



The State of Regionalism in Europe

An AER Report

Part II: How do Regions look like in Europe?

An overview for the 47 Member States of the Council of Europe

June 2010

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*: Reports with interviews of regional politicians, MEPs or experts

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Last but not least, many thanks to the regional officers, who checked our country reports, and to the representatives of national governments who helped us in our updating activities.

Disclaimer

To prepare each country report, the AER Secretariat used various sources, mentioned in Annex 4. The majority of the country reports was submitted to a two-level system of control: on the one hand, the AER General Secretariat asked for Member Regions in the country to check the accuracy of the information provided. On the other hand, representatives of national governments, involved in the European Committee on Local and Regional Democracy of the Council of Europe, were invited to send comments or relevant updates to their respective country reports. Some reports, however, could not be checked, either due to the lack of Regions in a specific country, and thus ad hoc AER contacts, or due to language problems. Information provided in this report therefore only engage its authors. Should you notice any inaccurate piece of information, or should you know about changes in a specific country, we invite you to send your comments to:

secretariat@aer.eu

Re.: Regionalism Report

1. Guidelines on how to read the country reports

This part of the report examines the situation of regionalisation throughout all 47 Member States of the Council of Europe.

It uses the AER Declaration on Regionalism as its base, and assesses the following key issues in turn:

- Overview of the state of regional democracy in Europe – this section explores the national framework for the development of regional democracy, and gives historical background information about regional development.
- Definition of a region – in this section, we examine the shape, size and definition of regions across Europe and look at whether they are generally defined in the national constitution or in primary legislation.
- Institutional organisation – section 2.3 establishes which regions have directly-elected assemblies and Presidents and explores the internal structures of regional authorities.
- Competences – section 2.4 gives an overview of the different competences that regions throughout Europe have. It distinguishes between shared competences and own-competences, and sets out how these competences are defined.
- Finances – this section establishes where regions' finances come from and assesses to what extent European regions have financial autonomy. It investigates whether regions have sufficient own resources to develop their powers fully. Finally, it examines the different types of financial equalisation (solidarity) mechanisms that exist throughout Europe.
- Relations between the State and the Region – this section looks at the role that the regions play in the legislative bodies and decision-making processes of the state, and explores whether regions can sign agreements with other regions in the same state.
- Relations between Regions and Local Authorities – in this section, we explore whether regional consultation of local authorities is adequate and investigate whether local and regional authorities co-operate in a manner of mutual trust.
- International Relations – this section explores whether regions can conclude international treaties, agreements and protocols, and explores whether the states consult the regions when they sign international agreements and treaties which concern the regions' competences.
- Regions and the European Union – this section explores the way in which regions have increasingly gained access to European Union policy-making processes.
- Conclusions – the concluding section examines the main challenges ahead for regions in Europe and tries to identify existing and emerging trends in the development of regional democracy.

A copy of the AER Declaration on Regionalism can be found in Annex 1 of the report. Synopsis tables are available in annex 2, summarising the main information on the status of Regions in each 47 studied countries.

To prepare each country report, the AER Secretariat used various sources, mentioned in Annex 4. The majority of the country reports was submitted to a two-level system of control: on the one hand, the AER General Secretariat asked for Member Regions in the country to check the accuracy of the information provided. On the other hand, representatives of national governments, involved in the European Committee on Local and Regional Democracy of the Council of Europe, were invited to send comments or relevant updates to their respective country reports.

2. Country reports

*: Reports with interviews of regional politicians (or experts)

ALBANIA



1. Overview

In Albania, the democratic process of overthrowing the communist system took place in the early 90s. In 1991, Albania experienced its first taste of pluralistic elections, while in 1992, democratically held elections took place for the first time. During 1992, local elections took place at the primary level in which government authorities were chosen for positions at municipalities and communes. At the same time, elections took place at a secondary level for positions at district councils. In 2000, a consolidation of sorts was instituted at this secondary level with the creation of regional councils. This new structure replaced the previous system of district council rule; each regional council was created to cover multiple districts. Throughout this time period, regional democracy has continued to evolve and today continues with the push for further empowerment of local government bodies.



2. The region: definition and context

Albania has 12 regional councils, one for each of its 12 regions. In no particular order, these regions are: (1) Tirane, (2) Berat, (3) Durrës, (4) Vlorë, (5) Lezhe, (6) Shkodër, (7) Kukës, (8) Diber, (9) Elbasan, (10) Korce, (11) Fier, and (12) Gjirokaster. Regional councils are defined

in the national constitution as well as recognized through distinct and specific legislation. These multiple legal acts stipulate the functions and duties of the regional councils.

3. Institutional Organization

The regional councils are the representative bodies, their members come from the elected municipal and commune councils according to the population size. Some members of the regional councils are heads of communes and municipalities that fall within the territory of their individual region. They are elected directly by their constituents. Other members of the council are selected from member lists of the commune or municipal councils. At a meeting of the commune or municipal council, members vote anonymously for the selection of the chairman of the regional council, the vice-chairman, and the secretary. The regional councils are fully independent state bodies that function according to specific legal statutes and enactments in order to implement regional development policy in cooperation with the State.

4. Competences

The regional councils develop and implement policy for regional development. In this position, they work as a facilitator between the local and state government. A primary competency of the regional councils is to develop strategies, which are then directed to the relevant departments of the state ministry. The regional councils also serve to manage disbursements of the state budget toward investments with regional ramifications. Primary examples include expenditures towards: rural road infrastructure, pre-university level education, health systems, tourism development (visitor services), regional transport, and cultural heritage. These competencies are set forth in the constitution and stipulated through local government legislation. In addition, regional councils also act to provide recognition and, where appropriate, bestow honours on distinguished or noteworthy individuals.

5. Financing

The regional councils are financed from the state budget, from which they receive funds without any conditions. In addition to this general financing, they also receive financing from the state budget based on certain parameters. Financed from the inflows of communes and municipalities, the regional councils also secure financing from its inner-administration services. The management of financial resources is governed by the resolutions of the regional councils. The regional councils employ independent, non-partisan procedures in managing state budget expenditures and inflows. The regional councils do not have the right to change the budget for state investments. In order to modify the budget, the regional councils must request authorization to do so from the appropriate office of the ministry involved (or multiple offices if more than one ministry is involved). At present, the financial needs of the regional councils are generally greater than that which is at their disposals.

6. The State and the regions

The legislation body consults the regions for legal matters that relate to regional activities. The Council of Ministers and the ministries seek guidance and input from the regional councils for projects involving regional development as well as in drafting the state budget. The regional councils of Albania have a membership organization: the Organization of Regional Councils. Regional councils are free to develop collaborative relationships among themselves.

7. The regions and local authorities

Regional councils are in consultation with local governments to seek synergies and avoid duplication in activities of shared competence. Regional councils and local governments establish collaborative relationships with the idea of reciprocal trust. This is based in legal acts as well as less formal declarations and actions, regardless of the competencies of each party.

8. The regions and international relations

Regions (regional councils) may establish relationships and conclude international treaties, agreements, and protocols with foreign counterparts. Regions consult the Ministry of Foreign Affairs before concluding agreements, but in general, the Ministry encourages the creation of relationships. International relationships and agreements are established in line with the competencies and capabilities of the regions involved. Some regions of Albania have established such mutually beneficial international relationships with their foreign counterparts. Such relationships have also been created and entered into by the Region Council of Berat.

9. Conclusions

A major challenge for Albania is to expand the authority and further develop the autonomy of local and regional government bodies. Albania is on the correct road to effectively addressing these challenges, but it shall continually renew its commitment to do so. The perfection of legislation and the further development and growth of financial capabilities are further key challenges for the future that, if effectively addressed, will allow Albania to continually improve and enhance the services offered to the citizens. In addition, all forms of collaboration, whether it is among regions or with international institutions, shall be continually developed, in order to provide regional administrations with the necessary expertise as well as to facilitate economic cooperation.

ANDORRA



1. Overview

The Principality of Andorra (with 76.000 inhabitants and Catalan as the official language) is a democratic and constitutional welfare state, preserving the structure of the Co-Principality, which came into being with the signing of the « Paréages » in 1278 and 1288.

The Andorran State is a parliamentary Co-Principality: the two Co-Princes of Andorra are jointly and indivisibly the Head of State. At present, this office is held jointly by Monseigneur Joan Enric Vives, Bishop of Urgell (a region of Catalonia in Spain) and Monsieur Nicolas Sarkozy, President of the French Republic. Their role consists essentially in guaranteeing respect for the Constitution, to which they swear to be faithful. They have given up their absolute power, which they rarely used, in favour of constitutional power. However, each co-Prince appoints a personal representative in Andorra who must keep them informed about issues involving the Principality.



The General Council exercises legislative power, approves the budgets of the State, encourages and controls the political action of the Government. At the present time, it consists of 28 councillors elected for a period of 4 years. Half the councillors are elected in local elections, each of the 7 parishes being represented by 2 councillors, while the other half are elected in national elections. The elected members of Parliament appoint from their midst the « Síndic » - the Speaker of the Parliament (Consell) - and the Assistant Síndic - the Deputy Speaker of the Parliament (Consell) - who, with two secretaries elected from the members of the Consell, constitute the Bureau of the Parliament.

For administrative purposes, the Andorran territory is divided into seven parishes (municipalities): Canillo, Encamp, Ordino, La Massana, Andorra la Vella, Saint Julià de Lòria and Escaldes-Engordany. The «Comuns» are the bodies representing and administering the parishes, approving and executing the municipal budgets, determining and carrying out their public policies, managing and administering all the municipal assets. They receive capital transfers from the general budget of the State to ensure their financial autonomy.

Andorra does not have a regional structure.

2. The region: definition and context

Not relevant

3. Institutional Organization

Not relevant

4. Competences

Not relevant

5. Financing

Not relevant

6. The State and the regions

Not relevant

7. The regions and local authorities

Not relevant

8. The regions and international relations

Not relevant

9. Conclusions

Not relevant

ARMENIA



1. Overview

The Republic of Armenia (RA) achieved its independence from the Soviet Union on 21 September 1991. The country's first Constitution after independence was adopted by referendum on July 5, 1995. In 2005 constitutional amendments have been made by referendum. After independence According to this constitution, Armenia is a sovereign, democratic, social, presidential representative Republic.

The legal basis of local self-government in Armenia derives from Constitution of Republic of Armenia, international documents- signed by Armenia, among them European Charter of Local Self Government, European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities and Law on Local Self-Governance.

Constitutional amendments that were implemented in 2005 tangibly enlarged and strengthened Constitutional basis of local self-governance.



2. The region: definition and context

Armenia is subdivided into ten Regions (Marzes). Yerevan, that previously had status of region, has status of municipality since 2009. By elections taken on May 31 municipal council and Mayor of Yerevan were elected. Regions (Marzes) are administrative units. Governors (Marzpets) are appointed by the Government and implement territorial policy of the Government. Regions (Marzes) do not have budget and elected body.

Regions (Marzes) of Armenia are divided into municipalities that are administrative units. There are 915 municipalities in Armenia, 48 of which are cities, and the rest-villages. In all

municipalities the mayor is elected by direct elections (majority vote) and the municipal council (councilors) from 7 to 15 members (by majority vote).

3. Institutional Organization

Governors (Marzpets) are appointed by the Government. Governors (Marzpets) implement state territorial policy in regions (Marzes). The legal basis of state governance in regions (Marzes) is set by decree of the President of the Republic of Armenia. Regional councils, attached to Governors (Marzpets) are formed that have advisory nature. Members of regional (Marz) councils are mayors elected in the territory of the region (Marz).

4. Competences

According to the Constitution the main task of the provinces is to implement the Government's regional policy and to coordinate the regional activities of republican executive bodies.

5. Financing

Regions (marzes) do not have a budget.

Governors (marzpets) provide methodological and consultative assistance to the drafting of the community budget as well as supervise the budgetary process of local authorities in the manner defined by law.

6. The State and the regions

Governors (Marzpets) are appointed by the Government and they implement territorial policy.

7. The regions and local authorities

Governors (Marzpets) implement administrative supervision over the activities of Local Self-Governed Bodies.

8. The regions and international relations

Many regions of Armenia have relations with regions of many countries.

AUSTRIA*



“The “right” distribution of public services on the different supranational, national and subnational levels is of real interest. I believe that this concept strengthens individual possibilities to democratically influence the decision-making process, bringing it closer to the citizens and enhancing its transparency.”

Dr. Michael Häupl
Mayor of Vienna

1. Overview

Austria was founded on 30 October 1918 following a decision by the Provisional National Assembly for German-Austria on the basic governmental institutions. Austria was established as a decentralised unitary state, but the new central government sought agreement with the federal provinces (Länder) in order to be able to create an efficient and effective policy. After the collapse of the monarchy, the Länder believed it was their decision whether or not to join a future federal state, to retain full sovereignty or to give up their independence. At several conferences (from 1918 to 1920), they voiced their support for the foundation of a federal state and gave the "state that no one wanted" the strength to overcome the threat of partition. The "new" Federal Constitution of 1920 which was substantially revised in 1925 and 1929 set up Austria as a democratic republic (Article 1 Federal Constitution) and as a federal state consisting of the autonomous Länder of Burgenland, Carinthia, Lower Austria, Upper Austria, Salzburg, Styria, Tyrol, Vorarlberg and Vienna, which formally became an own land in 1922 (Art. 2 Federal Constitution).



2. The region: definition and context

Austria is a federal state. The nine Länder are entities and have developed over the course of history and have their own distinctive identity. There is a general clause in favor of the Länder in the Constitution (Art. 15 Federal Constitution): as far as a matter is not expressly assigned to the Federation for legislation and also execution, it remains with the Länder's autonomous sphere of competence.

3. Institutional Organization

Each region is governed by a Provincial Government (Landesregierung). It consists of the Governor (Landeshauptmann), the requisite number of deputies (generally 2) and other members. Länder Governments are elected by the Landtage (Provincial Parliaments, Art. 101 Federal Constitution). The members of the Landtage are elected on the basis of proportional representation by equal, direct, secret and personal suffrage every five or six years. Land law regulates the electoral procedure. The federal capital Vienna has a double role as municipality and Land.

4. Competences

Länder's legislative competence consists of adopting the Land constitution, Land's budget laws as well as electoral laws. Any area of legislation or administration not expressly assigned to the federal level remains within the sphere of responsibility of the Länder. The Länder also have the power to organize local authorities; moreover, they are responsible for planning, building matters, protection of nature and landscape, protection of animals, tourism, hunting and fishing, sports, housing promotion, some professional laws, service code and staff representation, rules of civil servants and employees of Land and local authorities. The Länder are competent to make necessary provisions in the field of civil and criminal law within the scope of their legislation.

5. Financing

A constitutional finance law (Finanz-Verfassungsgesetz) and a financial equalization law (Finanz-Ausgleichsgesetz) set up a sharing of tax revenues between the federation, Länder and local authorities. The sharing of the taxation rights is carried out by the federal legislator in a financial equalization law agreed upon through a pact with the Länder. The Länder can tax only objects unclaimed by the federation. The fiscal fundamental order is arranged by federal legislation.

6. The State and the regions

Art. 15 of the Federal Constitution contains a general provision that assigns a matter to the Länder's autonomous sphere of competence as far as it is not expressly assigned to the federation for legislation or also execution. A special feature of the Austrian federal system is the "indirect federal administration" (mittelbare Bundesverwaltung): so far as no federal authorities exist, the Landeshauptmann and the Land authorities subordinate to him exercise the executive power of the federation. The organs created as regional authorities will thus functionally act as federal authorities. A number of federal ministries therefore have no offices of their own in the Länder. As part of their duties in the context of indirect federal administration, the Länder implement federal laws in the following areas: trade and industry regulations, railway, air and waterway transport, hazardous waste, certain areas of environmental protection, water management, etc.

The Länder are represented at the State-level by the Federal Chamber, which is the second chamber of the Parliament. It disposes of a power to veto; such veto can be overruled by the first chamber of the Austrian Parliament in most cases. One third of the members of the Federal Chamber have the right to initiate a bill.

7. The regions and local authorities

Municipalities are territorial and administrative districts. On the one hand they have their own functions on the other hand they exercise functions delegated by the federation and the Land. Their own functions include such official responsibilities as the local police service, the traffic and market police, building, fire and health inspectorates. The allocation of functions to the municipalities is determined by the subsidiarity principle. Local authorities receive some of their funds via the financial equalization process and some from taxes they levy

themselves. All authorities of the federation, Länder and local authorities are bound to provide each other mutual assistance (Art. 22 Federal Constitution).

8. The regions and international relations

The Länder can conclude treaties with states or their constituent regions, bordering Austria, and conclude international or interregional agreements not subject to public law. The Länder are represented in international organizations within the Austrian delegation. Detailed provisions of the Federal Constitution deal with the participation of the Länder in EU-affairs including the decision making process at the European level, where they can influence the Austrian position, on matters concerning their legislative competences even decide on it. They are represented in the working structures of the EU through common experts and the Austrian permanent representation with their own unit, staffed by Länder civil servants delegated to Brussels.

9. Conclusions

Austrian federalism is characterized by the Länder's extensive executive functions, including the implementation of federal decisions (indirect federal administration) and weak legislative powers of their own. In relations between the federal minister and the Landeshauptmann, the Länder are subordinate to the federation, where indirect federal administration is concerned. The federation's predominance is shown very clearly not only by the matters for which the federation is responsible but also by its power to decide questions of jurisdiction without consulting the Länder in any way. Only federal organs are involved in enacting constitutional legislation in nearly all cases. The federation's considerable weight is shown in the distribution of state functions. Art. 15 of the Federal Constitution states that all the matters not specifically assigned to the federation remain within the autonomous sphere of the Länder. However, political reality does not correspond to this wording, since the distribution of functions is strongly weighted in favour of the federation. Art. 10 of the Federal Constitution assigns more - and the most important - legislative powers to the federation. Financially, the Länder are also dependent on the federation in extensive areas.

1) AER: How did the role of the regions in Europe change during your term in office?

Dr. Michael Häupl: First of all, the Lisbon Treaty is of major importance for the cities and communes. For the first time in the 50-year history of European integration, the role of communes is recognized in the Treaty of the European Union, in the Treaty of the workings of the EU and the annexes. Taking into consideration that approximately 80% of legislation relating to the communes emanates from the EU, this recognition as primary law constitutes a landmark for local and regional administrations.

For instance, among these are: major consideration for the financial impact of legislative proposals on local and regional entities; the right for representative associations and civil society to participate in the European Union's activities; the official recognition of the principle of territorial cohesion as an objective of the EU; but also the role of communes in the procedure of the subsidiarity check and the strengthening of the subsidiarity principle.

The development of the Committee of European Regions, with myself as a member, reflects the changing role of European regions. Founded in 1992 as a consultative organ and "voice" of the European communes and regions in Brussels, it was considered for a long time as powerless. Henceforth, the Lisbon Treaty entitles the Committee of Regions to take legal action against the EU at the European Court of Justice if the principle of subsidiarity is violated during the decision-making process.

2) AER: Does federalism for Austria as a EU member have more of a hampering or complementary effect?

Dr. Michael Häupl: Let me recall that the Austrian regions (Bundesländer) were the first territorial entities to support Austria's accession to the former European Communities. They were well aware of the restrictions of EU membership on their own legislative and executive competences, but clearly gave their support for a common Europe. The benefits of federalism in general are not put into question by Austria's membership in the European Union.

Apart from participatory rights granted in the Austrian constitution concerning EU affairs there are further options for the regions (Bundesländer) to influence the policy-making process at the EU-level: they are constantly engaged in the making of Austria's position for negotiations. The preparation of committee meetings, for instance, takes place in the upper house (Rat, the representation of regions), the organ of permanent representatives, while meetings of ministerial councilors are coordinated in advance with the regions that are concerned.

Take as well into account the benefits of a federal structure in the European context: the "right" distribution of public services on the different supranational, national and subnational levels is of real interest. I believe that this concept strengthens individual possibilities to democratically influence the decision-making process, bringing it closer to the citizens and enhancing its transparency.

Austrian regions (Länder) dispose of a participatory mechanism (called Länderbeteiligungsverfahren) to exercise their powers with regard to the subsidiarity and proportionality check, in particular the instrument of "uniform statements of regions" (einheitliche Länderstellungnahme), which has a strong influence on the central level.



3) AER: Is the political concept of the Europe of Regions still relevant? (Taking into account the various definitions / concepts in the different European countries and the tendencies towards new forms of territorial organization on different levels such as “metropole regions”, Euroregions, macroregions).

Dr. Michael Häupl: The “Europe of Regions” mustn't remain mere political rhetoric, but it has to be part of the concept of European integration.

Depending on the levels that are compared with each other, the disparities decreased, increased or remained constant. Among member states there was a clear convergence in economic terms during the past 20 years. The gap between the regions, however, seems to have widened. The richest regions were able to further their advance while the poorest region lost ground. This development has to change. Thus, we have high expectations for macroregional projects such as the EU strategy for the Danube region, which is currently being discussed.

Last but not least, the benefits of “smaller units” in a unified Europe are to be stressed in view of the frequent reproach of the EU being out of touch with the citizens.

4) AER: What will the role of the regions in Europe be like in the future?

Dr. Michael Häupl: Often neglected, European cohesion policy constitutes a fundamental pillar in the process of European integration – as well as the internal market or the currency and economic union. Since last year the EU has pursued a new concept for interregional cooperation: the development of macroregions. The strategy is innovative because it is based upon a transnational governance structure and reaches beyond traditional EU regional policy. The new governance structure is established on the level between the states and the supranational community. The regions are granted a new, primary role as the entire state is not always part of a macroregion. It is a new approach for the European Union to face more effectively the challenges of globalization. Priority is given to employment, innovation and growth. It aims at enhancing the coordination of existing networks or initiatives, for instance, by using so-called contact points that already exist. The creation of macroregions has the potential to become an important instrument for allocating EU funds in order to eliminate disparities. As a result, security and peace will be guaranteed.

Original Language: GERMAN

1) VRE: Inwieweit hat sich die Rolle der Regionen in Europa im Verlauf Ihrer Amtszeit verändert?

Dr. Michael Häupl: Hier ist in erster Linie die Bedeutung des Vertrages von Lissabon für die Städte und Gemeinden hervorzuheben. Denn erstmals in der mehr als 50-jährigen Geschichte der europäischen Vereinigung wird die wichtige Rolle der Kommunen im EU-Vertrag, im Vertrag über die Arbeitsweise der Europäischen Union und in den Zusatzprotokollen anerkannt. Wenn man bedenkt, dass Schätzungen zufolge bis zu 80 Prozent der kommunalrelevanten Vorschriften ihren Ursprung in der Europäischen Union haben, so kann man sich vorstellen, dass diese primärrechtliche Anerkennung einen Meilenstein für die regionalen und kommunalen Verwaltungen darstellt.

Nur um einige Aspekte zu nennen: Stärkere Berücksichtigung der finanziellen Auswirkungen, die die neuen Legislativvorschläge für lokale und regionale Gebietskörperschaften nach sich ziehen; Mitwirkungsrecht der repräsentativen Verbände und der Zivilgesellschaft bei allen Aktivitäten der Europäischen Union; Anerkennung des Prinzips der territorialen Kohäsion als eine der Zielsetzung der Union; und nicht zuletzt die Einbeziehung der Kommunen in die Subsidiaritätsprüfung und Stärkung des Subsidiaritätsprinzips.

Im Besonderen an der Entwicklung des Ausschusses der Regionen, dessen Mitglied ich bin, kann man erkennen, wie sich die Rolle der Regionen in Europa verändert. Das seit 1992 bestehende Beratungsgremium und Sprachrohr der Kommunen und Regionen Europas in

Brüssel wurde jahrelang als „Papiertiger“ ohne maßgebliche Kompetenzen betrachtet. Jetzt räumt der Lissabon – Vertrag dem Ausschuss ein Klagerecht beim Gerichtshof der EU ein – etwa wenn die Institutionen bei ihren Entscheidungen gegen das Subsidiaritätsprinzip verstoßen.

2) VRE: Ist der österreichische Föderalismus für Österreich in der EU eine Bremse oder ein Hilfsinstrument?

Dr. Michael Häupl: Ich möchte zunächst in Erinnerung rufen, dass sich die Bundesländer als erste der österreichischen Gebietskörperschaften dafür ausgesprochen haben, dass Österreich einen Beitrittsantrag zu den – damaligen – Europäischen Gemeinschaften stellen solle, obwohl den Ländern klar war, dass im Zuge des Beitritts ihre Zuständigkeiten in Gesetzgebung und Vollziehung beschränkt werden würde. Trotzdem haben sie sich klar für ein gemeinsames Europa ausgesprochen. Die prinzipiellen Vorteile des föderalen Systems werden auch durch die Mitgliedschaft Österreichs in der Europäischen Union nicht in Frage gestellt.

Den Bundesländern eröffnen sich neben verfassungsrechtlich verankerten Mitwirkungsrechten in EU-Angelegenheiten auch noch andere Möglichkeiten, um am europäischen Politikgestaltungsprozess teilnehmen zu können: Es ist ständige Praxis, dass die Länder auch in die innerösterreichischen Vorbereitungen zur Erstellung österreichischer Verhandlungspositionen einbezogen werden. So erfolgt die innerstaatliche Vorbereitung der Sitzungen von Arbeitsgruppen im Rat, des Ausschusses der Ständigen Vertreter, sowie aller Tagungen von Ministerräten stets unter frühzeitiger Einbindung der in ihren Interessen betroffenen Länder.

Man muss sich die Vorteile eines föderalen Systems auch im europäischen Kontext bewusst machen: die „richtige“ Verteilung der öffentlichen Aufgaben auf die verschiedenen supranationalen, nationalen und subnationalen Ebenen ist ein aktuelles Thema. Dieses Konzept verstärkt meiner Meinung nach die demokratische Einflussmöglichkeit des Einzelnen oder der Einzelnen auf Entscheidungen und macht sie dadurch bürgernäher und transparenter.

Die österreichischen Länder können sich für die Subsidiaritäts- und Verhältnismäßigkeitsprüfung jedenfalls auf die bewährten Einrichtungen des Länderbeteiligungsverfahrens stützen, insbesondere auf das Instrument der einheitlichen Länderstellungnahme mit hoher Einflusskraft auf den Bund.

3) VRE: Hat das politische Konzept Europa der Regionen heute noch/oder erst recht eine politische Relevanz? (zieht man in Betracht, dass die Definition/das Konzept von Regionen in den verschiedenen Ländern Europas sehr unterschiedlich ausfällt, dass es immer mehr Tendenzen für neuere territoriale Zusammenschlüsse auf unterschiedlichen Ebenen Metropolregionen, Euregionen, Makroregionen)

Dr. Michael Häupl: Das „Europa der Regionen“ darf nicht bloß politische Rhetorik bleiben, sondern muss Teil des europäischen Integrationskonzeptes sein.

