2</sub> and NO<sub>x</sub> are set.

### **8.2.4 Trans-sectoral regulations**

**IPPC Directive (Integrated Pollution Prevention Control Directive)** (96/61/EC of 24<sup>th</sup> September 1996, published in the Official Journal L 257 of 10<sup>th</sup> October 1996)

The IPPC Directive applies both to new and existing facilities. To safeguard a high protection standard for the environment in general, the effects of facilities impacting the environment are to be comprehensively reviewed to prevent the shifting of emissions from one medium (air, water, soil) to another. The stipulations for granting licenses must be based on BAT (Best Available Technology) requirements. The immission-side approach of the IPPC Directive caused some discussion, as this would permit to emit regulation ordinaries more pollutants in less polluted areas than in areas with high levels of pollution.

#### **Directive 85/337/EEC (Environmental Impact Assessment – EIA)**

Regional and local authorities have major competencies in spatial development and land use planning. The EIA obliges them to assess the impact of infrastructure and other projects on the environment. The responsibility for the formal implementation of the Directive therefore rests not only with the national Governments but also with regional or local authorities.

A recent report suggests that every EIA requires a number of steps, so the minimum level of costs is likely to be in the range of 10.000 to 20.000 Euro. The main costs arise from the use of internal staff time, payments for expert advice and consultancy time and publicity and publications. Of these the staff and consultancy costs account for over 90 %. Evidence suggests that introduction of strategic environmental assessments to regional and local land-use planning may increase the costs by 5 to 10 %.

## **8.3 LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING PUBLIC PROCUREMENT**

In order to complete the Internal Market and safeguard free movement of goods, services and persons, public procurement must likewise be opened to general competition. Since 1970, several directives have provided the legal basis for this opening. This basis however remained without effect until additional directives were issued, which enabled enterprises, affected by

this disregard, to initiate formal legal proceedings leading to the awarding of damages. However, the directives only apply if the contracts to be awarded exceed a certain volume. The threshold values are Euro 200.000 for public supply and service contracts, and Euro 5 million for public works.

In practice, this means that contracts exceeding these thresholds presuppose a call for tender in the entire EU territory. A specific information procedure needs to be designed by the national authorities for this purpose. While public authorities in the past could apply additional criteria when awarding contracts, e.g. commissioning above all enterprises within their own municipal area or region, thereby safeguarding local employment, competitors from the entire EU must now be taken account of. To avoid problems, the services/works to be executed must be precisely described. Future maintenance and service work, too, may be included in the tender, thereby permitting local entrepreneurs to turn their physical proximity into an advantage.

A separate directive covers public procurement in the water, energy, transport and telecommunications sectors, since these facilities are partly subject to public law and partly to private law. The threshold values for these sectors are: Euro 400,000 for service and supply contracts of operators of energy, transport and drinking water networks and Euro 600.000 for the telecommunications sector. The threshold value for public works contracts remains unchanged at Euro 5 million.

Currently, the following directives should be observed:

- **Council Directive 93/36/EC** of 14<sup>th</sup> June 1993 concerning the co-ordination of procedures for the award of public supply contracts;
- **Council Directive 93/37/EC** of 14<sup>th</sup> June 1993 concerning the co-ordination of procedures for the award of public works contracts;
- **Council Directive 93/38/EC** of 14<sup>th</sup> June 1993 concerning the co-ordination of the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors (all published in the Official Journal L 199 of 9<sup>th</sup> August 1993). This Directive is only applicable to areas where the market is not yet completely liberalised. (For example, the telecom area is nearly everywhere in the European Union liberalised). The European Commission issues a statement to the respective Member State on the basis of article 8 of the Directive 93/38/EC if the directive is not longer applicable for a certain area;
- **Council Directive 92/50/EC** of 18<sup>th</sup> June 1992 concerning the co-ordination of procedures for the award of public service contracts (published in the Official Journal L 209/1 of 24<sup>th</sup> July 1992).



To implement the provisions laid down in the four above-mentioned directives, another two so-called remedy directives were adopted to provide for the establishment of institutions offering legal remedy in case of infringements of public procurement procedures:

- **Council Directive of 21<sup>st</sup> December 1989** on the co-ordination of the laws, regulations and administrative provisions relating to the application of review procedures to the award of public supply and public works contracts (89/665/EC, published in the Official Journal L 395/33 of 30<sup>th</sup> December 1989);
- **Council Directive 92/13/EC** of 25<sup>th</sup> February 1992 co-ordinating the laws, regulations and administrative provisions relating to the application of Community rules on the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors (published in the Official Journal L 76/14 of 23<sup>rd</sup> March 1992).

Two further directives were adopted under the multilateral agreement on public procurement to liberalise and expand world trade, thereby adjusting the prevailing legal system:

- **Directive 97/52/EC** of the European Parliament and the Council of 13<sup>th</sup> October 1997 amending directives 92/50/EC, 93/36/EC and 93/37/EC, co-ordinating the procurement procedures for the award of public service contracts, public supply contracts and public works contracts (published in the Official Journal L 328 of 28<sup>th</sup> November 1997);
- **Directive 98/4/EC** of the European Parliament and the Council of 16<sup>th</sup> February 1998, amending Directive 93/38/EC, co-ordinating the procurement procedures of entities operating in the water, energy, transport and telecommunications sectors (published in the Official Journal L 101 of 1<sup>st</sup> April 1998).

The complexity of the procurement provisions provoked vehement criticism on the part of the Member States, so that the Commission felt obliged to propose several modifications in a Green Book. Inter alia, critics complained that the directives were confusing because of numerous amendments; that low thresholds resulted in high administration costs in relation to marginal cost cuts, thus causing more costs than benefits; and finally, that the award procedures in several areas were overly cumbersome. Local authorities additionally complained that they did not conduct large-scale public works very often; as a result, the provisions of the public works directive would not be applied frequently enough to ensure that their staff was familiar with the regulations. Regarding the public supply co-ordination directive, it was criticised that the low threshold did not encourage wide participation of enterprises despite public tenders across the EU. Discussions were also triggered by the abolition of “local preferences”, i.e. the prioritisation of local enterprises. This, however, had already been reduced before in the big cities. On the other hand, the increased transparency of contract awarding and pan-European procurement was also explicitly welcomed.

The Commission intends to propose a number of clarifications regarding the public procurement directives and also to suggest some amendments.



## 8.4 LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING STATE AID

Under Article 87(1) of the Treaty of Amsterdam, any form of government subsidy is prohibited if it distorts or threatens to distort competition by impairing trade between Member States. However, Article 87(2) and 87(3) contains a number of exceptions to this rule. In any case, the Commission must be informed (notified) of all forms of subsidies and then will decide about their admissibility and extent by way of a review procedure.

To ease the administrative burden in the field of subsidies for Small and Medium-sized Enterprises (SME) the Commission has decided that subsidies not exceeding 100,000 Euro do not have to be notified (Communication from the Commission of 28<sup>th</sup> February 1996, published in the Official Journal C 68 of 6<sup>th</sup> April 96).

Subsidies not exceeding a certain intensity (e.g. 15% or 7.5%) are subject to an accelerated procedure (Community framework for government subsidy to small and medium-sized enterprises, published in the Official Journal C 213 of 23<sup>rd</sup> July 96).

In some cases, services of general economic interest are excepted from this rule (Article 87(2)), i.e. all public services that normally do not cover their production cost but are necessary for the proper functioning of society. The deficits of these areas are considered as "aid".

It is, however, difficult to delimit these areas, as there exists no definition of these services, which (at least partially) remain a national, not a Community issue. Basically, however, the private and public sectors must be given equal opportunities. This issue is still under discussion. However, in those areas where the EU has sole competence, it is impossible to invoke the argument of subsidiarity.

## 8.5 FRAMEWORK CONDITIONS FOR LOCAL AUTHORITIES IN THE FIELD OF ELECTRICITY AND GAS MANAGEMENT

### Directive on the internal market in electricity (96/92/EC)

This entails the possibility of purchasing electricity all over Europe in a free market and transporting this energy, against payment, through existing networks. The main objective was opening up the market for big consumers as of February 1999 and which must be completed for smaller consumers by 2003.

As in most countries a large part of energy supply – in particular in medium-sized and big cities – is provided by municipal enterprises or enterprises which are partly owned by local and regional authorities.

This legislation had and still has a major impact on a sector in complete transformation forcing local authorities to restructure or sell off municipally owned utility companies, which were often used for generating finance for other public utilities such as public transport (internal subsidies).

A very important impact of this legislation has also been noted in the field of municipal finance and pricing as big clients can buy cheaper energy from big providers.

**EC Directive concerning common rules for the internal market in natural gas (98/30/EC)**  
Similar to the regulations in the Directive on the internal market in electricity, here, too, the Member States will be entitled to designate "licensed customers". It must be the objective of local authorities and their representative organisations, to secure this status of "licensed customers" for municipal gas providers, so they can enjoy the advantages of free market for the benefit of the citizens.

## 8.6 FRAMEWORK CONDITIONS FOR PUBLIC UTILITIES

In most cases the state participates in the economic process in order to pursue public interests rather than to realise profit-oriented objectives. It thus ensures the provision of services which are essential for the European Commission and cannot be rendered at a socially tolerable price by private enterprises.

The aim is to reduce existing differences between public-owned and private enterprises within the European internal market. For this reason it is basically stated in article 86(1) of the Treaty of Amsterdam that public enterprises shall not hold a privileged position. This means that besides the prohibition of discrimination also EC regulations on competition shall be applied to public enterprises.

These regulations include following prohibitions:

- Cartel and other agreements leading to uncompetitive practises;
- Misuse of market-dominating positions;
- Dumping;
- Subsidisation.

### Special regulations for public enterprises

Following coinciding conditions exempt public enterprises from EC competition regulations:

- The relevant enterprises render services of common economic interests. These do not only include public utilities, but also state financial monopolies. However, this applies exclusively to public-owned production monopolies; state trade monopolies cannot hold a privileged position (Article 31 Treaty of Amsterdam);
- The application of the competition regulations would prevent public enterprises from performing the tasks they have been entrusted with;
- The development of trade between the Member States must not be impaired to an extent running against to EC interests.

The Directive on the Transparency of Financial Relations between Member States and Public Undertakings (80/273/EEC) is of special interest for public-owned undertakings. Pursuant to this Directive not only active assignments (principals), but also passive assignments (renunciation of profit or interest on spent public funds) have to be laid bare in certain economic fields. The range of application of the Transparency Directive was extended by a further Directive (85/413/EEC) to water and energy management, post and communications as well as the transport sectors. On the basis of this Directive especially chronically deficitary enterprises will have to clarify if the assignment of public funds can be justified by one of the exemptional regulations mentioned above. In case there is none of these exemptional clauses are to be applied the probably sole solution will be to redefine the enterprise's status, i.e. its denationalisation or integration into the general administration.

## 8.7 LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING ANTI-DISCRIMINATION AND FREE MOVEMENT OF PEOPLE

In the case of the free movement of people, a distinction must be made between the free movement of workers (Article 39 Treaty of Amsterdam – ToA) and the freedom of establishment for independent natural or legal persons (Article 43 ToA). Sub-national authorities are confronted by these Treaty provisions when they set rules or operate a policy in these areas. In addition, the free movement of workers is also important to them in their role as employers.

Within the scope of application of the EC Treaty, the general prohibition of discrimination under Article 12 ToA bans all forms of discrimination on grounds of nationality. This also comprises the so-called “hidden” discrimination which occurs if legal provisions are linked to conditions that can be regularly complied with only, or at least considerably more easily, by nationals.

The right of establishment refers to the pursuing of activities as self-employed persons and the management of undertakings. Under this right, the citizens of the Union are entitled to set up and manage an enterprise in any Member State; this also relates to the purchase of the required production and accommodation facilities. The right of residence linked to the right of establishment moreover extends to the family and dependants of the self-employed person. The mutual recognition of professional qualifications and diplomas is also closely linked to the right of establishment.

Under the right of free movement of workers across the Community, workers holding the nationality of a Member State and employed in the territory of another Member State enjoy the same rights and privileges as nationals of that Member State with respect to the accommodation required by them, including the acquisition of a dwelling.

The rights of migration, as outlined in Article 39 ToA, can be restricted on the grounds of public order, public security and public health. Finally, the Treaty contains an exception, with respect to positions in government, which applies to both the abrogation of discrimination and the rights of migration. For sub-national authorities in their role as employer, it is of primary importance that the exception for employment in government is interpreted by the Court in a

narrow manner. The exception only covers positions in government with a direct or indirect involvement in exercising public authority and those functions in which one has the responsibility to protect the interest of the state or that of the other public bodies. It follows that the rules of free movement of workers will apply to many functions within sub-national authorities.

The abrogation of discrimination in Article 39(2) ToA, makes clear that the government as employer cannot in this case require that the teacher to be appointed has the nationality of the Member State concerned. Such forms of direct discrimination are banned and that is self-evident. But according to the jurisprudence of the European Court of Justice (ECJ), the abrogation of discrimination has wider repercussions. The abrogation also includes conditions which are not based on a distinction between nationalities but nevertheless put subjects of other Member States at a disadvantage. An example of this was a provision by the Italian legislature which, without any reference to nationality, determined that employment contracts for foreign language teachers could be for a fixed period while this did not apply to other employees. According to the Court, this constituted a prohibited indirect discrimination. It will be clear that such forms of indirect discrimination in particular, which are not immediately obvious, may pose problems for sub-national authorities.

Article 7 of Regulation (EEC) No 1612/68 on freedom of movement for workers within the Community provides for equality of treatment in respect of any conditions of employment and work for migrant workers that are EU citizens, in particular as regards remuneration, dismissal and, should workers become unemployed, reinstatement or re-employment. Where labour law is concerned migrant workers are subject to the legislation of the country of employment.

## 8.8 ACQUISITION OF LAND BY FOREIGNERS

Although the legal provisions on property acquisition, sale and transfer do not constitute a separate matter under EC law, this legal issue is substantially affected by the fundamental freedoms of the EU and by the general prohibition of discrimination laid down in EC law (Art. 12 and Art. 13 Treaty of Amsterdam – ToA):

- To implement the right of establishment, Art. 44(2) ToA stipulates that every citizen of an EU Member State may acquire and use land in the context of the exercise of his/her occupation. According to the jurisprudence of the European Court of Justice (ECJ), the right of foreigners, who are also EU nationals, to acquire land does not only extend to production facilities but also to the private residence of the self-employed person established in another Member State;
- The free movement of workers enables workers from other EU Member States to acquire land in a Member State for the purpose of living there;
- Moreover, the capital movement directive (88/361/EC), adopted to implement the free movement of capital, enables private citizens of any EU Member State to invest in real property in any EU Member State to the same extent as nationals of that Member State.

The free movement of capital, however, can cause problems for the Member States if – e.g. due to dramatic price differences or specific characteristics of the landscape – second homes begin to proliferate while the access to the real property market is limited for local population groups with inferior purchasing power, e.g. as a result of a possible price increase. For this reason, Member States have instituted provisions to regulate the acquisition of land by citizens of the Union for the purpose of establishing second homes. But it is prohibited to prevent the acquisition of land by citizens of the Union for the purpose of capital investment.

Within the scope of application of the EC Treaty, the general prohibition of discrimination under Article 136 ToA bans all forms of discrimination on grounds of nationality. This also comprises the so-called “hidden” discrimination which occurs if legal provisions are linked to conditions that can be regularly complied with only, or at least considerably more easily, by nationals. Therefore citizens of the Union legally entitled to stay in the territory of a Member State for a longer period of time (these are retired persons and financially independent persons including their families under the 1990 “residence directives”) can not be prevented from acquiring land in that Member State for their main place of residence.

Restrictive provisions on land use – e.g. under regional planning concepts, building codes or land zoning and development plans – remain a national competence but must be applied equally to foreigners and nationals. This means that restrictions of second homes (must) apply both to citizens of the Union and nationals as stipulated by the prohibition of discrimination.

## 8.9 LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING SOCIAL POLICY

### 8.9.1 Health and Safety at Work

Legislation in place mainly concerns local and regional authorities as employers (public administration, municipal utilities, other services).

Relevant EU legislation in force:

- Council Directive 92/58/EEC of 24<sup>th</sup> June 1992 on the minimum requirements for the provision of safety and/or health signs at work;
- Protection against vinyl chloride monomers (DIR 78/610/EEC; OJ L 197 of 1978) – established atmospheric limit values, technical preventive measures and personal protection measures. This Directive was partly changed by the Council Directive 92/58/EEC (as above) and the Council Directive 97/42/EC of 27<sup>th</sup> June 1997 amending for the first time Directive 90/394/EEC on the protection of workers from the risks related to exposure to carcinogens at work and the Council Directive 1999/38/EC of 29<sup>th</sup> April 1999 amending for the second time Directive 90/394/EEC on the protection of workers from the risks related to exposure to carcinogens at work and extending it to mutagens;

- **First Framework Directive (DIR 80/1107/EEC; OJ L 327 of 1980)** on protecting workers from all dangerous, physical, chemical and biological agents – consolidated in 1988 (DIR 88/642/EEC; OJ L 356 of 1988) – sets out limit values for exposure and requires employers to take preventive, protection and emergency measures, inform workers and monitor their health. This Directive was changed by the Council Directive 88/642/EEC of 16<sup>th</sup> December 1988 amending Directive 80/1107/EEC on the protection of workers from the risks related to exposure to chemical, physical and biological agents at work;
- **Exposure to metallic lead and its ionic compounds (DIR 82/605/EEC; OJ L 247 of 1982)** – sets out exposure limit values and imposes regular monitoring and clinical assessments of the workers exposed;
- **Exposure to asbestos (DIR 83/447/EEC; OJ L 263 of 1983)** – sets limits on the concentration of asbestos dust in the workplace and measures on the best way to avoid it. Revised in 1991 (DIR 91/382/EEC; OJ L206 of 1991);
- **Exposure to noise (DIR 86/188/EEC; OJ L137 of 1986)** – sets out the maximum admissible level of sound emissions and the average acoustic pressure;
- **Banning certain agents and work activities (DIR 88/364/EEC; OJ L 179 of 1988)** – bans the production of four aromatic amines;
- **1989 Framework Directive (DIR 89/391/EEC OJ L183 of 1989);**
- **Council Directive 89/656/EEC of 30<sup>th</sup> November 1989** on the minimum health and safety requirements for the use by workers of personal protective equipment at the workplace;
- **Council Directive 89/655/EEC of 30<sup>th</sup> November 1989** concerning the minimum safety and health requirements for the use of work equipment by workers at work;
- **The use of work equipment (DIR 89/391/EEC; OJ L 393 of 1989)** – means that employers must take the necessary measures to ensure that the work equipment made available to workers may be used without impairment to their health and safety;
- **The manual handling of heavy loads (DIR 90/269/EEC; OJ L156 of 1990)** – lays down minimum health and safety requirements to reduce risks, especially of back injury, involved in the handling of heavy loads;
- **Work with display screen equipment (DIR 90/270/EEC; OJ L156 of 1990)** – sets out standards including requiring employers to test workers' eyesight and allowing workers' activity to be organised in such a way that the daily working time on a DSE – includes regular breaks or changes in activity;
- **Exposure to carcinogens (DIR 90/394/EEC; OJ L 196 of 1990)** – sets out the obligation for the employer to use, whenever this is technically feasible, non-carcinogenic substitutes,

imposes restrictions on access to places where carcinogenic agents are used, and describes measures for personal hygiene and protective equipment. This Directive was changed by the Council Directive 97/42/EC of 27<sup>th</sup> June amending for the first time Directive 90/394/EC on the protection of workers from the risks related to exposure to carcinogens at work and the Council Directive 1999/38/EC of 29<sup>th</sup> April 1999 amending for the second time Directive 90/394/EEC;

- **Directive 2000/54/EC of the European Parliament and of the Council of 18<sup>th</sup> September 2000** on the protection of workers from risks related to exposure to biological agents at work;
- **Health and safety of temporary workers (DIR 91/383/EEC; OJ L 206 of 1991);**
- **Medical treatment on vessels (DIR 92/29/EC; OJ L 113 of 1992)** – aimed at securing a minimum standard of medical care for seafarers, by for example listing the medical stores to be carried on board;
- **Protection of pregnant women at work and women who have recently given birth (DIR 92/85/EEC; OJ L 348 of 1992);**
- **Organisation of working time (DIR 93/104/EC; OJ L 307 of 1993);**
- **Protection of young people at work (OJ L 216 of 1994);**
- **Council Directive 89/654/EEC of 30<sup>th</sup> November** concerning the minimum safety and health requirements for the workplace;
- **Council Directive 98/24/EC of 7<sup>th</sup> April 1998** on the protection of the health and safety of workers from the risks related to chemical agents at work;
- **Council Directive 1999/38/EC of 29<sup>th</sup> April 1999** amending for the second time Directive 90/394/EEC on the protection of workers from the risks related to exposure to carcinogens at work and extending it to mutagens;
- **Directive 1999/92/EC of the European Parliament and of the Council of 16<sup>th</sup> Dezember 1999** on minimum requirements for improving safety and health protection of workers potentially at risk from explosive atmospheres;
- **Commission Directive 2000/39/EC of 8<sup>th</sup> June 2000** establishing first list of indicative occupational exposure limit values in implementation of Council Directive 98/24/EC on the protection of health and safety of workers from the risks related to chemical agents at work;
- **Directive 2002/44/EC of the European Parliament and of the Council of 25<sup>th</sup> June 2002** on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (vibration).