Je nachdem, welche Ebenen man vergleicht, haben die Unterschiede innerhalb der Union abgenommen, zugenommen oder sind gleich geblieben. Zwischen den Staaten war in den vergangenen 20 Jahren eine eindeutige Konvergenz der Volkswirtschaften zu verzeichnen. Zwischen den Regionen dagegen scheint die Kluft größer geworden zu sein. Die reichsten Regionen konnten ihren Vorsprung noch leicht ausbauen, während die ärmsten weiter zurückfallen. Diese Entwicklung muss sich ändern. Wir setzen daher große Hoffnungen auf makroregionale Projekte wie die EU Donaauraumstrategie, die derzeit ausgearbeitet wird.

Nicht zuletzt ist die immer wieder angesprochene „Bürgerferne“ der Europäischen Union Grund genug, die Vorteile der „kleineren Einheiten“ in einem geeinten Europa zu betonen.

4) VRE: Wie könnte/sollte/wird die Zukunft der Regionen in Europa aussehen?

Dr. Michael Häupl: Oft wird vergessen, dass Kohäsionspolitik ein unverzichtbarer Pfeiler des gesamten europäischen Integrationsprozesses ist - genauso wie Binnenmarkt oder Wirtschafts- und Währungsunion. Seit dem Vorjahr verfolgt die EU ein neues Konzept interregionaler Zusammenarbeit: die Entwicklung von Makroregionen. Die Strategie ist insofern innovativ, als sie auf einer transnationalen Governance-Struktur basiert und somit über die Reichweite der herkömmlichen EU-Regionalpolitik hinausgeht. Die neue Governance-Struktur ist zwischen dem Nationalstaat und der supranationalen Gemeinschaft angesiedelt. Regionen erhalten in dieser Struktur eine neue, besonders tragende Rolle, da zum Beispiel nicht immer der ganze Mitgliedsstaat Teil einer Makroregion ist. Die Union will und wird durch den Aufbau dieser Makroregionen die Herausforderungen der Globalisierung besser bestehen. Priorität haben Arbeitsplätze, Innovation und Wachstum. Ziel ist die bessere Koordination von bereits bestehenden Netzwerken, Initiativen etc. beispielsweise über so genannte „Contact Points“, die es bereits jetzt gibt. Die Entstehung von Makroregionen kann ein wichtiges Instrument für den gezielten Einsatz von EU-Mitteln werden, um bestehende Ungleichheiten zu beseitigen. Dies wiederum gewährleistet uns allen Sicherheit und Frieden.

AZERBAIJAN



1. Overview

After the collapse of the Russian Empire during World War I, Azerbaijan declared independence and established the Azerbaijan Democratic Republic. This first Muslim republic in the world lasted only two years, from 1918 to 1920, before the Soviet Red Army invaded Azerbaijan. Subsequently, Azerbaijan became part of the Soviet Union.

Azerbaijan re-established its independence upon the collapse of the Soviet Union in 1991. Despite a cease-fire in place since 1994, Azerbaijan has yet to resolve its conflict with Armenia over the predominantly ethnic Armenian Nagorno-Karabakh region, which declared itself independent from Azerbaijan in 1991.

Azerbaijan is a presidential republic. The head of state and head of government are separate from the country's law-making body. The people elect the president for a five-year term of office. The president appoints all cabinet-level government administrators. A fifty-member national assembly makes the country's laws. The people of Azerbaijan elect the National Assembly.



2. The region: definition and context

The Constitution defines Azerbaijan as a unitary republic (Art. 7). Azerbaijan is divided into: 65 districts, 13 city districts and 69 cities, over 4400 villages and 1 autonomous republic: Nakhichevan, which is situated on the border with Iran and Turkey. Nakhichevan itself is divided into 6 districts and 3 cities. Seven districts are completely or partially in the self-proclaimed Nagorno-Karabakh Republic.

The territorial-administrative division of Azerbaijan is set out in the Constitution, adopted on November 12, 1995.

3. Institutional Organization

All districts except for the exclave of Nakhichevan are under direct republic jurisdiction, and are central-government bodies operating at the local level. Article 124 of the Constitution states: "Heads of executive power bodies carry out executive power locally. Heads of executive power bodies are appointed to their posts and dismissed by the President of the Azerbaijan Republic. The limits of authority of local executive power bodies are determined by the President of the Azerbaijan Republic".

Chapter 8 of the Constitution defines the status of the Nakhichevan Republic as an autonomous state, which can define its own constitution and laws, within the framework of the Azerbaijanian constitution and laws. "Legislative power in Nakhichevan Autonomous Republic is implemented by 'Ali Majlis' (legislature) of Nakhichevan Autonomous Republic." Executive power is implemented by the Cabinet of Ministers of Nakhichevan, and judicial power by the law courts of Nakhichevan. The 'Ali Majlis' of Nakhichevan Autonomous Republic consists of 45 members. It has a term of office of 5 years and is responsible for electing its own chairman and deputies, as well as establishing permanent and other commissions.

4. Competences

The only sub-national authority with own-competences is the Nakhichevan Autonomous Republic as stated in article 138: "The Ali Majlis (legislature) of the Nakhichevan Autonomous Republic establishes general procedures concerning the following: (i) elections to Ali Majlis of Nakhichevan Autonomous Republic; (ii) taxes; (iii) routes of economic development of Nakhichevan Autonomous Republic; (iv) social maintenance; (v) protection of environment; (vi) tourism; (vii) protection of health, science, culture."

5. Financing

Municipalities throughout the country are entitled to establish taxes and duties on a local scale according to article 144. The Nakhichevan Autonomous Republic has the right to establish its own taxes.

6. The State and the regions

The districts are administrative units of the central government.

7. The regions and local authorities

Chapter 9 of the Constitution relates to the local level and establishes the role of the municipalities. Article 142 states that "Local self-government is carried out by municipalities", which are directly elected by the citizens. The relationship and the division of powers and responsibilities between the appointed governors and the locally elected councils remains unclear and is undergoing a process of further resolve.

"In the Nakhichevan Autonomous Republic, heads of local executive power bodies are appointed by the President of the Azerbaijan Republic on the recommendation of the Chairman of the Ali Majlis of Nakhichevan Autonomous Republic." (art. 141).

8. The regions and international relations

No information available

9. Conclusions

The only region in Azerbaijan that has self-governing powers is the Nakhichevan Autonomous Republic. In the rest of the country the regions are simply units of the central state.

BELGIUM*



"...asset of AER is that it counts a huge number of Regions located outside the EU which, through their membership, can get acquainted to the functioning of the European Union, launch partnerships with member States...and for some, get prepared to their EU membership."

Jean-Luc Vanraes

Minister in charge of the budget, civil service and external relations of Brussels-Capital Region

1. Overview

By gaining independence in 1830, Belgium became a unitary state where the decision-making power derives from a national parliament and a national government. Five state reforms (carried out in 1970, 1980, 1988-1989, 1993 and 2001) have transformed Belgium into what it is today: a country that reconciles regional and cultural identities in a single federal structure. The unitary Belgium of 1830 gave birth to a current, more complex structure on four levels: the upper level comprises the federal state, the Communities and the Regions; the middle level is occupied by the Provinces; and the lower level is that of the Communes.

Accordingly, Belgium is made up of three Communities (the Flemish Community, the French Community and the German-speaking Community), three Regions (the Flemish Region¹, the Brussels-Capital Region and the Walloon Region), 10 Provinces (Antwerp, Flemish Brabant, Walloon Brabant, West Flanders, East Flanders, Hainaut, Liège, Limburg, Luxembourg, Namur) and 589 Communes.



¹ Immediately after its establishment, however, the Flemish region was absorbed by the Flemish Community, to which it transferred all its constitutional competencies. Formally, it is therefore the Flemish Community which exercises the competencies in the Flemish Region. There is a single Council and a single decision-making body for both the Flemish Community and the Flemish Region, respectively called Flemish Parliament and Flemish Government, which exercise the Community competencies on the territory of the Community and the regional competencies in the territory of the Flemish Region. The Flemish Community, as the French one, has its capital in Brussels.

At present, decision-making powers are no longer exclusively attributed to the federal government and federal parliament. The country is run by various bodies, which discharge their allotted duties autonomously. The federal state remains responsible for instance, for foreign affairs, national defense, justice, finance, social security and a major share of public health and domestic affairs. The Federal State is also competent in every field not explicitly included in the competence of the Communities and Regions.

The Communities are competent to deal with matters relating to the people composing them, such as language, culture and education. The Regions are competent to deal with territorial matters such as town planning, the environment and employment.

2. The region: definition and context

There are three Regions. The names of the three regional institutions are borrowed from the name of the territory they represent. So we refer to (from north to south) the Flemish Region², the Brussels-Capital Region and the Walloon Region. In addition to the three Regions, the Federal State has three Communities. They are based on "language". So we talk about the Flemish, French and German-speaking Communities. They are defined in the national Constitution.

3. Institutional Organization

In 1980, the Flemish Region³ and the Walloon Region were given their Parliament and Government. The Brussels-Capital Region, on the other hand, was only granted its institutions during the third reform of the State in 1988-89. The Regions have legislative and executive organs: these are known as the Regional Parliament and the Regional Government. The population elects the members of the Regional Council directly every five years. The Minister President is elected by the assembly. The relationship between the regions and the federal state is defined through the Constitution.

4. Competences

Regions have powers in fields that are connected with their territory in the widest meaning of the term. So the Flemish Region⁴, the Brussels-Capital Region and the Walloon Region have powers relating to economy, employment, agriculture, water policy, housing, public works, energy, transport (except Belgian Railways), environment, town and country planning, agriculture, nature conservation, foreign trade, supervision of the provinces, communes and intercommunal utility companies. They also have powers relating to scientific research and international relations in those fields.

Since the Communities are based on the concept of "language" and language is "dependent on the individual", a number of other powers are obviously associated with the Communities. The Community has powers for culture (theatre, libraries, audiovisual media, etc.), education, the use of languages and matters relating to the individual which concern on the one hand health policy (curative and preventive medicine) and on the other hand assistance to individuals (protection of youth, social welfare, aid to families, immigrant assistance services, etc.). They also have powers in the field of scientific research and international relations. All these competences are defined in the national Constitution.

NB: The competences of the Communities and Regions are not always clear cut, with several exceptions and restrictions. For instance, the regions have competency in economical policy, excepted "the competences allocated to the Federal State in order to maintain an economical and monetary union." Similarly, the Regions have competences in energy policy, including distribution of natural gas and electricity, but the prices are still fixed by the Federal State. The competences of the Communities include education, but the minimal requirements for diploma delivery are still fixed by the Federal State.

² Ibid.

³ Ibid.

⁴ Ibid.

5. Financing

The regions' / communities' finances come from taxes, levied by the federal level (e.g. Income taxes) and then redistributed according to population, or directly by the regions / communities (e.g.: taxes on TV and radio sets, inheritance taxes). These are stipulated in the national constitution. There is no financial equalization mechanism between the regions.

6. The State and the regions

Agreements with other regions / communities are possible.

7. The regions and local authorities

There are provinces and communes; both are submitted to the legislative and administrative supervision of the Regions. The provinces exercise a dual function. On the one hand, they are subordinate local authorities, responsible for executing certain decisions made by State-authorities. On the other hand, they are autonomous political bodies endowed with their own decision-making powers: they are free to take initiatives providing the matter is not excluded from their competencies by the Constitution, federal laws, decrees and *ordonnances* (edicts). They therefore exercise a series of compulsory responsibilities, such as supervision of the communes, and optional responsibilities, such as education and culture. In the same way, the communes exercise the same dual functionality. The municipal compulsory responsibilities include primary education, law and order and maintenance of municipal roads.

8. The regions and international relations

Regions can enter into agreement with foreign regions and with foreign States. There is a clear procedure for participation and codetermination of the Regions / Communities at EU level, stated in a framework agreement of co-operation, signed by the Regions, Communities and federal State on 30 June 1994 (revised in 2004). The state is obliged to consult the regions when signing international agreements/treaties, which concern the regions' competences.

Interview with Jean-Luc VANRAES

Minister in charge of the budget,
civil service and external relations
Brussels-Capital Region

1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Jean-Luc Vanraes: I am the Minister in charge of the budget, civil service and external relationships of the Brussels-Capital Region.

First of all, it is important to underline that Belgium is a federal State and that Belgian regions have large competencies in the fields of the economy, employment, agriculture, water policy, housing, civil engineering, energy, transport (with the exception of the SNCB, the National Railway Society), the environment, spatial and urban planning, nature conservancy, and external trade. They also supervise the provinces, municipalities and intermunicipalities.

One should also mention that since 1993, the federal entities have had competencies in the fields of international relations, within the limit of their respective competences. This is why Belgian regions can conclude treaties with Nation States, take part in the activities of big international organizations and represent Belgium within the Councils of the European Union.

2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Jean-Luc Vanraes: Regions represent the link and relay between people and European institutions. Regions also have to be the spokespeople of citizens' wishes and expectations.

In the current context of crisis, unfortunately, the number of eurosceptics is rising. We often tend to make Europe responsible for all problems. It is clear that the European Union still has to evolve and work to face a growing number of economic, environmental and social challenges. It is up to us, the regional decision-makers, to show the advantages that the EU can bring. It is now also obvious that Europe will not be built and developed solely on economic bases. It is vital that people understand and identify themselves with the magnificent project that Europe represents.

It is also essential that regions give their input to the various European policies. As far as Belgium is concerned, with regards to its federal system and the legislative power of its regions, it is up to the regions to relay and implement an important number of EU decisions. Therefore, they already largely contribute to the implementation of EU decisions.

We should also underline the major role played by the Delegations to the EU, which work closely together with the Permanent Representation of Belgium at the EU. These delegations represent a necessary tool for lobbying in favor of our regions' expectations. The situation in Belgium also allows our regions to contribute directly to the drafting of European policies. During the Belgium Presidency of the Union, which will start in July 2010, Regional Ministers will chair some European Councils. A Minister from Brussels-Capital, for instance, will chair the Council 'Competitiveness' (Research part), as well as the



session on 'urban aspects of regional policy'. Therefore, Belgian regions can consider themselves privileged, compared with the situation in other countries in Europe.

3) AER: What is the added-value of being a member of AER according to your experience?

Jean-Luc Vanraes: The European AER programs (Eurodyssée, Summer University, DYSE Competition, etc.) undoubtedly represent tools for concrete cooperation among Regions and for meetings among citizens from various cultures. This approach, which implies that we go to the citizen, is one of the original principles of our organization, and contributes largely to developing a European consciousness, which is, unfortunately, often missing.

One should also underline the key role played by the AER in terms of vocational training and as a platform for the exchange of expertise. Programs such as the Training Academy and the Summer University allows for the display and exchange of a whole series of useful information.

The AER is comprised of over 250 members from all geographical areas in Europe. The meetings among its various members offer important platforms for the exchange of experiences, and are often the starting point for joint projects and interregional cooperation. Another asset of AER is that it includes a huge number of regions located outside the EU which, through their membership, can get acquainted to the functioning of the European Union, launch partnerships with member States...and for some, prepare for their EU membership.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Jean-Luc Vanraes: Region must play an ever-growing role as genuine partners of European policy.

A big accomplishment has already been achieved by regions in gaining a place within the European political landscape. However, there is still a long way to go to get the role of regions and their importance fully recognized. I wish that the Assembly of European Regions would concentrate on issues of major importance in order to ensure the most efficient lobbying as possible in favor of regions at the EU level. Our organization should also encourage activities where it is particularly strong, i.e.: in setting up common projects and concrete and unique programs involving a maximum number of citizens.

Original Language: FRENCH

1) ARE: Quelles sont vos compétences en tant que Ministre de région ? Quels changements ont été accomplis dans le transfert de pouvoirs du gouvernement central vers les régions ces dernières années? Quels changements sont encore à faire afin d'améliorer l'efficacité régionale dans le processus de décision?

Jean-Luc Vanraes: Je suis Ministre en charge du Budget, de la Fonction publique et des Relations extérieures de la région de Bruxelles-Capitale.

Il est tout d'abord important de signaler que la Belgique est un Etat fédéral et que ses régions belges disposent de larges compétences en matière d'économie, d'emploi, d'agriculture, de politique de l'eau, de logement, de travaux publics, d'énergie, de transport (à l'exception de la SNCB – Société Nationale des Chemins de Fer Belge), d'environnement, d'aménagement du territoire et d'urbanisme, de conservation de la nature, de commerce extérieur, de tutelle sur les provinces, les communes et les intercommunales.

Mentionnons également que depuis 1993 les entités fédérées disposent de compétence en terme de relations internationales dans les limites de leurs compétences respectives.

C'est ainsi que les régions belges peuvent conclure des traités avec des Etats souverains, participer aux travaux des grandes organisations internationales et représenter l'Etat belge au sein des Conseils de l'Union européenne.

2) ARE: Quel devrait être, selon vous, le rôle des régions dans le processus de construction de l'Union européenne? Comment les régions peuvent-elles contribuer au développement d'une identité européenne commune ?

Jean-Luc Vanraes: Les régions constituent le chaînon et le relais entre la population et les institutions européennes. Les régions se doivent également de se faire le porte-parole des souhaits et aspirations de ses citoyens.

En cette période de crise, le nombre des eurosceptiques est hélas croissant. On a souvent tendance à accuser l'Europe de tous les maux. Il est clair que l'Union européenne doit encore évoluer et œuvrer pour faire face au nombre important de défis économiques, environnementaux et sociétaux. A nous, élus régionaux de montrer les avantages que l'UE peut apporter. Il est aussi maintenant évident que l'Europe ne se construira et n'évoluera pas uniquement sur des bases économiques. Il est primordial que sa population se retrouve et s'identifie à ce magnifique projet que constitue l'Europe.

Il est également primordial que se soient aussi aux régions de donner l'input nécessaire aux différentes politiques européennes. Dans le cas de la Belgique, eu égard de son système fédéral et du pouvoir législatif des régions, ce sont à elles de relayer et de faire appliquer un grand nombre des décisions de l'UE. Elles contribuent donc déjà bien à la mise en place des décisions européennes.

Signalons également le rôle majeur que joue nos délégations auprès de l'UE qui travaille main dans la main avec la Représentation Permanente de la Belgique auprès de l'UE. Ces délégations constituent un outil de lobbying nécessaire pour les aspirations de nos régions. La situation belge permet également à nos régions de contribuer directement à l'élaboration de politique européenne. Lors de la Présidence belge qui débutera en juillet 2010, ce sont des ministres régionaux qui présideront à certains conseils européens. A titre d'exemple un Ministre bruxellois présidera le Conseil «Compétitivité» (partie Recherche) ainsi que le «volet urbain de la politique régionale». A ce titre, comparé à d'autres pays européens, les régions belges peuvent se considérer comme privilégiées.

3) ARE: Quelle est, d'après votre expérience, la valeur ajoutée d'être membre de l'ARE?

Jean-Luc Vanraes: Les programmes proposés (Eurodyssée, Université d'été, le concours d'expression pour jeunes « Do you speak European?») par l'ARE constituent sans aucun doute des outils concrets de coopération entre les régions et de rencontre entre citoyens de différentes cultures. Dans ce sens cette démarche d'aller vers le citoyen est une des originalités de notre organisation et s'inscrit tout à fait dans le contexte de l'élaboration d'une conscience européenne qui fait hélas souvent défaut.

Signalons également l'importance pédagogique et le rôle de plate-forme d'échange d'expertise que constitue l'ARE . Des programmes comme son Académie de formation et son Université d'été permettent de dispenser et échanger toute une série d'informations utiles.

L'ARE compte plus de 250 membres issus de toutes les zones géographiques européennes. Les rencontres entre ses différents membres constituent une plate-forme d'échanges d'expériences considérables, souvent à la base de projets communs et de collaborations interrégionales. Un autre des atouts de l'ARE est qu'elle compte un grand nombre de régions hors UE qui peuvent par son biais se familiariser avec le fonctionnement de l'Union européenne, d'initier des partenariats avec des pays membres... et pour certains préparer leur adhésion à l'Union.

4) ARE: Comment voyez-vous le rôle des régions dans les 25 prochaines années? Quel est votre souhait pour le 25e anniversaire de l'ARE?

Jean-Luc Vanraes: Les régions devraient prendre une part de plus en plus importante comme acteurs incontournables de la politique européenne.

Un long chemin a déjà été effectué par les régions pour se forger une place dans le paysage politique européen. Néanmoins, la route est encore longue pour que l'importance de leurs rôles soit reconnue. Mon souhait serait que l'Assemblée des Régions d'Europe se concentre sur des sujets d'importances majeures afin d'exercer un lobbying des plus efficaces en faveur des politiques régionales auprès des institutions européennes. Notre organisation devrait aussi développer une démarche où elle excelle: le montage de projets et de programmes concrets et originaux impliquant un maximum les citoyens.

BOSNIA and HERZEGOVINA*



We have found that our problem solving capacity is optimized by our membership in the AER, especially when it comes to partnership searches for cross-border cooperation and facing challenges arising from the transposition of EU laws.

Mirsad Djapo

President of the Assembly of Brcko District of Bosnia and Herzegovina

1. Overview

Bosnia and Herzegovina is a state consisting of two entities: the Federation of Bosnia and Herzegovina (mostly Bosniaks and Croats) and the Republika Srpska (mostly Serbs) (hereinafter "the Entities").

The present state structure of Bosnia and Herzegovina has been established in 1995 by the Dayton Peace Accords, the General Framework Agreement for Peace in Bosnia and Herzegovina. Annex 4 of the Dayton Peace Accords contains the Constitution setting out the rights and institutions of Bosnia and Herzegovina, its responsibilities and relations, functions and competences.

As result of the Dayton Peace Accord signed 1995, 4 levels of the governance were created in BiH: state, entity, cantonal and municipal (city). Bosnia and Herzegovina is a state with an asymmetrical and complex governance structure. In particular its components, the Entities, have a very different character: The Federation is subdivided into ten "Cantons" with different ethnic majorities. Republika Srpska is a centralized entity with municipalities as units of local self-government.

The Constitution of Bosnia and Herzegovina was amended on 26th of March 2009 regulating special status of Brcko District of Bosnia and Herzegovina. This district is a separate local self-government unit under the direct sovereignty of the State of Bosnia and Herzegovina, created on account of its special significance to the Serb as well as to the Bosniak population.



2. The region: definition and context

The Federation consists of 10 federal units (Cantons). The Cantons are named solely after the cities that are the seats of the respective Cantonal governments or after regional

geographic features. Cantons, in turn have municipalities as units of local self-government. Republika Srpska does not have cantons, and is composed of municipalities as units of local self-government only. The Brcko District is self-governed. It has a single, unitary government, a unified police force and an independent judiciary system. The territories of the two Entities overlap in the Brcko District.

3. Institutional Organization

Federation Cantons: Each canton has a Constitution, Cantonal Government (representing executive power) and a Cantonal Assembly (representing legislative power). Each canton consists of a specific number of municipalities. Delegates in the Cantonal Assemblies are directly elected in free elections. Cantons do not have a President (there used to be the position of the Governor which was abolished pursuant to the Cantons' Constitutional changes adopted in 2003). However, Cantons have a Prime Minister, who is elected from among the delegates of the Cantonal Assembly.

Republica Srpska: This entity is a unitary authority with a President, a Prime Minister and a bi-cameral Parliament (National Assembly and Council of Peoples).

4. Competences

Under the provisions of the Dayton Peace Accords, the Entities have competencies in areas such as finance, taxation, business development, and general legislation. Entities and cantons control their own budgets, spending on infrastructure, health care, and education.

The Cantons have responsibilities in areas not expressly granted to the Federation Government. These include, in particular: Establishing and controlling of police forces, education policy, cultural policy, housing policy, policies concerning the regulation and provision of public services, regulation of local land use, regulation and promotion of local business and charitable activities, ensuring availability of local energy production facilities, radio and television policies, including decisions concerning regulation and provision thereof, implementation of social welfare policy and provision of social welfare services, establishment and implementation of Cantonal tourism policy; development of tourism resources, financing activities of or under the aegis of the Cantonal government by taxation, borrowing, or other means.

The Republica Srpska has among others responsibilities in following areas: market and planning, banking and tax system, setting the main objectives and directions of economic, scientific, technological, demographic and social development, development of agriculture, use of space, politics and measures for direction of the development and commodities, public services system, work relations, safety at work, employment, social insurance and other forms of social care, health care, child and youth care, education, culture and cultural resources protection, environmental protection; public information system; international co-operation.

Brcko District has competences in the areas of District economy, District finances, public property, public services/infrastructure, culture, education, health care, environment, social welfare, judiciary and legal services, police services, housing, urban development and zoning.

5. Financing

Ongoing reforms have led to the creation of a state-level Indirect Taxation Authority (ITA) that is responsible for the introduction and implementation of a state-wide value-added tax (VAT), revenues which fund the government of the state of Bosnia and Herzegovina as well as the two entities. Customs, which had been collected by agencies of the two entities, are now collected by a new single state customs service.

6. The State and the regions

The delegates from the Cantonal assembly select their representatives, i.e. the delegates into the Federation of BiH Parliament. Cantons have possibility to address to the “inter-cantonal Council for coordination of the inter-cantonal issues”.

7. The regions and local authorities

Canton regularly consults the local authorities on all matters related to the interests of the Municipalities, and Cantonal and local authorities do cooperate in a manner of mutual trust.

The organisation of local self-government falls within the powers of Republic Srpska. Its constitution contains regulates relations with local self-government, mentioning it as a cornerstone of constitutional organisation and human rights.

8. The regions and international relations

Cantons can conclude international agreements and protocols. The state sometimes consults the Cantons when it signs international agreements/treaties concerning regions' competencies. The Republic of Srpska has the right to participate in international co-operation.

9. Conclusions

The main challenge for sub-national government in BiH is the overall unstable political situation. Simplification of the structure of public administration should continue to be an aim of constitutional, legislative and administrative policies at all levels.

Interview with Mirsad DJAPO

President of the Assembly of Brcko
District of Bosnia and Herzegovina

1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Mirsad Djapo: The Constitution of Bosnia and Herzegovina was amended on the 26th of March 2009 in order to regulate the special status of the Brcko District of Bosnia and Herzegovina. The Brcko District of BiH has now gained control over its Judiciary, Police and laws that regulate the functioning of society in Brcko. So far Brcko would like to be consulted more frequently, as are other regions in Bosnia and Herzegovina, especially when it comes to the decision making process and joint property regarding energy distribution and even energy policy. We offer our model of functional democracy established in Brcko District of BiH to our neighboring regions as an example of a good practice.



2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Mirsad Djapo: The importance of the regions in constructing the EU is recognized already by the Community Charter for Regionalization adopted by the European Parliament on 18th of November 1988, by the Nice Treaty (2001), and by the Declaration 23 point 6 on the future of the Union signed in Laeken (2001). Furthermore, on 1 December 2009, the Lisbon Treaty entered into force with the new rules that make the EU more democratic and that strengthen the role of local and regional authorities in Brussels. Within the platform of Europe 2020, the ideas of “territorial cohesion” and subsidiarity have an important role in determining Europe’s functioning. This depends only on the level of activism and involvement from the regions.