**Relevant legislation action under consideration:**

- Transport activities and workplaces on means of transport (OJ C 294 of 1993) – covers minimum health and safety requirements and working conditions on board all means of transport;
- Mobility and safe transport of workers with reduced mobility (OJ C 15 of 1992).

### **8.9.2 Equal opportunities**

The Directive on Equal Pay (DIR 75/117/EEC; OJ L45 of 1975) creates the obligation to apply the principle of equal pay for the same work at piece rates calculated on the basis of the same unit of measurement and equal pay for work at time rates for the same job.

The Directive on the principle of equal treatment for men and women as regards access to employment, vocational training and working conditions (DIR 76/207/EEC; OJ L39 of 1976) states that equal treatment means the absence of any discrimination on the grounds of a person's sex, including indirect discrimination based on marital or family status.

### **8.9.3 Social security, pension and retirement**

Article 141 of the Treaty of Amsterdam, which established the principle of equal pay, covers not only wages and salaries, but also overtime, bonus payments, sick pay and benefits payable through occupational pensions. The EU has undertaken considerable work relating to equal opportunities in the area of pensions, social security and retirement. Relevant legislation includes the Directive on equal treatment in statutory social security schemes (DIR 79/7/EEC; OJ L6 of 1979) and the Regulation (EEC) No 1408/71 of the Council of 14<sup>th</sup> June 1971 of the application of social security schemes to employed persons and their families moving within the Community (a regulation is directly applicable to the Member States).

This regulation is applicable to all acts of law concerning social security, payments for sickness and motherhood, payments for disability and for payments which aim to improve or support the ability to work. It's also applicable for payments for retired people, for survivor's pension, payments in the case of work accidents and work diseases, death grants and unemployment benefits. The regulation coordinates the different systems for social security in the Member States to ensure that all employees and self employed persons have the same rights in different Member States.

Whilst EU law permits Member States to operate differing ages of retirement for men and women, the European Court of Justice (ECJ) has established that all women employed in the public sector have the right to retire at the same age as the men with whom they work. Furthermore, the UK Government has proposed that the pension age should be equalised at 65 from the year 2010. In the Marshall case, a woman had been head dietician with the Southampton and South West Hampshire Health Authority for over 13 years, when she was



dismissed in 1980 at the age of 62. The ECJ ruled that the dismissal was made entirely on the grounds that she was beyond the normal retirement age for women (60) and amounted to sexual discrimination. Mrs Marshall was awarded compensation. This case confirmed that an employer contravenes the 'Equal Treatment' Directive when setting different retirement ages for male and female workers. Furthermore, state sector employees can rely upon this legislation to counteract such discrimination (Case 152/84 1986; OJ C79 of 1986).

**Directive on the protection of pregnant women at work and women who have recently given birth (DIR 92/85/EEC; OJ L 348 of 1992).** It established a minimum 14 week period of leave, the right to time off for ante-natal examinations and the prohibition of dismissal on the grounds of maternity. It therefore gives all British women the right to 14 weeks' leave regardless of their length of service, in addition to the longer period of absence (up to 29 weeks after the baby is born) for those who have two years' service. It also specifies that pregnant women should not be exposed to certain dangerous substances.

**The Directive on parental leave (DIR 96/34/EC; OJ L 145 of 1996)** was adopted by the Council of Ministers in 1996. Workers of both sexes are guaranteed a minimum of three months unpaid leave to care for young children up to the age of eight. Similarly, workers may take time off for "urgent family reasons in cases of sickness or accident".

## 8.10 FRAMEWORK CONDITIONS CONCERNING LOCAL AND REGIONAL FINANCES

With regard to this point it has to be noted that the public sector, which is the actual payer of the EU membership/fee, gets back only a small part in terms of structural funds and other funding schemes. It is particularly the agricultural sector or subsidised industrial enterprises which benefit from the greater part of EU funds. In addition local and regional authorities have to muster provide considerable funds for modernising their infrastructure and administration in order to comply with EU law. Furthermore it has be mentioned that EU subsidies must be supplemented by national, regional and local funds (co-financing), which puts even more strain on public finance.

### 8.10.1 Effects related to local taxes

Basically, the 6<sup>th</sup> VAT Directive (91/680/EEC) and the consumer-tax system Directive are of importance for local and regional authorities, depending on local and regional tax systems, since these instruments prohibit the levying of similar charges or give only a narrow leeway for such charges. It is of great importance, that those municipal charges, where the slightest doubt exist about their compliance with Community Law must be carefully checked not only with the negotiation representatives of the European Commission but also be incorporated in the Accession Treaty.

### 8.10.2 European Monetary Union (EMU)

This part of the EU *acquis communautaire* is also binding for the countries accessing the EU. In general, the accession to the European Union doesn't mean necessarily the accession to EMU. After joining the EU they can at the earliest enter EMU after 2 years, this requires the fulfillment of the Maastricht criteria. These criteria ensure the stability of the Euro. That means that the applicant countries expected to fulfill these criterias within a couple of years after the accession to the Union to be able to join the Monetary Union as well.

The term "public deficit" comprises the budgets of central government as well as local and regional authorities and some other public institutions, such as social security funds. This means that if the public deficit is to be reduced, local budgets will be affected as well. So local and regional governments of those countries participating in the EMU will be directly affected by the public deficit criteria and the conditions of the stability pact concerning public debt as well as by the requirements for the introduction of the Euro.

## 8.11 LEGISLATION CONCERNING LOCAL ELECTIONS

Article 19 of the Treaty of Amsterdam (invented in Maastricht 1992 as Article 8b) establishes Union citizens' right to vote and stand as a candidate in municipal elections. Substantively, Article 8b does not aim at harmonising the legal provisions of the individual Member States; it rather intends to eliminate existing legal obstacles and reservations on local or national level. On the basis of the principle of equal treatment of all Union citizens, Article 19(1) ToA states that "every citizen of the Union residing in a Member State of which he is not a national shall have the right to vote and to stand as a candidate at municipal elections in the Member State in which he resides, under the same conditions as nationals of that State".

The provision of Article 19 ToA contains the two classic preconditions for the exercise of the active and passive right of vote: nationality and residence. The important new, "European" element lies in the fact that the concept of nationality is indirectly separated from that of the national state and lifted to a Union level. Thus the actually determining element is no longer nationality of an individual Member State but rather citizenship of the Union. However, nationality of a Member State is still the prerequisite for holding Union citizenship.

The details for the implementation of the provisions contained in Article 19 ToA were laid down in 1994 in a separate directive outlining detailed arrangements for the exercise of the right to vote and to stand as a candidate in municipal elections by citizens of the Union residing in a Member State of which they are not nationals (Directive 94/80/EC of 19<sup>th</sup> December 1994). This was to become national law in all Member States by 1<sup>st</sup> January 1996 at the latest.

The Directive contains the following principles:

- The provisions of the Directive only refer to municipal, not to regional or national elections;
- The right to vote and stand as a candidate is voluntary, i.e. it depends on the Union citizen's own initiative whether he/she is entered into the respective voting list or not. For this purpose, the Member State of residence shall inform all persons entitled to vote and stand as candidates in due time and in a suitable manner about the conditions and details of exercising their right of vote in municipal elections;
- The conditions for exercising the right of vote should be the same for non-nationals as for nationals of the country in which the elections take place (principle of equal treatment of nationals and non-nationals). This refers in particular to a possibly prescribed minimum duration of residence in the municipality in which the elections take place;
- The national state's provisions concerning its own nationals are not affected, in particular if these reside outside the territory of their Member State of origin. This permits "parallel voting", i.e. citizens of the Union may participate in municipal elections in their Member State of origin despite being residents of another Member State, in which they likewise are entitled to vote and stand as candidates in municipal elections;
- Under the Directive, the right of vote in municipal elections for citizens of the Union is to be implemented in the context of territorial authorities of the lowest level. In keeping with the national legal provisions, these territorial authorities of the lowest level must dispose of organs elected in general, direct elections and have competence for the independent administration of local affairs at the lowest level of political and administrative organisation.

Inter alia, this led to the municipal right of vote being also implemented at the district level, e.g. in the German "city-states" Hamburg and Berlin, as well as in Vienna, which is both municipality and Land and where many municipal officials are at the same time officials of the Land Vienna.

In addition to the right to stand as a candidate in direct elections for the European Parliament, the right of citizens of the Union to participate in municipal elections is regarded as a clear and evident element of the development of the European Union towards a "political" Union and may certainly be viewed as an important step towards the "Europe of citizens".

## 8.12 LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING STRUCTURAL FUNDS AND REGIONAL POLICY

The forthcoming enlargement of the EU is remarkable for the socio-economic problems of the applicant countries and the fact that the essential structural policies are virtually or completely non-existent. This means that, as in the new German Länder, Community assistance will go hand-in-hand with the introduction of these policies. However, by contrast

with the situation in the new Länder and previous rounds of enlargement, for the first time specifically targeted structural aid will be granted to the future Member States before their accession (pre-accession aid).

Regional and local governments are vital for regional development, particularly in support for small businesses, local development schemes and the establishment of partnership. Yet progress with regard to decentralisation in CEE Countries is low and communication between central and local government or with regional government, where existent, is usually not very developed.

Most accession countries will need to strengthen project development and management capacity to be able to absorb increased pre-accession aid and to prepare for their participation in the Structural Funds. They also have to involve regional and local authorities, which currently lack the necessary fund and technical experience, to absorb and manage structural funding and to build up a partnership culture. In order to positively contribute to this process local and regional authorities in accession countries need training and preparation as much as central government. The EU has already established various programmes to assist the candidate countries in their preparation for an EU-membership; the main programmes within the so called pre-accession aid are the following:

#### **8.12.1 EU Pre-Accession Aid: ISPA, SAPARD and PHARE 2000**

The EU decided to set up (by 1<sup>st</sup> January 2000) three pre-accession funds to co-finance accession-related projects as part of Agenda 2000 (the political and financial reform package for the years 2000 – 2006). These funds support projects in the candidate countries dealing with transport and environment (ISPA), agriculture (SAPARD) and on other membership-oriented projects, mainly institution building (PHARE). These three instruments do provide the ten candidate CEECs with 3,12 billion Euro per year, i.e. a total of around 22 billion Euro between 2000 – 2006. The Commission decided indicative allocation for ISPA and SAPARD, while the national Phare programmes are being approved separately.

The candidates have to come up with appropriate, well prepared projects that are not only in line with the respective guidelines but that are also in line with both the priorities of the Accession Partnerships (AP) and the National Programme for the Adoption of the Acquis (NPAA). Well prepared projects are a prerequisite for a successful participation in the pre-accession aid programmes of the European Union.

The Accession Partnerships provide a single framework for the programming of the priorities of each candidate country the programming of the financial means available to implement those priorities.

Thus, no more than 20 pages in length, the APs aims to mobilise all forms of EU support within a single framework for each country. The APs are multi-annual and will last until accession. Each country's AP is completed by its own National Programme for the Adoption of the Acquis (NPAA). For its part, the NPAA gives details of each country's commitments

with regard to achieving the Copenhagen criteria and adopting the *acquis communautaire*. In this way, the NPAA complements the AP: it contains a timetable for achieving the priorities and objectives and, where possible and relevant, indicates the human and financial resources to be allocated.

### **8.12.2 ISPA – Instrument for Structural Policies for Pre-Accession**

This aid is mainly directed towards aligning the applicant countries on Community infrastructure standards, particularly in the transport and environmental sector and therefore finances major environmental and transport infrastructure projects. Thus, ISPA has an annual budget of 1.040 million Euro. ISPA is under the responsibility of former DGXVI, now DG Regional Policy.

Projects have to have a minimum financial volume of 5 million Euro, although some smaller projects could be combined to a bigger one. ISPA is funding a maximum of 75 percent of a project. Council Regulation 1267/1999 EC of 21<sup>st</sup> June 1999 establishing an Instrument for Structural Policies for Pre-accession is the legal basis.

### **8.12.3 SAPARD – Special Accession Programme for Agriculture and Rural Development**

SAPARD aims to help candidate countries deal with the problems of the structural adjustment in their agricultural sectors and rural areas, as well as the implementation of the *acquis communautaire* concerning the Common Agricultural Policy (CAP) and related legislation. SAPARD has come into effect on January 1<sup>st</sup>, 2000, and is budgeted until 2006. Thus, SAPARD finances major agricultural and rural development projects and has an annual budget of 520 million Euro. SAPARD is under the responsibility of former DGVI, now DG Agriculture.

The legal basis is Council Regulation 1268/1999 EC of 21<sup>st</sup> June 1999 on Community support for pre-accession measures for agriculture and rural development in the applicant countries of Central and Eastern Europe in the pre-accession period. However, candidate countries may only benefit through SAPARD until they join the Union.

SAPARD is the first programme for the accession countries which is completely decentralized. By decentralising the management to the candidate country, Sapard gives a future Member State an opportunity to gain valuable experience in applying the mechanisms for EU funds, and to obtain the benefits of a rural development programme. Therefore the implementation of the Sapard programme in the accession countries is linked to the condition that the candidate countries must have their Sapard Agency accredited. At present (August 2002), Bulgaria, Estonia, Slovenia, Lithuania, Latvia, the Czech Republic, Slovakia and Poland are the other candidate countries for which the management of Sapard funds has been conferred.

Finally, Council Regulation 1266/1999 EC of 21<sup>st</sup> June 1999 on co-ordinating aid to the applicant countries in the framework of the pre-accession strategy and amending Regulation 3906/89 EEC has to be mentioned here.

#### 8.12.4 Phare Programme

In Agenda 2000, the European Commission proposed to focus the Phare Programme on preparing the candidate countries for EU membership by concentrating its support on two crucial priorities in the adoption of the *acquis communautaire*: Institution building and investment support.

Institution building helps CEEC to reinforce their institutional and administrative capacity, developing the structures, human resources and management skills. Administrative and technical expertise is made available to the candidate states mainly through Twinning at national level. About 30 percent of the annual budget of the Phare programme, about 500 million Euro, could be used for measures within the institution building scheme. About 70 percent are used to improve the legal system as well as to foster the economic and social cohesion and therefore to make the implementation of the *acquis communautaire* in the candidate countries easier.

### 8.13 FRAMEWORK CONDITIONS CONCERNING CONSUMER PROTECTION

An area requiring particular consideration is public health which, following the Amsterdam Treaty, now acquires a new prominence in European affairs. Local authorities are typically enforcement bodies, monitoring compliance and taking enforcement action where appropriate. Local authority environmental health officers are usually responsible for enforcing food safety and hygiene legislation.

Several Member States have a strong tradition in public health analyses and actions, e.g. Scandinavia, whereas others have a poor understanding of these issues. Already within the EU Consumer protection is still far from meeting the *acquis communautaire*.

With the enlargement of the EU, there needs to be a new emphasis on public health because there is a very large number of structural factors which have a major impact on consumer health and well-being, e.g. water, sanitation, housing, industry, transport, local planning and other environmental policies which have received too little attention in relation to health.

Local authorities are very important information providers: as the enforcement of food law is often entrusted to local authorities, local and regional authorities carry out inspection services and usually have the necessary powers to enforce regulation and to take appropriate measures in case of hazard to public health or non-conformity with legislation.

There remains however confusion about the exact scope and objectives of consumer policy. This in part explains difficulties in the effective enforcement of consumer laws. Other factors which need to be addressed include a lack of expert staff, organisational deficits, and a lack of sensitivity to consumer questions.

In the field of food safety, a regulation establishing the basis for a European Food Safety Authority was adopted by both, the Commission and the Council on 28th January 2002. This Authority is still starting its operation and will provide precedures in matters of food safety. After years of food scandals like Dioxine poultry and mad cow diseases, it was of priority for the Union to prevent these problems and to install a kind of early warning system in this area.

## 8.14 LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING TRANSPORT

Since transport is the backbone of the internal market it is of particular importance for the EU and the effects of enlargement on this sector will be considerable. Given that in the EU in 1996 some 87% of total passenger transport was carried out on land, the bulk of this in private cars, and some 75% of freight transport by land, with road transport taking 58% of the total, we can already see the impact this policy field will have on the regional and local situation. As neither the transport infrastructure nor the environmental impact of road transport is the subject of this overview, we will stick to the purely legislative impact of the transport acquis communautaire.

Apart from

- granting transit rights regional and local authorities will be confronted with the need to enforce European regulations in the following areas:
- Public service: liberalising market access (see public procurement), public service obligations, state aid (cross subsidising);
- Road safety (registration signs, driving licenses, use of safety belts, roadworthiness of vehicles, transport of dangerous goods);
- Social legislation for drivers (regions/local authorities as employers of municipal utilities) and harmonisation of professional standards.

Most important legislation with relevance for local/regional authorities:

- **Council Regulation (EEC) 881/92** of 26<sup>th</sup> March 1992 on access to the market in the carriage of goods by road within the Community to or from the territory of a Member State or passing across the territory of one or more Member States. Common rules for access to the Community international road freight transport markets, where principles of freedom, non-discrimination and equality of conditions in service provisions are valid. International carriage of goods by road is based on a quota-free Community transport authorisation.
- **Council Regulation (EEC) No 3820/85** of 20<sup>th</sup> December 1985 on the harmonisation of certain social legislation relating to road transport. Any driver of a vehicle used for the carriage of passengers or goods by road within the Community, subject to certain general exemptions and derogations which Member States may introduce.



- **Council Directive 88/599/EEC** on standard checking procedures for the implementation of Regulation (EEC) no. 3820/85 on the harmonisation of certain social legislation relating to road transport and Regulation (EEC) no. 3821/85 on recording equipment in road transport. Establishes uniform minimum requirements for checking.
- **Council Directive 96/26/EC** of 29<sup>th</sup> April 1996 on admission to the occupation of road haulage operator and road passenger transport operator and mutual recognition of diplomas, certificates and other evidence of formal qualifications intended to facilitate for these operators the right of freedom of establishment in national and international transport operations. Tightens the standards for access to the profession and harmonises the application of the three qualitative criteria – good repute, financial standing and professional competence.
- **Council Directive 76/914/EEC** on the minimum level of training for some road transport drivers. Mutual recognition of training and the appropriate national driving licences.
- **Council Regulation (EEC) no. 1191/69** of 26<sup>th</sup> June 1969 on action by Member States concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway (Council Regulation (EEC) no. 3572/90 (OJ L 353 of 17.12.90)).
- **Council Regulation (EEC) no. 1893/91** (OJ L 169 of 29.6.91). Eliminates disparities causing distortion in competition conditions, regulating public service obligations and minimising scope for cross-subsidising.
- **Council Directive 93/89/EEC** of 25<sup>th</sup> October 1993 on the application by Member States of taxes on certain vehicles used for the carriage of goods by road and tolls and charges for the use of certain infrastructures. Regulates road tolls and user charges.
- **Council Directive 96/53/EC** of 25<sup>th</sup> July 1996 laying down the maximum authorised dimensions in national and international traffic and the maximum authorised weights in international traffic for certain road vehicles circulating within the Community. Gives certain technical specifications for operating road vehicles in passenger and freight transport.
- **Council Directive 91/439/EEC** of 29<sup>th</sup> July 1991 on driving licenses. Facilitates recognition of driving licences and the movement of persons settling in another Member State without passing a new driving test, harmonisation of categories of vehicles, prescribing minimum requirements for obtaining the licence, specific provisions for handicapped persons.
- **Council Directive 91/671/EEC** on the approximation of the laws of the Member States relating to compulsory use of safety belts in vehicles of less than 5 tons. Harmonising the compulsory use of safety belts in the Member States.
- **Council Directive 96/96/EC** of 20<sup>th</sup> December 1996 on the approximation of the laws of the Member States relating to roadworthiness tests for motor vehicles and their trailers. Aiming at similar safety and competitive conditions, it lists categories of vehicles to be tested, defines the frequency of tests and the items to be tested.



- Council Directive 94/55/EC on the approximation of the laws of the Member States with regard to the transport of dangerous goods by road.
- Council Directive 95/50/EC of 6<sup>th</sup> October 1995 on uniform procedures for checks on the transport of dangerous goods by road.

## 8.15 LEGISLATION AND FRAMEWORK CONDITIONS CONCERNING POLICE AND JUDICIAL CO-OPERATION

In Agenda 2000 the Commission concluded that some of the central challenges of accession lie in the field of justice and home affairs, especially in the areas of asylum policy, organised and serious crime and the establishment of freedom of movement.

The ongoing creation of an area of freedom, security and justice within the borders of the EU impacts mainly upon regional and local authorities with competencies in home and justice affairs (e.g. the interior and judicial ministries of the German and Austrian Bundesländer) and as well as policing (most local authorities).

The Commission considers the existence of organised crime and the related corruption to be a particular problem. Combating organised crime and corruption therefore features as a further priority in the accession partnerships. Another problem in the view of the Commission is the inefficiency and ineffectiveness of the relevant institutions (police, justice, border surveillance) in the majority of applicant countries.

Since the Schengen "acquis" has been integrated into the framework of the European Union at Amsterdam (Treaty of Amsterdam), this 'acquis' as well as further measures taken by the institutions relating to the free movement of people must be accepted in full by all applicant countries. This means that, in principle, on accession the free movement of persons between the joining countries and the Member States that are a party to Schengen co-operation (at present all except for the UK and Ireland) should be a reality.

This places a particular challenge to the establishment of effective structures on national, regional and local level, particularly for combating organised crime, money laundering, drug-trafficking and terrorism. According to the latest progress reports, the applicant countries have displayed clear evidence of problems in this area. They are major fields of activity for organised crime and some are transit countries for international drug-trafficking and/or drug-producing countries. Since the restructuring of the PHARE programme the area of justice and home affairs has become an explicit priority in connection with the consolidation of democratic institutions and of public administration.

## 8.16 FINAL CONSIDERATIONS

With the country's accession to the EU local as well as regional authorities must take account of yet another, new dimension of Community law in their administrative activities. For local/regional authorities, this means an increasing volume of accounting and reporting duties, both in terms of additional study of EC law and necessary adjustments vis-à-vis the EC legislative level. However, this does not change much in the purely formal management of administrative action: as with national law, EC law is implemented and enforced through the national structures and according to the national division of competencies. For the local level, potential problems resulting from accession are likely to arise from the fact that additional actors are involved in the decision-making process, that is, more lobbyists than before participate in the formal and informal negotiation and bargaining processes.

In this context, it is an important learning process leading local/regional authorities to realise that measures taken by them in their own field and using their own funds, e.g. the promotion of local business, may only be implemented when respecting the Community competition rules and must usually be approved in advance. This applies not only to subsidies in cash, but also to other measures, such as the provision of subsidised land for industrial enterprises. It therefore entails a restriction of local authorities' autonomy regarding economic policy, with the aim of preventing distorted competition in the Community.

Generally speaking, it has to be accepted that the European Union as a supranational organisation restricts the leeway for action of national, regional and local authorities in very many areas, so that the parties concerned must learn to act in keeping with this new situation.

In the view of all these manifold impacts of EU accession at local and regional level, it has to be pointed out very clearly, as already done in the Final Declaration of the LOGON-Conference "European Union Enlargement – A Challenge for the Local Level", held in the Vienna City Hall on February 25<sup>th</sup>-26<sup>th</sup>, 1999 that "the national governments of the accession countries" provide for a direct and active involvement of their regions and local authorities in the integration process as soon as possible, and that the European Union, too, ensures that the concerns of regions and local authorities in the accession countries be appropriately taken into consideration."

### Major sources:

- European Commission, TAIEX Office, Implication of EC legislation at sub-national level. Brussels 1999;
- Eurocities/European Commission (DGXI), The European Urban Air Quality Management Project, Brussels 1997;
- Eurocities East-West Committee/City of Gdansk: Assessing the Fundamental Needs of CEE Cities, Brussels 1999;
- Eurocities/TAIEX, Workshops on Public Procurement, Waste and Water Management, Budapest and Bratislava 1999, Background Documentation;

- European Commission, Guide to the Approximation of European Union Environmental Legislation, Brussels 1999;
- European Commission, Communication on Accession Strategies for Environment: Meeting the Challenge of Enlargement with the Candidate Countries in Central and Eastern Europe;
- European Commission, DG Transport, Guide to the Transport Acquis, Brussels 1999;
- European Commission, DG24, various reports on “results of the evaluation of the official foodstuffs control systems” in EU Member States;
- European Commission, DG Environment, Directive 85/337/EEC: Report, Brussels;
- European Environmental Bureau/Friends of the Earth, EU Accession and the Environment, Brussels 1998;
- European Parliament, Briefing No. 25, Cooperation in the area of justice and home affairs in the enlargement process;
- Local Governments Network of Central and Eastern European Countries (LOGON)/ KDZ - Centre for Public Administration Research: The Enlargement of the European Union – New Challenges for the Local Level, Wien 1999;
- Payne, Anthony et.al.: Scoping Exercise for an Enhanced CEE Dimension of the European Sustainable Cities and Towns Campaign;
- Schultze, Claus, Die deutschen Kommunen in der Europäischen Union: Europabetroffenheit und Interessenwahrnehmung, Nomos-Verlag: Baden-Baden 1997;
- Thanks to all colleagues in Vienna, especially Gerald Kroneder, Thomas Reindl, Siegfried Trybek, Sabine Rath, Helmut Kasper, Franz Eichinger, Adelheid Sagmeister, Karin Posteiner, Dietmar Griebler, Josef Kramhöller, Wolfgang Magesacher, Hans Serban, Walter Pasch, Walter Stöckl and Andreas Rauter.

#### LOGON Working Group Vienna – Contacts

##### Austrian Association of Cities and Towns

City Hall – 1082 Vienna

Tel: + 43 1 4000 899 80

Fax: + 43 1 4000 7135

e-mail: post@stb.or.at

##### City of Vienna

Chief Executive's Coordination Office

City Hall – 1082 Vienna

Tel: +43 1 4000 82 201

Fax: +43 1 4000 7122

e-mail: post@kob.magwien.gv.at



## **Chapter 9    EU – FUNDINGS FOR LOCAL AND REGIONAL LEVEL**





Katarzyna Szczepanska, KDZ - Centre for Public Administration Research

## 9.1 PRE-ACCESSION INSTRUMENTS

Until the day of accession, the pre-accession structural assistance programme will support constantly various projects in the applicant countries in order to familiarise the responsible authorities, economic and social actors with the methods used to implement Community assistance. This assistance comes at the moment from the following pre-accession instruments:

- Phare;
- ISPA – Instrument for Structural Pre-Accession;
- SAPARD – Special Programme for Pre-Accession Aid for Agriculture and Rural Development.

For further information on these pre-accession instruments see chapter 8.12 and the following contacts:

### Phare

<http://europa.eu.int/comm/enlargement/pas/phare/index.htm>

Or at:

The Phare and Tacis Information Centre

Rue Montoyer 19, B-1000 Brussels

Tel: +32 - 2 - 545 90 10

Fax: +32 - 2 - 545 90 11

e-mail: [enlargement@cec.eu.int](mailto:enlargement@cec.eu.int)

### ISPA

[http://europa.eu.int/comm/regional\\_policy/funds/ispa/ispa\\_en.htm#ispa](http://europa.eu.int/comm/regional_policy/funds/ispa/ispa_en.htm#ispa)

Or at:

European Commission

Directorate General for Regional Policy

Rue de la Loi 200, B-1049 Brussels

Directorate F: ISPA and pre-accession measures

Luis Riera Figueras, Director

Tel: +32 - 2 - 296 5068

e-mail: [luis.riera-figueras@cec.eu.int](mailto:luis.riera-figueras@cec.eu.int)

### SAPARD

[http://europa.eu.int/comm/agriculture/external/enlarge/back/index\\_en.htm](http://europa.eu.int/comm/agriculture/external/enlarge/back/index_en.htm)

Or at:

European Commission

Directorate General for Regional Policy

Rue de la Loi 200, B-1049 Brussels

Directorate B: Cross Border Co-operation

Esben Poulsen – Head of Unit

Tel.: +32 - 2 - 29 50007

e-mail: [esben.poulsen@cec.eu.int](mailto:esben.poulsen@cec.eu.int)

## 9.2 THE COMMUNITY PROGRAMMES<sup>1)</sup>

The principle of opening up the Community Programmes to the associated countries of Central and Eastern Europe was decided by the European Council of Copenhagen in June 1993. The objective was to familiarise candidate countries and their citizens with the way Community policies and instruments are put into practice. The European Council of Luxembourg in December 1997 as well as the Enlargement Strategy Paper and Reports on progress towards accession of November 2000 stressed once again the importance of applicant countries' full participation in Community Programmes as a part of the Pre-Accession Strategy. 36 Community Programmes covering different areas are eligible to be opened to candidate countries now, a few other ones will extend the group in the future. Below programmes sorted out by sector<sup>2)</sup>:

### Action against violence

<b>Daphne</b>	Programme of Community action on preventive measures to fight violence against children, young persons and women. It supports their rights and protection, in particular regarding sexual exploitation and abuse.
<b>OJ</b>	L 34/2000
<b>B</b>	25
<b>P</b>	2000-2003
<b>Contact</b>	DG JAI – Daphne Programme DG Justice and Home Affairs, European Commission 200 rue de la Loi, B-1049 Brussels phone: +32 2 296 58 03, fax: +32 2 295 60 90 Contact person: <b>Patrick Trousson</b> , e-mail: <a href="mailto:patrick.trousson@cec.eu.int">patrick.trousson@cec.eu.int</a>
<b>Website</b>	<a href="http://europa.eu.int/comm/justice_home/jai/prog_en.htm">http://europa.eu.int/comm/justice_home/jai/prog_en.htm</a>

### Anti-Fraud Action

<b>Pericles</b>	Programme for the exchange, assistance and training for the protection of the Euro against counterfeiting.
<b>OJ</b>	L 339/2001
<b>B</b>	4
<b>P</b>	2002-2005

1) On the basis of EU-information: <http://www.europa.int/comm/enlargement/pas/ocp/meaning>

2) See abbreviations at the end of the chapter.

## Audio-visual

<b>Media</b>	Programme to encourage the development, distribution and promotion of European audio-visual works, as well as, training programme for professionals in the European audio-visual programme industry.
<b>OJ</b>	L 13/2001 & L 26/2001
<b>B</b>	50
<b>P</b>	2001-2005
<b>Contact</b>	<b>DG EAC C.3 – MEDIA</b> DG Education and Culture European Commission, 200 Rue de la Loi, B-1049 Brussels phone: + 32 2 295 84 06, fax: + 32 2 299 92 14 Contact person: <b>Jacques Delmoly</b> e-mail: jacques.delmoly@cec.eu.int
<b>Website</b>	<a href="http://europa.eu.int/comm/avpolicy/mediapro/media_en.htm">http://europa.eu.int/comm/avpolicy/mediapro/media_en.htm</a>

## Civil Protection

<b>Civil Protection Mechanism</b>	Community Programme to facilitate reinforced cooperation in civil protection assistance interventions.
<b>OJ</b>	L 297/2001
<b>B</b>	5 annual
<b>P</b>	2002-onwards
<b>Contact</b>	<b>DG Environment</b> Civil Protection and environmental accidents unit European Commission 200 Rue de la Loi , B-1049 Brussels phone: +32 2 296 38 82, fax: +32 2 299 03 14 Contact person: <b>Patrick Vankerckhoven</b> e-mail: civil-protection@cec.eu.int



## Culture

<b>Culture 2000</b>	Community action programme in the field of cultural cooperation. The programme aims to encourage creative activity and the knowledge and dissemination of the culture of the European people. It supports cooperation between creative artists, cultural operators, private and public promoters, activities of cultural networks and other partners as well as the cultural institutions.
OJ	L 63/2000
B	167
P	2000-2004
Contact	DG EAC C.2 – Culture 2000 DG Culture and Education European Commission 200, Rue de la Loi, B-1049 Brussels phone: +32 2 296 6599, fax: +32 2 299 92 83 Contact person: Mr Courades e-mail: eac-culture@cec.eu.int
Website	<a href="http://europa.eu.int/comm/culture/contact-point_en.html">http://europa.eu.int/comm/culture/contact-point_en.html</a>

## Customs

<b>Customs 2002</b>	Programme for the coherence of customs action.
OJ	L 13/2000
B	80
P	1996-2002
Planned continuation	T Customs OT OJ C 126E/2002 PB 133 PP 2002-2007 SA End 2002
Contact	e-mail: taxud-customs2002@cec.eu.int

## Education

<b>Socrates II</b>	Community action programme for the development of quality education and training and the creation of an open European area for cooperation in education.
OJ	L 28/2000
B	1 850
P	2000-2006
Contact	<p><b>DG EAC A.2. A.4 – SOCRATES Programme</b>            DG Education and Culture European Commission            200, rue de la Loi, B-1049 Brussels            phone: +32 2 299 11 11, fax: 32 2 299 41 50            e-mail: info@socleoyouth.be</p> <p><b>Socrates, Leonardo &amp; Youth Technical Assistance Office</b>            59-61 Rue de Trèves, B-1040 Brussels            phone: +32 2 233 0111, fax: +32 2 233 0150            e-mail: info@socleoyouth.be</p>
Website	<a href="http://europa.eu.int/comm/education/socrates.html">http://europa.eu.int/comm/education/socrates.html</a>

## Electronic Interchange of Data

<b>IDA II</b>	Programme for the electronic Interchange of Data between Administrations.
OJ	L 203/1999
B	72
P	1998-2004
Planned continuation	<p><b>T</b> IDA II (modification of the current programme)  <b>OT</b> COM (2001) 507  <b>PB</b> 74  <b>PP</b> 2002-2004  <b>SA</b> Autumn 2002</p>
Contact	<p><b>IDA Central Office</b>            European Commission, Directorate General Enterprise Unit B/6            200, rue de la Loi, B-1049 Brussels            fax: +32-2-299 02 86            e-mail: ida-central@cec.eu.int</p>

## Employment

<b>Incentive Measures in the field of employment</b>	Multiannual programme to foster cooperation in analysis, research and monitoring of labour market policy.
OJ	L 170/2002
B	55
P	2001-2005

## Energy

<b>Altener</b>	Multiannual programme for the promotion of renewable energy sources in the Community.
OJ	L 79/2000
B	77
P	1998-2002
Planned continuation	T Intelligent Energy for Europe OT COM (2002) 162 PB 215 PP 2003-2006 SA End 2002
Contact	DG Energy and Transport European Commission 200, rue de la Loi, B-1049 Brussels e-mail: Francisco.Lasa-Alegria@cec.eu.int
Website	<a href="http://europa.eu.int/comm/energy/en/informat.htm">http://europa.eu.int/comm/energy/en/informat.htm</a>

<b>SAVE</b>	Programme for the promotion of energy efficiency in the Community.
OJ	OJ L 79/2000
B	66
P	1998-2002
Planned continuation	T Intelligent Energy for Europe OT COM (2002) 162 PB 215 PP 2003-2006 SA End 2002
Contact	DG Energy and Transport European Commission 200, rue de la Loi, B-1049 Brussels e-mail: Ronan.Harbison@cec.eu.int