In view of the potential and the uncertainties of globalization, the EU should simultaneously develop its capacities to nourish its regions’ rich cultural plurality and traditions based on principles of democracy, proximity and decentralization of power. The regions and local authorities contribute to the success of the creation of a European identity on multiple level, for instance by applying European law to local and regional matters, by fostering international partnerships in border regions, by encouraging cross-border cooperation and by participating in various EU programs that support activities on a local and regional level and that bring people from different regions closer to each other. In the face of cultural, ethnic and linguistic differences, it is common experience that supports the creation of an identity.

3) AER: What is the added value of being a member of AER according to your experience?

Mirsad Djapo: The AER offers a unique platform for regions from both member states and non- member states to develop dialogue and cooperation. The emphasis on the added value of AER membership remains with the region member itself because it depends on the level of participation and activism that the region brings on board. So far, the Brcko District has experienced benefits from AER membership through the exchange of good practice and knowledge that the AER facilitates and by finding other members that share a similar interest and experience in the process of European integration. We have

found that our problem solving capacity is optimized by our membership in the AER, especially when it comes to partnership searches for cross-border cooperation and facing challenges arising from the transposition of EU laws.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Mirsad Djapo: The Brcko District of BiH turned 10 years old last March. This experience allows us to appreciate such an anniversary even more, since we can imagine how much dedicated work had to be invested to reach an anniversary of a quarter of a century for the AER. The 25th anniversary of the AER is proof of the network's strength, and it provides the AER with the legitimacy to have an even more proactive role regarding the position of regions in the EU multilevel political system. The role of the regions in the next 25 years should extend far beyond that of giving opinions and comments to delivered policies and allow them to become more of an active player with an equal and effective opportunity to represent their ideas during the consecutive stages of the EU decision-making process. Regions in the next 25 years: participation – direct involvement instead of representation.

BULGARIA



1. Overview

The Bulgarian state was established in the 7th century, but was conquered by the Ottoman Empire in the 14th century. Today's Bulgaria came into being in 1908. Bulgaria fell within the Soviet sphere of influence after World War II and became a People's Republic in 1946 and Moscow's staunchest ally. Communist domination ended in 1989.

2. The region: definition and context

Bulgaria does not have self-governing regions. It has 28 districts that are territorial administrative units entrusted with the conduct of a regional policy, the implementation of state government at the local level and the harmonization of national and local interests. According to the Constitution, each district is an administrative territorial "unit" (Article 142), entrusted to a governor who "governs" it (Article 143). The "regional policy" is one of "implementation of state government" (Article 142).

Bulgaria also has 6 planning regions, formed on the basis of the districts, which have been created for the purpose of regional planning and statistics, and for the co-ordination of the accession instruments of the EU. These were created by the Law for Regional Development in 2004. Bulgaria also has 263 municipalities.

3. Institutional Organization

The districts are decentralized state bodies, which are administered by a regional governor who is nominated by the Council of Ministers. The district administration is also appointed by the Central government.



The six planning regions have no administrative structures. Each of the planning regions has a Commission for Economic and Social Cohesion, which includes representatives of the central institutions, all district governors in the region, representatives of local authorities and administration in the region, as well as economic and social partners.

4. Competences

The district governor is responsible for: implementing national policy in the region and the administrative territorial reform; coordinating the operation of state agencies and their relations with local authorities; harmonizing national interests with local interests, organizing the development and implementation of strategies and programs for regional development; interacting with local self-government bodies and the local administration; protecting of the national heritage on the territory of the region; ensuring observance of the laws on the territory of the region; exercising administrative control over and ensuring the execution of decisions of the President of the Republic and the Council of Ministers; exercising control over the legality of the acts of local and regional self-government bodies and administration; exercising control over the legality of the acts of agencies, organizations and undertakings on the territory of the region; preparing the population for mobilization and defense, and its protection in cases of disasters and accidents in general and is responsible for maintaining public order.

5. Financing

The Districts are financed by the central government.
The 6 planning regions have no financial resources of their own.

6. The State and the regions

The Districts are arms of the state administration.

7. The regions and local authorities

In performing his functions, the district governor may suspend the execution of unlawful acts of municipal councils and refer them to the courts. The regional governor may repeal unlawful acts of mayors of municipalities, for the repeal of which no special procedures are provided. His decision may be appealed against in the courts.

8. The regions and international relations

The Bulgarian Constitution states that cross-border relations in Bulgaria are the responsibility of the national government. In 1998, Bulgaria signed the Council of Europe's Madrid Outline Convention on cross-border cooperation.

9. Conclusions

Bulgaria does not have an elected regional level of self-government. A radical reform towards the establishment of regional self-government is not a priority for the government at the moment. A well-defined concept of the reform and a suitable public administration model would be needed if such reform is to occur.

CROATIA



1. Overview

The Constitution of the Republic of Croatia was adopted on 22 December 1990, after the first multiparty parliamentary elections were held in the spring of 1990. It was amended in November 1997, November 2000 and March 2001. One of the major novelties brought by the revision of the Constitution in November 2000 was the abolishment of the semi-presidential constitutional system in favor of a parliamentary system, with a stronger role of the Prime Minister and the Government. The Constitution defines Croatia as a sovereign, unitary, democratic and social state. Governance in the Republic of Croatia is organized on the principle of the separation of powers into three branches: legislative (the Parliament), executive (the President of the Republic, the Government) and judicial.



At the beginning of 2001, the Government began to implement the project entitled Decentralization of Public Administration. The project encompassed several specific areas, including the territorial organization of local and regional self-government, its legal status and scope of functions, its financing, and the decentralization in some administrative areas.

2. The region: definition and context

The Constitution of the Republic of Croatia, the European Charter on Local Self-Government, the Act on Local Self-Government and Administration (1992), and the Law on regional development (2009) constitute the legal framework for the development of local and regional self-government. There are 21 units of regional self-government (20 counties and the City of Zagreb, that has both city and county status) and 547 units of local self-government (122 towns and 425 municipalities) in Croatia. In accordance with the process of decentralization,

the new Law on Regional Development entered into force on 1 January 2010, in order to align Croatia with European legislation providing greater power to the regions in the fields of education, health service, area and urban planning, economic development, environmental protection, traffic infrastructure and culture.

3. Institutional Organization

Regional representative bodies are elected every four years by direct elections in the regions. The executive bodies are established in accordance with the results of the elections. According to the principle of subsidiarity, the Central Government is not entitled to interfere in the responsibilities of local and regional authorities.

4. Competences

Counties carry out regional responsibilities in the areas of education, health care, regional and urban planning, economic development, traffic and traffic infrastructure, environmental protection, planning and development of the network of educational, social and cultural institutions.

5. Financing

Local and regional self-government units have the right to their own revenue. The state is under the obligation to assist the financially weaker units of local self-government. The sources of funds and the means of financing local and regional self-government units are stipulated by the Act on the Financing of Local and Regional Self-Government Units. Local and Regional authorities can acquire funds from their own sources and from shared taxes and grants from the state and county budget. Own income sources of the county are: (i) Revenues from its own property, (ii) County taxes, (iii) Fines and property gains taken for offenses, prescribed by the county, (iv) Other revenues prescribed by a separate law. County taxes are: (i) Tax on Inheritance and Gifts, (ii) Tax on Motor Vehicles, (iii) Tax on Vessels, (iv) Tax on Slot Machines for Games of Chance. The following taxes are shared between the counties and the municipalities: (i) Profit Tax, (ii) Real Estate Transfer Tax, (iii) Income Tax.

6. The State and the regions

State administration bodies monitor the work of local and regional authorities, and are authorized in particular (i) to supervise whether the entrusted state administration activities are performed correctly, in time and in accordance with the law; (ii) to discuss the state of affairs in an individual body of a local or regional self-government unit or a legal person vested with public authorities, and to determine the measures that such a body or a person shall undertake for the purposes of carrying out state administration activities; (iii) to propose the dismissal of the head of the body of the local self-government unit in accordance with the law under which the authority has been entrusted to them; (iv) to initiate a procedure for the determination of the responsibility of civil servants and civil service employees in bodies of local and regional self-government units as well as to take other measures in accordance with the law and other regulations.

7. The regions and local authorities

Units of local self-government (municipalities and towns) in their self-governmental scope perform the tasks of local importance which directly meet the needs of the citizens, especially the tasks concerning the organization of settlements and housing, regional and urban planning, municipal services, child-care, social welfare, primary health care, education and primary-school education, culture, physical education and sports, consumer protection, protection and improvement of natural environment, fire-prevention and civil defense.

8. The regions and international relations

The right of the local and regional self-government bodies to conclude agreements either among themselves or with corresponding territorial units from abroad, without obligation to request prior approval from the State, is provided by the Constitution and by laws. Thus, a number of various protocols have been signed among Croatian and foreign partners, especially in the field of cross-border cooperation, interregional and inter-municipal cooperation.

9. Conclusions

For the coming years it is expected that the discussions about decentralization and in particular fiscal decentralization will continue since there is no satisfactory agreement yet on the favorable size of a self-government unit at both levels, from the point of view of its economic and financial capacity, cost-effectiveness of organization and work efficiency on the one hand, and from the point of view of desirable level of identification and motivation of citizens' participation in managing local affairs on the other hand. However, there is agreement that the functions, responsibilities and finances for a part of public services (elementary, secondary and a part of higher education, health care, social welfare, culture and fire protection) will be gradually transferred from the central government to local and regional self-government, (including simultaneous transfer of fiscal income).

CYPRUS



1. Overview

Cyprus became independent from British rule in 1960. Tensions between the Greek Cypriot majority and the Turkish Cypriot minority came to a head in December 1963, when violence broke out in the capital city Nicosia. Despite the deployment of UN peacekeepers, inter-communal violence continued afterwards.

In 1974, a Greek Government-sponsored attempt to seize control of Cyprus was met by military intervention from Turkey, which soon controlled more than a third of the island. Hence, since July 1974, Cyprus has been divided by a “green line”, controlled by the UN troops, which divides the country into two parts. The northern part of the island is occupied by the Turkish army and proclaimed itself “the Turkish Republic of Northern Cyprus” in 1983. Only Turkey recognizes this entity at international level. 195,000 Cypriots live in Northern Cyprus, compared with 750,000, a third of which are refugees from the north, living in the south of the island.

The UN mediated two years of talks between the leaders of the Greek Cypriot and Turkish Cypriot communities to reach an agreement to reunite the divided island. However, the Greek Cypriots rejected the UN settlement plan in a referendum in April 2004. This referendum caused a split in all political parties.

The entire island finally entered the EU on 1st May 2004, although the EU *acquis* (the body of common rights and obligations) applies only to the areas under direct Republic of Cyprus control, and is suspended in the areas administered by Turkish Cypriots. At present, every Cypriot carrying a Cyprus passport has the status of a European citizen; however, EU laws do not apply to northern Cyprus. Nicosia continues to oppose EU efforts to establish direct



trade and economic links with northern Cyprus as a way of encouraging the Turkish Cypriot community to continue to support reunification.

There are no regions in Cyprus. Sub-national subdivisions, named districts, have been set up for the purpose of central administration. There are six districts, which have the same name as their capitals. Each district is headed by a District Officer, who is a senior civil servant appointed by the Government as its local representative. The District Officer is the chief coordinator for the activities of all Ministries in the District and is accountable to the Ministry of Interior. The District Offices are not elected local or regional authorities; they are part of the civil service.

There are two types of local authorities in Cyprus: municipalities and communities, which are governed by separate laws. In principle, municipalities constitute the form of local government in urban and town centres, while communities constitute the local structure in rural areas.

2. The region: definition and context

Not relevant

3. Institutional Organization

Not relevant

4. Competences

Not relevant

5. Financing

Not relevant

6. The State and the regions

Not relevant

7. The regions and local authorities

Not relevant

8. The regions and international relations

Not relevant

9. Conclusions

Not relevant

CZECH REPUBLIC*



“European regions should use every possibility to cooperate, define common interests and pronounce common attitudes and thus gradually develop a common European identity.”

Martin Tesařík
President of the Olomoucky Region

1. Overview

The Czech Republic was created in 1993 after the split of Czechoslovakia. The national framework for public administration in the Czech Republic is set out in the Constitution (1993) and consists of a three-level structure. A Constitutional amendment (1997) defines the levels as follows: the central government, regions and municipalities. There is a ‘double track’ system (or joint model of public administration), in which the municipalities and the regions are both state administration executives and territorial self-government bodies. The Constitution stipulates which delegated state administration tasks should be executed at the levels of regions or municipalities; these are further defined in the respective primary legislation. The second track of the framework for governance accounts for autonomous political authority (self-government).



2. The region: definition and context

There are fourteen regions in the Czech Republic, including the capital Prague. The framework for governance is stipulated in the Constitution, which is formulated only in a general way. Further definitions were set out in a Constitutional amendment in 1997, creating the fourteen regions. The exceptional status of the region of Prague is stipulated in a subsequent law (2000). More specific definitions of the regions, for example the electoral system of the regions, are stipulated in respective legislation adopted in 2000 (e. g. Act on Regions, Act on Elections to regional Councils).

3. Institutional Organization

The Regional Councils are directly elected for a four-year term. The Regional President is elected indirectly from among the Members of the Regional Council. The President is also the head of the Regional Board, which is the executive body of the region.

The relationship between the regions and the state is influenced by the double track system of the state administration and the self-governing competencies (so-called joint model of public administration). The state administration track represents a competency delegated to the regions, where it is to be legally executed by respective regional bodies (Regional Board, Regional Council). However, the Regional Board is also the executive body of the regions' autonomous tasks. In the sphere of the state administration, the Regional Board is responsible to the central government (respective Ministry or other central state administration authority); however, in the sphere of regional political autonomy it is responsible to the Regional Council. Persons appointed to the apolitical positions of the heads of the Regional Offices are subject to prior consent of the Minister of Interior.

4. Competences

The own competencies of the regions are, inter alia, as follows: to approve concepts of the regional development, to establish and dissolve the budgetary and contributory organizations (education, social care, health service, infrastructure), to set the range of public transport, to decide on international co-operation, to approve the budget of the region and the final account of the region, to decide on the acquisition or transfer of regional movables, to issue generally binding regional regulations or to put bills before the Chamber of Deputies. The Constitution says that the competencies of the regions are stipulated in respective laws.

Similarly to the municipalities, the regions perform also delegated state administration competences. Such tasks are defined in laws concerning specific policy fields such as social policy, foreign policy, commerce and industry, finances, internal affairs, defense and security, infrastructure, education, environment, agriculture or regional development.

5. Financing

The Constitution states that regions have their own property and administer their activities via the regional budget. However, there are continual discussions about the extent of fiscal autonomy of territorial self-governing bodies (both regions and municipalities). Regions are not entitled to levy any regional taxes. The regional budget revenues originate from taxes that are levied nationwide, a percentage of which is legally destined to regions. The percentage is defined centrally, after consultation with the Association of Regions. Additional revenues come from state subsidies and from regional property revenues, economic activities of the regions sources. Other very important revenues originate from the EU structural funds.

Czech legislation does not stipulate any system for financial equalization between the regions.

6. The State and the regions

Regional Councils can propose laws in the lower chamber of the Czech Parliament, the Chamber of Deputies, according to the Constitution (only the Parliament of the Czech Republic is to decide on the approval of the law). Consequently, this legal right of the regions to propose laws is mainly used in spheres that affect the regions activities.

7. The regions and local authorities

The municipalities are a part of the system of double track administration, executing tasks of the central government and having local autonomous tasks. Regional Councils are not entitled to delegate any tasks or policies to local level competences of both local and regional authorities are strictly defined by law. The relationship between local authorities and regions is stipulated in the Constitution and in primary legislation. Contrary to delegated state administration, in the field of self-governing competencies, there is no hierarchical dependence between the two tiers; their relationship is based on co-operation.

8. The regions and international relations

The right of Czech regions to sign treaties with other regions abroad is stipulated in primary legislation (Act on Regions). The regions are entitled to co-operate in the exercise of their independent powers, on the basis of a written contract, or to be members of international associations of territorial authorities.

9. Conclusions

The main challenge for the Czech regions today is the full incorporation in the EU policies. An additional challenge is the full utilization of the political capacity of the regions in the years ahead. Thanks to the good basic legal setting, regions are developing effectively as autonomous political bodies. However, further political debate is needed on the fiscal autonomy of the regions including the system of allocation of tax revenues, on territorial harmonization and on the extent of the delegated competencies in a number of policy areas.

Interview with Martin TESAŘÍK

President of the Olomoucky region

1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Martin Tesařík: Competences of the president of the region (hejtman) are defined in the law no. 129/2000, regional law. The main competences of the president of the region are: to propose a law in the national parliament, development of the region and strategical planning, public transport, healthcare, social affairs, education, culture, environment, own budget competences.

The regions were created on 1.1.2001 and since then they have gained all these competences gradually. It is necessary to promote an effective dialogue on the national and European level to make the decision-making process more effective.



2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Martin Tesařík: European regions should use every possibility to cooperate, define common interests and pronounce common attitudes and thus gradually develop a common European identity. It is important to gather and analyse the information which influences the activities of the regions as soon as possible soon enough and define an effective action that can be taken necessary to take in the regions. That is the reason why the cooperation between regional institutions, regional actors, international and interregional organizations, central institutions on the national level and central institutions on European level is very important.

3) AER: What is the added value of being a member of AER according to your experience?

Martin Tesařík: A possibility of the exchange of ideas in different fields concerning the daily functioning of the region is the most important for Olomoucky region. At the same time we find it very useful to be a member of such a big and important international organisation as the AER is. One of the major advantages is the a possibility to participate in a variety of events where every region can find a place that fits its priorities.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Martin Tesařík: I wish for the AER to continue to play a key role in pursuing regional interests in the European Union's institutions and other international institutions as well. I am pleased that the Olomoucky region was an initiator of the cooperation between the AER and the NARC (National Association of Regional Councils in the USA) and that is also a reason why I hope this cooperation will be successful and fruitful.

1) AER: Jaké jsou Vaše kompetence jako hejtmána kraje? Jaké změny se v posledních letech uskutečnily v pravomocích z centrální vlády do krajů? Jaké změny ještě musí nastat, aby se pro kraje zlepšila efektivita rozhodovacích procesů?

Martin Tesařík: Kompetence hejtmána krajské rady a krajského zastupitelstva vycházejí ze zákona č. 129/2000 Sb., o krajském zřízení, které je podrobně upravuje. K oblastem, které patří do kompetencí krajské samosprávy, patří zejména následující: možnost dávat návrhy zákonů parlamentu, rozvoj kraje a strategické plánování, veřejná doprava, zdravotnictví, sociální věci, vzdělávání, kultura, životní prostředí, správa vlastního majetku a hospodaření s rozpočtem kraje.

Kraje vznikly k 1. 1. 2001, od té doby na ně byly přesouvány veškeré kompetence, kterými v současnosti disponují.

Ke zlepšení efektivit rozhodovacích procesů je třeba neustálého posilování dialogu s centrálními orgány na národní i na evropské úrovni.

2) AER: Jaká by podle Vašeho názoru měla být role regionů v procesu vytváření Evropské unie? Jsou nějaké způsoby, jak mohou regiony přispět rozvoji společné evropské identity?

Martin Tesařík: Regiony by měly využívat všech příležitostí ke spolupráci, definování společných zájmů a formulování společných stanovisek, a tím potažmo rozvíjet společnou evropskou identitu. Důležité je včasné získávání a analyzování informací o aktivitách, které mají vliv na aktivity regionů, a následně jejich zodpovědná a včasná analýza a návrh účinného postupu v krajích – proto je důležitá interakce mezi krajskými institucemi, subjekty v kraji, mezinárodními a meziregionálními organizacemi, centrálními orgány na národní úrovni a centrálními orgány EU.

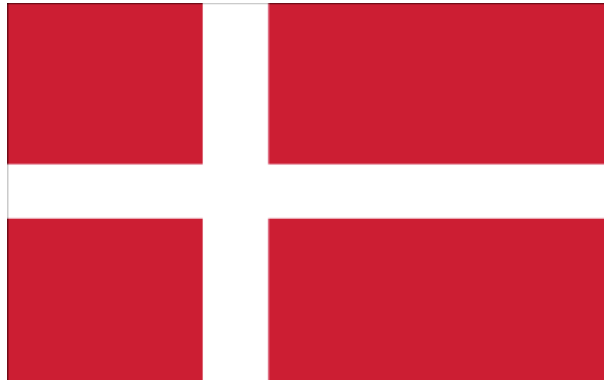
3) AER: Jaká je podle Vaší zkušenosti přidaná hodnota členství v AER?

Martin Tesařík: Pro Olomoucký kraj je důležitá především možnost výměny zkušeností v různých oblastech, týkajících se života krajů, a rovněž je důležité být členem takto velkého a významného mezinárodního sdružení. Jednou z výhod je pro nás možnost účastnit širokého spektra akcí, v nichž každý region může najít své místo v souladu se svými vlastními prioritami.

4) AER: Jaké je Vaše přání pro AER k jeho 25. výročí? Jak vidíte roli regionů v následujících 25 letech?

Martin Tesařík: Přeji AER, aby i nadále hrálo roli významného hráče při prosazování regionálních zájmů v institucích Evropské unie, ale i v dalších mezinárodních uskupeních. Těší mne, že Olomoucký kraj byl iniciátorem navázání spolupráce mezi AER a NARC a zejména proto přeji AER, aby tato spolupráce byla úspěšná a plodná.

DENMARK



1. Overview

The Danish political system consisted of the State, the Counties and the Municipalities until January 2007.

A major local government reform came into effect on 1st January 2007. The reform replaced the structure of municipalities and counties introduced with the reform of 1970: 5 Regions were created, and the pre-existing 13 Counties dissolved. The reform aimed at creating an efficient public sector, which would be able to deliver better public services without increasing the taxation levels; it also implied the establishment of clear responsibilities for each authority, via the elimination of overlapping responsibilities.

Since 1st April 2006 “growth forums/development forums” have been created to mirror the new regional structure, with five in mainland Denmark plus one at the island of Bornholm. These forums work on the basis of partnership, which implies that the region, municipalities, commerce, educational institutes and organizations representing the unions and the employers' organizations are all represented in the forums. The forums will develop a regional strategy for business development. Afterwards this plan will be part of the overall development plan set up by the region.



2. The region: definition and context

The Danish constitution states: § 82. The right of the “Kommuner” to govern their affairs independently under the supervision of the State shall be laid down in Acts of Parliament. The term “Kommuner” in the constitution denotes counties/regions and municipalities.

Since January 2007, Denmark is divided into five regions, instead of 13 counties, and 98 enlarged municipalities (Danish, kommuner (sing.: kommune)) instead of 270 before. Whilst

the 5 Regions (regioner) have replaced the 13 counties (amter (sing.: amt)), they are not their successors, in the sense that they are a new kind of public authority whose role is significantly different from that of the counties. As for the responsibilities of the former counties, many of them were taken over by the enlarged municipalities. 32 of the former municipalities did not merge into larger units, either because they already had merged or had a population larger than 20,000 or because they signed a cooperation agreement with a larger municipality.

3. Institutional Organization

The regions have directly elected assemblies: the regional councils. Each council has 41 members. The councils are elected for a four-year period in regional elections, which are held the same day as municipal elections. The chair of the regional council is appointed for a four-year term among the members of the regional council. The executive power is held by the business committee, whose members are elected among and by the members of regional councils. The regional council must also establish a contact committee, consisting of the chair of the regional council and the mayors of municipalities in the region. It convenes twice a year to discuss and develop co-operation between the region and the municipalities.

4. Competences

The five regions are primarily responsible for health care systems, according to the Danish primary legislation. They also have some tasks related to social services and psychiatry. In addition, they are responsible for regional development and growth, including preparation of regional development plan, management of raw materials and soil contamination, public regional transport, and tasks related to education.

5. Financing

The three main regional competence areas (health care, social services - social education and regional development) are financed separately: incomes related to one area may be used only to finance activities within that area.

The regions cannot collect taxes, they are thus financed by national subsidies (including equalization mechanisms), municipal contributions based on number of inhabitants (in relation to regional development) and "user's fee" (the latter in the health sector were the municipalities pay for both a basic contribution to the health care sector and in relation to their use of the health care system).

The general grant from central government consists of a base grant and a grant distributed on the basis of a calculated expenditure need of each region:

The base grant is the same for each region and constitutes just a small part. The expenditure needs of the regions are calculated as the sum of age-related expenditure needs (77,5%) and socio-economic expenditure needs (22,5%).

6. The State and the regions

The regions implement national legislation; they can sign agreements with regions both in Denmark and in other countries. Economic co-operation between the central government, regional and local authorities is carried out by means of voluntary agreement between the associations of regions and municipalities on the one hand and the government on the other. Regions also contribute to development and spatial planning, by the means of regional plans, which are inscribed in the framework of the national spatial development plan.

7. The regions and local authorities

The regions work closely with the municipal level, for example in the field of regional development and social affairs. The tasks to be handled by regions and municipalities are defined through specific acts for each sector, such as business development legislation, social legislation etc.

Some laws are framework laws, enabling a wide scope for implementation. Other laws assign specific tasks to regions and municipalities; therefore, they grant them a narrow margin for manoeuvre to carry them out.

8. The regions and international relations

The region cannot sign international treaties but may sign agreements and protocols.

9. Conclusions

The Danish regions have now existed for more than three years after the structural reform, and the new regional councils have been elected for a new four year term in November 2009. Overall the implementation has gone according to plan, and the work in the regions today reflect the purposes and tasks laid out in the reform as described above.

ESTONIA



1. Overview

After centuries of Danish, Swedish, German and Russian rule, Estonia gained its national independence in 1918. But from 1938 to the beginning of the nineties, Estonia was part of the USSR. The process of de-sovietisation began in 1988 with *Rahvarinne* (the Popular Front). Estonia gradually moved away from the Soviet Union and on June 28, 1992 a new Constitution was adopted by referendum.

Nowadays, Estonia has just a one-tier local government system (towns and rural municipalities). However, during the short period from 1990-1993, Estonia had a two-level local government system. In autumn 1989 first free elections to local authorities took place. The Local Government Bases Act was enforced in 1990. At that time, Estonia consisted of counties that were units of regional government and towns and rural municipalities that were units of the first level of local government.

The new Constitution adopted in 1992 introduced a single-tier local self-government: county administration became a part of the central government and the county governor became the representative of the central government.

After the 2005 local elections in Estonia, there are fifteen counties and the number of municipalities was reduced from 241 to 227, henceforth divided into 33 (formerly 39) urban municipalities and 194 (formerly 202) rural municipalities.



2. The region: definition and context

Estonia currently has no regions. However, there are fifteen *Maakonad* - translated as counties. *Maakonad* are just administrative units of the central government. Legally, they are departments of the Ministry of Interior Affairs.

As stated in article 159 of the Estonian Constitution, "a local government has the right to form associations and joint agencies with other local governments". These groups of local governments, which are called also "coalitions", lead cooperative activities. Their employees are public servants and have tasks delegated to them by the national government.

3. Institutional Organization

County governments are equivalent to state administration agencies. They coordinate some activities in the counties. This level of administration is considered to be part of the state administration and is not endowed with political self-government. There is no county council.