<b>SURE</b>	Multiannual programme of actions in the nuclear energy sector.	
<b>OJ</b>	OJ L 7/1999	
<b>B</b>	9	
<b>P</b>	1998-2002	
<b>Planned continuation</b>	<b>T</b>	Intelligent Energy for Europe
	<b>OT</b>	COM (2002) 162
	<b>PB</b>	215
	<b>PP</b>	2003-2006
	<b>SA</b>	End 2002
<b>Contact</b>	DG Energy and Transport European Commission 200, rue de la Loi, B-1049 Brussels e-mail: Antonio.Tricas-Aizpun@cec.eu.int	

<b>ETAP</b>	Multiannual programme of studies, analysis, forecasts and other related work in the energy sector.	
<b>OJ</b>	OJ L 7/1999	
<b>B</b>	5	
<b>P</b>	1998-2002	
<b>Planned continuation</b>	<b>T</b>	Intelligent Energy for Europe
	<b>OT</b>	COM (2002) 162
	<b>PB</b>	215
	<b>PP</b>	2003-2006
	<b>SA</b>	End 2002
<b>Contact</b>	DG Energy and Transport European Commission 200, rue de la Loi, B-1049 Brussels e-mail: Maria.Ibarra-Gil@cec.eu.int	

<b>Carnot</b>	Multiannual programme of technological actions promoting the clean and efficient use of solid fuels.	
<b>OJ</b>	OJ L 7/1999	
<b>B</b>	3	
<b>P</b>	1998-2002	
<b>Planned continuation</b>	<b>T</b>	Intelligent Energy for Europe
	<b>OT</b>	COM (2002) 162
	<b>PB</b>	215
	<b>PP</b>	2003-2006
	<b>SA</b>	End 2002
<b>Contact</b>	<b>DG Energy and Transport</b> European Commission 200, rue de la Loi, B-1049 Brussels Contact person: <b>Mr Nikolaos Koukouzas</b> Fax : +32 2 296 58 01 e-mail: <a href="mailto:carnot@cec.eu.int">carnot@cec.eu.int</a>	

## Environment

<b>LIFE</b>	The LIFE programme is the financial instrument for environment which aims to support the development, the implementation and updating of Community environment policy and legislation.	
<b>OJ</b>	L 192/2000	
<b>B</b>	640	
<b>P</b>	2000-2004	
<b>Contact</b>	<b>DG ENV D.2 – LIFE</b> DG Environment European Commission 200 rue de la Loi, B-1049 Brussels phone: +32 2 295 61 33, fax: +32 2 296 95 56	
<b>Website</b>	<a href="http://europa.eu.int/comm/life/home.htm">http://europa.eu.int/comm/life/home.htm</a>	

<b>Environmental Protection NGOs</b>	Community action Programme promoting non-governmental organisations primarily active in the field of environmental protection.	
<b>OJ</b>	L 75/2002	
<b>B</b>	32	
<b>P</b>	2002-2006	
<b>Contact</b>	Environmental protection NGOs DG ENV.5 – Information and Communication DG Environment European Commission 200 rue de la Loi, B-1049 Brussels phone: + 32 2 296 91 00, fax: + 32 2 296 95 60	
<b>Website</b>	<a href="http://europa.eu.int/comm/environment/funding/intro_en.htm">http://europa.eu.int/comm/environment/funding/intro_en.htm</a>	

## Indirect Taxation

<b>Fiscalis</b>	Programme of Community action to ameliorate the indirect taxation systems of the internal market.	
OJ	L 126/1998	
B	40	
P	1998-2002	
Planned continuation	T	Fiscalis
	OT	OJ C 10/2002
	PB	68,9
	PP	2003-2007
	SA	End 2002
Contact	<b>DG Taxation and Customs</b> European Commission 200, rue de la Loi, B-1049 Brussels MO 51 5/28, B-1049 Brussels e-mail: taxud-fiscalis@cec.eu.int	

## Information Society

<b>e-Content</b>	Multiannual Community programme to stimulate the development and use of European digital content on the global networks and to promote the linguistic diversify in the Information Society. The Programme is a broad concept that covers digital information, entertainment, education, advertising and any combination of these functions.	
OJ	L 14/2001	
B	100	
P	2001-2005	
Contact	<b>DG INFSO – eContent central secretariat</b> European Commission EUFO 1179 Rue Alcide De Gaspari, L-2920 Luxemburg phone: +352 4301 33721, fax: + 352 4301 34959 e-mail: econtent@cec.eu.int	
Website	<a href="http://www.cordis.lu/econtent/contact.htm">http://www.cordis.lu/econtent/contact.htm</a>	

<b>Safer use of the Internet</b>	Multiannual Community action plan on promoting safer use of the Internet by combating illegal and harmful content on global networks.	
OJ	L 33/1999	
B	25	
P	1999-2002	
Planned continuation	T	eSafe (extension of the current programme)
	OT	COM (2002) 152
	PB	13,3
	PP	2003-2004
	SA	End 2002
Contact	DG INFSO – Central Office for Calls of the Internet Action Plan DG Information Society European Commission EUFO 1294 L-2920 Luxembourg phone: +352 4301 36060, fax: +352 4301 34079 e-mail: iap@cec.eu.int	
Website	<a href="http://www.europa.eu.int/information_society/programmes/iap/contact/index_en.htm">http://www.europa.eu.int/information_society/programmes/iap/contact/index_en.htm</a>	

## Judicial Cooperation

<b>Framework programme for judicial cooperation in civil matters</b>	General Community Framework of activities to facilitate the implementation of judicial cooperation in civil matters.	
OJ	L 115/2002	
B	15	
P	2002-2006	
Contact	DG Justice and Home Affairs Framework programme for judicial cooperation in civil matters European Commission 200 rue de la Loi, B-1049 Brussels fax: +32 2 299 64 57 e-mail: jai-framework-civil@cec.eu.int	

## Nuclear Scientific research

<b>5th Euratom Framework Programme on Research</b>	Framework Programme of the European Atomic Energy Community for Research and Training Activities.	
OJ	L 26/1999	
B	1 260	
P	1998-2002	
Planned continuation	T	6th Euratom Framework Programme on Research
	OT	OJ C180E/2001
	PB	1 025
	PP	2002-2006
	SA	Autumn 2002
Contact	<b>DG Research</b> European Commission SDME 2/85 B-1049 Brussels phone: +32 2 299 1865, fax: +32 2 299 8220 e-mail: <a href="mailto:research@cec.eu.int">research@cec.eu.int</a>	

## Public Health

<b>Combating Cancer</b>	Action plan to combat cancer within the framework of public health.	
OJ	L 79/2001	
B	90	
P	1996-2002	
Planned continuation	T	Community action in the field of public health
	OT	OJ C 337E/2000
	PB	300
	PP	2001-2006
	SA	Autumn 2002
Contact	<b>DG SANCO.G.2 – Prevention of Cancer, drugs dependence and pollution related diseases</b> DG Health and Consumer Protection European Commission EUFO 39/68 Plateau du Kirchberg, L-2920 Luxembourg phone: +35 2 4301 32737, fax: +35 2 4301 34975 Contact person: John Ryan e-mail: <a href="mailto:john.ryan@cec.eu.int">john.ryan@cec.eu.int</a>	
Website	<a href="http://europa.eu.int/comm/health/index_en.html">http://europa.eu.int/comm/health/index_en.html</a>	



<b>Prevention of Aids</b>	Community action on the prevention of AIDS and certain other communicable diseases within the framework of public health.	
OJ	L 79/2001	
B	70	
P	1996-2002	
Planned continuation	T	Community action in the field of public health
	OT	OJ C 337E/2000
	PB	300
	PP	2001-2006
	SA	Autumn 2002
Contact	<b>DG SANCO.G.4 – Communicable rare and emerging diseases</b> DG Health and Consumer Protection European Commission, EUFO Plateau Kirchberg, L-2920 Luxembourg phone: +352 43011/430134154, fax: +352 4301 33248 Contact person: <b>Jader Cane</b> e-mail: <a href="mailto:jader.cane@cec.eu.int">jader.cane@cec.eu.int</a>	
Website	<a href="http://europa.eu.int/comm/health/index_en.html">http://europa.eu.int/comm/health/index_en.html</a>	

<b>Health Promotion</b>	Community action on health promotion, information, education and training within the framework of public health.	
OJ	L 79/2001	
B	49	
P	1996-2002	
Planned continuation	T	Community action in the field of public health
	OT	OJ C 337E/2000
	PB	300
	PP	2001-2006
	SA	Autumn 2002
Contact	<b>DG SANCO.G.3 – Health Promotion, health monitoring and injury prevention</b> DG Health and Consumer Protection European Commission, EUFO Plateau de Kirchberg, L-2920 Luxembourg phone: +352 4301 38502, fax: +352 4301 32059 Contactperson: <b>Matti Rajala</b> e-mail: <a href="mailto:matti.rajala@cec.eu.int">matti.rajala@cec.eu.int</a>	
Website:	<a href="http://europa.eu.int/comm/health/index_en.html">http://europa.eu.int/comm/health/index_en.html</a>	

<b>Drug Dependence</b>	Community action on the prevention of drug dependence within the framework of public health.	
OJ	L 79/2001	
B	38	
P	1996-2002	
Planned continuation	T	Community action in the field of public health
	OT	OJ C 337E/2000
	PB	300
	PP	2001-2006
	SA	Autumn 2002
Contact	<b>DG SANCO.G.2 – Prevention on drug dependence</b> DG Health and Consumer Protection European Commission EUROFORUM building L- 2920 Luxembourg phone: +352 4301 35010, fax: +352 4301 34975 Contact person: <b>Nadine Godou</b> e-mail: nadine.godou@cec.eu.int	
Website	<a href="http://europa.eu.int/comm/health/index_en.html">http://europa.eu.int/comm/health/index_en.html</a>	

<b>Health Monitoring</b>	Community action on health monitoring within the framework of public health.	
OJ	L 79/2001	
B	18	
P	1997-2002	
Planned continuation	T	Community action in the field of public health
	OT	OJ C 337E/2000
	PB	300
	PP	2001-2006
	SA	Autumn 2002
Contact	<b>DG SANCO.G.3 – Health Promotion, health monitoring and injury prevention</b> DG Health and Consumer Protection European Commission, EUFO Plateau de Kirchberg, L-2920 Luxembourg phone: +352 4301 38502, fax: +352 4301 32059 Contactperson: <b>Matti Rajala</b> e-mail: matti.rajala@cec.eu.int	
Website	<a href="http://europa.eu.int/comm/health/index_en.html">http://europa.eu.int/comm/health/index_en.html</a>	

<b>Injury prevention</b>	Community action on injury prevention in the framework for action in the field of public health.	
OJ	L 46/1999	
B	14	
P	1999-2003	
Planned continuation	T	Community action in the field of public health
	OT	OJ C 337E/2000
	PB	300
	PP	2001-2006
	SA	Autumn 2002
Contact	<p>DG SANCO.G.3 – Health Promotion, health monitoring and injury prevention</p> <p>DG Health and Consumer Protection European Commission, EUFO</p> <p>Plateau de Kirchberg, L-2920 Luxembourg</p> <p>phone: +352 4301 38502, fax: +352 4301 32059</p> <p>Contact person: <b>Matti Rajala</b></p> <p>e-mail: <a href="mailto:matti.rajala@cec.eu.int">matti.rajala@cec.eu.int</a></p>	
Website	<a href="http://europa.eu.int/comm/health/index_en.html">http://europa.eu.int/comm/health/index_en.html</a>	

<b>Pollution-related diseases</b>	Community action on pollution-related diseases in the framework for action in the field of public health.	
OJ	L 79/2001	
B	5	
P	1999-2002	
Planned continuation	T	Community action in the field of public health
	OT	OJ C 337E/2000
	PB	300
	PP	2001-2006
	SA	Autumn 2002
Contact	<p>DG SANCO.G.2 – Prevention of Cancer, drugs dependence and pollution related diseases</p> <p>DG Health and Consumer Protection European Commission</p> <p>EUFO 39/68</p> <p>Plateau du Kirchberg, L-2920 Luxembourg</p> <p>phone: +35 2 4301 32737, fax: +35 2 4301 34975</p> <p>Contact person: <b>John Ryan</b></p> <p>e-mail: <a href="mailto:john.ryan@cec.eu.int">john.ryan@cec.eu.int</a></p>	
Website	<a href="http://europa.eu.int/comm/health/index_en.html">http://europa.eu.int/comm/health/index_en.html</a>	

<b>Rare diseases</b>	Community action on rare diseases in the framework for action in the field of public health.	
OJ	L 155/1999	
B	7	
P	1999-2003	
Planned continuation	T	Community action in the field of public health
	OT	OJ C 337E/2000
	PB	300
	PP	2001-2006
	SA	Autumn 2002
Contact	<b>DG SANCO.G.4 – Communicable rare and emerging diseases</b> DG Health and Consumer Protection European Commission, EUFO Plateau Kirchberg, L-2920 Luxembourg phone: +352 43011/430134154, fax: +352 4301 33248 Contact person: <b>Jader Cane</b> e-mail: <a href="mailto:jader.cane@cec.eu.int">jader.cane@cec.eu.int</a>	
Website	<a href="http://europa.eu.int/comm/health/index_en.html">http://europa.eu.int/comm/health/index_en.html</a>	

### Scientific research

<b>5th EC Framework Programme on Research</b>	European Community activities in the field of research and technological development and demonstration.	
OJ	L 26/1999	
B	13 700	
P	1998-2002	
Planned continuation	T	6th EC Framework Programme on Research
	OT	OJ C 180E/2001
	PB	16 475
	PP	2002-2006
	SA	Autumn 2002
Contact	<b>DG Research</b> European Commission SDME 2/85, B-1049 Brussels Phone: +32 2 299 1865, Fax: +32 2 299 8220 e-mail: <a href="mailto:research@cec.eu.int">research@cec.eu.int</a>	

## Social Policy

<b>Combating Discrimination</b>	Community action to promote measures to combat discrimination based on racial or ethnic origin, region or belief, disability, age or sexual orientation.
OJ	L 303/2000
B	98
P	2001-2006
Contact	DG EMPL.D.4 – Anti-discrimination Fundamental Social Rights and Civil Society DG Employment and Social Affairs European Commission Rue de la Loi 200, B-1049 Brussels phone: +32 2 295 5152, fax: +32 2 295 1899 Contact person: Ms Wellinghoff-Salavert/S.Bussacehini e-mail: empl-antidiscrimination@cec.eu.int
Website	<a href="http://europa.eu.int/comm/employment_social/fundamri/prog/info_en.htm">http://europa.eu.int/comm/employment_social/fundamri/prog/info_en.htm</a>

<b>Combating Social Exclusion</b>	Community programme to encourage cooperation which enables the Union and the Member States to make a decisive impact on the eradication or poverty and social exclusion.
OJ	L 10/2002
B	70
P	2001-2005
Contact	DG EMPL.E.2 – Social Protection and Inclusion policies DG Employment and Social Affairs European Commission 200 rue de la Loi, B-1049 Brussels phone: +32 2 296 0231, fax: +32 2 295 65 61 Contact person: A. Silva e-mail: empl-e2@cec.eu.int
Website	<a href="http://europa.eu.int/comm/employment_social/soc-prot/soc-incl/calls_en.htm">http://europa.eu.int/comm/employment_social/soc-prot/soc-incl/calls_en.htm</a>

<b>Gender Equality</b>	Programme related to the Community framework strategy on gender equality including gender mainstreaming policies and specific actions targeted on women.
OJ	L 17/2001
B	50
P	2001-2005
Contact	DG EMPL G.1 – Equality for women and men DG Employment and Social Affairs European Commission 200 rue de la Loi, B-1049 Brussels phone: +32 2 299 51 83, fax: +32 2 295 35 62 Contact person: Mrs Donnelly e-mail: eqop@cec.eu.int
Website	<a href="http://europa.eu.int/comm/employment_social/equ_opp/index_en.htm">http://europa.eu.int/comm/employment_social/equ_opp/index_en.htm</a>

### Small and Medium Sized Enterprises

<b>Enterprise &amp; Entrepreneurship</b>	Programme for Community policy for enterprise and entrepreneurship in particular for small and medium sized enterprises.
OJ	L 333/2000
B	230
P	2001-2005
Contact	DG Enterprise European Commission Unit A6 – Co-ordination of Enterprise Policy B-1049 Brussels e-mail: ENTR.EPMC@cec.eu.int

## Vocational Training

<b>Leonardo da Vinci II</b>	Action plan for the implementation of a European Community vocational training policy.
OJ	L 146/1999
B	1 150
P	2000-2006
Contact	<p><b>DG EAC B.1 – LEONARDO Da Vinci Programme</b>            DG Education and Culture European Commission            Rue de la Loi 200, B-1049 Brussels            phone: +32 2 2962658, fax: +32 2 295 5704            Contact person: <b>Marta Ferreira Lorenço</b>            e-mail: leonardo@cec.eu.int</p> <p><b>Socrates, Leonardo &amp; Youth Technical Assistance Office</b>            59-61 Rue de Trèves, B-1040 Brussels            phone: +32 2 233 0111, fax: +32 2 233 0150            e-mail: info@socleoyouth.be</p>
Website	<a href="http://europa.eu.int/comm/education/leonardo.html">http://europa.eu.int/comm/education/leonardo.html</a>

## Youth

<b>Youth</b>	Community action programme concerning cooperation policy in the youth field, including youth exchanges within the Community and with non-member countries.
OJ	L 117/2000
B	600
P	2000-2006
Contact	<p><b>DG EAC D.1 – Youth</b>            DG Education and Culture European Commission            200 rue de la Loi, B-1049 Brussels            phone: +32 2 296 200 9, fax: +32 2 296 73 58            e-mail: youth@cec.eu.int</p> <p><b>Socrates, Leonardo &amp; Youth Technical Assistance Office</b>            59-61 Rue de Trèves, B-1040 Brussels            phone: +32 2 233 0111, fax: +32 2 233 0150            e-mail: info@socleoyouth.be</p>
Website	<a href="http://europa.eu.int/comm/education/youth.html">http://europa.eu.int/comm/education/youth.html</a>

### Planned Community Programmes:

<b>Erasmus World</b>	Programme for the enhancement of quality in higher education and the promotion of intercultural understanding through co-operation with third countries.
S	Education
OT	COM (2002) 401
PB	305
PP	2004-2008
SA	2003
Website	<a href="http://europa.eu.int/comm/education/index_en.html">http://europa.eu.int/comm/education/index_en.html</a>

<b>Ten Telecom</b>	The Programme aims to accelerate the take up of services to sustain the European social model of an inclusive, cohesive society and is strongly focused on public services, particularly in areas where Europe has a competitive advantage.
S	Information Society
OT	OJ C 103E/2002
PB	275
PP	2002-2006
SA	Autumn 2002
Contact	DG INFSO – TEN-Telecom Secretariat DG Information Society Rue de la Loi, 200, B-1049 Brussels phone: +32 2 296 8628, fax: +32 2 296 1740 e-mail: <a href="mailto:tentelecom@cec.eu.int">tentelecom@cec.eu.int</a>
Website	<a href="http://europa.eu.int/information_society/programmes/tentelecom/index_en.htm">http://europa.eu.int/information_society/programmes/tentelecom/index_en.htm</a>

<b>Marco Polo</b>	The Programme intends to help the transport and logistics industry to achieve sustained modal shifts of road freight to short sea shipping, rail and inland waterway.
S	Transport
OT	OJ C 126E/2002
PB	115 (2003-2007)
PP	2003-2010
SA	End 2002
Website	<a href="http://europa.eu.int/comm/transport/index_en.html">http://europa.eu.int/comm/transport/index_en.html</a>



### Abbreviations:

B	Total budget for the whole period in M€
COM	Commission's proposal
OJ	Official Journal of the European Communities
OT	Official Text/Journal
P	Period of running
PB	Planned budget for the whole period in M€
PP	Planned period of running
S	Sector
SA	Scheduled adoption
T	Title

### Sources:

- LOGON-Report 2000;
- <http://www.europa.eu.int/comm/enlargement/pas/ocp/meaning>, status September 4<sup>th</sup>, 2002;
- <http://www.eurodesk.org/index.htm>, status September 5<sup>th</sup>, 2002;
- [http://europa.eu.int/comm/regional\\_policy](http://europa.eu.int/comm/regional_policy), status September 4<sup>th</sup>, 2002.



## **Chapter 10   KEY EU INSTITUTIONS FOR LOCAL AND REGIONAL AUTHORITIES**





Simona Wolessa, Austrian Association of Cities and Towns - Brussels Office, Head

This chapter is an updated version of the Logon Report 2000. It includes the changings of the Treaty of Nice which hasn't entered into force at the time of editing this chapter.

## 10.1 EUROPEAN PARLIAMENT

It is the directly elected democratic expression of the political will of the peoples of the European Union, the largest multinational parliament in the world. Its primary objectives are like those of any parliament – to pass good laws and control the executive power. Its responsibilities have been gradually widened and its powers strengthened first by the Single European Act of 1987, then by the Treaty on European Union of 1993, and, in 1997, by the Treaty of Amsterdam. As the defender of citizens' rights, the Parliament has also appointed an ombudsman to investigate allegations of maladministration brought by citizens.

The most important powers of the European Parliament fall into three categories:

- Legislative;
- Approval of the budget;
- Supervision of the executive.

### 10.1.1 Legislative

Originally, the Treaty of Rome (1957) gave the Parliament only a consultative role, allowing the Commission to propose and the Council of Ministers to decide on legislation. Subsequent Treaties have extended Parliament's influence to amending and even adopting legislation so that the Parliament and Council share the power of decision making in a large number of areas.

**The consultative procedure** requires an opinion from the Parliament before a legislative proposal from the Commission can be adopted by the Council. This applies, for example, to the agricultural price review.

**The co-operation procedure** allows Parliament to improve proposed legislation by amendment. It involves two readings, giving members ample opportunity to review and amend the Commission's proposal and the Council's preliminary position on it. This procedure applies to a large number of areas including the European Regional Development Fund, research, the environment and oversees co-operation and development.

**The co-decision procedure** shares decision-making power equally between the Parliament and the Council. A Conciliation Committee – made up of equal numbers of members of Parliament and of the Council, with the Commission present – seeks a compromise on a text that the Council and Parliament can both subsequently endorse. If there is no agreement, Parliament can reject the proposal outright. The co-decision procedure applies to a wide range of issues such as the free movement of workers, consumer protection, education, culture, and health and trans-European networks. The Treaty of Amsterdam extends this procedure in particular to employment, freedom of establishment, and equal pay for men and women etc.

The Treaty of Nice enhances Parliament's role as co-legislator.

Parliamentary assent is required for important international agreements such as the accession of new Member States, association agreements with third countries, the organisation and objectives of the Structural and Cohesion Funds and the tasks and powers of the European Central Bank.

### 10.1.2 Approval of the Budget

Parliament approves the Union's budget each year. The budgetary procedure allows Parliament to propose modifications and amendments to the Commission's initial proposals and to the position taken by the Member States in the Council. On agricultural spending and costs arising from international agreements the Council has the last word, but on other expenditure – for example, education, social programmes, regional funds, environmental and cultural projects – Parliament decides in close co-operation with the Council.

In exceptional circumstances, the Parliament has even voted to reject the budget when its wishes have not been adequately respected. Indeed, it is the President of the Parliament who signs the budget into law.

Monitoring of expenditure is the continuous work of the Parliament's Committee on Budgetary Control, which seeks to make sure that money is spent for the purpose agreed and to improve the prevention and detection of fraud. Parliament makes an annual assessment of the Commission's management of the budget before approving the accounts and granting it a "discharge" on the basis of the Annual Report of the Court of Auditors.

### 10.1.3 Supervision of the Executive

The Parliament exercises overall political supervision of the way the Union's policies are conducted. Executive power in the Union is shared between the Commission and the Council of Ministers and their representatives appear regularly before Parliament.

#### Parliament and Commission

Every five years Parliament appoints the President and members of the Commission. It exercises detailed scrutiny through a close examination of the many monthly and annual reports, which Commission is obliged to submit to the Parliament. Members may also put written and oral questions to the Commission – about 6.000 a year – and they regularly interrogate Commissioners at Question Time during plenary sessions and at meetings of parliamentary committees.

If the worst comes to the worst (which has occurred in 1999), Parliament can pass a motion of censure on the Commission and force it to resign.

### Parliament and Council

The President in office of the Council presents his or her programme at the beginning of a presidency and gives an account of it to the Parliament at the end of that period. He or she also reports on the results of each European Council and on progress in the development of foreign and security policy.

During each presidency its relevant Ministers attend plenary sessions and take part in Question Time and in important debates. They must also respond to written questions.

At the beginning of each meeting of the European Council, the President of Parliament presents the institution's main positions on the topics to be discussed by the Heads of State or Government. This speech often sets the tone for the important discussions of the day.

The **Treaty of Nice** creates a new legal basis, which will allow the Council to lay down regulations governing political parties at European level, particularly as regards their funding.

#### 10.1.4 Organisation of the Parliament

All of EU's major political currents are represented in the Parliament, ranging from far left to far right, and numbering close to 100 political parties. These are organised in a limited number of political groups (presently nine).

Overall management of the Parliament's activities is the responsibility of the Bureau, which consists of the President and 14 Vice-presidents. All of its members are elected for terms of two and a half years.

The chairpersons of the political groups participate with the President of Parliament in the Conference of Presidents, which is responsible for organising the Parliament's work and drawing up the agenda for plenary sessions.

Much of the effective work of Parliament is conducted in its 17 committees covering all areas of the Union's activities, ranging from agriculture to common foreign and security policy, from legal affairs and citizen's rights to overseas co-operation and development.

The **Treaty of Nice** limited the number of Members of Parliament (MEPs) to a maximum number of 732 (currently 626) and allocated seats between Member States and Candidate Countries. The Candidate Countries will of course not be represented in the European Parliament until they have become members of the Union:

Allocation of seats in the European Parliament (Treaty of Nice)				
Member States	current seats	seats accord. to the ToN	Candidate Countries	seats accord. to the ToN
Belgium	25	22	Bulgaria	17
Denmark	16	13	Cyprus	6
Germany	99	99	Czech Republic	20
Greece	25	22	Estonia	6
Spain	64	50	Hungary	20
France	87	72	Latvia	8
Ireland	15	12	Lithuania	12
Italy	87	72	Malta	5
Luxembourg	6	6	Poland	50
Netherlands	31	25	Romania	33
Austria	21	17	Slovakia	13
Portugal	25	22	Slovenia	7
Finland	16	13		
Sweden	22	18		
United Kingdom	87	72		

### 10.1.5 Relevance to the local level

Lobbying in the Parliament is rather informal and direct, depending on the importance of the Member of Parliament. Of relevance is the adherence to different political groups and countries, and therefore different political tradition.

Further information:

<http://europarl.eu.int>

## 10.2 COUNCIL OF THE EUROPEAN UNION

The Council of the EU operates on two levels; the European Council of Heads of State or Government meets twice yearly to lay down the general political direction in which the Union is to develop. It has another annual meeting on labour matters. Day to day decisions are made by the Council of Ministers, which has no equivalent anywhere in the world. The Council is a supranational and intergovernmental organisation, deciding some matters by qualified majority voting, and others by unanimity. In its procedures, its customs and practices, and even in its disputes, the Council depends on a degree of solidarity and trust, which is rare in relations between States.

Its democratic credentials should not be in doubt. Each meeting of the Council brings together Member States' representatives, who are responsible to their national parliaments and public opinions. Nowadays, there are regular sessions of more than 25 different types of Council meeting.

### 10.2.1 Decision-making

The Treaty on European Union based the Union's activities on three "pillars" and established that most decisions be taken either by qualified majority voting or by unanimity. **The Treaty of Nice** reduced the number of cases in which a Member State can impose its veto. It will allow qualified-majority voting for decisions on 30 articles of the Treaty that previously required unanimity.

**The first Pillar** covers a wide range of Community policies (such as agriculture, transport, environment, energy, research and development) designed and implemented according to a well-proven decision-making process, which begins with a Commission proposal. Following a detailed examination by experts, the Council adopting the appropriate procedure in its relations with Parliament, can either adopt the Commission proposal, amend it or ignore it. In the vast majority of cases (including agriculture, fisheries, internal market, environment and transport), the Council decides by a qualified majority vote.

**The Treaty of Nice** will allow qualified-majority decision-making on all or part of the areas covered by a further 10 provisions. This is the case, for example, with decisions in the field of judicial cooperation in civil matters. Trade agreements relating to services or intellectual property could also, in theory be concluded by the Council acting by qualified majority.



Weighting of votes – current situation	
Germany, France, Italy, UK	10 votes
Spain	8 votes
Belgium, Greece, the Netherlands, Portugal	5 votes
Austria, Sweden	4 votes
Luxembourg	2 votes

When a Commission proposal is involved, at least 62 votes must be cast in favour. In other cases, the qualified majority is also 62 votes, but these must be cast by at least 10 Member States. In practise, the Council tries to reach the widest possible consensus before taking a decision.

The policy areas in the first Pillar, which remain subject to unanimity, include taxation, industry, culture, the Regional and Social Funds and the framework programme for research and technology development.

The **Treaty of Nice** provides a change in the weighting of votes from 1 January 2005. The number of votes assigned to each Member State has been altered and the number to be assigned to the Candidate Countries when they enter the European Union has also been set.

Weighting of votes according to the Treaty of Nice			
Member States	Votes	Candidate Countries	Votes
Belgium	12	Bulgaria	10
Denmark	7	Cyprus	4
Germany	29	Czech Republic	12
Greece	12	Estonia	4
Spain	27	Hungary	12
France	29	Latvia	4
Ireland	7	Lithuania	7
Italy	29	Malta	3
Luxembourg	4	Poland	27
Netherlands	13	Romania	14
Austria	10	Slovakia	7
Portugal	12	Slovenia	4
Finland	7		
Sweden	10		
United Kingdom	29		

In future, a qualified majority will suffice if:

- A decision receives a specified number of votes (this threshold will be reviewed in the light of successive accessions);
- A decision is approved by a majority of Member States (in addition, a Member State may ask for confirmation that the qualified majority represents at least 62% of the total population of the Union. If this is not found to be the case, the decision will not be adopted.)

For the other two pillars – common foreign and security policy (Second Pillar) and co-operation in the field of justice and home affairs (Third Pillar), the Council is the decision-maker as well as the promoter of initiatives. Unanimity is the rule in both pillars, except for the implementing of a joint action, which can be decided by qualified majority.

The **Treaty of Nice** removes the right of each Member State to veto the launch of “enhanced co-operation”, currently provided for in the Treaty. It requires a minimum of eight Member States for establishing enhanced cooperation and provides for the possibility of enhanced cooperation in the field of common foreign and security policy (CSFP), except as regards defence. It ensures that enhanced co-operation occurs within the framework of the European Union, having regard to the present competencies and roles of Community institutions and allows the Member States that do not participate immediately to join whenever they wish.

### 10.2.2 Community Legislation

Community law, adopted by the Council – or by the Parliament and Council in the framework of the co-decision procedure – may take the following forms:

- Regulations: these are directly applied without need for national measures to implement them;
- Directives: bind member States as to the objectives to be achieved while leaving the national authorities the power to choose the form and the means to be used;
- Decisions: these are binding in all their aspects upon those to whom they are addressed. A decision may be addressed to any or all Member States, to undertakings or to individuals;
- Recommendations and opinions: these are not binding.

Community legislation, as well as the Council’s common positions transmitted to the European Parliament, are published in the Official Journal in all the official languages.

### 10.2.3 Organisation

Each Member State has a national delegation in Brussels known as Permanent Representation. These delegations are headed by Permanent Representatives, who are normally very senior diplomats and whose committee, called Coreper, prepares ministerial sessions. Coreper meets weekly and its main task is to ensure that only the most difficult and sensitive issues are dealt with at ministerial level.

Coreper is also the destination of reports of the many Council working groups of national experts. These groups make detailed examinations of Commission proposals and indicate, among other things, areas of agreement and disagreement.

The Secretariat-General provides the intellectual and practical infrastructure of the Council at all levels. It is an element of continuity in the Council proceedings and has the custody of Council acts and archives. Its Legal Service advises the Council and committees on legal matters. The Secretary-General is appointed by the Council acting unanimously, it is answerable to the presidency and it is independent of the Commission.

#### 10.2.4 Relevance to the local level

Lobbying at the Council in Brussels is not effective for the local level. The Council is directly responsible to the national governments, therefore lobbying should be done in the respective countries by the national associations.

Further information:

<http://ue.eu.int>

### 10.3 EUROPEAN COMMISSION

Without the 20 men and women who are its members and the 16.000 staff who serve it, the Union would not work. The Council and the European Parliament need a proposal from the Commission before they can pass legislation. The Commission, in close collaboration with the European Council, frequently provides the impulse towards further integration at the crucial moments when this is needed. Decisive initiatives in recent years have been launching the strategy which culminated in the completion of the single market in 1993, the Commission's role in drawing up a blueprint for economic and monetary union and its drive to strengthen economic and social cohesion between the regions of Europe.

#### 10.3.1 Members of the Commission

The President of the Commission is chosen by the heads of State or Government meeting in the European Council after consulting the European Parliament. The other members of the Commission are nominated by the 15 member governments in consultation with the incoming president. The present Commission has five women members.

The 20 Commissioners provide political leadership and direction. They are obliged to be completely independent of their national governments and to act only in the interest of the European Union.

The **Treaty of Nice** limits the Commission to one member per Member State, with effect from 2005. A ceiling on the number of Commissioners will be imposed once the Union has 27 Member States. At that point the Council will have to take an unanimous decision on the exact number of the Commissioners (which must be less than 27). The nationality of the Commissioners will then be determined by a system of rotation that will be absolutely fair to all countries.

The Commission meets once a week to conduct its business, which may involve adopting proposals, finalising policy papers and discussing the evolution of its priority policies.

### 10.3.2 Democratic accountability

The Commission's democratic legitimacy is being increasingly strengthened by more determined and thorough parliamentary vetting of the President and his colleagues. Parliament not only approves the Commission but can also require it to resign. In 1999 Parliament refused to grant the Commission a "discharge" on the basis of the Annual Report of the Court of Auditors. Parliament disapproved of the Commission's management of the budget, accused the Commission of fraud and nepotism. Shortly after the Commission resigned for the first time ever.

### 10.3.3 Organisation

With its staff of 16.000, the Commission is the largest of the Union's institutions. The employment total, however, is modest, given the wide range of its responsibilities and also bearing in mind that one-fifth work in the translation and interpretation services. The Commission is divided in Directorates-General (DGs). They are no longer numbered but are named to reflect their respective field of work. Each DG is headed by a director-general, reporting to a Commissioner who has the political and operational responsibility for the work of the DG.

The Treaty of Nice decided to increase the powers of the President of the Commission, seen as essential to ensure the coherence of a body enlarged to accommodate over 20 members. The President will thus decide on the allocation of portfolios and may reassign responsibilities in the course of the Commission's term of office. The President will also be entitled to demand a Commissioner's resignation, subject to the Commission's approval.

### 10.3.4 Tasks

The Commission is not an all-powerful institution. Its proposals, actions and decisions are in various ways scrutinised, checked and judged by all of the other institutions, with the exception of the European Investment Bank. Nor does it take the main decisions on Union policies and priorities – this is the prerogative of the Council and, in some cases, of the European Parliament.

The classic description of the Commission's role identifies three distinct functions:

- Initiating proposals for legislation;
- Guardian of the Treaties;
- The manager and executive of Union policies and of international trade relationships.

#### Legislative Initiative

The legislative process begins with a Commission proposal – Community law cannot be made without one. In devising proposals, the Commission has three constant objectives: to identify the European interest, to consult as widely as is necessary and to respect the principle of subsidiarity. The European interest means that a legislative proposal reflects the Commission's judgement of what is best for the Union and its citizens as a whole, rather than for sectoral or national interests of individual countries.

Consultation is essential to the preparation of a proposal. The Commission is no ivory tower. It listens to governments at all levels, to industry, trade unions, special interest groups and technical experts before completing its final draft.

Subsidiarity is enshrined in the **Treaty on European Union** and is applied by the Commission in such a way as to ensure that the Union takes action only when it will be more effective than if left to individual Member States, their regions or cities.

Once the Commission has formally sent a proposal to the Council and the Parliament, the Union's law-making process is very dependent on effective co-operation between the three institutions.

The Commission does not have an exclusive right of initiative in the other two pillars based on intergovernmental co-operation covered by the Treaty on European Union – the common foreign and security policy, and co-operation in justice and home affairs. However, it can submit proposals in the same way as national governments and it participates in discussions at all levels.

#### **Guardian of the Treaties**

It is the Commission's job to ensure that Union legislation is applied correctly by the Member States. If they breach their Treaty obligation, they will face Commission action, including legal procedure at the Court of Justice.

In certain circumstances, the Commission can fine individuals, firms and organisations for infringing Union law, subject to their right of appeal to the Court of Justice. Illegal price-fixing and market-rigging cartels have been a constant object of its attention and the subject of very large fines. The Commission also maintains a close scrutiny over government subsidies to industry and certain kinds of state aid must, according to the Treaty, receive its consent.

#### **Manager and Negotiator**

The Commission manages the Union's annual budget, which is dominated by farm spending allocated by the European Agricultural Guidance and Guarantee Fund and by the Structural Funds, designed to even out the economic disparities between the richer and poorer areas.

Its executive responsibilities are wide: it has delegated powers to make rules which fill in the details of Council legislation; it can introduce preventive measures for a limited period to protect the Community market from dumping by third countries; it enforces the Treaty's competition rules and regulates mergers and acquisitions above a certain size.

The Commission represents the Union and the Member States in all matters of international trade relations. The Union has a major aid and training function in the third world, which the Commission negotiates, and implements. It is therefore a major player on the international stage, even though any trade agreement it signs needs to be ratified by the Council.