The county governor is appointed for a five-year term by the national government at the proposal of the Prime Minister and following consultation with the local government representatives of the county. He/she is the representative of the government in the county and is in charge of the administration of the county.

4. Competences

Counties are responsible for:

- a. Economic and spatial development at the local level (including county spatial planning)
- b. Supervision over single acts of local authorities
- c. Coordination of emergency situations
- d. Environmental management
- e. Coordination of tourism, leisure activities

5. Financing

Counties are part of the state administration.

6. The State and the regions

Counties are part of the state administration.

7. The regions and local authorities

As previously explained, some efforts are made to strengthen inter-municipalities cooperation through the regional associations of local authorities. Indeed, as there is no regional level the cooperation between local authorities within a county is of great importance. In each of the 15 Estonian counties, there is a regional association uniting all or most of the local authorities. They exercise joint activities in various areas such as waste management, education, transport or social care. Membership in these associations is voluntary and their budget mainly comes from budgets of members (local authorities).

8. The regions and international relations

Counties are part of the state administration.

9. Conclusions

In the 1990s, when the system of local government was re-established, the development of democracy was the main target. However, the question of efficiency has become increasingly more important. Nowadays, the main challenge for Estonia is the determination of an administrative territorial division which is optimal for the performance of tasks, a question

linked with the principle of subsidiarity. A number of different issues still need to be resolved. On the county level, in addition to the county agency, there exist regional subdivisions of national departments, which do not always overlap with counties. Another point is that the role of a county governor has not been specified. Furthermore, many of the existing counties are too small and are not effective from a national viewpoint.

FINLAND



1. Overview

Finland acquired its national sovereignty in 1917. Before this time, the country has been under Swedish and Russian rule. The Form of Government Act signed in 1919 is the institutional result of the compromise between conservative politicians who wanted a stable government based on consensual democracy and socialists and liberals more in favor of a “bottom-up” model. Also, Finland’s constitutional system has been influenced by parallel European experiences, especially those of the neighboring Scandinavian countries, although Finland differed from them as it took the form of a Republic instead of a monarchy. So Finland has a semi-presidential dual system in which the government is answerable to the parliament and the President of the Republic has a strong position in determining the broad lines of foreign policy.

In 1999, an amendment to the Finnish Constitution included a special chapter on self-government and administration. However, the provisions are rather general, referring to acts that lay down the details of the municipal system. The objective is still to reach or maintain a consensus as far as possible. Thus, Finland is no exception to the political party system common to the whole of Scandinavia, where the presence of multiple parties is relatively strong, but where parties do not mind forming alliances in order to establish governments with a parliamentary majority.

Finland has a solid tradition of devolution, which is due in particular to the civic awareness and democratic spirit that pervade the country. Historically, devolution has been identified with a municipal tradition, later complemented by the addition of Regional Councils. Hence, municipalities in particular have a high level of autonomy.

It is important to underline that the linguistic divide between the Finnish-speaking majority and the Swedish-speaking minority is now balanced by bilingualism in official documents.



2. The region: definition and context

Finland has 19 regions, established in 1993 and one autonomous province (Åland Islands), which was granted wide autonomy in 1921. The 19 regions are formed on the basis of cooperation between municipalities – the municipalities appoint the Regional Councils and finance their functions. The genesis of this regional structure, which is much weaker than that of many European systems, began in 1993 with the Regional Development Act, and developed over more recent years with the Regional Planning Act (1999). It culminated in the 2002 Regional Development Act that provided the formal basis for setting up the new entities in 2003. The new Finnish regional system took shape above all at the time when Finland joined the EU (1995), at a time when the Committee of the Regions had only recently been set up.

Currently also the Regional Council of Kainuu enjoys wider autonomy than other regions on the continent (see below point 9). There are 342 municipalities; the division into urban and rural municipalities has no legal implications. In Finland, there are also state offices located in the regions for the purposes of central government administration.

3. Institutional Organization

The body officially called the “Regional Council” (*Maakunnan liitto*) is actually an authority comprising members of municipalities and financed by the municipalities that make up the region in question. Members of the Regional Council are appointed every four years by the councils of member municipalities. The composition of the Regional Councils must reflect the political groups existing in the municipalities of the region concerned. In Åland and Kainuu the Regional Councils are elected for a term of four years

4. Competences

Regional Councils are in charge of general regional planning; they also prepare and monitor the implementation of regional development plans and coordinate development measures in their region. Regional Councils are also responsible for voluntary functions agreed upon by the region's municipalities. The tasks carried out by the Regional Councils remain of an administrative nature; the municipalities instead have regulatory powers (decision of tax rates, town planning and building code etc).

5. Financing

Finnish regions (except Åland) have no tax-raising powers and depend for their resources upon the municipalities, which are still considerably stronger in the overall system of self-government.

6. The State and the regions

Finland still has the shape of a unitary state. There are two major types of state offices located in the regions and they function primarily as decentralized territorial units of central government. These state offices in question act as the joint regional authority for seven different ministries, promoting the objectives of the central government in the following domains: (1) state services to enterprises, employment, competition and consumer affairs, environment affairs; (2) social and health care, education and culture, police administration, rescue services, traffic administration, judicial administration. The latter ones also support and evaluate the implementation of municipal services within their territories but also oversee the legality of activities of the municipalities in cases of complaints. They also ensure the safeguarding of general security. The heads of regional state offices are appointed by the Government for a term of five years.

7. The regions and local authorities

There are obvious close relations between the municipalities and the regions. Actually, regions are “federations” of municipalities.

8. The regions and international relations

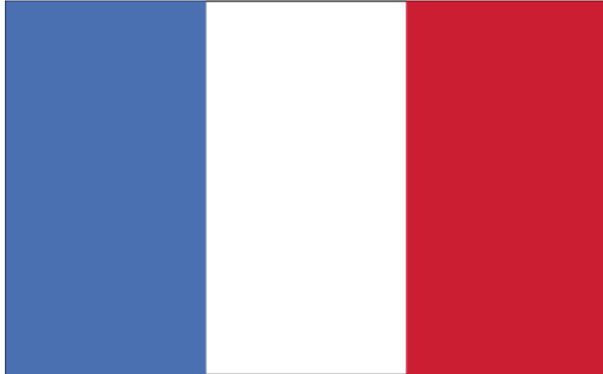
Regional Councils are represented in a lot of European and international organizations, such as the Committee of Regions of the EU, the Congress of the Local and Regional Authorities of Europe, the Assembly of European Regions and the Regional Council of the Barents Area. Regional Councils have the right to establish relations with territorial authorities of other countries. In practice, they have made a lot of cooperative agreements of different levels with foreign territorial authorities.

9. Conclusions

The main recent development in Finland's regional structure is the establishment of Kainuu region as a pilot region. In 2003, a law was passed on the regional self-government experiment in Kainuu. The experiment is effective from 2003 and until December 31st, 2012. Now Kainuu Region has a directly elected Regional Council granted with administrative power that has traditionally been the domain of the state administration and its representatives. The regional administration will decide on the allocation of resources (road networks, enterprise support, R&D affairs, employment and so forth) that have been allotted to the experiment in the national budget. A substantial proportion of municipal tasks have been transferred to the regional level. For example, major parts of the responsibility for social and health care and education has been transferred from the municipalities to the region; however the responsibility for their financing will remain with the municipalities. An amendment of the law is under work aiming at regularizing the established structures and tasks of the Kainuu Regional Council.

It is too early to state whether this experiment will end in a reform of the regional structure in Finland but it nevertheless indicates that some attempts to change the system exist.

FRANCE*



"There is no doubt that the role of Regions is not as acknowledged as it should be, since it is evident that, on a number of key questions which our society are facing today, climate change being the most obvious example, answers can only be provided at the subnational level."

Michèle Sabban

Vice-President of the Regional Council,
Region of Ile-de-France, and President of AER

1. Overview

French regions developed in the second half of the twentieth century, on the basis of a model of administrative decentralization. Whilst a law adopted in 1972 gave the regions minor public establishment statutes, it was not until around ten years later that the Decentralization Act of 2 March 1982 gave the regions the statute of fully-fledged territorial authorities. This law transfers the regional executive power from the representative of the State, the prefect, to an elected authority, the President of the Regional Council. Moreover, the law entrusts the regions with competences regarding the administration of high schools, economic development, spatial planning and vocational training. Between 1982 and 1984, a raft of decentralization laws supplemented the initial reform and confirmed the importance and role of the region in the French Republic. These reforms were completed in 1986, when the regions were given the possibility to elect their own representatives by direct universal suffrage, thus breaking definitively with a centralizing past. The Constitutional Reform of 2003 confirmed the statute of regions as territorial authorities with full capacity.



2. The region: definition and context

France is composed of 22 metropolitan regions and four overseas regions (Guadeloupe, Guyane, Martinique and Réunion). The region exists constitutionally since 28th March 2003, the date of an amendment to the article 72 of the French Constitution that places regions, *départements* and communes in the same paragraph. Hence, as a territorial authority, the region is constitutionally defined in the following way: *"(The region) may take decisions in all matters that are within powers that can best be exercised at (its) level. In the manner*

provided by statute, (the region) shall be self-governing through its elected council and shall have the power to make regulations.”

3. Institutional Organization

French regions have a directly-elected Assembly. The regional councillors elect among them selves the President of the Regional council for a six-year mandate. Since 2004, regional councillors are elected for a five-year term via a two-round election list system at regional level, which combines proportional representation system and majority list systems.

4. Competences

The main competences of the French regions are: economic development and assistance to companies, spatial planning, vocational training, apprenticeship and culture, building and equipment of high schools. These historical competences have been strengthened and completed by the law of the 13th August 2004, which added the following competences: (i) in the economic field: setting up of economic development plan and definition of aid schemes for enterprises; (ii) in the spatial planning field: arrangement and management of non-autonomous harbors and civil airports, regional railway transport; (iii) in the cultural field: recording of historical heritage and organization of vocational art education; (iv) in the educational field: management of service and specialized staff of the high schools, vocational training.

5. Financing

Financing of the regions has diverse origins:

1/ Taxation: (i) local taxation (direct or indirect) - property tax on buildings, land tax and trading tax; (ii) taxation allocated by the State: These transfers are intended to compensate, on the one hand, expenditures due to new competences, and on the other hand charge-offs and rate remissions on local taxes decided at the national level

2/ Grants and subsidies from the State: the State re-allocates financial resources to support the operation of the regions (via the general operating grant) or their investments (general equipment grant, VAT clearing fund, regional grant for school equipment).

3/ Loans: The region gained a guaranty of financial autonomy thanks to an amendment to the Constitution in 2003, and the organic law of the July 29, 2004. This principle strengthens the financial self-administration of the regions: they can freely use their resources, which have to come mainly from taxation. Mechanisms of financial equalization between the regions exist. They aim at correcting disparities between regions in terms of resources and expenditures. This redistribution mainly operates via transfers from the State to the regions.

6. The State and the regions

Relations with the State are multiple. This relation is normative, as the region is subject to national ordinances and laws. However, the principle of self-administration of territorial authorities is guaranteed by the Constitution. Hence, in the field of public policies, the Region and the State are real partners. A good example of this partnership could be the contract related to a 5-year plan signed by the Region and the State (*Contrat de plan Etat-Région*)

The second French legislative chamber (the Senate) ensures “the representation of the territorial units of the Republic” (article 24 of the Constitution). But it is not the spokesperson of the territorial authorities. The French national decision-making process does not leave any role to the regional institution. Moreover, until now, the French regions do not dispose of any autonomous decision-making powers, and the recent launch of a local experiment to this end is also subject to a very strict legal framework. Finally, two regions are allowed, via their executive bodies, to sign agreements or conventions that attach them.

7. The regions and local authorities

Cooperation between local and regional authorities exists since the beginning of the decentralization process. However, there is no hierarchy in this cooperation. One territorial authority cannot supervise another one. Because of many overlaps caused by the repartition of competences, the need for a lead authority appeared, and the Constitution was amended to allow this in 2003.

8. The regions and international relations

The Madrid Convention signed in 1980 and the laws on decentralization of 1982 prepared the ground for the International Law on Local authorities. This remains, in other respects, a sensitive issue because, on principle, international initiatives and actions are a competence of the State. In France, whilst twinnings were tolerated, it's only the law of 6 February 1992 on Territorial administration of the Republic that allowed French local authorities to sign conventions with foreign local authorities. Regions can take part in Community initiative programs (cross-border, trans-national and interregional cooperation). Finally, the law of 13 August 2004 on Local liberties and responsibilities allows the creation of European districts. These local groupings of cross-border cooperation are endowed with a legal personality and with financial autonomy. They are created on the initiative of local authorities and their groupings.

9. Conclusions

The following challenges remain for the French regions: (i) Finance: the increasing loss of tax resources could be a hindrance to the regions' capacity to autonomously implement their policies; (ii) Institutions: there is a need for a better distinction of competences between territorial authorities in order to allow for a better redistribution of roles and responsibilities; (iii) Politics: a transfer of some national policies to the regional level could act as a lever to increase the efficiency of local public action, thereby limiting State competencies to the "*domaines régaliens*" (defense, diplomacy, justice, security, immigration, currency...).

Ongoing territorial reform in France ("réforme Balladur")

A committee headed by former French Prime Minister Edouard Balladur, established in 2008, presented last year in March its proposals for territorial reform in France. The reform is to be implemented by 2014 and brings about major changes in the territorial landscape of France. Twenty proposals have been formulated, among which, in particular:

- Reduction in the number of Regions: Regions shall be reduced – on a voluntary basis – from 22 at present for Metropolitan France to 15. *Départements* are also invited to merge voluntarily;
- Plans to transform urban communities ("*communautés urbaines*") with more than 500.000 inhabitants into metropolitan areas ("*métropoles*"), thus establishing a new layer of government. The councillors for the *départements* will see their influence reduced to a consultative status as far as the creation of metropolitan areas is concerned; moreover, the powers exercised by departments is to be transferred to the metropolitan areas, replacing de facto several *departments*;
- Elections of councillors for the French departments (*conseillers généraux*) and councillors for the French regions (*conseillers régionaux*) are to be held jointly from 2014 on, the term being reduced to respectively 3 and 4 years;
- Setting up of "territorial councillors". The newly created councilors will be responsible for the two levels – Region and *département* -and be elected for a six-year term;
- With respect to the fiscal resources of territorial entities, the local business tax (*taxe professionnelle*), will be replaced with a value-added tax (*taxation fondée sur la valeur ajoutée*) and a corporate property tax (*foncier de l'entreprise*);

- There are also plans to create a Greater Paris area (merging with three neighboring *départements*) similar to Greater London.

Three of the reform proposals, in particular, sparked off controversy: the Greater Paris project, the change in competences of the regions and *départements* as well as the creation of a “territorial councillor” who sits in the councils of both *départements* and regions.

The Association of French Regions (*Association des Régions de France*: (<http://www.arf.asso.fr/>)) criticizes the proposals and has set up an internet campaign called “Save our regions”.

As for the implementation of the reform, it will be done by 5 laws, four of them planned to be discussed and adopted in 2010, one in 2011. The legislative proposal on territorial reform has already been brought forward and amended in public sessions, round tables and debates in the French Senate (on 19 January 2010). It is now discussed by the Committee for Laws of the Parliament.

The law on concomitance of elections of councillors at the regional and subregional level has been confirmed by the Constitutional Court and published in the Official Journal (17 February 2010). A draft law on strengthening local democracy and elections of the territorial councillors is currently discussed.

Interview with Michèle SABBAN

Vice-President of the Regional Council,
Region of Ile-de-France, and President of AER



1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Michèle Sabban: In France, Regions are relatively young compared to other subnational authorities. Set up in 1982, they are essentially in charge of vocational training and apprenticeships and have established themselves as the main administrative body in the field of spatial planning. Regions also have competencies in the field of education,

medico-social action and social life, and invest in fields which are not specifically of their competencies, such as higher education. As a symbol of their growing importance, regions have been included in the Constitution in 2003.

The President of the Region and regional councillors are at the forefront concerning key questions linked to the everyday life of their citizens such as transport, housing, employment, etc. In the last few years, a number of tasks and responsibilities have been transferred to the regions, such as tasks regarding the transfer of technicians, civil servants and skilled workers. They also run sector-based policies. Whilst they were initially planned as administrative bodies with a specific mission, Regions have nevertheless reached a major management level. They still need to be recognized, however, both at national and European levels, as key actors in the democratic governance of our territories.

2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Michèle Sabban: The Europe of Regions is still recent addition to the European institutional landscape, since we had to wait for the creation of the Committee of the Regions in 1994 to get formal recognition of the role of Regions. Since then, the principle of subsidiarity has made great progress thanks to the efforts of regional associations such as the AER. And indeed, Regions have managed to set up forums to discuss with European institutions and influence the policy making process and the implementation of public policies.

There is no doubt that the role of Regions is not as acknowledged as it should be, since it is evident that, on a number of key questions which our society are facing today, climate change being the most obvious example, answers can only be provided at the subnational level.

On the question regarding the role of Regions in contributing to a common European identity, if we look at the foundational principles proposed by the European Commission in its White Book on Communication (democracy, dialogue and debate), there is one obvious principle which is missing: decentralization. It is only on this basis that the Union will gain new impetus. Indeed, to reinforce Europe politically, we need to take citizens' everyday way of life as starting point, in order to give them the feeling that they are taking part in the construction of Europe, instead of opposing their local identity and sense of European belonging.

3) AER: What is the added value of being a member of AER according to your experience?

Michèle Sabban: Being member of the AER means, first of all, joining a family of regions which now extends much beyond the borders of the European Union. It means meeting with elected representatives coming from various walks of life and sometimes very contrasting political traditions. Being able to produce common ideas and joint actions from this variety is, in and of itself, already remarkable. Above all, however, this network, which I know well by now, has never ceased to gain in authority and influence in their relationships with the EU institutions and thus allows Regions to carry great weight in European debates. The development of the AER is therefore a success. In any case, the platform for meeting, debates and initiatives that the association offers to its members is absolutely unique.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Michèle Sabban: My wish is that the AER, which is celebrating its 25th Anniversary this year, continues consolidating its status as main representative of Regions in the wider Europe – the Europe of the Council of Europe – and that it increasingly involves itself in issues linked to the transformation of global governance. We see today that many questions such as those concerning climate or the economy will find solutions only with local level involvement. I think that the coming years will prove how true this thesis is.

Original Language: FRENCH

1) ARE: Quelles sont vos compétences en tant que Président de région? Quels changements ont été accomplis dans le transfert de pouvoirs du gouvernement central vers les régions ces dernières années? Quels changements sont encore à faire afin d'améliorer l'efficacité régionale dans le processus de décision?

Michèle Sabban: En France, les Régions sont neuves au regard des autres niveaux de collectivité. Apparues en 1982, elles ont principalement en charge la formation professionnelle et l'apprentissage, et se sont imposées ces dernières années comme principal échelon pour l'aménagement du territoire. Elles possèdent aussi des compétences dans les domaines de l'enseignement, de l'action médico-sociale et de la vie sociale, et elles mobilisent leurs financements dans des domaines qui ne sont pas a priori de leur compétence, comme par exemple dans l'enseignement supérieur. Symbole de leur importance grandissante, les Régions sont entrées dans la lettre de la Constitution en 2003.

Le Président de la Région et les élus régionaux sont ainsi au premier plan pour les questions centrales de la vie quotidienne de leurs citoyens : les transports, le logement, l'emploi, etc. Dans les dernières années, les Régions ont d'ailleurs vu de nombreuses charges se reporter sur elles, par exemple par le transfert des techniciens, agents et ouvriers de service, et elles mènent ainsi des politiques sectorielles. Elles sont donc devenues des échelons de gestion majeurs, là où elles avaient d'abord été conçues comme des administrations de mission.

Il leur reste à être reconnues, tant au niveau national qu'europpéen, comme les principaux échelons de la gouvernance démocratique de nos territoires.

2) ARE: Quel devrait être, selon vous, le rôle des régions dans le processus de construction de l'Union européenne? Comment les régions peuvent-elles contribuer au développement d'une identité européenne commune?

Michèle Sabban: L'Europe des Régions est assez récente dans le paysage institutionnel européen, puisqu'il a fallu attendre la création du Comité des Régions en 1994 pour que le rôle de celles-ci soit reconnu dans les textes. Depuis, le principe de subsidiarité a fait du chemin, et ce grâce aux efforts des associations de Régions telles que l'ARE. Et effectivement, les Régions ont su constituer des pôles pour dialoguer avec les institutions

européennes et infléchir les processus de conception et de mise en œuvre des politiques publiques.

Ce rôle des Régions est encore en-deçà de ce qu'il devrait être sans doute, car il est évident que sur nombre de questions qui se posent aujourd'hui à nos sociétés, et dont le changement climatique est l'exemple le plus parlant, c'est bien au niveau infranational qu'il faut construire des solutions.

Sur la question de savoir comment les Régions peuvent contribuer à une identité européenne commune, on voit bien aujourd'hui que parmi les piliers choisis par la Commission dans son Livre blanc sur la communication (démocratie, dialogue et débat), il en manque encore un, évident, qui est la décentralisation. C'est à ce prix que la vie politique de l'Union retrouvera de l'allant, de la vigueur...pourquoi ? Loin d'opposer identité locale et appartenance européenne, il faut comprendre que ce n'est qu'en donnant aux citoyens le sentiment de participer à la construction européenne à partir de son cadre de vie normal que l'on renforcera l'Europe politique.

3) ARE: Quelle est, d'après votre expérience, la valeur ajoutée d'être membre de l'ARE?

Michèle Sabban: Etre membre de l'ARE, c'est d'abord rejoindre une famille de Régions qui s'étend désormais bien au-delà des frontières de l'Union européenne stricto sensu. C'est dire que c'est rencontrer par-là même des élus venant d'horizons et de traditions politiques multiples, et parfois très contrastées. Etre capable, à partir de ce foisonnement, de produire des idées communes et des actions communes, c'est évidemment remarquable en soi. Mais surtout, le réseau, que je connais bien désormais, n'a cessé de gagner en autorité et en influence auprès des institutions de l'UE et permet donc aux Régions de peser dans les débats européens. Le développement de l'ARE est donc une réussite. En tous les cas, l'espace de rencontre, de débat et d'initiative que représente l'association pour ses membres est tout à fait unique.

4) ARE: Quel est votre souhait de l'ARE pour son 25e anniversaire? Comment voyez-vous le rôle des régions dans les 25 prochaines années?

Michèle Sabban: Mon souhait, alors que l'ARE s'apprête à fêter son 25^e anniversaire, est que l'association, tout en consolidant son statut de principal représentant des Régions au sein de la grande Europe – celle du Conseil de l'Europe – s'implique de façon croissante sur les dossiers liés à la transformation de la gouvernance mondiale. On le voit sur le climat, sur l'économie, nombre de questions débattues aujourd'hui ne trouveront de solutions que locales. Je pense que les prochaines années vérifieront cette thèse.

The Former Yugoslav Republic of MACEDONIA



1. Overview

The former Yugoslav Republic of Macedonia (hereafter Republic of Macedonia) is an independent country located on the Balkan Peninsula in South-eastern Europe. It is one of the successor states of Yugoslavia which peacefully succeeded the former federal state in 1991. The capital of the Republic of Macedonia is Skopje with some 600.000 inhabitants.

The Republic of Macedonia became a member of the United Nations in 1993 but as a result of a dispute with Greece over its name, it became a member under the reference name 'The Former Yugoslav Republic of Macedonia'. The Republic of Macedonia is also member of the Council of Europe and has status of candidate country (since December 2005) to join the European Union and applied for NATO membership.



Due to internal ethnic tensions (Albanians account some quarter of the population) violent activities disrupted its peaceful path in 2001. Acknowledgment of ethnic-Albanian rights was formalized in amendments to the Constitution approved in late 2001 with the so-called "Ohrid framework agreement". In January 2002, the Parliament adopted the Law on local self-government, which defines the competences of the units of the local self-government. In December 2004, the Parliament approved legislation (Law on territorial division of the country) redrawing local boundaries and giving ethnic Albanians a greater local autonomy in areas where they are in a majority.

Republic of Macedonia is a unitary state in which the decentralization process is still under implementation. The political system in the Republic of Macedonia is a parliamentary democracy based on the principle of division of powers among legislative, executive and judicial pillars. One of the fundamental values based in the Constitution is the local self – government right.

2. The region: definition and context

With the adoption of the Law on Balanced Regional Development (BRD) in May 2007, the legal framework for regional policy of the Republic of Macedonia has been regulated. In that respect, eight (8) planning regions have been established for planning and development purposes (Article 5 of the Law on BRD). They are based on NUTS III territorial units, determined by the Act of the Government of the Republic of Macedonia.

The highest body for regional policy is the Council for Regional Development of the Republic of Macedonia (or National Council for Regional development – NCRD), chaired by the Deputy Prime Minister responsible for Economic Affairs. It is constituted of representatives of responsible ministries one side and regional representatives (Presidents of Regional councils) and the President of the Association of the units of the local self-government (ZELS) on the other side. NCRD has a coordination role to align the policy for BRD with the sector policies of the responsible line ministries and the macroeconomic policy of the government of the Republic of Macedonia. On the national level, according the Law on BRD, the Ministry of Local Self-Government (MLS) is the key operating actor in the field of regional development policy of the Government.

3. Institutional Organization

On the regional level, Councils for Development of the Planning Regions (regional councils) have been established. Mayors of all municipalities within the region (who are directly elected on local level) are members of the regional council. The President of the council is elected by the Mayors and has a mandate of two years. Regional councils are responsible for implementation of the programs for development of their regions (widely known as Regional Development Plans).

In order to foster implementation of the Law on BRD, the MLS has prepared the necessary secondary legislation. Namely, all by-laws which had to be adopted by the NCRD were approved. Two additional by-laws are prepared but still have to be approved by the Minister of the MLS. It is expected that this concept, and in particular the implementation of the provision for annual allocation of resources for reducing disparities among planning regions, for developing the areas with specific development needs and for development of villages, will contribute to the economic, social and political cohesion of the country.

4. Competences

The regional council is responsible to the adoption of the Program for the Development of the Planning Region in force for a five-year period. In order to ensure the program's implementation an Annual Action Plan and an Annual List of project proposals, financed from the national budget, have to be adopted each year. In addition the regional council is in charge of organizing and coordinating monitoring and evaluation activities on the state of play of the implementation of the regional development planning documents.

The administrative and expert tasks of the regional council are performed by so-called Centers for Development of the Planning Regions (known as Regional Development Centers). The seat of the Regional Development Centre (RDC) is located in the municipality with the largest number of inhabitants. The RDC prepares the draft proposals for the program and the annual action plans as well as the project proposals, it coordinates activities related to the implementation of the program and prepares an annual report.

5. Financing

Regional development is financed through the national budget of the Republic of Macedonia, the budgets of local self-government units, EU funds and other international sources, donations and sponsorships of legal and natural entities and other funds. In accordance with the provisions of the law, funds equivalent to 1% of GDP will be allocated from the Budget of

the Republic of Macedonia every year to promote BRD of the country and they are allocated in a following manner:

- 70% for financing projects for development of the planning regions,
- 20% for financing projects for development of areas with specific development needs and
- 10% for financing projects for development of villages.