More than 100 have such agreements with the Union including the developing countries of Africa, the Caribbean and Pacific which are covered by the Cotonou Agreement, and those of Central and eastern Europe and the former Soviet Union which receive important technical assistance under PHARE and TACIS programmes. The countries of the southern Mediterranean are also benefiting from a European development aid effort.

### 10.3.5 Relevance to the local level

The Commission is the driving force of the European Union. It is there where all the legislative initiatives are prepared and therefore the Commission should be the main target for contacts. In principle every Directorate General has "national" contact persons who should be au fait with the minutiae of the current state national positions. Another way of influencing legislative proposals lies directly with the specific agenda of a Directorate General. The best in-put would be over an invitation to participate as a local government association in the numerous (6.000) Commission expert- or working groups. A more political approach is possible via the responsible cabinets or one's "own" Commissioner(s).

Further Information:

<http://europa.eu.int>

## 10.4 COURT OF JUSTICE OF THE EUROPEAN COMMUNITIES

The Union, like the European Communities on which it is founded, is governed by the rule of law. Its very existence is conditional on recognition of the binding nature of its rules by the Member States, by its institutions and by citizens. The role of the Court is to provide the judicial safeguards necessary to ensure that the law is observed in the interpretation and application of the Treaties and, generally in all of the activities of the Community.

The Court of Justice may sit in plenary session or in chambers of three or five judges. It sits in plenary session when it so decides or if a Member State or a EU institution, which is a party to the proceedings, so requests. For its part the Court of First Instance sits in chambers of three or five judges. It may sit in plenary session for certain important cases. To relieve the workload of the Court, the Treaty of Nice seeks to share tasks between the Court of Justice and the Court of First Instance more effectively and allows for the creation of specialised Chambers for particular areas (such as disputes involving European officials). The Treaty also stipulates that the Court of Justice, which in an enlarged Union will continue to consist of one judge for each Member State, may sit in a Grand Chamber of 13 judges.

The success of Community law in embedding itself so thoroughly in the legal life of the Member States is due to it having been perceived, interpreted and applied by the citizens, the administrative authorities and the courts of all of the Member States as a uniform body of rules upon which individuals may rely in their national courts. The decisions of the Court have made Community law a reality for the citizens of Europe and often have important constitutional and economic consequences.

The Court may be called upon to decide cases brought by the Member States, by the Community institutions and by individuals and companies. It ensures uniform interpretation of Community law throughout the Community by close co-operation with national courts through the preliminary ruling procedure.

#### 10.4.1 The Court of Justice

The Court of Justice worked alone until 1<sup>st</sup> September 1989 when the European Council attached to it a Court of First Instance in order to improve the judicial protection of individual interests and to enable the Court of Justice to concentrate its activities on its fundamental task of ensuring uniform interpretation of Community law.

The Court of Justice is composed of 15 Judges, each Member State appointing one for a renewable term of six years. Their independence must be beyond doubt and they must be qualified for the highest judicial offices in their respective countries or be jurists of recognised competence. The court is assisted by 9 advocates general, whose qualification is similar to those of the judges. They also serve for renewable terms of six years. Their task is to deliver independent and impartial opinions on cases brought before it.

#### 10.4.2 The Court of First Instance

The Court of First Instance has jurisdiction to deal with all actions brought by individuals and companies against decisions of the Community institutions and agencies. Its judgements may be subject to an appeal to the Court of Justice but on points of law only. It too has 15 judges appointed by the Member States for the same renewable term of office. This Court also elects its President, however there are no advocates general.

Broadly speaking two types of cases may be brought before the Court of Justice:

- 1) Direct actions may be brought directly before the Court by the Commission, by other Community institutions or by a Member State. Cases brought by individuals or companies challenging the legality of a Community act are brought directly before the Court of First Instance. If an appeal is lodged against a decision of the Court of First Instance it is dealt with by the Court of Justice according to the same procedure for direct actions.
- 2) National Courts of Member States may request “**preliminary rulings**” when a case before them depends on community law for its outcome. The national court formulates the question(s) on which it seeks a ruling, including a sufficient finding of fact to enable the Court to express an advisory opinion, which whilst not binding, is very persuasive, and which is then applied by the national court.

In a direct action the language of the case is chosen by the applicant whereas in preliminary rulings the Court of Justice uses the same language as the national court, which referred the case. Thus any of the Community’s language may be used. Written exchanges are an important part of the Court’s procedures, both for pleadings and for the submission of observations. After the end of the written phase, cases are argued orally in open court.



Following the hearing, the advocate general delivers an impartial and independent opinion in open court on the arguments submitted and on the interpretation of the relevant rules before recommending a decision for adoption by the Court. His or her advice is extremely persuasive and is most often followed by the Court.

The judges consider the case in closed deliberation and then deliver judgement in open court. The text of the judgement includes the reasoning upon which it is based and copies of the text are available in all 11 official languages. Since 1954 almost 10.000 cases have been brought before the Court of Justice, which has delivered some 4.507 judgements.

#### 10.4.3 Relevance to the local level

The Court influences local politics as it deals with violation of competition laws, which are relevant for public procurement, liberalisation of energy and transport, incineration of waste and wastewater treatment, subsidies etc. Interested parties are entitled to join actions and submit amicus briefs. They are entitled to be heard at the oral stage. Lobbying for local interests to alter Court decisions is rather difficult, to obtain information via the ECJ's press office is easy.

Further information:  
<http://www.curia.eu.int>

### 10.5 EUROPEAN COURT OF AUDITORS

This is the taxpayers' representative, responsible for checking that the Union spends its money according to its budgetary rules and regulations and for the purpose for which it is intended.

Some see the Court as the "financial conscience" of the Union, others as a "watchdog" over its money. In either case it is a guarantor that certain moral, administrative and accounting principles are respected. The Court's reports are a rich source of information on the management of the Union's finances, and a source of pressure on the institutions and others with administrative responsibility to manage them soundly.

The Court's function is performed with complete independence. It is a vital contribution to transparency in the Union. Objective scrutiny reassures the taxpayer that the Union's money is being managed responsibly – a reassurance which is all the more necessary given the growth of expenditure in recent years over a widening range of policies.

In 1997, the Union's budgetary operations reached Euro 120 billion, including borrowing and lending activities. Every institution and body that has access to Union funds is subject to scrutiny and must provide the Court of Auditors with the information and documents it requires. Not only the European institutions but all recipients of Union funds anywhere fall within its scope.

The task of the Court and its auditors is to check that revenue and expenditure observe the legal regulations and are inline with the Community's budgetary and accounting principles. At the same time, the Court is also concerned to make sure that the Community is getting value for its money by checking whether and to what extent financial management objectives have been achieved and at what price.

The Court carries out on-the-spot audits wherever necessary – on the premises of European institutions, in Member States and outside. These do not have to wait until the financial year is over, they can be made during the time the funds are being utilised.

Primary responsibility for preventing, detecting and investigating irregularities lies with those responsible for managing and executing EU programmes. When the Court identifies errors, irregularities and potential cases of fraud, it makes them known to the relevant administrations and other bodies for action to be taken. It also points out any weaknesses in systems and procedures, which may have enabled the particular problems to occur.

### 10.5.1 Reports, opinions and statement of assurance

The Court's observations on the management of Community finances are published in its Annual Report – together with the replies from the institutions concerned. The Annual Report highlights those areas in which improvements are possible and desirable. Adopted every year in November, the report is examined by the European Parliament on a recommendation of the Council when it is considering whether or not to give a discharge to the Commission for its management of the budget.

The Court is not limited, however, to just this occasion. If it wants to make its views felt, it can, at any time, issue special reports on specific areas of budget management. Like the Annual Report, these reports are published in the Official Journal. For their part, if the institutions feel they need guidance on some aspects of their management of funds, they can ask the Court for an opinion and must do so before adopting documents relating to financial regulations and own resources (EU budget revenues).

The Court also provides the European Parliament and the Council with a Statement of Assurance. This certifies the accounts as reliable and the operations they relate were appropriately used within the scope of the institution or the conditions of grant-aid. The Statement is the formal declaration to taxpayers that their money has been spent in the places for which it was intended, and for the purposes intended.

The Treaty of Nice states that the Court of Auditors will consist of a national of each Member State. Members will be appointed for a six-year term by the Council acting by qualified majority (rather than unanimity). The Court of Auditors will be able to set up chambers to adopt certain types of report or opinion. Finally, the Court of Auditors and the national audit institutions are urged to improve cooperation. One way of promoting this would be for the President of the Court of Auditors to set up a contact committee to liaise between the chairpersons of the national institutions.

### 10.5.2 Relevance to the local level

The Court of Auditors is of relevance because it checks and criticises the spending activity of the structural funds and the various programmes; national, regional and local administrations which manage Community funds must satisfy the Court that all is in order, as well as recipients of Community aid, inside and outside the Union. The Court produces very good and critical reports. It is important to read these reports and if there are any remarks to make, to set up a meeting with the officials.

Further information:

<http://www.eca.eu.int>

## 10.6 THE EUROPEAN SYSTEM OF CENTRAL BANKS (ESCB) AND THE EUROPEAN CENTRAL BANK (ECB)

The Treaty of European Union (generally referred to as the Maastricht Treaty), which was signed in February 1992 and entered into force on 1<sup>st</sup> November 1993, forms the legal basis for economic and monetary union (EMU). Annexed to the Treaty is the Statute of the European System of Central Banks and of the European Central Bank. The Maastricht Treaty provides for EMU to be established in three stages: Stage One began on 1<sup>st</sup> July 1990; Stage Two started on 1<sup>st</sup> January 1994; and Stage Three began on 1<sup>st</sup> January 1999. On 2<sup>nd</sup> May 1998 the Council of the European Union – in the composition of the Heads of State or government – unanimously decided that 11 Member States (A, B, D, F, FIN, IRL, LUX, NL, P, S; Greece met the joining criteria at the Nice summit) fulfilled the necessary conditions for the adoption of the single currency on 1<sup>st</sup> January 1999. These countries participate in Stage Three of EMU from the outset. On 25<sup>th</sup> May 1998 the governments of the 11 participating Member States appointed the President, the Vice-President and the four other members of the Executive Board of the ECB. Their appointment took effect from 1<sup>st</sup> June 1998 and marked the establishment of the ESCB and the ECB. The ECB was preceded by the Monetary Institute (EMI), which was set up at the start of Stage Two. Its basic mission was to conduct the preparatory work for the ESCB. The EMI went into liquidation upon the establishment of the ECB.

### 10.6.1 Composition of the ESCB

The ESCB is composed of the ECB and the EU national central banks (NCB's). However, the NCBs of those Member States not within the EMU continue to pursue national monetary policies and are therefore unable to participate in the EURO-decision making and implementing processes.

Basic tasks of the ESCB:

- To define and implement the monetary policy of the Community;
- To conduct foreign exchange operations;
- To hold and manage the official foreign reserves of the Member States; and
- To promote the smooth operation of payment systems.

In addition, the ESCB contributes to the smooth conduct of policies pursued by the competent authorities relating to the supervision of credit institutions and the stability of the financial system, while it also has an advisory role vis-à-vis the communities and national authorities, particularly where the Community or national legislation is concerned.

### 10.6.2 Decision-making bodies of the ECB

The ESCB is governed by the decision-making bodies of the Executive Board and the governors of the NCBs of the Member States without a derogation, i.e. those NCBs participating fully in monetary union.

The main responsibilities of the Governing Council are:

- To adopt the guidelines and make the decisions necessary to ensure the performance of the tasks entrusted to the ESCB; and
- To formulate the monetary policy of the Community, including, as appropriate, decisions relating to intermediate monetary objectives, key interest rates and the supply of reserves in the ESCB, and to establish the necessary guidelines for their implementation.

The Executive Board comprises the President, the Vice-President and four other members, all chosen from among persons of recognised standing and with professional experience in monetary and banking matters.

The main responsibilities of the Executive Board are:

- To implement monetary policy in accordance with the guidelines and decisions laid down by the Governing Council and, in doing so, to give the necessary instructions to the NCBs; and
- To exercise these powers which have been delegated to it by the Governing Council of the ECB.

The General Council comprises the President, the Vice-President and the governors of all NCBs, i.e. the NCBs of Member States with and without derogation.

The General Council is responsible for executing the tasks, which the ECB took over from the EMI and it also contributes, inter alia:

- The advisory functions of the ECB;
- The preparation of the ECB's quarterly and annual reports and weekly consolidated financial statements;
- The laying-down of the conditions of employment for the staff of the ECB; and
- The necessary preparations for irrevocably fixing the exchange rates (which float freely; e.g. 0,625 – 0,64) against the euro of the currencies of those Member States with a derogation if/when they apply to join.

### 10.6.3 Independence

The ESCB is an independent system. When performing ESCB-related tasks, neither the ECB, nor an NCB, nor any member of their decision-making bodies may seek or take instructions from any external body. The Community institutions and bodies and the governments of the Member States may not seek to influence the members of the decision-making bodies of ECB or of the NCBs in the performance of their tasks.

### 10.6.4 Capital

The NCBs are the sole subscribers to and holders of the capital of the ECB. The subscription of capital is based on a key established according to the EU Member States' respective shares in the GDP and population of the Community. The Governing Council decided at its first meeting on 9<sup>th</sup> July 1998 that the 11 NCBs of the euro area Member States will pay up in full their respective subscriptions to the ECB's capital according to the key. As a result, the ECB is endowed with an initial capital of slightly less than EUR 4.000 million.

### 10.6.5 Foreign Reserve Assets

The NCBs have provided the ECB with foreign reserve assets other than the Member States' currencies, euro, IMF reserve positions and special drawing rights (SDRs), up to an amount equivalent to EUR 50.000 million. The contributions of each NCB is credited by the ECB with a claim equivalent to its contribution. The ECB has the full right to hold and to manage the foreign reserves transferred to it and to use them for the purposes set out in the ESCB Statute. The ESCB Statute contains specific rules with regard to the calculations based on these amounts; they will ultimately determine the profit distributed to the ECB's shareholders.

Further information:

<http://www.ecb.int>

## 10.7 EUROPEAN INVESTMENT BANK

This European Union's financing institution provides long-term loans for capital investment, to promote the Union's balanced economic development and integration. The EIB is a flexible and cost-effective source of finance whose volume of annual lending makes it the largest international financing institutions in the world.

EIB loans go to projects, which fulfil one or more of the following objectives:

- Strengthening economic progress in the less-favoured regions;
- Improving trans-European networks in transport, telecommunications and energy transfer;
- Enhancing industry's international competitiveness and its integration at a European level and supporting small and medium-sized enterprises;

- Protecting the environment and quality of life, promoting urban development and safeguarding the EU's architectural heritage;
- Achieving secure energy supplies;
- Extending and modernising infrastructure in the health and education sectors as well as assisting urban renewal, under the "Amsterdam special action programme" in support of growth and employment.

The Bank carries out a rigorous appraisal of each investment, not only assessing its consistency with EU policies but also vetting its economic and environmental justification as well as its financial and technical viability.

The EIB is not a bank in which people deposit their money, but it is a bank, which instead of paying dividends improves the quality of life of millions of citizens. Underpinning regional development is the Bank's priority task and two thirds of its total lending is advanced for productive investment in regions, which are lagging behind or facing industrial decline.

### 10.7.1 Lending outside the Union

While the EU is the main focus of its activities, the EIB also helps to execute the financial aspects of the Union's co-operation policies with non-member States. Currently, the Bank is operating in more than 100 of these countries:

- In support of economic development projects in the countries of Central and Eastern Europe preparing for EU membership;
- In fostering cross-border infrastructure and environmental projects, as well as developing the productive private sector in Mediterranean non-member countries;
- In contributing to the set-up of the Euro-Mediterranean partnership, launched at the Barcelona Conference and assisting the Middle East peace process;
- In the African, Caribbean and Pacific signatories to the Cotonou Agreement, long-standing beneficiaries of EIB loans, and in the Republic of South Africa;
- In financing projects of mutual interest in such areas as technology transfer, joint ventures and environmental protection in Asian and Latin American countries which have signed co-operation agreements with the EU.

### 10.7.2 Source of Funds

Projects supported by EIB loans carry the lightest possible interest rate burden. The bank obtains the bulk of its resources on the capital markets where its top (AAA) credit rating enables it to borrow on the best terms available and to pass on the benefit to project promoters.

As a major presence on the capital markets the EIB plays an important part in their development, particularly for the emerging markets in the EU candidate countries in Central and Eastern Europe. The bank's borrowing policies also aim to help prepare the ground for a large and liquid euro capital market, much as it did to support the ecu at the beginning of the 1980s, thus promoting the financial market's confidence in the single currency.

### 10.7.3 Relevance to the local level

EIB loans are available to the local level.

Further information:

<http://www.eib.eu.int>

## 10.8 SOCIAL AND ECONOMIC COMMITTEE

This consultative body was founded by the Treaty of Rome in 1958. Its membership is drawn from a broad cross-section of society and the economy.

Some represent employers or workers (the “social partners”), while the daily activities of others range from farming to commerce, transport, the professions, co-operatives, small and medium enterprises and environmental and consumer protection groups. Members belong to one of three groups of roughly equal size: employers (Group I), workers (Group II) and various interests (Group III).

The **Treaty of Nice** states that the Committee is to be composed of representatives of the various components of organised civil society. The numbers of members of the ESC is not to exceed 350, which will allow the current Member States to retain their present number of seats (presently 222):

**Allocation of seats in the Social and Economic Committee according to the Treaty of Nice (current Member States of EU will retain their current number of seats)**

country	seats	country	seats
France	24	Portugal	12
Germany	24	Sweden	12
Italy	24	Denmark	9
United Kingdom	24	Finland	9
Poland	21	Ireland	9
Spain	21	Lithuania	9
Romania	15	Slovakia	9
Austria	12	Estonia	7
Belgium	12	Latvia	7
Bulgaria	12	Slovenia	7
Czech Republic	12	Cyprus	6
Greece	12	Luxembourg	6
Hungary	12	Malta	5
Netherlands	12		



### 10.8.1 Opinions

The Treaty requires the Commission and the Council to refer draft legislation in specified policy areas to the Committee for advice. It leaves them free to choose whether to do so on other matters. Since 1972, the Committee has also had the right to issue opinions on its own initiative on any matter of Community interest. The most recent amendment to the Treaty on European Union, adopted in Amsterdam, allows the European Parliament to consult the Economic and Social Committee too.

No European law of any significance has been adopted without the Committee's voice being heard. Since it was set up, the Committee has adopted more than 3.000 opinions, all of which have been published in the Official Journal of the European Communities. By requiring its members to find common ground on each issue and to resolve conflicts of interest between economic and social groups, the Committee makes a useful contribution to consensus building.

Limited relevance to the local level.

Further information:

[www.esc.eu.int](http://www.esc.eu.int)

## 10.9 COMMITTEE OF THE REGIONS

This is the Union's youngest body whose creation reflects Member States' strong desire not only to respect regional and local identities and prerogatives but also to involve them into the development and implementation of EU policies. For the first time in the history of the European Union, there is now a legal obligation to consult the representatives of local and regional authorities on a variety of matters that concern them directly.