Financing of the Regional Development Centers is in the competence of the municipalities within the planning region and the contribution is estimated on per capita basis. The government of the Republic of Macedonia participates with 50% in financing of the current expenditures of the Centers in the first 5 years after their establishment.

6. The State and the regions

Regions are independent in their planning and in implementation structures while the state provides the legal, strategic and financial framework for these purposes. In addition, the national level will influence regional development through negotiations with the EU in terms of financing and implementing major regional projects, which will help regions to foster development. The national level is also organizing evaluation and monitoring processes of the regional development programs, which will help the country to focus and concentrate financial sources in achieving the objectives.

7. The regions and local authorities

The current local self-government structure is organized into 84 municipalities plus the city of Skopje. The capital city, Skopje, is a special unit of local self-government consisting of 10 municipalities. The mayors and municipal councils are directly elected on local elections for four years.

The Regional Council in addition to the above mentioned tasks ensures the coordination of the activities of the units of local self-government, civil society associations, state agencies and institutions within the region which work in the field of regional development; it initiates reviews of issues related to regional development which require coordination between the units of local self-government and partners from the private and civil sector and promotes cross-border cooperation with regions from other countries based on mutual interests.

The Regional Centers also provide information to all interested parties in the region regarding the course of the implementation of the Program for Development of the Planning Region and other issues related to regional development; provide professional and technical assistance to the units of local self-government (municipalities) with regards to the preparation of their development programs; provide professional services to civil society associations and other interested parties for the preparation of projects related to regional development; encourage inter-municipal cooperation related to planning development; carry out regional development projects funded by EU funds and from other international sources and promote the development opportunities of the planning region.

In addition, ZELS has established a new Committee for regional development (committee). This committee facilitates the transfer of experiences between all eight planning regions and serves to articulate the interests regarding regional development in front of the national level.

8. The regions and international relations

The regions are not legal entities in the international relations. The regional structures cooperate with local and regional authorities from other countries, and with their associations, in the area of their responsibility. For the purpose of certain programs, Councils and Centers have linkages with other authorities and project applicants in Europe (e.g. in EU CBC and other programs).

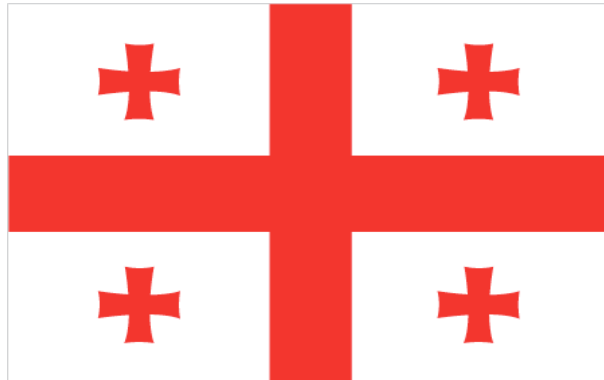
9. Conclusions

The Law on BRD and the secondary legislation themselves are not enough for a successful and functioning regional policy and therefore the implementation has to be fostered as much as possible. The process will need to involve more stakeholders in regional development in order to achieve faster improvement. Current challenges are:

- Better cooperation between national and local level: decentralization and institution building process is well advanced on local and regional level, but the central level has to respond to those developments more quickly;
- Institution and capacity building on national level: The MLS has to further improve its organizational structure and train human resources, to establish efficient management structure for the coordination and, partly, implementation of regional development policy (including implementation of related IPA components).
- Institution and capacity building on regional level: Regional councils and Centers for Regional Development are rather new institutions. Support to their organizational development is needed and further capacity building measures targeting staff members. In addition the staff of the Centers should be able to mobilize the existing potential in the region through networking, coordination and active engagement in creation of partnerships and adequately promote the region and its products.
- Committee for RD in ZELS is still new and it needs further external support to identify and facilitate necessary activities especially lobbying in the field of RD.
- The close link between the national regional development policy and the EU policy and regions is essential. A potential adoption of principles of the EU regional policies will strengthen national institutional set-up and contribute to more efficiency already during the pre-accession period.
- The Law on BRD (Article 11) presents the Strategy for Regional Development of the RM and defines the institutions and implementing mechanisms of the regional policy. However, this can happen only in close cooperation with EU integration processes, in particular, with future negotiations on Chapter 22 - Regional Policy and Structural Adjustments.

The need for effective and efficient implementation of the Law on BRD and the National Strategy for BRD 2009 – 2019 (adopted in September, 2009) is a new challenge for both, the central administration and local governments and at the same time an opportunity to speed up the local and regional development through inter-municipal and regional cooperation.

GEORGIA



1. Overview

Georgia became an independent state on the collapse of the USSR in 1991. However, the country quickly became embroiled in a bitter civil war, which lasted almost until 1995. In 1990s, two regions of Georgia, Abkhazia and South Ossetia, became embroiled in disputes with local separatists that led to widespread inter-ethnic violence and wars. Supported by Russia, Abkhazia and South Ossetia achieved and maintained *de facto* independence from Georgia.



After the Russian-Georgian war in August 2008, Russia recognized the independence of the breakaway republics and established the military presence in these regions. These territories currently have the status of being occupied by the Russian Federation. Their status is defined in the Georgian Law about the Occupied Territories.

2. The region: definition and context

Georgia is divided into 9 regions, 2 autonomous republics (*avtonomiuri respublika*), and 1 city (*k'alak'i*). The regions are further subdivided into 69 districts (*municipaliteti*). The 9 regions are: Guria, Imereti, Kakheti, Kvemo Kartli, Mtskheta-Mtianeti, Racha-Lechkhumi and Kvemo Svaneti, Samegrelo and Zemo Svaneti, Samtskhe-Javakheti, Shida Kartli. These regions are bodies of the central government and have no self-government status. They were established by Presidential decrees from 1994-1996, on a provisional basis.

The two Autonomous republics are Abkhazia and Ajara. The autonomous republics were established during the soviet regime. For the moment, Abkhazia is a breakaway region, a self-proclaimed republic which has limited international recognition.

The Georgian Constitutional law, prepared in 2004, sets out the legal framework for Adjara; this is the first time that the status of an autonomous Georgian region has been defined by law.

In general, the Georgian constitution does not provide comprehensive rules on territorial structure. Article 2.3 provides that the territorial state structure of Georgia shall be determined after the complete restoration of the jurisdiction of Georgia over the whole territory of the country (i.e. including Tskhinvali region and Abkhazia). The regional and local government systems are therefore governed by organic laws for the time being.

3. Institutional Organization

De jure, Abkhazia is headed by the Chairman of the Supreme Council (who is in exile) while de facto it is headed by the President. A new constitution was adopted on 4 November 1994 which declared Abkhaz sovereignty.

The local legislative body, the Supreme Council (parliament) of Adjara consists of maximum 21 members and is elected for 4 years. The Head of the region's government – the Government of Adjara Autonomous Republic is nominated by the President of Georgia, who also has powers to dissolve the assembly and government and to overrule local authorities on issues where the constitution of Georgia is contravened.

South Ossetia has a de facto separatist government, headed by the President. The breakaway republic claims the northern part of the Shida Karti region as its territory, with small parts of neighboring regions.

The 9 regions each have a regional administration headed by a State Commissioner - informally *Governor* – who is an official appointed by the President of Georgia. There are no representative bodies on the regional level, and the administration of the regions is the responsibility of the representatives of the President.

4. Competences

According to the Georgian constitution, Adjara has both own and delegated powers. Georgian Constitutional Law on the Status of Adjara Autonomy defines the spheres of governance delegated to the government of Adjara, including budget, economy and finances, tourism, education, culture, sport, urban development, health-care, agriculture, forestry, local taxes and dues, state property management.

5. Financing

Adjara can introduce and adopt local taxes in accordance with the laws of Georgia, but the Constitution does not specify which taxes these are.

The new tax code, which took effect at the beginning of 2005, restricts the financial independence of the regions. The monopoly of central government over the distribution of public finances restricts the full financial autonomy of the regions.

6. The State and the regions

According to the article 12 of the Georgian constitutional law about the status of Adjara Autonomous Republic, the President of Georgia can suspend or dismiss the supreme council of Adjara in a number of cases, namely in case if the supreme council with its deeds threatens the sovereignty and/or territorial integrity of the state, or fails to elect the Chairman of Government of Adjara A.R. in 2 consecutive occasions.

7. The regions and local authorities

A law on local self-government, passed in 2005 envisages an administrative-territorial division into regional municipalities throughout the country. According to the law, the territory of Georgia is divided into 65 regional municipalities and 7 self-governing cities – the capital

Tbilisi, Batumi (Adjara Autonomous Republic), Rustavi, Poti, Kutaisi, capital of South Ossetia Tskhinvali and capital of Abkhazia Sokhumi. Other towns are united in the regional municipalities. The Sakrebulo (Council) is a local self-governance body in regional municipalities and in seven cities which will be elected through a proportional, party-list system for a 4-year term. The local self-governance bodies are also in charge of social-economic development, property management, environmental protection, construction, transport and road infrastructure, accommodation, education, culture and sport, health care, rule of law and law enforcement.

8. The regions and international relations

No information.

9. Conclusions

As the state does not control the whole country, the authorities are allowing themselves to delay addressing the issues of territorial reform indefinitely, claiming that they need to wait until South Ossetia and Abkhazia are back under Georgian control.

The regions do not and cannot act as genuinely autonomous bodies. The officials appointed by the central government are accountable to the centre rather than to the regions.

GERMANY*



"In order to ensure that European citizens are increasingly able to participate in European Union policies, regions have to play (...) a key role in future European politics."

Jörg-Uwe Hahn
Minister for European affairs and
Vice-Minister-President of Hessen

1. Overview

Germany is a federal state, composed of 16 regions ("Länder"). Many of these Länder are former independent states or unions of states. As a result of this origin, in the constitution of the federal state ("Grundgesetz") all power is contributed to the Länder unless otherwise mentioned.

Since its reunification, Germany has undergone a lengthy process of constitutional reform. No fewer than three constitutional commissions on reform of the federal system have been instituted since 1990⁵. These have yielded numerous amendments to Germany's constitution.



2. The region: definition and context

There are 16 Länder. 11 of them are founding members of the Federal Republic of Germany in 1949. 5 of them were formed out of the former German Democratic Republic and added to the Federal Republic of Germany in 1990. All Länder have full developed, autonomous legislative, executive and juridical bodies. Each Land has its own constitution and is named in the Grundgesetz. The competences of the federal state and the Länder are defined in the Grundgesetz or in deduced acts.

⁵ 1993/1994 constitutional reform; 2005 Commission on Modernization of the Federal System (so-called stage 1 of the federalism reform); 2008 Commission on the Modernization of Federation-Länder Financial Relations (stage 2 of the federalism reform)

3. Institutional Organization

All Länder have a directly elected assembly. The assembly elects the Minister President. The relationship between the region and the federal state is defined through the above-mentioned legislative acts. In addition, all Länder participate in the formation of federal legislation in the Bundesrat.

4. Legislative Competences

All exclusive competences of the federal state are fixed in the Grundgesetz, as are the concurrent competences. Everything else is automatically in the competence of the Länder. Examples for Federal state competences are: Foreign Policy, Defence, Citizenship, Monetary-, Customs- and Trade-Policy (if not EU), Air transportation, Federal Statistics. Examples for concurrent competences are: Public welfare, Traffic, Navigation, Criminal and Civil law.

Aim of the constitutional reforms of the last years was to make the distribution of competences more efficient and transparent.

5. Financing

The Länder participate in the revenues of sales and income tax. This is fixed by federal law, which has to be approved by the Bundesrat. The Länder have fully financial autonomy concerning their expenses, naturally restricted through their own legislative obligations. There is both a horizontal and a vertical financial equalization system. The first manages the allocation between the federal state and the Länder as a whole, the second is an interregional mechanism between the Länder.

6. The State and the regions

Agreements with other Länder are possible.

7. The regions and local authorities

There are many links between the regional and local level. For example, the Länder give a part of their administrative tasks to local authorities. There are also associations of local authorities, which act on the regional level.

8. The regions and international relations

In general, foreign policy is an exclusive competence of the federal state. The participation of the regions in international agreements/treaties concerning their competences is regulated by law. There is for example a clear procedure for participation and co-determination of the Länder at EU-level.

9. Conclusions

Germany's 16 Länder are very different in terms of size and structure. A distinction can be made between financially strong and structurally weak Länder. The aim of the system of federalism enshrined in the German constitution is to counterbalance this existing asymmetry among the Länder.

In the coming years German federalism is readying itself for the year 2020. Renegotiation of the fiscal equalization regime of the Länder will be on the agenda as well as the implementation and validation of the federalism reform.

Interview with Peter STRAUB

President of the State Parliament of
Baden-Württemberg and Vice-President of AER

1) AER: To what extent has the role of the regions in Europe changed during your stay in office?

Peter Straub: Throughout the last few years, regions have become a respected and important partner on the European level. Regions' opinion, in particular on regional and local aspects of EU policy, are asked for and carefully noted. This is true for the Committee of the Regions (CoR), which, thanks to the new Lisbon Treaty, can challenge new EU laws it considers to be in breach of the subsidiarity principle at the European Court of Justice, as well as for the Assembly of European Regions (AER) with its important actors from the EU and beyond. It should not be forgotten that this is not only an achievement of additional new rights, but also a standard by which regions will be measured. In my opinion, its success will very much depend on how regions use these new possibilities: For example, one must consider how they will contribute to the interregional process on an EU level and which position they take related to the questions of subsidiarity and territorial cohesion.



2) AER: Does German federalism serve as a brake or as a supporting instrument for Germany in the EU?

Peter Straub: Germany owes its prosperity to a large extent to federalism. After World War II, it was this principle, which ignited a competition among the Länders to the benefit of our citizens and which brought Germany forward as a whole. Our Bundesländer are aware of their direct responsibility as well as of their commitment to solidarity amongst each other. This approach I still consider best – for Germany, but also for the European Union in general. Now it is imperative to quickly reduce different interests to a common denominator in order to be capable of acting on a European level more rapidly. Because the times are gone in which member states were largely alone in defining their policies and economies, this is what we experience every day, not just in the actual crisis of the Eurozone.

3) AER: Is the concept of “A Europe of Regions” still, or even increasingly, relevant today?

Peter Straub: “A Europe of Regions” for me is clearly a concept, which has to be granted priority in the future. One cannot forget that the slogan of the European Union is “Unity in diversity.” Where is this more visible than in the regions themselves? The clear commitment to a Europe of Regions does not mean, though, that we should be critical of new territorial groupings such as the macro-regions, Euroregions or metropolitan regions. The opposite is true: In my opinion we can see in these developments an advancement of regional thought and not a constriction of it.

Take for example the new Danube strategy, which is currently being developed by the European Commission by request of the European Council. Its aim is to promote the whole macro-region by developing an integrated strategy, while still respecting local and regional realities. The success of this macro-strategy will essentially depend on the existence of a regional consciousness, which will develop into a consciousness for the whole macro-region. However, foundations of this concept are and will be the regions, without which Europe would not be what it is today.

4) AER: In what role do you see the AER in the next 25 years?

Peter Straub: The AER will have to face great challenges in the coming years. This is true for questions of the European Union in which the AER has to continuously defend the position of the regions. But this is also true for the further development of the European Neighborhood policy with candidate and third-world countries, for which we bear special responsibility.

Original Language: GERMAN

1) VRE: Inwieweit hat sich die Rolle der Regionen in Europa im Verlauf Ihrer Amtszeit verändert?

Peter Straub: Die Regionen haben sich in den letzten Jahren kontinuierlich zu einem anerkannten und wichtigen Partner auf europäischer Ebene entwickelt. Ihre Meinung ist vor allem in Bezug auf regionale und lokale Aspekte der EU-Politik gefragt und wird von den Institutionen aufmerksam zur Kenntnis genommen. Das gilt gleichermaßen für den Ausschuss der Regionen (AdR), der durch den Vertrag von Lissabon mit einem eigenen Klagerecht bei Subsidiaritätsverletzungen gestärkt wurde, wie für die Versammlung der Regionen Europas (VRE) mit ihren gewichtigen Akteuren aus der EU und darüber hinaus. Dass es sich hier nicht nur um eine Errungenschaft mit zusätzlichen neuen Rechten handelt, sondern gleichzeitig um eine Pflicht, an der sich die Regionen messen lassen müssen, darf dabei nicht vergessen werden. Es wird meiner Meinung nach entscheidend darauf ankommen, was die Regionen aus diesen neuen Möglichkeiten machen, beispielsweise wie sie sich in Zukunft im interregionalen Prozess auf EU-Ebene einbringen oder welche Position sie bei Fragen der Subsidiarität und des territorialen Zusammenhangs ergreifen.

2) VRE: Ist der deutsche Föderalismus für Deutschland in der EU Bremse oder ein Hilfsinstrument?

Peter Straub: Wir verdanken dem Föderalismus in Deutschland einen großen Teil unseres Erfolgs und Wohlstands. Nach dem zweiten Weltkrieg war es dieser Gedanke, der einen Wettbewerb zum Wohle der Bürgerinnen und Bürger in Gang gesetzt hat und die Bundesrepublik als Ganze voranbrachte. Unsere Bundesländer sind sich ihrer Eigenverantwortung ebenso bewusst wie ihrer Verpflichtung zur Solidarität untereinander. Diesen Ansatz halte ich nach wie vor für richtig – für Deutschland, aber auch für die Europäische Union insgesamt. Jetzt gilt es, noch schneller die Einzelinteressen auf einen gemeinsamen Nenner zu bringen, um auf europäischer Ebene rascher handlungsfähig zu sein. Denn die Zeiten, in denen die Mitgliedstaaten weitgehend alleine ihre Politik und Wirtschaft bestimmen konnten, sind vorbei – das erleben wir tagtäglich, nicht zuletzt in der aktuellen Krisensituation des Euroraums.

3) VRE: Hat das Konzept „Europa der Regionen“ heute noch oder erst recht eine politische Relevanz?

Peter Straub: Ein „Europa der Regionen“ ist für mich ganz klar ein Konzept, dem auch in Zukunft eine Priorität zukommen muss. Es sind gerade die Regionen, die Europa ausmachen. Nicht umsonst lautet das Motto der Europäischen Union „Einheit in Vielfalt“. Wo zeigt sich das besser, als in den Regionen selber? Das klare Bekenntnis zu einem Europa der Regionen heißt aber nicht, dass wir den Diskussionen um neue territoriale Zusammenschlüsse wie den Makroregionen, Euroregionen oder Metropolregionen kritisch gegenüber stehen sollten. Im Gegenteil: Meiner Meinung nach handelt es sich dabei um eine Weiterentwicklung des regionalen Gedankens und gerade nicht um dessen Einschränkung. Nehmen wir zum Beispiel die EU-Strategie für den Donauraum, die derzeit von der Europäischen Kommission auf Anforderung des Europäischen Rates erarbeitet wird. Ziel ist es, die ganze Makroregion voranzubringen, indem eine tragfähige Strategie erarbeitet wird, die den lokalen und regionalen Gegebenheiten gerecht wird. Das Gelingen dieser Makrostrategie wird entscheidend davon abhängen, dass sowohl ein regionales Bewusstsein

vorhanden ist als auch dass sich ein darüber hinaus gehendes für die gesamte Makroregion entwickelt. Grundlage des ganzen Konzepts sind und bleiben aber die Regionen, ohne die auch Europa nicht das wäre, was es heute ist.

4) VRE: Wie sehen Sie die Rolle der VRE in den nächsten 25 Jahren?

Peter Straub: Die VRE wird in den nächsten Jahren großen Herausforderungen gegenüber stehen. Das gilt für Fragestellungen der Europäischen Union, bei denen die VRE klar für die Regionen Position beziehen und diese konsequent vertreten muss. Das gilt aber auch und vor allem für die Weiterentwicklung der gemeinsamen Nachbarschaftspolitik der EU mit den Kandidatenländern und Drittstaaten, bei der wir eine besondere Verantwortung tragen.

Interview with Jörg-Uwe HAHN

Minister of justice, for integration and European affairs
and Vice-Minister-President of the Regional Government of Hessen

1) AER: Does German federalism serve as a brake or as a supporting instrument for Germany in the EU?

Jörg-Uwe Hahn: Federalism in Germany is the result of a historic process, which can be traced back to the federal heritage of earlier German states. This federalism integrates economic, social and cultural diversity into one unified whole. The division of Germany into federal states (Länder) and the participation of the Länder in the legislative process are the key characteristics of the German constitution ("Grundgesetz") that contributed to a great extent to the stability of democracy in Germany. As Vice-Minister-President of Hessen and as the Minister of European affairs, I am a committed federalist.



In order to ensure that German Federalism will not erode due to the fact that the federal level (Bund) is able to delegate competences of the Länders from the national to the European level, different forms of cooperation between the Bund and Länders have been established on European matters. In the case of the transference of competences, the federal government gives compensation to the Länder for the loss in form of participation in its policy towards the EC. The Länders participate through the Bundesrat in the legislation and administration of the Federation. The system of information and participatory rights allows the Länders to participate in European policy making via the Bundesrat, functioning effectively as the second chamber of the German Parliament. Thus the Federal government can preserve its scope of action, and the "Europe-ability" of German Federalism can be secured.

2) AER: Is the concept of "A Europe of Regions" still, or even increasingly, relevant today?

Jörg-Uwe Hahn: The government of the state of Hessen is very much in favor of the concept of a "Europe of Regions". This concept describes an approach that is still relevant today because it rejects centralization in Brussels on a European level and prevents European citizens from being alienated from the political decision making process. Instead, the "Europe of Regions" highlights regional uniqueness. This idea is in line with the self-image of the German Länders. The federal state government of Hessen and the German federal states have therefore always advocated a stronger role for the regional level, emphasizing decentralization, closeness to the citizens and the principle of subsidiarity. The government of Hessen continues to do so.

Through the Lisbon Treaty (Art. 4, Par. 2, TEU) regional and local self-governments are recognized as part of the respected national identity of the Member States. In addition to upgrading the status of the Committee of the Regions (CoR), the new treaty also gives the principle of subsidiarity special importance, for subsidiarity not only monitors the Member states, but also gives regions the ability to control European law-making. The government of Hessen has been working intensively in the framework of the intra-German negotiations on the accompanying laws in the last year and is intensively collaborating on the administrative procedures of subsidiarity monitoring in Germany. In order to ensure that European citizens are increasingly able to participate in European Union policies, regions have to play – in my eyes – a key role in future European politics.

3) AER: Can cooperation between regions create synergies and promote cohesion and growth in the European Union/ What does Hessen gain from interregional cooperation and from the collaboration of interregional associations such as the AER?

Jörg-Uwe Hahn: European unification grows through person-to-person contacts in Europe. Therefore, the federal state of Hessen maintains close economic, cultural and social ties with various European regions, such as with Emilia-Romagna, Aquitaine and Wielkopolska. In order to consolidate the international dimension of the regional concept, Hessen is intensively engaged in the Committee of Regions, the AER, REGLEG and relevant, interregional ad-hoc working groups.

This intensified cooperation on a regional level increases – from my point of view – the efficiency and transparency of decision-making and promotes the acceptance of European politics. Since the participatory rights of the regional level in the European decision making process are limited, it is even more important for the federal state of Hessen to find regional partners in other Member States in order to formulate common interests. Regional partnerships, the CoR and regional networks such as the AER provide an important platform to do so.

Original Language: GERMAN

1) VRE: Ist der deutsche Föderalismus für Deutschland als Mitgliedstaat in der EU eher Hindernis oder Stärke?

Jörg-Uwe Hahn: Föderalismus in Deutschland ist das Ergebnis eines historischen Prozesses, der auf das föderale Erbe früherer deutscher Staaten zurückgeht. Er verbindet wirtschaftliche, gesellschaftliche und kulturelle Vielfalt bei gleichzeitiger Einheit miteinander. Die Gliederung des Bundes in Länder und die Mitwirkung der Länder bei der Gesetzgebung zählen zu den Wesenszügen des Grundgesetzes, die maßgeblich zur Stabilität der Demokratie in Deutschland beigetragen haben. Als stellvertretender Hessischer Ministerpräsident, aber auch als Europaminister meines Landes bin ich überzeugter Föderalist.

Weil der Bund Zuständigkeitsbereiche auch der Länder von der nationalen auf die europäische Ebene übertragen kann, hat es seit Beginn des europäischen Integrationsprozesses verschiedene Formen der europapolitischen Zusammenarbeit von Bund und Ländern gegeben, um eine Aushöhlung des deutschen Föderalismus zu verhindern. Der Bund kompensiert bei der Übertragung von Länderkompetenzen im Gegenzug den Zuständigkeitsverlust der Länder durch eine Mitwirkung an seiner Europapolitik. Das System von Informations- und Mitwirkungsrechten ermöglicht den Ländern eine Beteiligung an der Europapolitik über den Bundesrat als gewissermaßen zweite Kammer des deutschen Parlaments. Dadurch wird der Handlungsspielraum der Bundesregierung gewahrt und gleichzeitig die Europafähigkeit des deutschen Föderalismus gesichert.

2) VRE: Hat das politische Konzept Europa der Regionen heute noch/oder heute erst recht eine politische Relevanz und wie könnte die Zukunft eines solchen Europas aussehen?

Jörg-Uwe Hahn: Die Hessische Landesregierung befürwortet das Konzept „Europa der Regionen“ nachdrücklich. Dieses Europa der Regionen umschreibt in einer bis heute fortbestehenden Aktualität ein Leitbild, das eine Zentralisierung auf der europäischen Ebene in Brüssel ablehnt und eine damit einhergehende Entfremdung der politischen Entscheidungsstrukturen für die Unionsbürger vermeiden will. Stattdessen muss ein „Europa der Regionen“ die regionale Eigenständigkeit hervorheben. Dies entspricht dem Selbstverständnis der deutschen Länder. Die Hessische Landesregierung und die deutschen Länder haben sich daher unter Betonung von Dezentralisierung, Bürgernähe und

Subsidiarität stets dafür eingesetzt, dieser Ebene ein stärkeres Gewicht beizumessen. Die Hessische Landesregierung wird auf diesem Weg fortfahren.

In Art. 4 Abs. 2 EUV wird die regionale und kommunale Selbstverwaltung im Vertrag von Lissabon nunmehr als Bestandteil der zu achtenden nationalen Identität der Mitgliedstaaten herausgestellt. Neben der Aufwertung des Ausschusses der Regionen ist die Stärkung des Subsidiaritätsprinzips im Vertragswerk von besonderer Bedeutung, da mit den neuen Instrumenten zur Subsidiaritätskontrolle nicht nur die Mitgliedstaaten, sondern auch die Regionen die Möglichkeit haben, die Kompetenzausübung am Maßstab des Subsidiaritätsprinzips zu überwachen. Die Hessische Landesregierung hat sich im letzten Jahr intensiv in die innerdeutschen Verhandlungen zu den Begleitgesetzen eingebracht und arbeitet intensiv an den Verfahren zur Subsidiaritätskontrolle in Deutschland mit.

Um die Wahrnehmung von europäischen Angelegenheiten durch die Unionsbürger weiter zu verbessern, müssen die Regionen aus meiner Sicht auch in der zukünftigen EU-Politik eine Schlüsselrolle spielen.

3) VRE: Können durch Kooperationen zwischen Regionen Synergieeffekte erzielt und Kohäsion und Wachstum im Gemeinschaftsraum gefördert werden und damit im Zusammenhang: Welche Vorteile sieht Hessen in regionaler Zusammenarbeit und Mitarbeit in Regionenvereinigungen wie der VRE für sich selbst?

Jörg-Uwe Hahn: Die europäische Einigung lebt vom Zusammenkommen und Zusammenleben der Menschen in Europa. Deshalb unterhält das Land Hessen zur Pflege wirtschaftlicher, kultureller und sozialer Kontakte partnerschaftliche Beziehungen zu verschiedenen europäischen Regionen, so innerhalb der Europäischen Union mit der Emilia-Romagna, der Aquitaine und Wielkopolska. Zur Stärkung der internationalen Dimension des Regionalkonzepts engagiert sich Hessen intensiv im Ausschuss der Regionen, in der VRE, in der REGLEG und interregionalen ad-hoc-Interessengruppen zu bestimmten für uns relevanten Themen.

Diese verstärkte Zusammenarbeit auf der regionalen Ebene erhöht aus meiner Sicht sowohl die Effizienz als auch die Transparenz von Entscheidungen und fördert so die Akzeptanz der Europapolitik. Da die Mitwirkungsmöglichkeiten der regionalen Ebene im Prozess der europäischen Rechtsetzung eingeschränkt sind, ist es für das Land Hessen umso wichtiger, auf regionaler Ebene in anderen Mitgliedstaaten Partner zu haben, um gemeinsame Interessen zu formulieren. Hierzu leisten die Regionalpartnerschaften, der AdR und die Regionalvereinigungen wie die VRE einen wichtigen Beitrag.

GREECE*



"I hope that (AER) expands constantly representing the diversity of the EU and that it further strengthens its influence when shaping EU policies, making therefore an effective step in expressing the voice of its members."

Giorgos Stravarakis
MEP, Vice-President of the
Committee on Regional Development
in the European Parliament

1. Overview

Greece achieved independence from the Ottoman Empire in 1829. During the second half of the 19th century and the first half of the 20th century, it gradually added neighboring islands and territories, most with Greek-speaking populations. In World War II, Greece was invaded by Italy and then occupied by Germany; fighting endured in a protracted civil war between supporters of the king and Communist rebels. Following the latter's defeat in 1949, Greece joined NATO in 1952. A military dictatorship, which in 1967 suspended many political liberties and forced the king to flee the country, lasted seven years. The 1974 democratic elections and a referendum created a parliamentary republic and abolished the monarchy.

Greece is today a parliamentary representative democratic republic. The Prime Minister is the head of government and of a multi-party system. Executive power is exercised by the government. Legislative power is vested in both the government and the Hellenic Parliament. The Judiciary is independent of the executive and the legislature.



2. The region: definition and context

There are two levels of sub-national government in Greece: the region (Perifereia) and the prefecture (Nomarxia). Greece has 13 regions (nine on the mainland and four island groups) and 51 prefectures. Regions were created in 1985, following the accession of Greece to the European Union. They correspond to NUTS 3 regions and were created in response to European regional development policy. Prefectures already existed at the time, although their organization and competencies were different.

The Greek Constitution states that the administration of local affairs is carried out by local government bodies, which are the nomarchia.

The first attempt to upgrade the role of the regions was made in 1994 and it was associated with the establishment of the prefectural authorities. After the establishment of the prefectural authorities, the departments of the state prefecture which were not abolished, were transferred to the regions, so as to be integrated into a single agency along with the administrative authorities of the region. In practice though, all the anticipated arrangements regarding the strengthening of the powers of the regions were not implemented. The second attempt to strengthen the regions as a single administrative structure was marked in 1997, when the regions became an administrative unit of the State having competencies for the delivering, planning and coordination of regional development in the framework of the national planning, while the central government had no longer any task role. A special law provided for the possibility of the decentralization of powers from the central actors to the regions, but this required each time a special act of the competent Minister. This authorization to the competent minister led to the marking of the majority of the most important competencies as "tasks" by the ministers, thus they were not transferred to the regions, but they were performed by the central government.

The 51 nomoi subdivide into 147 eparchies (singular eparchia), which contain 1,033 municipalities and communities : 900 urban municipalities (demoi) and 133 rural communities (koinotetes). Before 1999, Greece's local government structure featured 5,775 local authorities: 457 demoi and 5,318 koinotetes, subdivided into 12,817 localities (oikismoi).

Furthermore there is one autonomous region: Mount Athos, a monastic state under Greek sovereignty.

3. Institutional Organization

In the majority of cases regions are territorially superior to prefectures: they each cover the territory of between 1-7 prefectures.

The regions (Perifereia) are an emanation of the central government. They are responsible for issues of general interest within their territories. The Perifereia represent central government within their territories. The Regional Council (Perifereiako Simvoulío) consists of heads of prefectures within the region's territory, representatives of the union of municipalities and local authorities of their territory, representatives of chambers of commerce and professional organizations. The Secretary General (Perifereiarchis) is the direct representative of the Government and responsible for carrying out government policy in the region. The Secretary General of the Region (SGR) is appointed, dismissed and transferred according to a respective act of the Ministerial Cabinet, after the recommendation of the Minister of Interior, Public Administration and Decentralization. His status is the one of a revocable official. This way of appointment of the SGR has received strong criticism because in practice it leads to the selection of parties' officials and to their replacement every time the government changes. The SGR is the head of all the political, police and port services at regional level and exercises the powers which have been entrusted or delegated to regional authorities. The SGR constitutes the only regional body of the state and the executive officer of the regions' budget. The Perifereia have no powers of political self-government; they are administrative decentralized units of the central government. They have several departments (Department of Health and Welfare, Public Works, Environment and Spatial Planning, Rural Development, etc.). The most important among these is the Planning and Development Department which is responsible for providing regional policy with expertise at regional level as well as for the implementation of democratic planning procedures concerning annual and long-term regional development programs.

Prefectures are the second level of local self-government in Greece, the first level are the municipalities and local authorities. The nomarchia are responsible for issues of local interest within their territories. Since 1994 (Law 2218/94), the nomarchia have had directly elected regional assemblies. The Prefectural Council (Nomarchiako Simvoulío) is directly elected by

the citizens for a term of 4 years. The Prefect (Nomarxis) is the leader of the winning electoral list and has a mandate of 4 years.

4. Competences

The Perifereia are administrative units that regroup the old regional branches of the national Ministries. Their role is to implement central government's policy within their territories. They are responsible for the formulation, planning, management and implementation of policies for the economic, social and cultural development of their geographic area. They are also responsible for the formulation and management of the Regional Operation Program, in cooperation with the relevant Ministries.

The Nomarxia have competencies, delegated to them from the national Ministries in all policy areas except for defense, foreign affairs, economy and justice. Their aim is the economic, social and cultural development of their territory.

5. Finances

The funds of the Perifereia are allocated by the central government from the national budget. Perifereia can receive European Community funds and are responsible for their distribution, in cooperation with the relevant national Ministries.

The Nomarxia have limited taxation powers, but taxes are collected by the central state authorities. Funds are allocated by central government from the national budget.

6. The State and the regions

The Perifereia are simply arms of central government. The Nomarxia have greater autonomy.

7. The regions and local authorities

The Nomarxia, as second-level local authorities, exercise responsibilities only to the extent that a particular subject does not fall within the responsibilities of a municipality or a community.

8. The regions and international relations

No data available.

9. Conclusions

Ongoing territorial reform in Greece

There is currently a law proposal going on in Greece concerning the complete reform of the administrative map of the country. This reform, which has been submitted for public consultation, involves all levels of local government and decentralized administration authorities and provides not only for the significant reduction of the number of municipalities in the country in view of their merging, but also establishes the secondary regional administration.

This new level of regional self-government means the creation of 13 directly elected regions (which are today emanations of the national government), comprising a directly elected regional council and a directly elected regional leader. The reform also foresees that:

- Vice-leaders of the region are to be selected by the leader from the regional council members- there will be 2 types: thematic vice-perifereiarxes (in charge of a specific policy) and territorial vice-perifereiarxes (in charge of a specific territory) (although one person can combine 2 roles)
- The Regional Executive board will consist of the leader and vice-leaders.

- The Regional Council, like a regional assembly, will be composed additionally of the regional councilors
- Regional Committees will be put in place, dealing with specific policy areas
- There will be a Regional Governance Council, consisting of the leader (perifereiarchi), the vice-leaders (vice-perifereiarchi), the leaders of the regional political parties, the mayors of the communities located within the borders of the region, civil society representatives, NGOs, social partners (employers and employees) etc. This is a consultative body which will be asked for its opinion before the adoption of the annual regional strategic plan

Concerning their competences, the Regional Administration Authorities will be responsible for:

- the services, functions and resources of the Prefectural Administration authorities which are abolished, except for those which are transferred to municipalities
- gradually those functions currently performed by state regions, apart from those which must remain in the decentralized state apparatus for the sake of unity of state policies across the whole country, such as land and urban planning matters, environmental protection matters, forestry policy issues or immigration policy issues.

The reform will also abolish the prefectures-nomarchia. They will be brought together in the new regions. The territorial vice-perifereiarches will each represent the territories previously represented by the prefects.

In order to satisfy the requirements of the Greek constitution for decentralized national government, the creation of up to a maximum of 7 General Directions is planned. The actual number of these General Directions has not been decided yet, but the plans foresee to apply criteria linked to economic, social and territorial cohesion to define them and divide the territory accordingly. These 7 General Directions will work in parallel to the 13 new regions and they will take on those functions of decentralized government that cannot be transferred to the newly created elected regions (such as migration policy, urban and spatial planning, environmental policy, forest policy) and any other functions the national ministries may decide to decentralize.

Moreover, more changes are anticipated (mandatory posting online of all the administrative decisions and acts of self-administration bodies, screening of the Court of auditors in all regions, transfer of resources-human and financial-, e-government and automatic services to the public, etc.) which aim at dealing with the bureaucracy and poor service of the citizen, the fragmentation of services at various levels of administration and the pathogeneses which create unbearable financial costs and waste. The changes are expected to act as a catalyst in order to enhance the effectiveness of Regional Administration authorities.

To conclude, if the reform goes through, Greece will have the following territorial architecture:

- 13 directly elected regions – the new second level of local self-government
- local authorities and communities – the first level of local self-government, whose number should be reduced from 1034 to 370 according to the reform plans
- 7 General Directions – the new forms of decentralization national government

Interview with Giorgos STRAVRAKAKIS, MEP

Vice-President of the Committee on Regional Development in the European Parliament



2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Giorgos Stravrakakis: The role of the regions in the European integration process has increased considerably in the past years especially after the establishment of the Committee of Regions which contributes in highlighting the problems and interests of the regions and in respecting the principle of subsidiarity in the framework of the EU legislative process.

Today the conditions regarding the further strengthening of the role of the regions in the EU are the most appropriate in the EU's course so far. The safeguarding of the territorial dimension of cohesion which constitutes the official goal of EU action under the Lisbon Treaty as well as the further

strengthening of the principle of subsidiarity under the same Treaty indicate in practice that the presumption of competence in favor of decentralization and local government would apply. According to these, the development of a region, the dealing with as well as the settlement of local needs can only be fostered by bodies and institutions which have a concrete and direct link with the local level, know the problems and experience people's needs, they control and in particular they are more effectively controlled.

3) AER: What is the added value of being a member of AER according to your experience?

Giorgos Stravrakakis: The participation of a region in the AER can provide it with access to timely and accurate information concerning future initiatives of the EU as well as European programs and funding opportunities.

Furthermore, the participation in the AER guarantees the exchange of experiences with other European regions and provides the regions with the necessary support and coordinated action so as their positions and problems can be taken into account when formulating future policies and initiatives of the EU.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Giorgos Stravrakakis: I hope that the AER continues its -up to date- successful course. I also hope that it expands constantly representing the diversity of the EU and that it further strengthens its influence when shaping EU policies, making therefore an effective step in expressing the voice of its members.

Original Language: GREEK

1) AER: Ποιες είναι οι αρμοδιότητες του Γενικού Γραμματέα της Περιφέρειας; Ποιες αλλαγές έχουν γίνει τα τελευταία χρόνια ως προς τη μεταφορά αρμοδιοτήτων από την κεντρική κυβέρνηση προς τις περιφέρειες; Και τι αλλαγές πρέπει να γίνουν ακόμα ώστε να ενισχυθεί η αποτελεσματικότητα της περιφερειακής αυτοδιοίκησης;

Γιώργος Στραυρακάκης: Ο Γενικός Γραμματέας της Περιφέρειας είναι ο άμεσος εκπρόσωπος της Κυβέρνησης και ο υπεύθυνος για την άσκηση της κυβερνητικής πολιτικής στην περιφέρεια. Ο Γενικός Γραμματέας περιφέρειας διορίζεται, παύεται και μετατίθεται με πράξη του Υπουργικού Συμβουλίου, έπειτα από εισήγηση του Υπουργού Εσωτερικών, Δημόσιας Διοίκησης και Αποκέντρωσης και κατέχει θέση μετακλητού υπαλλήλου. Αυτός ο τρόπος ορισμού του ΓΓΠ έχει δεχθεί έντονη κριτική γιατί στην πράξη οδηγεί στην επιλογή Κομματικών στελεχών και την αλλαγή τους κάθε φορά που αλλάζει η κυβέρνηση.

Ο ΓΓΠ είναι προϊστάμενος όλων των πολιτικών, αστυνομικών και λιμενικών υπηρεσιών περιφερειακού επιπέδου και ασκεί τις αρμοδιότητες που έχουν ανατεθεί ή μεταβιβαστεί στις υπηρεσίες της περιφέρειας.

Ο ΓΓΠ αποτελεί το μοναδικό κρατικό περιφερειακό όργανο και είναι ο γενικός διατάκτης του προϋπολογισμού της περιφέρειας.

Οι περιφέρεια έχει διάφορες διευθύνσεις (Δ/ση Υγείας και Πρόνοιας, Δημοσίων Έργων, Περιβάλλοντος και Χωροταξίας, Γεωργικής Ανάπτυξης, κλπ). Η πιο σημαντική μεταξύ αυτών είναι η Δ/ση Σχεδιασμού και Ανάπτυξης η οποία είναι αρμόδια για την εξειδίκευση της περιφερειακής πολιτικής στο επίπεδο της περιφέρειας και την υλοποίηση των διαδικασιών δημοκρατικού προγραμματισμού για τα ετήσια και μακροχρόνια προγράμματα περιφερειακής ανάπτυξης.

Σύμφωνα με το Σύνταγμα της Ελλάδας η τοπική και περιφερειακή διοίκηση οργανώνεται σύμφωνα με το αποκεντρωτικό σύστημα.

Η 1η προσπάθεια αναβάθμισης του ρόλου των περιφερειών έγινε το 1994 και συνδέθηκε με την θεσμοθέτηση της νομαρχιακής αυτοδιοίκησης. Μετά τη θεσμοθέτηση της νομαρχιακής αυτοδιοίκησης οι υπηρεσίες της κρατικής νομαρχίας που δεν καταργήθηκαν μεταφέρθηκαν στην περιφέρεια, ώστε να ενταχθούν σε ενιαίο οργανισμό μαζί με τις διοικητικές υπηρεσίες της περιφέρειας. Στην πράξη όμως δεν εφαρμόστηκαν όλες οι προβλεπόμενες ρυθμίσεις για ενίσχυση των αρμοδιοτήτων των περιφερειών.

Η 2η προσπάθεια ενίσχυσης της περιφέρειας ως ενιαίας διοικητικής δομής έγινε το 1997 όπου η περιφέρεια καθίστατο διοικητική μονάδα του κράτους έχοντας αρμοδιότητες για τον σχεδιασμό, προγραμματισμό και συντονισμό της περιφερειακής ανάπτυξης στο πλαίσιο του εθνικού σχεδιασμού ενώ η κεντρική διοίκηση είχε πλέον επιτελικό ρόλο. Με ειδικό νόμο προβλεπόταν η δυνατότητα αποκέντρωσης αρμοδιοτήτων από τους κεντρικούς φορείς στην περιφέρεια κάτι όμως που απαιτούσε κάθε φορά ειδική πράξη του αρμόδιου Υπουργού. Η εξουσιοδότηση αυτή προς τον αρμόδιο Υπουργό είχε ως αποτέλεσμα ότι οι περισσότερες και σημαντικότερες αρμοδιότητες χαρακτηρίζονταν από τους Υπουργούς ως "επιτελικές" και έτσι δεν μεταφέρονταν στις περιφέρειες αλλά ασκούσαν από την κεντρική διοίκηση.

Μεταρρύθμιση του διοικητικού χάρτη της χώρας και αλλαγές που θα ενισχύσουν την αποτελεσματικότητα της περιφερειακής αυτοδιοίκησης.

Την περίοδο αυτή έχει τεθεί σε δημόσια διαβούλευση νομοσχέδιο της κυβέρνησης για την πλήρη μεταρρύθμιση του διοικητικού χάρτη της χώρας. Η σχετική μεταρρύθμιση αφορά ταυτόχρονα όλα τα επίπεδα της Τοπικής Αυτοδιοίκησης και της Αποκεντρωμένης Διοίκησης, προβλέπει όχι μόνο την σημαντική μείωση του αριθμού των Δήμων της χώρας με τη συγχώνευσή τους και θεμελιώνει την δευτεροβάθμια περιφερειακή αυτοδιοίκηση.

Η σημαντικότερη ίσως αλλαγή που προβλέπεται για τις περιφέρειες είναι ότι θεμελιώνεται πλέον η Περιφερειακή Αυτοδιοίκηση με άμεσα αιρετό περιφερειακό συμβούλιο και άμεσα αιρετό περιφερειάρχη και με ενσωματωμένους ως διαμερίσματα τους σημερινούς νομούς, που εκπροσωπούνται στο περιφερειακό συμβούλιο με καθορισμένο αριθμό συμβούλων ανάλογα του πληθυσμού κάθε νομού. Στο πλαίσιο αυτό, θεμελιώνονται 7 Γενικές Διευθύνσεις που αντικαθιστούν τις 13 σημερινές κρατικές περιφέρειες ως τις αποκεντρωμένες κρατικές οντότητες την ύπαρξη των οποίων επιβάλει το Σύνταγμα.

Επιπλέον, προβλέπονται αλλαγές (υποχρεωτική ανάρτηση στο διαδίκτυο όλων των διοικητικών αποφάσεων και πράξεων αυτοδιοικητικών οργάνων, προληπτικός έλεγχος του Ελεγκτικού Συνεδρίου σε όλες τις Περιφέρειες, μεταφορά πόρων-ανθρώπινων και οικονομικών-, ηλεκτρονική διακυβέρνηση και αυτόματη εξυπηρέτηση του πολίτη, κλπ.) οι οποίες στοχεύουν στην αντιμετώπιση της γραφειοκρατίας και της κακής εξυπηρέτησης του

πολίτη, της πολυδιάσπασης των υπηρεσιών σε διάφορα επίπεδα διοίκησης και των παθογενειών που δημιουργούν δυσβάσταχτο δημοσιονομικό κόστος και σπατάλη. Οι αλλαγές αυτές αναμένεται ότι θα δράσουν καταλυτικά στην ενίσχυση της αποτελεσματικότητας της Περιφερειακής Αυτοδιοίκησης.

Αναφορικά με τις αρμοδιότητες, οι Περιφερειακές Αυτοδιοικήσεις αναλαμβάνουν:

- τις υπηρεσίες, αρμοδιότητες και τους πόρους των Νομαρχιακών Αυτοδιοικήσεων που καταργούνται, εκτός από εκείνες που μεταφέρονται στους δήμους,
- σταδιακά εκείνες τις αρμοδιότητες που ασκούνται σήμερα από την κρατική περιφέρεια, με εξαίρεση εκείνες οι οποίες πρέπει να παραμείνουν στα αποκεντρωμένα όργανα του κράτους χάριν της ενότητας της κρατικής πολιτικής σε ολόκληρη την επικράτεια, όπως τα θέματα χωροταξίας-πολεοδομίας, προστασίας του περιβάλλοντος και δασικής πολιτικής ή μεταναστευτικής πολιτικής.

2) AER: Ποιος νομίζετε ότι πρέπει να είναι ο ρόλος των περιφερειών στην οικοδόμηση της Ευρωπαϊκής Ένωσης; Με ποιον τρόπο μπορούν οι περιφέρειες να συνεισφέρουν στη διαμόρφωση μιας κοινής Ευρωπαϊκής ταυτότητας;

Γιώργος Στραυρακάκης: Ο ρόλος των περιφερειών στην οικοδόμηση της ΕΕ έχει ενισχυθεί ιδιαίτερα τα τελευταία χρόνια ιδιαίτερα μάλιστα μετά την ίδρυση της Επιτροπής των Περιφερειών η οποία συμβάλλει στην ανάδειξη των προβλημάτων και των ενδιαφερόντων των περιφερειών καθώς και στον σεβασμό της αρχής της επικουρικότητας στο πλαίσιο της νομοθετικής διαδικασίας της ΕΕ.

Σήμερα οι προϋποθέσεις για την περαιτέρω ενίσχυση του ρόλου των περιφερειών στο Ευρωπαϊκό οικοδόμημα είναι οι πιο κατάλληλες στην έως τώρα πορεία της ΕΕ. Η κατοχύρωση της εδαφικής διάστασης της συνοχής ως επίσημου στόχου της δράσης της ΕΕ από την Συνθήκη της Λισσαβώνας καθώς και η περαιτέρω ενίσχυση της αρχής της επικουρικότητας στα πλαίσια της Συνθήκης σημαίνουν πρακτικά ότι θα εφαρμόζεται το τεκμήριο της αρμοδιότητας υπέρ της αποκέντρωσης και της αυτοδιοίκησης σύμφωνα με τα οποία η ανάπτυξη μιας περιοχής, η ικανοποίηση και η διευθέτηση τοπικών αναγκών δεν μπορούν παρά να προέρχονται από όργανα και θεσμούς που έχουν ειδικό και άμεσο δεσμό με το τοπικό στοιχείο, γνωρίζουν τα προβλήματα, βιώνουν τις ανάγκες, ελέγχουν και κυρίως ελέγχονται αποτελεσματικότερα.

3) AER: Βάσει της δικής σας εμπειρίας, ποια είναι η προστιθέμενη αξία του να είναι μια περιφέρεια μέλος της AER;

Γιώργος Στραυρακάκης: Η συμμετοχή μιας Περιφέρειας στην AER μπορεί να της διασφαλίσει πρόσβαση σε έγκαιρη και έγκυρη πληροφόρηση τόσο για μελλοντικές πρωτοβουλίες της ΕΕ όσο και για Ευρωπαϊκά προγράμματα και τις ευκαιρίες χρηματοδότησης.

Επιπλέον, η συμμετοχή στην AER εξασφαλίζει την ανταλλαγή εμπειριών με άλλες περιφέρειες της Ευρώπης και εξασφαλίζει στις περιφέρειες την απαραίτητη στήριξη και συντονισμένη δράση προκειμένου οι θέσεις τους και τα προβλήματά τους να λαμβάνονται υπόψη κατά την διαμόρφωση μελλοντικών πολιτικών και πρωτοβουλιών της ΕΕ.

4) AER: Τι εύχεστε στη AER για τα 25α γενέθλιά της; Πώς βλέπετε το ρόλο των περιφερειών για τα επόμενα 25 χρόνια;

Γιώργος Στραυρακάκης: Εύχομαι η AER να συνεχίσει την επιτυχημένη έως τώρα πορεία της, να διευρύνεται συνεχώς εκπροσωπώντας την ποικιλομορφία της ΕΕ και να ενισχύσει περαιτέρω την επιρροή της στην διαμόρφωση πολιτικών της ΕΕ αποτελώντας αποτελεσματικό βήμα έκφρασης της φωνής των μελών της.

HUNGARY



1. Overview

Legal base: Following the collapse of the command economy in 1990, the reform of public administration led to a decentralisation movement. The Hungarian parliament passed the Law on Local Self-governments in 1990 (law no. LXV of 1990). This law has provided the framework for the new democratic self-governmental system. The first self-governmental elections were called in August 1990.

According to the Hungarian Constitution in terms of its territorial structure for public administration purposes, the territory of the Republic of Hungary is divided into the capital, the counties, the cities and the municipalities. So, in Hungary there are two basic types of local authorities (local self-government units): municipalities and counties. Today in Hungary there are 3194 local governments, whereof 3175 settlement and 19 county local governments.

2. The region: definition and context

The county local government is the middle-level local government, established through direct election, and shall fulfil the responsibilities prescribed by law to the solution of which the local government of the settlement may not be compelled. There is no dependence between the county local government and the local governments of the settlements and they shall co-operate with each other on the basis of mutual interests. So, there are functional differences between the counties and the settlements, but the basic rights of the local (county or settlement level) self-governments are similar.

There are 19 county-level self-governments. The county corresponds to the NUTS 3 level (Nomenclature of Territorial Units for Statistics, used by Eurostat). Therefore, according to the local governmental and public administrative system, the county can be treated as the territorial self-government regarding its status and middle-level existence. But de facto it is a smaller unit than the “regions” (NUTS 2 level) as they exist and are named across Europe in several countries.

There is a different structure for regional development purposes, corresponding to the NUTS system in compliance with EU requirements, which divides the country into the following units: country, regions, counties, micro-regions, municipalities. Hungary’s compliance with EU accession requirements led to the creation of seven statistical and planning regions in 1996 at the NUTS 2 level. As a main rule we can say that one region consists of three counties, but the Central-Hungarian region contains just the capital and Pest county. These regions are not creating local governmental level, but they are territorial development units

having statistical planning and development tasks and goals. Each of these regions is endowed with a Regional Development Council (composed of a representative of the minister responsible for agriculture and rural development, health care, employment policy, education, economic policy, environment protection, territorial development, head of Prime Minister's Office, moreover one representative of the multi purpose micro regional associations and micro regional development councils per county, mayors of the cities with county rank in the territory of the Council, head of the Regional Tourist Committee in the region). These councils are responsible for the division of development resources and within its framework may influence economic development, education and health care issues. Their tasks and powers continuously extended during the last years, between the period of 2007 and 2013, they are responsible for the regional operational programs and division of financial resources.

The central government also operates regional offices and territorial organs at the regional level. Thus, the NUTS 2 level region can also be described as the territorial scope of the competences of state administration and state authority, so can be called as a state administrative unit.

3. Institutional Organization

The Constitution establishes the organs of local self-government: in the municipalities there is a body of representatives, the mayor shall be the chairman of the body of representatives, and the body of representatives may elect committees and shall establish an office.