Created as a consultative body by the Treaty on European Union, the Committee has emerged as a strong guardian of the principle of subsidiarity since its first session in March 1994.

Subsidiarity is enshrined in that Treaty and means that decisions should be taken by those public authorities, which stand as close to the citizen as possible. It is a principle, which resists unnecessarily remote, centralised decision taking.

The number of members (presently 222) has been limited to 350, with a view to enlargement:

**Allocation of seats in the Committee of the Regions according to the Treaty of Nice (current Member States of EU will retain their current number of seats)**

country	seats	country	seats
France	24	Portugal	12
Germany	24	Sweden	12
Italy	24	Denmark	9
United Kingdom	24	Finland	9
Poland	21	Ireland	9
Spain	21	Lithuania	9
Romania	15	Slovakia	9
Austria	12	Estonia	7
Belgium	12	Latvia	7
Bulgaria	12	Slovenia	7
Czech Republic	12	Cyprus	6
Greece	12	Luxembourg	6
Hungary	12	Malta	5
Netherlands	12		

The **Treaty of Nice** also requires the members of the Committee to have an electoral mandate from the authorities they represent or to be politically accountable to them.

The elected officials to the Committee have direct experience of how the Union's policies and legislation affect the everyday life of their citizens. With such resources, the Committee is able to bring powerful expertise and influence to bear on the Union's other institutions.

It has many opportunities to do so. The Treaty requires it to be consulted on matters relating to trans-European networks, public health, education, youth, culture and economic and social cohesion. But the Committee can also take the initiative and give its opinion on other policy matters that affect cities and regions, such as agriculture and environmental protection.

### 10.9.1 Organisation

The work of the Committee is organised by the Bureau, elected for a two-year term.

### 10.9.2 Relevance to the local level

Although it is called the Committee of the Regions, its members are also drawn from the local government. When an opinion is prepared, local interests are considered. The Committee hopes that it will be given the right to litigate in front of the ECJ.

Further information:  
[www.cor.eu.int](http://www.cor.eu.int)

## 10.10 EUROPEAN OMBUDSMAN

One of the rights of European citizens is to complain to the European Ombudsman. The Ombudsman investigates complaints about maladministration by institutions and bodies of the European Community. He cannot deal with complaints concerning national, regional or local administrations of the Member States. The European Ombudsman is elected by the European Parliament for the duration of its term of office.

As a citizen of a Member State of the Union or as a person living in a Member State, all citizens of, or persons resident in, the Union can make a complaint, as can businesses, associations or other bodies with a registered office in the Union about maladministration in the activities of Community institutions and bodies.

Maladministration means poor administration or failed administration. This occurs if an institution or body fails to do something it should have done, if it does it in the wrong way or if it does something that ought not to be done. Some examples are:

- Administrative irregularities;
- Unfairness;
- Discrimination;
- Abuse of power;
- Lack or refusal of information;
- Unnecessary delay.

### How to complain?

A standard form is available from the Ombudsman's office. The complaint can be written in any of the 11 official languages of the Union, it must set out clearly the identity of the complaining person or entity, which institution or body of the European Community the complaint is directed against and on what grounds. A complaint must be made within two years of the date when the complainant got to know the facts on which the complaint is based. One need not be individually affected by the maladministration, but there must have been a prior complaint to the alleged wrongdoing. The Ombudsman does not deal with matters that are currently before a court or that have been settled by a court.

### Further information:

<http://www.euro-ombudsman.eu.int>





## **Chapter 11 THE CEEC-LOGON INFO POINT ON THE INTERNET**

<http://www.ceec-logon.net>





Katarzyna Szczepanska, KDZ - Centre for Public Administration Research

## 11.1 INTRODUCTION

The CEEC-LOGON Internet-site was launched in January 1999 with the aim to build a common information platform for the local and regional level in the CEEC. Since its foundation the website has expanded rapidly and it offers now different levels of information and communication like EU documents, working materials and contact lists for instance. The content of the LOGON-site can be classified as information related to the local level in Europe, although the main focus was set on the EU-enlargement.

This article is a short guide giving an overview on the main chapters and sources of facts, documentation and communication within the LOGON-site.

The LOGON-homepage, which can be retrieved from the Internet-address

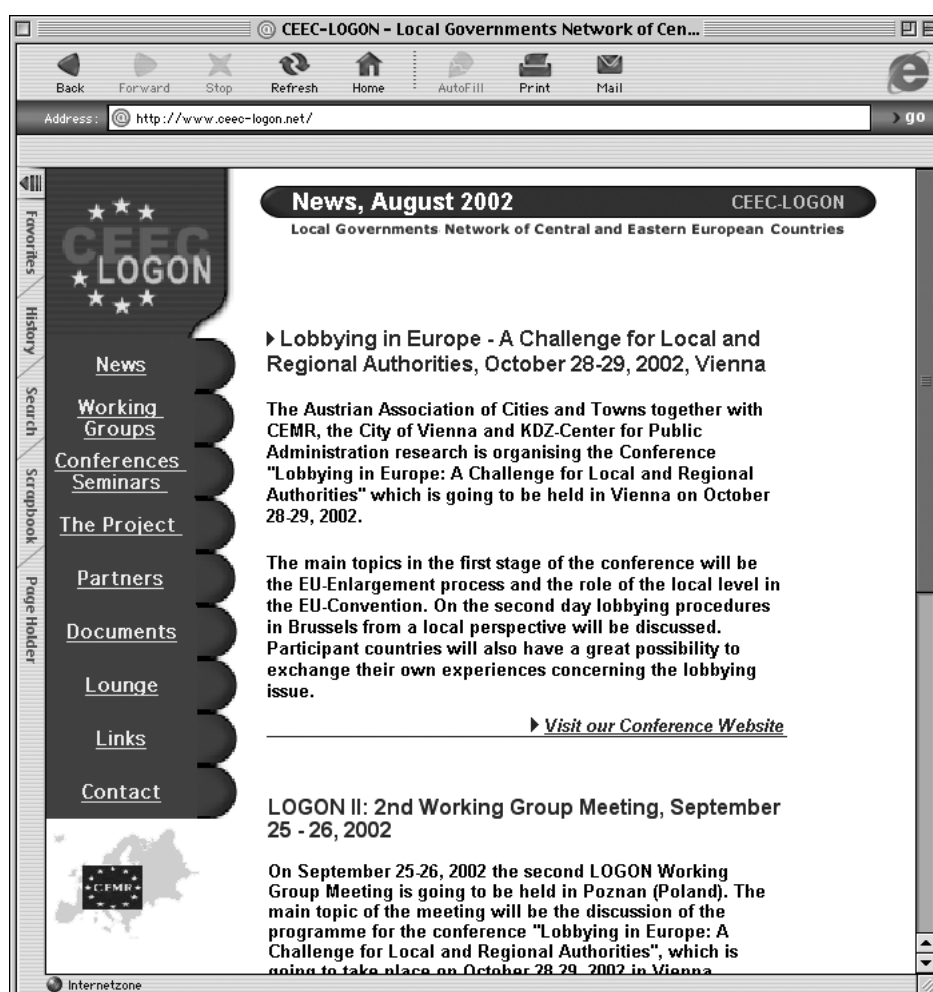
<http://www.ceec-logon.net>

is divided into 9 main chapters: News, Working Groups, Conferences & Seminars, Project, Partners, Documents, Links and Contact.



## 11.2 NEWS

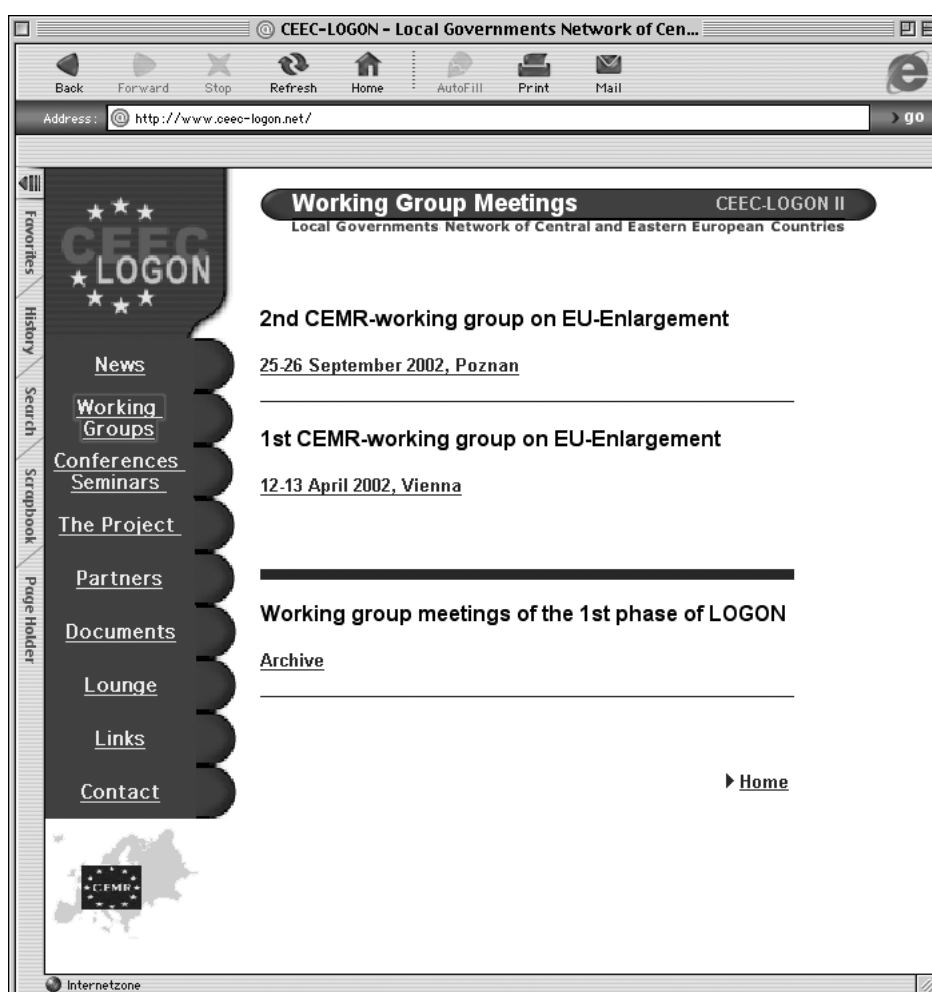
The News chapter gives a short overview on the latest development of the LOGON Project. It was conceived as the starting page with the aim to give users the latest and most important data on the first site. This sector contains primarily short comments about updated sectors, new documents or changes on the site and brief remarks about planned conferences and meetings with links to the chapters where the total information can be retrieved from.



## 11.3 WORKING GROUPS

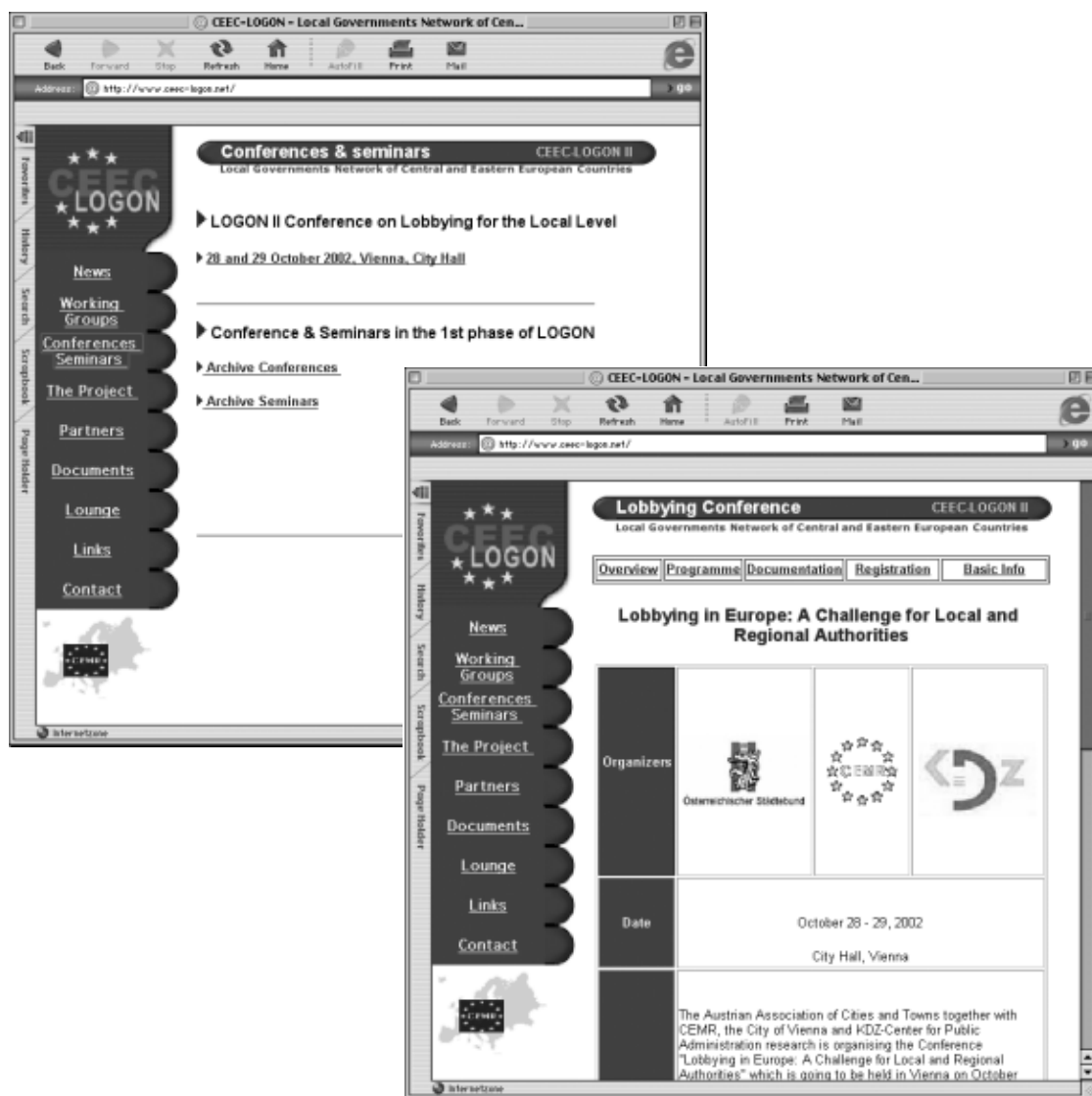
The Working Groups chapter contains the information both about CEMR working group meetings of the first and the second phase of LOGON including draft agendas, registration forms, participant lists and minutes of the meetings, and about planned working group sessions in the future. It gives also a possibility to register online for the events.

Most information on this page can be retrieved as a Winword-document or be read online.



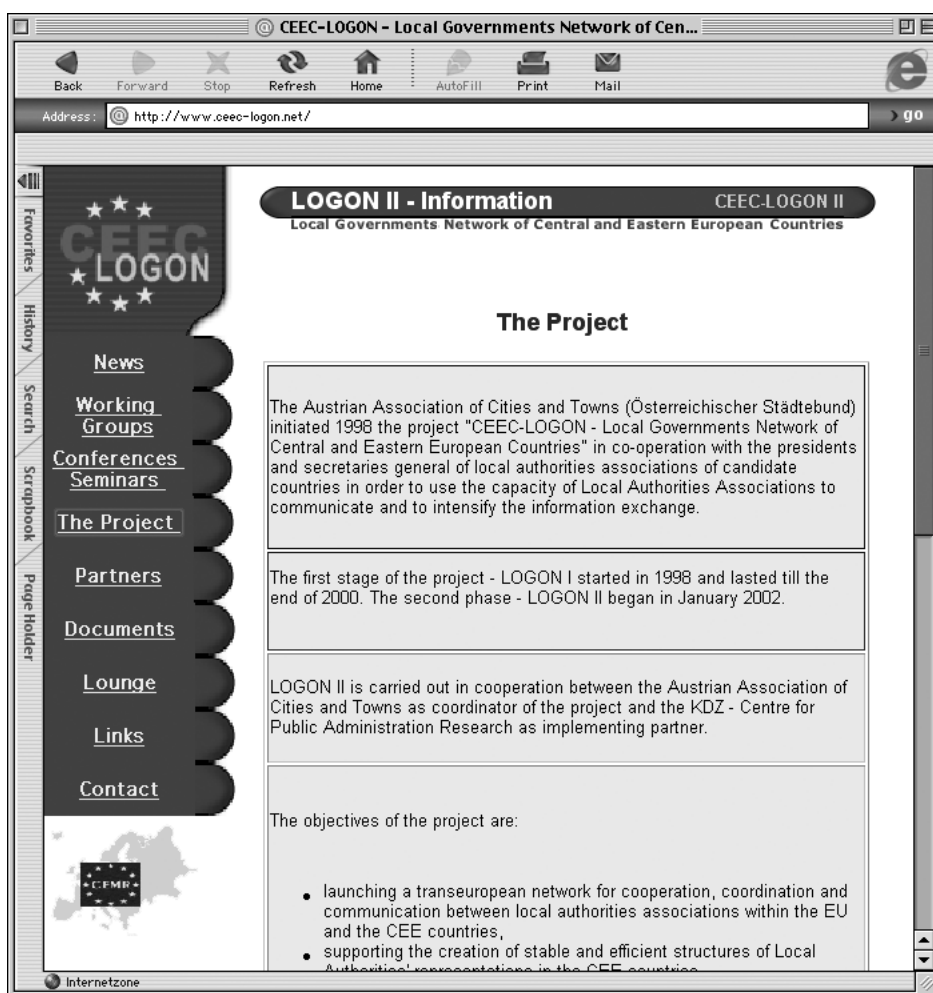
## 11.4 CONFERENCES & SEMINARS

The Conferences & Seminars chapter is a merge of the two previous ones: Conferences and Seminars/Study visits. It provides a range of information about events of the first phase of LOGON and presents the current ones. The Archive contains participant lists, agendas, minutes of the conferences and the meetings, documents, lectures of the speakers and final declarations concerning the starting conference, the conferences in Poland and in Hungary, as well as the study visits to Brussels and to Austria. The other part of the sector which can be retrieved on the Conference-sub-page gives very comprehensive information about the conference in Vienna including the short description of the event, the programme, documentation, practical tips for participants like transport, accommodation or location, and gives a possibility to register online.



## 11.5 THE PROJECT

This chapter is thought to be an information source for all the people who visit the LOGON-homepage the first time and who are not the project partners. This sector gives short remarks about LOGON, its history, its aims and presents the organisations that are coordinating the project.



## 11.6 PARTNERS

This chapter is an info-source about the LOGON-partners. On the one hand it presents the applicant countries and their administrative structure, on the other one gives direct links to the local and regional authorities and organisations involved in the project and provides information about the EU-programmes which are implemented at the moment.