In the counties there are also directly elected assemblies. Citizens elect the members from lists of political parties or associations. The elected assemblies dispose of the same status as the body of representatives in the municipalities, but at county level they are called "general assemblies". The President of the General Assembly is elected by the members of the General Assembly by ballot (and not directly as the mayor of a municipality). Committees also exist at the county level, and of course there is an office of the county self-government. The notary-in-chief is appointed by the assembly - on the basis of a tender and complying with the requirements of qualification set forth in legal rules - as the professional administrative head of the local government. The county-level self-government provides self-governmental administrative duties.

4. Competences

The competences and scope of tasks of the self-governments, so as of the counties are defined by the law no. LXV of 1990. Duties of the counties in Hungary can be divided into two basic groups: obligatory and optional.

Obligatory duties/competences:

- the maintenance of secondary schools, special schools and colleges, if this is not undertaken by the local authority, ensuring provision in accordance with a separate act;
- the collection, safekeeping, scientific processing of museum exhibits and relics of nature and society to be found in the county, as well as of historic documents; furthermore, the services of a county library, expert consulting and services in the range of pedagogy and general education;
- tasks of the county's physical training, sports organization, as well as the protection of the rights of children and youth;
- education of children under permanent medical treatment in health care institutions; education, upbringing of and caring for handicapped children, who cannot be educated together with other children; special health care exceeding basic care, if this is not undertaken by the municipality which is compelled to provide these in accordance with a separate act, as well as the specialized provision of child and youth protection; territorial co-ordination of specialized social services; it also looks after certain tasks falling within the scope of specialized provisions;

- co-ordination of duties connected with the protection of the architectural and natural environment (e.g. planning, waste management), of regional planning (e.g. co-ordinating the planning of the municipalities and the small regions at county level);
- the exploration of tourism values of the county, setting tourism targets for the county and co-ordinating the activities of those participating in the performance thereof;
- the co-ordination of employment-related tasks and vocational training of the region (neg. co-ordinating vocational training and the needs of the labour market at county level) establishment and management of regional information system.

Optional duties/competences:

The county local government may also undertake public duties on a voluntary basis which are not referred to the sphere of exclusive duties and tasks of other organizations by law, or the fulfillment of which does not violate the interests of the villages and towns located in the county.

The following duties shall, for instance, come within this sphere: participation in municipal associations, urging the mutual business fund of the local governments of the settlements, promotion of the establishment of an entrepreneur-friendly environment and establishment of foundations for public purposes, promotion of cultural, artistic and scientific institutions, co-ordination of links between the small regions and the county, promotion of regional economic development, promotion of the tasks related to the ethnic minorities, co-operation with religious and voluntary associations as well as the organizations of the disabled people, promotion of issues related to equal opportunities, promotion of issues related to the elderly people, developing international partnerships with special respect to European integration, etc.

5. Financing

The budget of local governments is separate from the state budget but forms part of public finance.

Economic (asset) independence relies on three pillars: on a local government's own assets, own resources and incomes (revenues), and on (guaranteed and predictable) central subsidy proportionate with responsibilities. The national financial resources of the counties are decided by the Hungarian parliament in the annual budget.

The self-government shall exercise the rights due to the owner in respect of the property of the local government, shall manage the revenues of the local government independently and may carry out entrepreneurial activities on its own liability.

All local governments, so as the counties have their own budget. The counties manage the incomes through their own budget. The own annual budget of the counties is decided by the general assemblies of the counties.

6. The State and the regions

Regional development is a common duty of the self-governments and the state. The co-ordination of the national and regional development planning and plans is the competence of the Regional Development Councils at the regional level, and of the County Development Councils at the county-level. The President of the Regional Development Council is selected among the presidents of the counties of the region. Each president is acting for one year in rotation.

The counties are autonomous bodies regarding the local governmental tasks.

Within the system of relations of local governments and state organs, the activities of Parliament, the President of the Republic, the Government, the Minister of Local Government and the Ministers shall be dominant from the respect of local governments. Parliament has, in harmony with the European Charter on Local Self Governments, acknowledged the basic rights of local governments in the Constitution. Parliament regulates by law the legal status of self-governments. The right of dissolution of the unconstitutionally operating local

government is one of the guaranteed elements of our system of local governments. Based on the proposal of the Government, submitted after having requested the opinion of the Constitutional Court in advance, Parliament shall dissolve the local authority whose operation is unconstitutional. Parliament shall decide on the territorial division of the state and, after having requested the opinion of the local governments concerned, on the territorial organization matters related to the counties.

The President of the Republic shall set the date of local government elections. The Government plays a dominant role in the life of local governments despite the fact that it exercises neither direction, nor supervision over local governments and has no possibility to intervene in local governments in any direct way. It is one of the responsibilities of the Government to secure the legal supervision of local governments.

7. The regions and local authorities

There is no dependence between the county local government and the local governments of the settlements and they shall co-operate with each other in the various matters on the basis of mutual interests. It is the basic duty of the county local government to provide all public services of supplementary and auxiliary nature, which cannot be provided by the municipal local governments of the county due to their economic situation or for other reasons. Two types of compulsory duties may be transferred by law to the county local government. On the one hand, the provision of public services of district nature which extend to the whole territory or the major part of the county may be made a compulsory duty of the county local government. On the other hand, the organization of public services of district nature where the majority of those who use the service do not live in the territory of the local government of the settlement competent at the head office of the institution providing the service, may be declared a compulsory duty of the county local government. So, the county authority's binding duties are in particular to organize and provide public services, which cover the whole county or a large part of it – funding and managing public institutions (e.g. educational, social, cultural, health care services and institutions).

But, despite of it, the Act on Local Governments enables municipal local governments to take over certain duties from the county local government on the basis of an agreement. In such cases, the local government of the settlement shall be granted revenue subsidy to an amount in proportion to the duties taken over. It is a further possibility that the municipal government of the settlement can establish a new district institution independently or as an association, as a duty of the local government undertaken on a voluntary basis, or may organize a new district service.

The counties have the right to enter into partnerships with other self-government units (at county or settlement-level).

Anyway, the counties consult and maintain contacts with local authorities continually: they coordinate the development conceptions of the settlements; assist the co-operation of the regional development associations of the local self-governments; cooperate with economical actors.

Concerning the problems of regional employment, the counties cooperate with the Labour Centers.

8. The regions and international relations

It is a constitutional right of local governments to accede to international organizations, to build international relations freely. Hungary's local governments do take advantage of this opportunity. Counties are free to conclude international agreements, protocols and take part in internationally co-operated programs. Within the scope of local government initiatives, e.g. 15 Euroregions came to exist for cross-border cooperation, the counties taking serious part in these.

The Hungarian counties are active in international organizations too, e.g. 17 Hungarian counties are members of the Assembly of European Regions.

Governmental-level priority is given by all means to facilitating the international relations of local governments in Hungary with a particular view to ensuring the legislative framework and opportunities of such cooperation. Also with a view to this, Hungary actively participates in the work of the Council of Europe in activities affecting the area of local democracy. At the Utrecht Ministerial Conference on 16-17 November 2009, the ministers responsible for self-government of the Council of Europe member states have committed themselves to strengthening the territorial level in their political declaration on regional democracy.

9. Conclusions

When the local governmental system was set up during the course of the political transition, the main emphasis was on democratic operation, autonomy and setting up guarantees to prevent over-concentration of power. As a result of this, such a system of local government developed which was settlement-centred, enjoyed a high degree of autonomy while being based on a broad system of responsibility and was diffuse in nature. In terms of structure, it is generally known and also a peculiarity of the Hungarian local government system that medium-level government is relatively weak and lacks means. Another problem is that fulfillment of public services in a better quality and equal access thereto may not be ensured without further institutional reinforcement of reasonable cooperation among settlements. Problems concerning the system of responsibilities and powers are caused, on the one hand, by the local governments "inheriting" the responsibilities and powers of councils after the change of regime. The system of responsibilities of local governments is not enough differentiated. In the long term, the local government system is increasingly difficult to finance in its current structure.

The demand for restructuring of the local government system is continuously on the agenda. Renewing the system needs the elaboration of long-awaited measures aimed at upgrading, and more cost-saving local government operation. The renewal of the local government system aims, among others, to provide quality public services, to increase effectiveness, to ensure equal access to public services, to gradually balance territorial differences, to establish a reasonable sharing of work between the levels of the state, local governments, and public administration, to improve the legal and economic conditions of local autonomy, and to increase partnership and cooperation. A central element of the further development of the local government system is the establishment of a stronger self-governmental middle level. However, no consensus has been reached in either specialist or political circles on the potential alternatives of such middle level (several ideas aroused during the last years, e.g. strengthening of current county governments, setting up a "large county" system or creating the NUTS 2 level regional self-governments). Nevertheless, there is an agreement on the need to strengthen territorial self-governance.

So, the main question of the future of the counties is how the competence and scope of duties of the counties (NUTS-3) will/should change.

ICELAND



1. Overview

Iceland is a republic; it has a written constitution and a parliamentary form of government. Iceland is the most sparsely populated country in Europe with an average of three inhabitants per square km. Almost four-fifths of the country is uninhabited and mostly uninhabitable, the population being concentrated in a narrow coastal belt, the valleys and the southwest corner of the country; that means in and around the capital city Reykjavik.

Iceland has no regions. Iceland's local authorities function under the Local Government Act that dates from 1998. The number of local authorities areas has fallen recently as they have been combined to form larger administrative units. In 2000 the number of municipalities in Iceland was 124. The role of the local authorities has also changed, becoming more complex, now embracing primary schools and social services. All administration of the primary schools was taken over by the local authorities on 1st August 1996, now accounting for the largest single aspect of their work.

There are only two levels of democratic government: the state and the municipalities. Nevertheless, according to the Article 86 of the Local Government Act, local authorities may establish "Regional associations of Local authorities to work for the interests of the inhabitants in each region" There are currently eight regional local authority associations, to which most, but not all, local authorities belong. These are free associations. They also correspond very often to the electoral constituencies.

To date, it is irrelevant to talk about regions in Iceland. There is no regional democracy and regional political power is not recognized. However, the fact that Regional associations exist allows thinking that cooperation among local authorities and with the government is effective.



2. The region: definition and context

Not relevant

3. Institutional Organization

Not relevant

4. Competences

Not relevant

5. Financing

Not relevant

6. The State and the regions

Not relevant

7. The regions and local authorities

Not relevant

8. The regions and international relations

Not relevant

9. Conclusions

Not relevant

IRELAND



1. Overview

All of Ireland was long under British domination. The possibility of a gradual loosening of the nation's bonds began to emerge towards the end of the nineteenth century, with several Home Rule Bills that never came into force because of the outbreak of the First World War in 1914. The first significant step came in 1921 after a war of national independence, when the British government signed a Peace treaty with a delegation from the parties that claimed for full independence. The country was partitioned in two territories: in the North, six counties of the province of Ulster remained under British control; while, as a result of the Treaty, the remaining 26 counties in the South secured independence in 1922 and formed the new Irish Free State, which had dominion status within the British Empire. The Constitution of 1937

and the Republic of Ireland Act 1948 severed Ireland's last formal links with Britain. Ireland was admitted to the United Nations (UN) in 1955 and joined what was is now the European Union in 1973.

The Republic of Ireland has a relatively centralized administration. However, the local and regional levels have important responsibilities in a number of key areas. Local authorities, in particular, remain the main providers of services. At regional level, 8 Regional Authorities (at NUTS III level) have a role in coordinating certain activities of the local authorities and in planning related functions. They also play a monitoring role in relation to the use of EU structural funds. The country is further split into two NUTS II Regions and two Regional Assemblies are responsible for managing the regional programs of the National Development Plan.



2. The region: definition and context

Taking the AER definition as the first layer of directly-elected government beneath the central state, we can consider the Eight Regional Authorities of Ireland, which were established by the 1991 Local Government Act and came into existence in 1994, as regions for the purpose of this study.

On the other hand, the two NUTSII level Regions and their Regional Assemblies set up in 1999-2000, the Border Midland & Western Region (BMW) and the Southern & Eastern Region (S & E), are administrative regions, created for structural funds purposes, and do not meet the AER conditions.

3. Institutional Organization

The members of the Regional Authorities are not directly elected, but are nominated from among the elected members of the local authorities in the region. Each local authority has a certain number of seats on a Regional Authority, based loosely on the population of the local authority area. The size of the Regional Authorities varies from 21 to 37 members.

To assist the Regional Authority in undertaking its functions, each has an Operational Committee and an EU Operational Committee. The Operational Committee is chaired by the Cathaoirleach (Chairperson) of the Regional Authority and is composed of senior management from the constituent local authorities and other relevant public sector agencies operating in the region. It helps prepare the work of the Regional Authority and assists and advises it on matters relating to its functions. Also, each Regional Authority has a designated city/county manager (chief executive of a local authority) from one of its local authorities to further enhance the linkages between the local authorities and the Regional Authority.

The EU Operational Committee has a similar, but broader, composition and assists the Regional Authority in matters relating to EU assistance and reviewing the implementation of various EU Operational Programs in a region.

Each Regional Authority has a Director, assisted by a number of policy and administrative staff.

4. Competences

Under the 1991 Act, the Regional Authorities have two main functions:

- To promote the coordination of public service provision
- To monitor the delivery of EU Structural Fund assistance in the regions

The Regional Authorities have specific responsibility for:

- Reviewing the Development Plans of Local Authorities in their region and, where relevant, in adjoining regions
- Preparing Regional Planning Guidelines and Regional Economic and Social Strategies
- Promoting cooperation, joint actions, arrangements and consultation among local authorities and other public bodies

As for the NUTII Regions, and the Regional Assemblies, their main fields of competences are:

1. managing and monitoring of their respective 2007-2013 Regional Operational Programmes under the Structural Funds (they performed a similar role for the Regional Operational Programmes under the 2000-2006 National Development Plan);
2. promoting the coordination in the provision of public services across their areas; monitoring and making proposals in relation to the general impact of EU funding;
3. making public bodies aware of the regional implications of their policies and plans; hosting and undertaking various key functions relating to INTERREG/Territorial Cooperation programs on behalf of Ireland.

5. Financing

The financing of the activities of the Regional Authorities is largely borne by their constituent local authorities. The Regional Assembly does not provide direct funding, which is available through various implementing agencies and Government departments. The Total Funds available includes EU Structural Funds, National Exchequer, Local Authority and Private match funding. The Assembly also receives technical assistance support from Government. The region also benefits from funding through the other three Programs of the National Development (productive sector, human resources and social inclusion, social and economic infrastructure programs).

6. The State and the regions

The system in Ireland may fairly be described as being marked by strong centralized administration. Local authorities are often seen as executive agents of government departments, responsible for implementing central government policy. However, in recent years there has been a strengthening of the regional dimension to Government policies, notably in the National Development Plan and in the National Spatial Strategy. Significantly, as referred to above, Regional Authorities were given the power to draw up Regional Planning Guidelines as an overall co-ordinating framework for the development plans at city and county level in each regional authority area.

7. The regions and local authorities

Regional Authorities consult local authorities on a range of issues as required (e.g. New National Development Plan, Regional Planning Guidelines etc.). Local Authorities provide representation to a range of committees and subcommittees of both Regional authorities and Regional assemblies.

Ireland counts 34 primary local authorities, including 29 county councils and 5 city councils. At sub-county level there are a further 80 town authorities, which have a representational role. Local authorities are multi-purpose bodies with responsibility for an extensive range of services. These are typically divided into eight broad categories: Housing, Planning, Roads, Water Supply and Sewerage, Development Incentives and Controls, Environmental Protection, Recreation Facilities and Amenities, Agriculture, Education, Health and Welfare.

Forging a New Relationship between Regional and Central

The issue of regional governance arises in the Local Government (Dublin Mayor and Regional Authority) Bill 2010 which followed on from the 2008 Green paper on Local Government. The essential objective of the Bill is to provide for the election of a Mayor for the Dublin Region with new co-ordination functions that will need to be carefully integrated with the functions of the regional and local authorities. The Mayor will act as a strategic policy maker who will also work to integrate the activities of local government and the wider public service in and across Dublin. He/she will be equipped with a suite of substantial powers across the functions of local government, and will have the authority and powers to deliver real leadership. He or she will establish policy frameworks for the Dublin Region in areas such as land-use planning, waste management, and water services and will also chair the Dublin Transport Authority. The Mayor will also have an important role in relation to transport in the region.

To ensure the policy frameworks are adhered to, the Mayor will have strong powers to direct a local authority to align policy decisions with the strategic policy framework in Dublin. The Mayor will be supported by a strengthened Regional Authority and a small administrative office. The election will take place later this year when the legislation is enacted.

8. The regions and international relations

Regions cannot conclude international treaties. However, for the purpose of certain programs, Regional assemblies have linkages with other authorities in Europe (Welsh Assembly Government – Irish Wales Programme 2007-13).

9. Conclusions

In recent years, under a program for the modernization of local government, important reforms have happened, including: the establishment of City/County Development Boards (CDBs), whose mission it is to ensure greater efficiency and co-ordination between agencies for the social, economic and cultural development of the county/city. The establishment of Strategic Policy Committees (SPCs), which comprise elected representatives and representatives of the social partners and community and voluntary groups at local level. Joint Policing Committees (JPCs) were established in all local authority areas, which are a partnership between elected representatives and members of the Garda Síochána (Irish police force) with additional input from the community and voluntary sector. A key role for the JPCs is to advise the local authority and An Garda Síochána on how they might best perform their functions, especially in relation to the prevention of crime, disorder and anti-social behavior within local areas. All of this has generated significant potential for stronger community influence and input by elected members into the decision-making processes of local government.

Regional Government - the Future

A White Paper on Local Government will be published in 2010 which will address a broad suite of local government matters, including the question of the reorganization and strengthening of regional government. The direct election of the Dublin Mayor (the General Scheme of a Bill to provide specifically for this has been published) who will also be chairperson of the new Dublin Regional Authority is the first element in this process.

A Cabinet Committee is finalizing the major strategic directions for inclusion in the Paper and it will be published as soon as possible on finalization of the Committee's deliberations.

ITALY



1. Overview

Italy is a regionalized State, where regional particularities are very strong. The principle of Regions' autonomy is recognized in the Constitution. Italy became a nation-state in 1861 and the first national act on local authorities dates back from 1865. The 1948 Constitution established 14 ordinary-statute regions, which would only be operational as of 1970. The Constitution created also a special statute for four regions with important powers (Valle d'Aosta, Sicily, Sardinia, Trentino Adige). In 1963, Friuli Venezia Giulia was recognized as a special-statute region and Molise was established as the 15th ordinary-statute region.

In 1970, Regional councils were elected for the first time in the 15 ordinary-statute regions. One year later, the Italian Parliament adopted a new statute for the Trentino-Alto Adige Region, giving the provinces of Trento and Bolzano a large number of legislative powers.

The 1997 Bassanini reform, based on the principle of subsidiarity, was the most significant stage in the decentralization process. It transferred new responsibilities to the regions (country planning, environment protection, local road network and vocational training) and increased their fiscal autonomy with the creation of new regional tax revenue, hence replacing the decrease in State grants.

The Constitution was modified in 2001 in order to reassert the principle of subsidiarity. The Constitutional law extends direct election of Presidents of the Region to universal direct suffrage in regions with special status and extends statutory self-governance. It also divides legislative power between the State and the regions. The regions' right to conduct foreign policy is recognized and the autonomous Provinces of Trento and Bolzano receive constitutional recognition.



A new major change in the institutional organization of regions took place in 2008. In October 2008, the Council of Ministers approved the law on fiscal federalism, which defined the criteria and the timetable for the attribution of financial autonomy to the regions. Until 2011, the regions are expected to be fully autonomous in the definition of their expenses and financial resources.

2. The region: definition and context

Italy consists of municipalities, provinces, metropolitan cities, regions, and the State. The country is divided into 20 regions, of which 15 have an “ordinary status”, and the remaining 5 have a “special status” (Friuli Venezia Giulia, Sardegna, Sicilia, Trentino-Alto Adige, Valle d'Aosta). There are also two autonomous provinces (Bolzano and Trento). The reason why those regions are “special” is because they are characterized by linguistic and cultural differences, such as the linguistic minorities in Trentino-Alto Adige/Südtirol (German speaking people), Aosta Valley (French speaking people), and Friuli-Venezia Giulia (Slovenian speaking people), or because of their geographic isolation in the cases of Sicily and Sardinia.

Trentino Alto Adige has the peculiarity of lacking powers because the governing is in the hands of the two autonomous provinces of the Region: Province of Trento and Province of Bolzano.

The regions of Italy are the first-level administrative divisions of the state. The Constitution establishes that there are twenty regions, 15 of them have ordinary statute and 5 of them have a special statute. Anyway every region has a statute that is a regional constitution, which determines the form of government and the fundamental principles of the organization and the functioning of the region.

As for the regions with ordinary statute, their statutes are approved by their regional councils, and with the constitutional reform of 2001 they were attributed legislative as well as administrative powers. The regions have exclusive legislative power with respect to any matters not expressly reserved to state law.

3. Institutional Organization

Each region has an elected parliament, called Consiglio Regionale (Regional Council) or Assemblea Regionale (Regional Assembly) in Sicily, and a government called Giunta Regionale, headed by the regional President. The latter is directly elected by the citizens of each region, with the exceptions of Aosta Valley and Trentino-Alto Adige/Südtirol, where he is designated by the Regional Council.

The electoral law 43/1995 establishes that the winning coalition receives the absolute majority of the Regional Council's seats. The President chairs the Giunta Regionale, nominates and dismisses its members, called assessori. In the case of resignation of the elected President, new elections are immediately called.

In Trentino-Alto Adige, the Regional Council is composed by the joint session of the two Provincial Councils of Trento and Bolzano-Bozen and the Regional President is one of the two Provincial Presidents.

The Consiglio Regionale is the legislative body. It is composed of 30 to 80 councillors; 80% are elected by universal direct suffrage, 20% are drawn from the “President's list”. The Council elects the president from within its ranks. It can submit bills to the national parliament and can dismiss the president of the executive committee (Giunta). The Giunta is the executive body. It comprises the president and the regional councillors. The councillors are designated by the Council or by the president. The Giunta has overall administrative competences. It can propose regional bills. It prepares and implements the regional budget, and implements the council's decisions. The president is elected by direct universal suffrage (since 1999). He/She designates and dismisses the members of the Giunta. The president represents the region and directs the region's policies. He/She enacts regional laws and regulations and assumes the administrative functions that the State delegates to the regions and must, in this matter, follow the government's decisions.

4. Competences

The regions may adopt their own statute. As stated in article 117 of the Constitution, the regions shall have exclusive legislative power with respect to any matters not expressly reserved to State law and not included in concurrent legislation. In matter of concurrent legislation, the regions have legislative power except for fundamental principles, which are reserved to State law. Concurrent legislation includes: international relations with other regions and with the EU, external trade, education (but vocational training), health protection, land-use regulation and planning, harbors and civil airports and others.

5. Financing

Regions have financial autonomy.

They have autonomous resources; they establish and implement their own taxes and revenues, in harmony with the Constitution and in accordance with the principles of coordination of the public finances and the taxation system. Thus, regions perceive their incomes on a common basis, defined at the State level. They receive a share of the proceeds by the State. Tax revenue represents 38% of regional revenue. Since 1999, they receive the regional tax on productive output (IRAP), mainly intended to finance health expenditure and the surtax on national income tax (IRPEF). The regions also levy other taxes such as the regional car tax.

The law of the State establishes an equalization fund to the benefit of areas where the fiscal capacity per inhabitant is reduced. The law on fiscal federalism introduced a distinction between expenses for the exercise of standard competences and for autonomous competences. For the exercise of the first range of competences (education, health, social assistance) regions receive State transfers. For the exercise of the other competences, regions can define their own expenses and incomes in an autonomous way. The best performing region will be adopted as a benchmark for the other ones.

The financial autonomy of regions with ordinary statute is quite modest: they just keep 20% of all levied taxes. On the other hand the autonomous regions (Sardinia, Sicily, Trentino Alto Adige, Aosta Valley and Friuli-Venezia Giulia) keep between 60% and 100% of all levied taxes, which is a considerable difference if compared with the 20% of the regions with ordinary statute. On the other side of the coin they have to finance the health-care system, the school system and most public infrastructures by themselves. Sicily constitutes an exception among the exceptions because it gets additional resources from the Italian state in order to finance all services.

The law 42/2009 of 5th May 2009 develops the concepts of article 119 of the Constitution. The fiscal federalism is an important act which:

- establishes the granting of independent resources to regions and local authorities in accordance with the principle of territoriality;
- allows that regional law may, in relation to a taxable base not subject to taxation by the State:
- introduce regional and local taxes;
- make changes to tax rates or tax relief that municipalities, provinces and metropolitan cities may adopt in the exercise of their own autonomy;
- allows that a region may share the revenue from regional taxes and its part of national taxes with local authorities;
- includes fiscal flexibility concerning a number of taxes with a stable taxable base, which are then distributed in a generally uniform manner throughout the country so as to enable all the regions and local authorities (including those with the lowest revenue generating capacity) to fund – through harnessing their own potential – spending levels beyond merely the essential services and functions associated with local authorities;

- aims at reducing the national taxation commensurate with the greater taxation powers of the regions and local authorities, thereby reducing the central government's human resources and facilities;
- regulates local taxes in a way that allows horizontal subsidiarity to be fully exploited;
- introduces a reward system for authorities that assure high quality services and impose a tax burden below the average than other authorities at its own level of government providing equal services. Vice versa for authorities whose performance is wanting, sanctions can be imposed in the form of a ban on hiring personnel and making discretionary spending. At the same time those authorities have to clean up their balance sheets through disposing of a part of their real and personal property and resorting to their taxation powers to the maximum allowed.

An equalization fund with no restrictions as to its use will also be set up in favor of regions with reduced revenue raising capacity, as required by article 119 of the Constitution.

6. The State and the regions

The regions primarily serve to decentralize the State government machinery. A constitutional reform in 2001 remarkably widened the competences of the Regions, particularly concerning legislative powers, and most of State controls were abolished. The reform of 2008 completes the previous one, by attributing wide margins of financial autonomy to Regions. The central institutions should be affected too, as the Senate should become a Chamber representing regional interests. In the last twenty years, Regions have become an effective interlocutor of the State and the national government. Sometimes, they are also able to bypass the State level, particularly when keeping direct relations with the European institutions through their Permanent Representations.

In the year 2001 the Italian Constitution was reformed and in particular Title V, the part concerned with the relations between central and local government. Following this reform, all Italian Regions now have legislative power (with different "limits", depending on whether they are an ordinary region or an autonomous one).

In addition, after the adoption of two national laws - the national law 131/2003, called "La Loggia law", and the national law 11/2005, called "Buttiglione law" - all Italian Regions are entitled to participate - at least in principle - in the European decision-making process.

In fact, despite an agreement between State and Regions, adopted in 2006, Italian regions at present do not yet participate directly in the Committees of the European Commission and in the working groups of the Council of Ministers of the EU. This is due to the fact that no agreement has been reached so far on the subjects which can be tackled directly by regions and which ones should remain in the prerogative of the central State.