## 11.7 DOCUMENTS

The Documents chapter can be understood as the "electronic archive" of LOGON. It provides a range of information about the enlargement process of the European Union, about the local level in the CEEC, as well as many other materials concerning the local and regional level. All documents are collected under following categories:

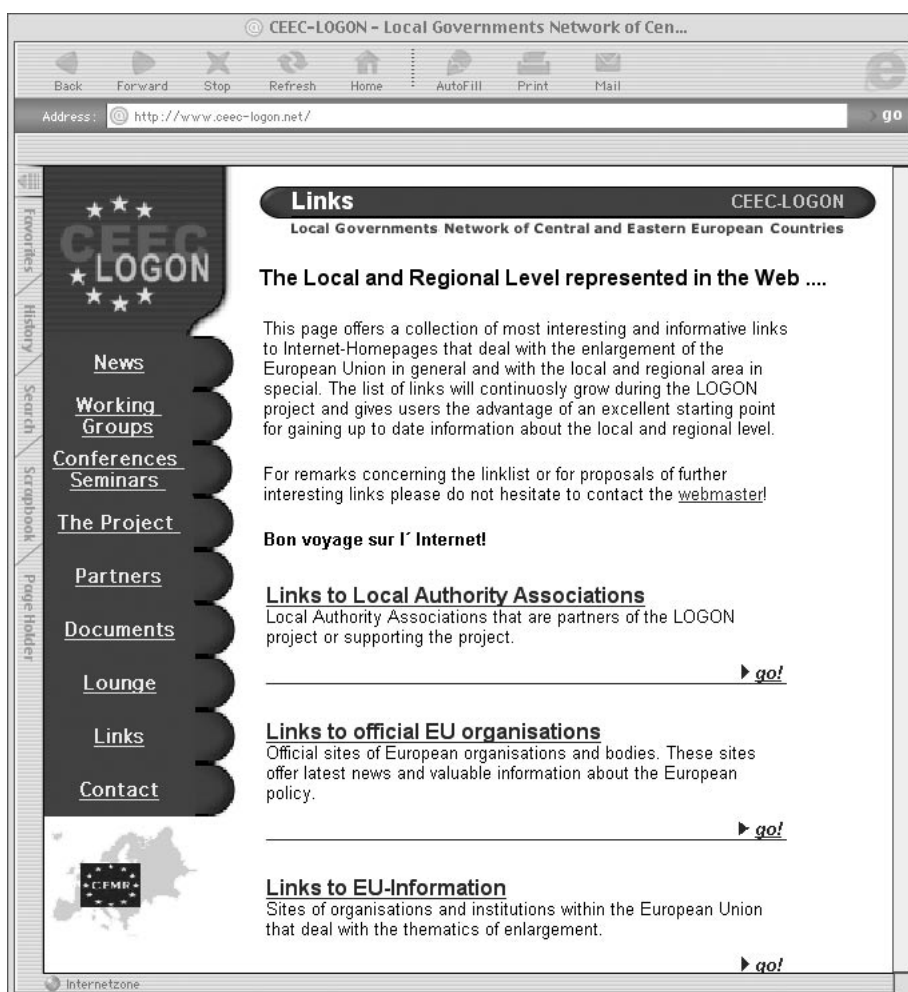
- LOGON Report 2000;
- Reports on the screening process in the pre-accession countries;
- Structures of the local level in the Central and Eastern European partner countries of LOGON;
- Different materials concerning the local level in the European Union on the sub-pages.



## 11.8 LINKS

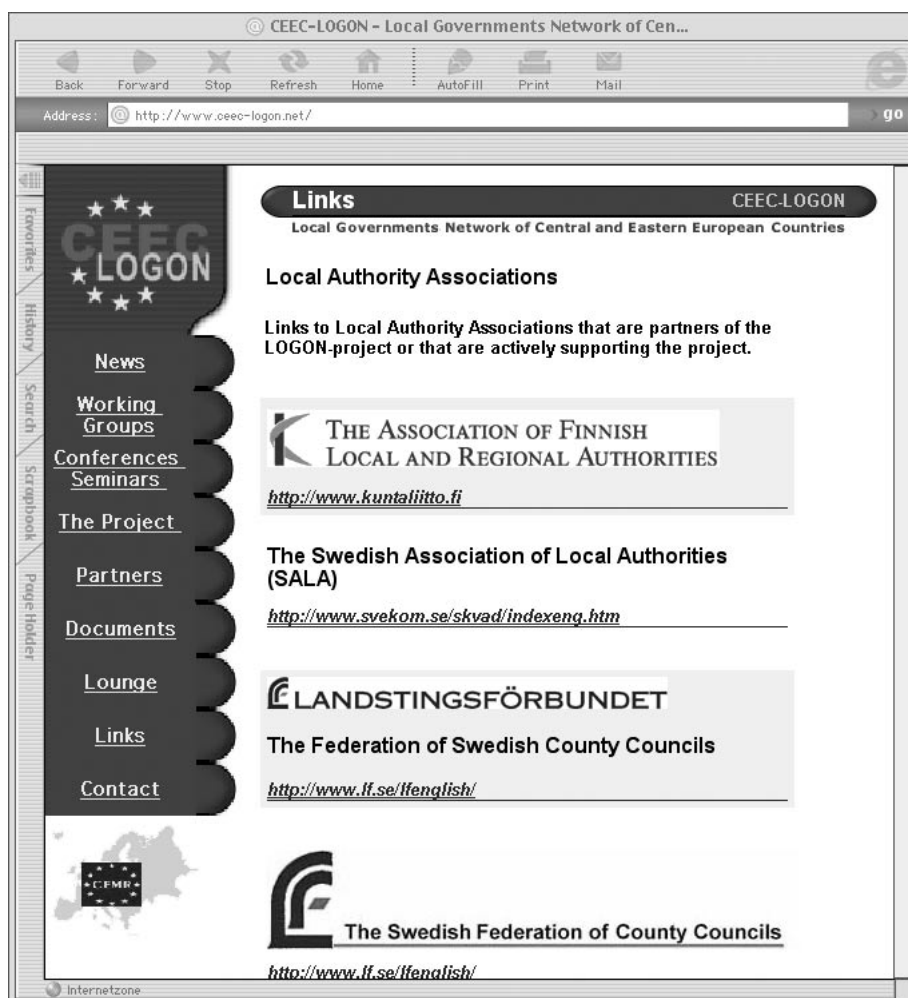
This chapter contains a collection of links to homepages concerning the European Union and its enlargement process in general, as well as the local and regional area in special. All links are stored on the following four sub-pages:

- Links to local authority associations;
- Links to official EU organisations;
- Links to EU-information;
- Links to information-services outside the EU.



## Sub-page: Local Authority Associations

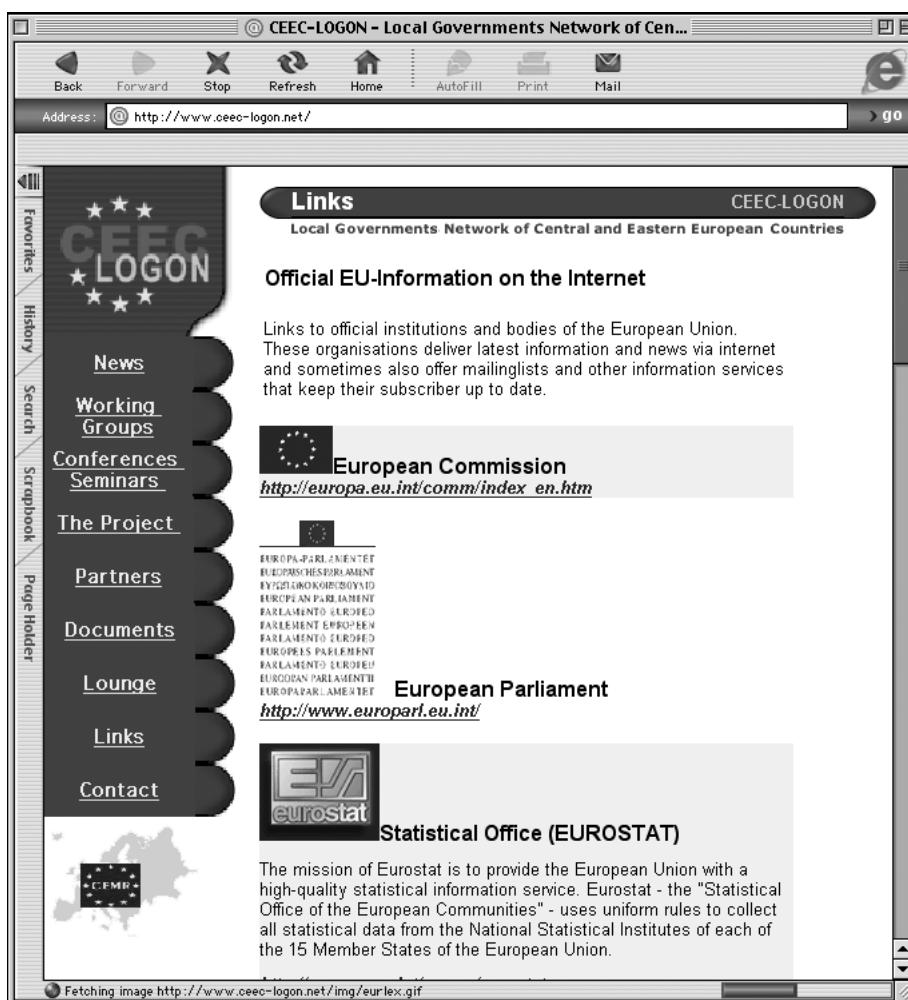
This chapter comprises a collection of links to local authority associations that are partners of the LOGON project or that are supporting it and are actively involved in its implementation.





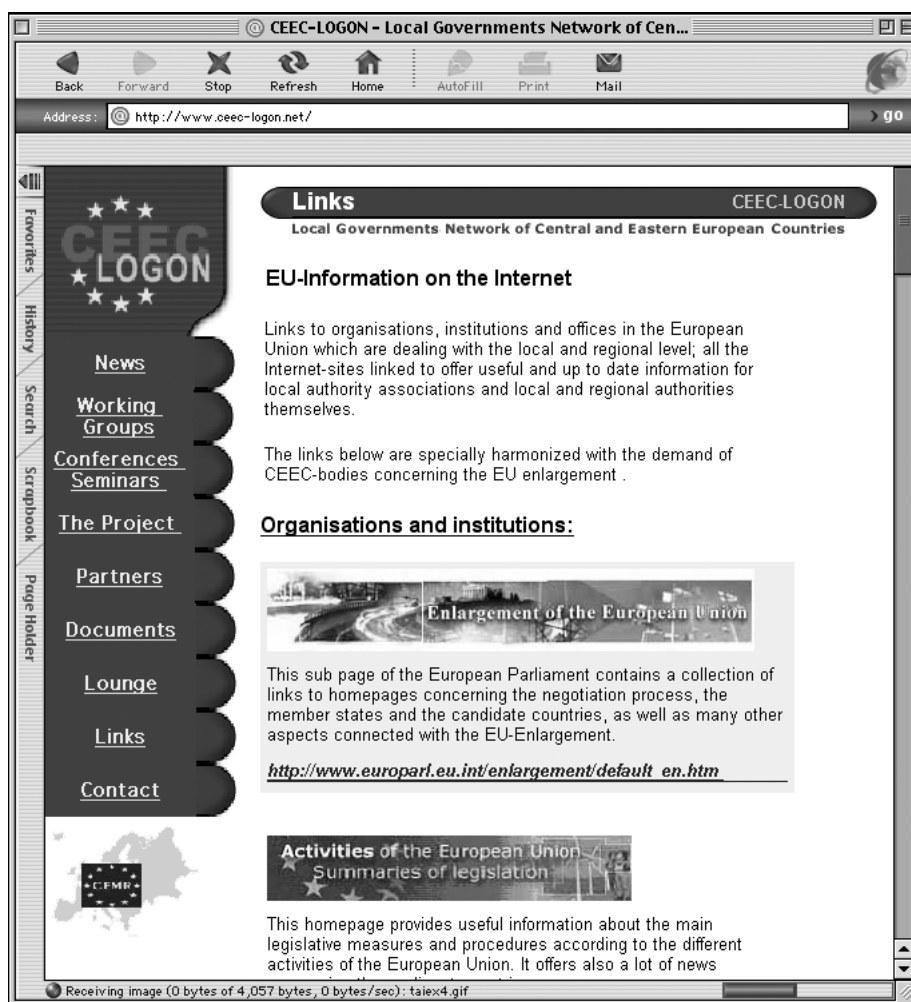
## Sub-page: Official EU-organisations

This sub-page contains a list of links to official institutions, organisations and bodies of the European Union that can provide useful up to date information about the EU policy.



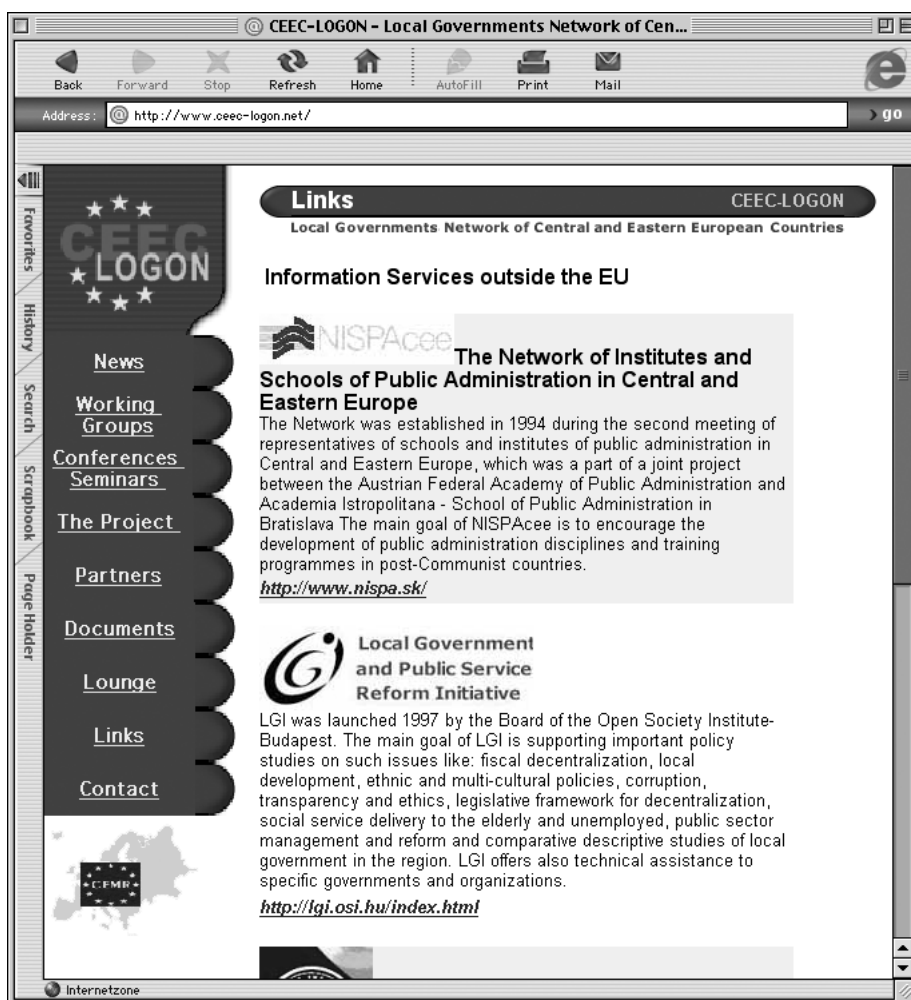
### Sub-page: EU-information on the Internet

This sector is a collection of links to different institutions and organisations in the European Union that can provide latest information especially relevant for the local and regional level. This part offers also links to basic data about the EU-enlargement and about good governance.



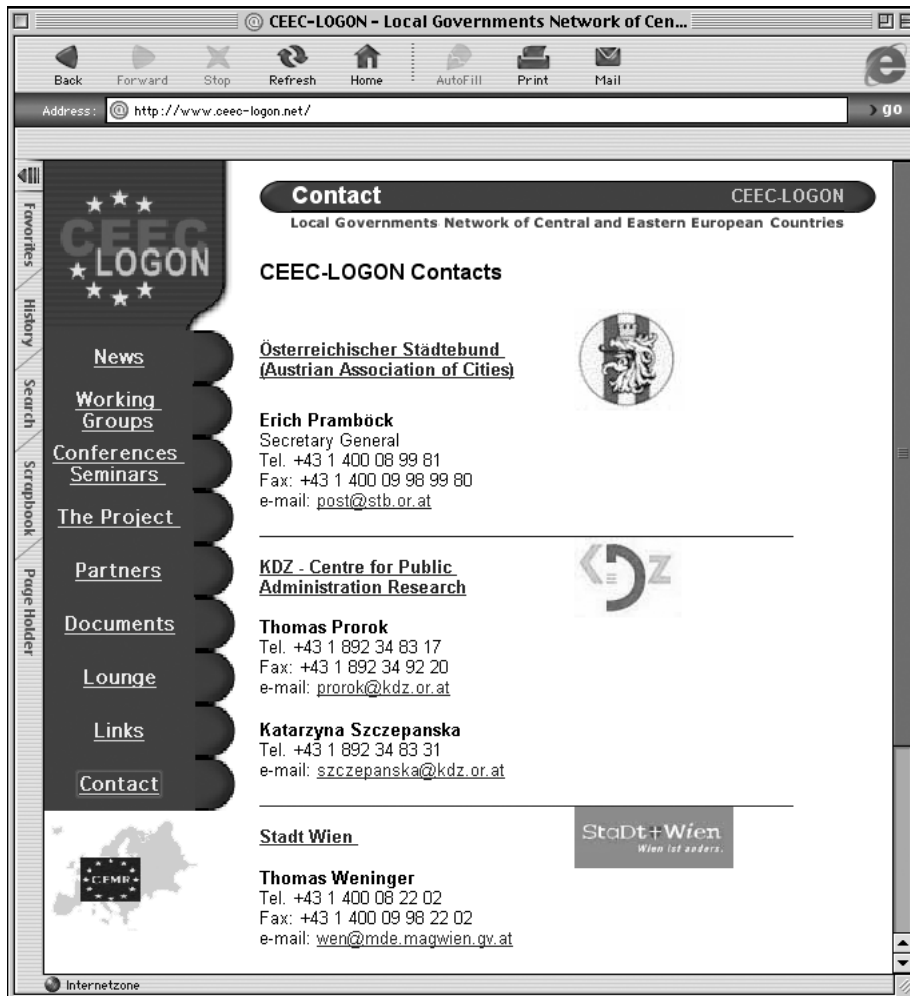
## Sub-page: Information services outside the EU

This chapter comprises a list of links to services and institutions acting outside the European Union that provide information relevant for the local and regional level organisations.



## 11.9 CONTACT

This part of the website contains the contacts and links to organisations and persons coordinating the LOGON Project.





Centre for Public  
Administration Research

**Training and Research for Public Administration**

[www.kdz.or.at](http://www.kdz.or.at)  
[institut@kdz.or.at](mailto:institut@kdz.or.at)