With the 2001 reform, though, Italy has taken its first steps towards a federal system. This reform, indeed, shifted the country from a regional system in which central government had all the powers combined with a limited role for regional government to a system that can be considered as 'federalist like' because the federalization reform is not finished yet, especially in terms of establishing a house of parliament representing the interests of the regions, provinces and municipalities as such.

7. The Regions and local authorities

The local level in Italy comprises provinces and municipalities. Before 2000, there was a diffuse practice of consultations of municipalities, chief towns of province, districts (province) and regions. The Constitutional Reform of 2001 established in each region the creation of a Council of Local Autonomies as a consultation body between regions and local authorities. Each of the 20 regional statutes incorporated such reform and has now established this Council. Nonetheless, as each region has autonomy in setting its Statute, there are different procedures and rules of activation of this consultation council; thus, the practice of consultation may be different in each region. Local authorities depend on regions for the

transfer of State funds. However, the reform adopted in 2008 introduced the right for the State to transfer funds to municipalities directly, in case of regions' delay.

8. The Regions and international relations

Within the framework of State policies and of the regional sphere of competences, Italian regions and autonomous provinces may also sign cross-border and cooperation agreements with local governments in other states to foster economic, social and cultural collaboration, as well as activities on the international level. In this case, the region transmits the draft agreement to the Ministry of Foreign Affairs and the Regional Affairs Department, in order to receive their views on its national and international legitimacy and political suitability. The reply is given within thirty days. The region may sign the agreement with its foreign counterpart at that time.

9. Conclusions

The new structure of economic-financial relations between central and local government tries to take over the grant system of funding and endow regions, provinces, municipalities and metropolitan cities with greater independence in levying taxes and spending resources, in line with the principles of solidarity and social cohesion. In order to have a fully working fiscal federalism it will take a series of acts over a period of seven years: two years for implementation and five years of transition.

LATVIA



1. Overview

Latvia gained independence in the 1920's but from 1940 until the 1990s the country was part of the USSR. On May 4, 1990, a declaration renewing the independence of the republic of Latvia was adopted. In the aftermath of the restoration of the independence, local and regional governments played an important role in processes of denationalization (restitution of property rights) and land reform. The nineties were marked by a period of fast decentralization. Many responsibilities (housing, primary and secondary education, health care, public utilities...) were transferred to local and regional governments.

The elections of local and regional governments held in December 1989 were the first democratic elections after the soviet regime. Three separate self-government laws were passed in February 1990: on district, town and rural self-governments.

There are five planning regions in Latvia (Latvian: *Latvijas plānošanas reģioni*): Kurzeme, Latgale, Riga, Vidzeme and Zemgale. The boundaries of the regions align to the boundaries of the municipalities of Latvia following the municipality reform of 1 July 2009. The planning regions of Latvia are not administrative territorial divisions, since they are not mentioned in the law that prescribes the administrative territorial division of Latvia.



2. The region: definition and context

Three laws passed in 1990 state that the regional level includes 26 districts (*rajons*) and seven major cities, which are represented on both levels (local and regional). On the local level there are 522 municipalities consisting of 7 “republican cities”, 50 towns (*pilseta*), 41 amalgamated municipalities and 424 *pagasts* (rural municipalities) which are the result of numerous territorial reforms since 1998.

The regional level is represented by the administrative body of a district (*rajon*), which, with the help of the representatives elected by the local governments, fulfills the functions delegated to it by the local governments. It ensures that the interests of the state and the inhabitants of the relevant administrative territory are met.

3. Institutional Organization

The legal framework of local and regional government is fixed by the Law on Self-Governments, which was passed on May 19, 1994. A few articles of the Constitution (*Satversme*) refer to self-government. However, the question of the inclusion of the self-government principle in the text has been discussed for 12 years.

Before 1997, district councils were elected by direct election. But from this date onwards, due to amendments in legislation, there have been no direct elections for district councils. The district councils are composed of chairpersons of local governments within the borders of the respective region.

4. Competences

Article 15 of the Law on Administrative Territorial Reform of 1998 establishes the basic principle for the division of functions: “(...) *the subsidiarity principle is to be observed, which determines that the institutions of a higher level have to perform only those functions which are not possible to give to, or which cannot be effectively performed by the institutions of a lower level.*”

Permanent functions of districts are: (i) to participate in civil defense, (ii) to organize public transport services, (iii) to ensure their representation in the regional Sickness Insurance Fund, (iv) to organize the further education of pedagogical staff and methodical education work. The permanent functions of districts are very limited but most of the districts perform a certain number of voluntary tasks. Voluntary tasks concern, for instance, municipal police or tourism development initiative. To some extent, districts also support weaker local governments with the implementation of their tasks.

5. Financing

Districts have their own budgets. The councils plan, adopt and implement their budget plans independently and State institutions are not allowed to interfere. However, regional governments do not have their own income, and are not entitled to levy taxes. All taxes on disposal of districts are State taxes. Indeed, they are nearly fully funded by the Equalization Fund. The equalization system was introduced in 1995. Two main functions: equalization between the State budget grants and equalization of economic potentials among the territories. The total financing of self-government expenses is set after negotiations between the central government and local and regional governments in the yearly protocols.

6. The State and the regions

There are annual negotiations between local and regional governments and central government. It is stated in the law that the public organization of self-government, in which more than a half of the self-governments have joined, has the right to represent self-governments in negotiations with the Cabinet of Ministries. Currently, the Union of Local and Regional Governments of Latvia assumes this role. Generally, two domains are discussed: the new legislation and the annual budget process. Some attempts to abolish the regional

level of self-governance have occurred. For instance, there were no regional elections in March 1997. And 1998 saw the introduction of indirectly elected councils for districts.

The Ministry of Regional Development and Local Government of the Republic of Latvia is the leading state administrative institution in the field of planning and coordination of state and regional development, local government development, spatial planning, state investment and land policy, as well as e-government, information society and information technology area. The Ministry also ensures the coordination of state development planning processes by providing unitary long-term and middle-term state development trends – the Sustainable Development Strategy of Latvia and the National Development Plan.

Under the supervision of the Ministry of Regional Development and Local Government there is the State Regional Development Agency. The aim of the Agency is to implement well-balanced state development support policy by providing implementation of national, European Union and other financial instruments, required research work and good quality services.

7. The regions and local authorities

The main issue between regions (districts) and local authorities is the division of competences. Many laws only mention that “self-governments are responsible for the implementation of certain tasks”. In that case, it is unclear whether the local governments (town and rural municipalities) or the regional governments (districts) should carry out these tasks. To a wide extent, the division of tasks depends on the capacity of the regional and local governments in the region, and of personal initiatives from politicians or administrative employees. Another issue is the question of cooperation, which can be either compulsory or voluntary. Compulsory cooperation functions when a self-government does not have its own infrastructure; then it is obliged to sign agreements with other self-government in order to implement its tasks (often in fields such as social care services or education). Voluntary cooperation permits the creation of cooperation associations to carry out various tasks such as development planning, attraction of investments and establishment of common institutions. Local governments are not subordinated to regions.

8. The regions and international relations

Self-governments are able to cooperate with local and regional governments in other countries. Before EU accession, PHARE programs were a great source of funding for cross-border and interregional cooperation. They contributed to the establishment of partnerships with local and regional governments of EU member countries.

9. Conclusions

After the 1993 parliamentary elections, relations between the central government and self-governments changed. The tendency to strengthen central government by weakening local and regional governments became part of the political agenda. The first signs of centralistic approach appeared. It seemed that regional governments suffered the most from this new political trend. Questions about abolishing regional governments used to be on the political agenda. Now, plans to create regional authorities with mixed councils - representatives of central government and local governments - are under discussion.

According to the ongoing reform of territorial division (as of December 2008), the number of municipalities is to be reduced to 118, comprising 9 “republican cities” and 109 amalgamated municipalities. Furthermore, the government at the local level will fulfill the functions of districts. Transport, however, will remain the responsibility of the planning regions. As for the regional level, the concept of “regional municipality” was introduced as part of a decentralization scheme and aims at establishing a financial framework as well as (re) defining the number of regions and territories.

LIECHTENSTEIN



1. Overview

The Principality of Liechtenstein is the sole remaining polity of the Holy Roman Empire. Owing to its geographic position between Switzerland and Austria, it was not swallowed up during the massive reorganization of Germany following the French Revolution and avoided incorporation into the German Empire later in the 19th century.

Liechtenstein is a constitutional hereditary monarchy, headed by its ruling prince or Fürst. The parliament of Liechtenstein, the *Landtag*, consists of 25 representatives elected by the people. A cabinet of five members is responsible for daily political matters.

In a referendum in July 1984, male voters granted women the right to vote in national - though not local - elections. Unlike many other constitutional monarchies, the constitution of Liechtenstein gives many important powers to the Prince, some of which have caused controversy in recent years.

Liechtenstein is made up of two regions, Vaduz (Upper Country) and Schellenberg (Lower Country), and subdivided into eleven communities (*Gemeinden* - singular *Gemeinde*), most of them consisting only of a single town.



2. The region: definition and context

The regions in Liechtenstein represent administrative units without powers of their own.

3. Institutional Organization

Not relevant

4. Competences

Not relevant

5. Financing

The municipalities rely primarily on taxes raised at the local level, but also receive subsidies from the central government.

6. The State and the regions

Not relevant

7. The regions and local authorities

Not relevant

8. The regions and international relations

Not relevant

9. Conclusions

Not relevant

LITHUANIA



1. Overview

Independent between the two World Wars, Lithuania was annexed by the USSR in 1940. On 11th March 1990, Lithuania became the first of the Soviet republics to declare its independence, but Moscow did not recognize this proclamation until September 1991. The last Russian troops withdrew in 1993. Lithuania subsequently restructured its economy for integration into Western European institutions. In 1994, the *Seimas* (Parliament) began a reform of the territorial administrative units that led to the setting up of counties and municipalities.



2. The region: definition and context

There are no elected bodies at the regional level in Lithuania. The 10 counties (*Apskritis*) established in 1995 represent state authority at the regional level. They are administrative units dependent upon the Government. The largest county is Vilnius (850 000 residents), the smallest Rauragės (135 000 residents).

The County Governor is nominated by the Government and has the task of executing central government's functions at the local level. He is in particular responsible for implementing national regional policy at the regional level.

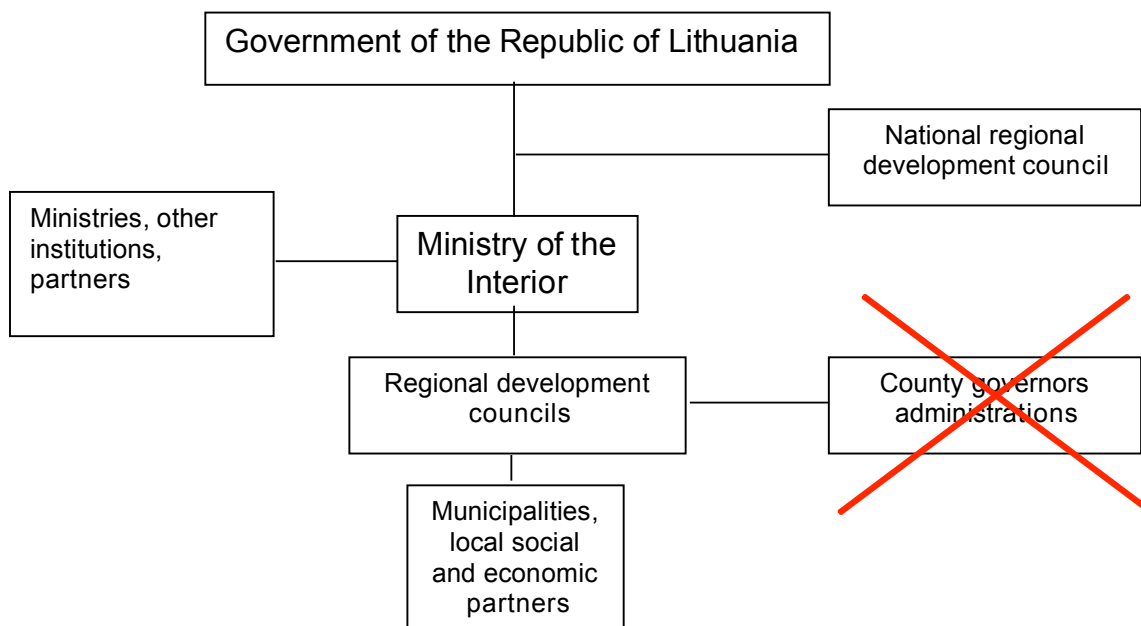
There are also Regional Development Councils. They set out development policies' guidelines and consult the Government on regional development issues. They are composed of the representatives of Counties' municipalities and the representatives from the central level of government. The regional development councils act in the same territory as the 10 counties (*apskritis*) of Lithuania. There is also a possibility to form specific target regions of other size than counties. These regions would also have their development councils. Currently in Lithuania there are therefore 10 development councils of administrative regions

(counties) and 1 in the target region of Ignalina Nuclear Power Plant, dealing with specific development issues of this region.

3. Institutional Organization

According to Constitution of the Republic of Lithuania, governance in higher level administrative units administration will be organized by the Government according to the procedure established by law.

The County Governor is nominated by the Government and has the task of executing central government's functions at the local level. He is in particular responsible for implementing national regional policy at the regional level. The institution of County Governor will be abolished and the administration of county government will be liquidated on 1 July 2010. After 1 July 2010 the administration of Lithuanian higher administrative units will be organized through Ministries, offices by the Ministries, governmental offices and other public administrative subjects, acting at the regional level. This regional reform is part of an overall administrative reform aimed at optimizing the public administration in Lithuania.



Institutions in charge of the national regional policy after the reform on 1/7/2010
(Source: Permanent representation of Lithuania to the Council of Europe)

4. Competences

Regional administration's responsibilities consist of the implementation of state policy at the regional level in the following areas: Social security, Vocational and technical training, Culture, Health, Spatial planning, Land use and protection, Environmental protection, Administration of national and interregional programs.

5. Financing

Not relevant

6. The State and the regions

Not relevant

7. The regions and local authorities

Not relevant

8. The regions and international relations

Not relevant

9. Conclusions

Lithuania has no regions (having right of self government), as counties are part of the state administration.

LUXEMBOURG



1. Overview

"Founded in 963, Luxembourg became a "grand duchy" in 1815 and an independent State under the Netherlands. It lost more than half of its territory to Belgium in 1839, but gained a larger measure of autonomy. Full independence was attained in 1867 after a turbulent period, which even included a brief time of civil unrest against plans to annex Luxembourg to Belgium, Germany or France. Overrun by Germany in both World Wars, Luxembourg ended its neutrality in 1948 when it entered into the Benelux Customs Union and when it joined NATO the following year. In 1957, Luxembourg became one of the six founding countries of the European Economic Community." (CIA Word Factbook)

Luxembourg is a unitary State made of 116 municipalities. There are no regions. The Luxembourg local territorial organization enjoys a great stability. The local territory division goes back to an 1843 Act, and the 1868 Constitution upholds the municipal autonomy principle. In 1972, the government launched a campaign to promote municipal mergers. To date, very few have happened. To compensate for this, an Act was passed in 1981 to facilitate inter-municipal structures. This act was recently reviewed.



2. The region: definition and context

Not relevant

3. Institutional Organization

Not relevant

4. Competences

Not relevant

5. Financing

Not relevant

6. The State and the regions

Not relevant

7. The regions and local authorities

Not relevant

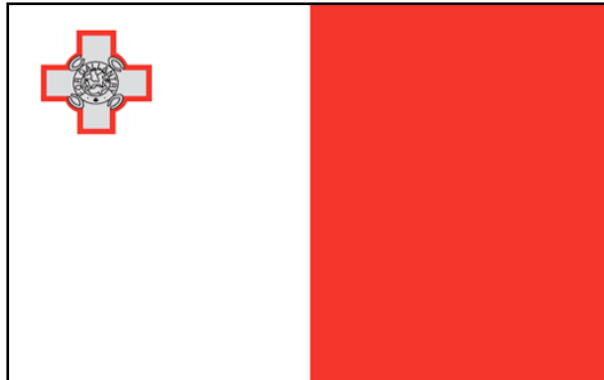
8. The regions and international relations

Not relevant

9. Conclusions

Not relevant

MALTA



1. Overview

Located in the Mediterranean Sea, just south of Sicily, the Maltese archipelago consists of three inhabited islands: Malta, Gozo and Comino. There are also the uninhabited islands of Cominotto, Filfla and St Paul's Islet. The largest island of the group is Malta. Valletta, the capital, is the cultural, administrative and commercial centre of the archipelago.

“Great Britain formally acquired possession of Malta in 1814. The island staunchly supported the UK through both World Wars and remained in the Commonwealth when it became independent in 1964. A decade later Malta became a Republic. Malta became a EU member in May 2004.” (CIA World Factbook)

Malta has a two tier (local) system: (i) central government; (ii) Local government, consisting of 68 municipalities. There is no system of self-government at regional level. The 68 local councils have been grouped into three ‘regions’, which are purely administrative territorial entities. They are: Gozo (14 local councils), Malta Majjistral (29 local councils), Malta Xlokk (25 local councils). This system was established in 1993 and it was integrated into the Constitution in 2001.



2. The region: definition and context

Not relevant

3. Institutional Organization

Not relevant

4. Competences

Not relevant

5. Financing

Not relevant

6. The State and the regions

Not relevant

7. The regions and local authorities

Not relevant

8. The regions and international relations

Not relevant

9. Conclusions

Not relevant

MOLDOVA



1. Overview

Moldova gained independence from the Soviet Union in 1991, but has maintained Communist Party rule ever since. Substantial decentralization of state power and local autonomy were listed among the main priorities of the “constructive co-operation” between the ruling party and the opposition.

In accordance with the Constitution of the Republic of Moldova public administration as manifested in the administrative/territorial units is based on the principles of local autonomy, of decentralization of public services, of eligibility of local public administration authorities and of consultation of the citizens on local problems of special interest.

The Law on Local Public Administration defines local public administration as a totality of local public authorities created within the law to meet general interests of the residents of a certain territorial administrative unit. The system of local public administration consists of two levels:

The first level - public bodies with general or special powers created and functioning on the territory of a village or town/municipality with the purpose of promoting the interests of the local community and resolving its problems.

The second level - public bodies with general or special powers created and functioning on the territory of raions (districts), Chisinau municipality and the special legal-status autonomous territorial unit with the purpose of promoting the interests and resolving the problems of the population of the given territorial administrative unit.



2. The region: definition and context

The Republic of Moldova is divided into villages, cities, raions (districts) and the autonomous-territorial unit of Gagauzia. There are 32 raions, 3 municipalities, the autonomous territorial unit of Gagauzia and territorial unit Stinga Nistrului (Transdniestria). Gagauzia is a region

with the predominantly Christian-Orthodox population speaking a Turkish dialect. It is governed by Moldavian laws as well as normative acts issued by the Gagauzian Parliament. Gagauzia has the right to independently determine issues relating to this political, economic and cultural development. Transdnistria is a predominantly Russian, industrialized and heavily militarized region, with Tiraspol as capital, that proclaimed its independence from Moldova in 1991 and is *de facto* independent from Moldova. Although Transdnistria is internationally considered to be a part of Moldova, the Moldavian authorities do not exercise any control over this breakaway region.

3. Institutional Organization

Each raion (district) elects a council which co-ordinates the activities of the local councils in order to provide public services on a district or municipal level. The councils are elected on the basis of universal, equal and direct suffrage by secret ballot for a term of four years.

The relations between the central and local public administration can be called supervision. The State Chancellery is responsible for the organization of the administrative control of the legality of the activity of the local public administration authorities, exercised by its own agencies or via subordinated territorial offices.

4. Competences

The Law on Local Public Administration defines own and delegated powers of the districts. Responsibilities of the districts include: (i) social, economic, territorial and urban development; (ii) construction of raion roads, construction of public facilities in the raion (district); (iii) lyceum-type educational institutions except those rendering to the first level; (iv) provision of social assistance; (v) sports and other activities; (vi) protection of environment; (vii) management of property; (viii) fire protection services, etc.

There is a wide range of responsibilities delegated to the districts by the state, including social protection, health care, public safety, natural reservations etc. In these areas, in accordance with the law, the local authorities are subject to administrative supervision with the regard to expediency.

5. Financing

The *Law on Local Public Administration* states that local public administration bodies enjoy financial autonomy and are entitled to initiative in all issues related to the administration of local public affairs. According to the *Law on Local Public Finance* the raion budget includes: (i) revenues and expenses needed to fulfill responsibilities assigned to the raion according to the law and the additional responsibilities delegated to the Government; (ii) the local budgets which consist of the budgets of the villages (communes), cities (municipalities) within the raion. Local budgets may impose local taxes and charges in the limits determined by the law. The national government estimates the share of the consolidated national budget, which may be spent for financing the public services provided by local authorities (both own and delegated responsibilities).

6. The State and the regions

In accordance with the legislation, the activity of the first and second level local public authorities is subject to an administrative control. The *Law on Local Public Administration* provides a list of items, which are subject to the obligatory supervision of the Government and Apparatus. The administration control includes the control of the legislation and the adequacy of the political public administration authorities.

7. The regions and local authorities

The Constitution of Moldova as well as the *Law on Local Public Administration* claims that interrelationships of public authorities are based on the principles of autonomy, legality, transparency and co-operation in solving common problems.

8. The regions and international relations

According to the *Law on Local Public Administration* the raion (district) councils may decide within the law, to cooperate with other authorities of the local public administration, including cross-border cooperation, for the implementation of activities and rendering necessary public services, as well as the cooperation with national and foreign economic entities and non-governmental organizations in view of realization of activities or works of common interests.

9. Conclusions

There is an evident lack of financial and administrative autonomy for regional authorities in Moldova, which are denied decision-making powers regarding their own administrative structure and bound some very heavy delegated responsibilities and are thus more dependent than ever before on the central authorities. Distribution of responsibilities between two different levels of public power is, in fact, a system of diffusion of power, rather than proper decentralization.

MONACO



1. Overview

The Principality of Monaco is an independent and sovereign state (art. 1), comprising one municipality, Monaco (art. 78). “The Principality’s political and institutional regime is governed by the Constitution established on December 17, 1962. This state law defines the nature of the Government, administrative powers and its branches, and guarantees rights and liberties accorded to Monegasque citizens and foreigners. The Principality is a hereditary and constitutional monarchy which gives the Prince the highest authority and which guarantees separation of powers. Executive power is retained by the highest authority, the Prince. Administrative responsibilities are the duties of the Minister of State, aided by the Government Council responsible to the Prince. Legislative and budgetary powers are exercised jointly by the Prince and by the National Council. Finally, judiciary power, independent of Government, is exercised by the courts and tribunals.” (Govt. of Monaco) (30.04.2010)



2. The region: definition and context

Not relevant

3. Institutional Organization

Not relevant

4. Competences

Not relevant

5. Financing

Not relevant

6. The State and the regions

Not relevant

7. The regions and local authorities

Not relevant

8. The regions and international relations

Not relevant

9. Conclusions

Not relevant

MONTENEGRO



1. Overview

An ancient Balkan state, Montenegro, came under Ottoman control at the end of the 15th century, and from 1910 to 1918 it was an independent kingdom. Montenegro then joined the newly formed Kingdom of the Serbs, Croats, and Slovenes, which became Yugoslavia in 1929. In 1991, 4 of the 6 Yugoslav republics declared independence, leaving Montenegro and Serbia to form a new republic in 1992, which was renamed Serbia and Montenegro in 2003. Montenegro left the state union with Serbia in May 2006, following a popular referendum, and became an independent country once again.

The Constitution of Montenegro, which was approved in October 1992, established Montenegro as a democratic sovereign state. Power is vested in its citizens, who exercise it directly through the election of representatives to the Parliament. The government of Montenegro is arranged according to the rule of the division of power into the legislative, executive and judicial.



2. The region: definition and context

Montenegro is not divided into regions. It has 21 municipalities. According to the Constitution, the right to a local self-government is guaranteed and is stipulated as being exercised in the municipality and in the capital. Citizens directly elect their political representatives at the local level. The municipalities have an assembly and a president. Law can transfer certain tasks of the state administration to the local self-government.

3. Institutional Organization

Not relevant

4. Competences

Not relevant

5. Finances

Not relevant

6. The State and the regions

Not relevant

7. Regions and local authorities

Not relevant

8. Regions and international relations

Not relevant

9. Conclusions

Not relevant

NETHERLANDS



1. Overview

The regional level in the Netherlands is the province which was formed from the counties in the Middle Ages. The latest province existing since 1986 is Flevoland.

The tasks of the provinces have been changed from control-tasks into tasks aimed at facilitating the developments of the region.

Since 2003, the provinces have been operating in a 'dual – system' which means that the provincial executive board is separated from the elected assembly of the provinces. In addition to the municipalities, the provinces and the national government, there are 'water boards' which also operate with an elected assembly. One of the other main developments is the cooperation of the larger cities with their neighbor-municipalities. The competences of this functional layer of administration are growing.



2. The region: definition and context

The Netherlands has 12 regions called 'provinces'. They have no formal definition but are often called 'middle-government' i.e. the layer between the national government and the municipalities.

The provinces are based on the constitution, however the tasks and competencies are laid down in national and provincial legislation.

3. Institutional Organization

The regions have a directly elected assembly. The president of the provinces is the Commissioner of the Queen. The commissioner is not elected, but s/he is assigned by the Queen (in practice by the national government on base of provincial preference). Formally some national tasks can be attributed to the commissioner. The provinces are autonomous,

but they do have a lot of shared competencies with the national government. The provincial assembly elects the First Chamber of the national parliament (the First Chamber is in fact the second one; it controls the legislation). The provinces can make legislation in addition of the national legislation and they can make legislation as far as it necessary for their own region (and not conflicting with national regulation).

The administration of provincial affairs is the responsibility of the provincial executive, which consists of the Queen's Commissioner and a number of members (three to nine). The Queen's Commissioner chairs the provincial executive and has the right to vote. Each provincial executive is responsible for a certain policy field. They are obliged to provide information about their policy field unless this is contrary to public interest. Members of the provincial executive are usually chosen by the provincial council from among its members, for a period of four years. In practice, after the provincial elections and before the elections of the executive members, the representatives of the new parties present in the council often negotiate a program for the provincial executive, that will implement such program during its four-year term.

4. Competences

The division of competences is based on national and provincial legislation. The provinces are responsible for provincial roads and waterways and for some forms of public transport. They are also in charge of licensing activities with consequences for the environment. Spatial planning, environmental planning, water policy, economic affairs, social affairs (limited), security and disaster policy are all shared competences. The regions are fighting for more competences and budget for traffic and public transport.

5. Financing

Most of the regional finances come from national funds; a small part also comes from a special traffic tax and from a groundwater tax. The regions do not have financial autonomy and do not have sufficient own resources. Until 2008, there has been a constant and drastic reduction of specific grants for provinces and municipalities. The aim is to retain no more than 45 grants by 2011 (they were 514 in 1983).

The allocation of the budget includes an equalization mechanism.

6. The State and the regions

The regions do not play a formal role in decision-making on the national level. The provincial assembly elects the First Chamber of the national parliament, but are not formally involved in the decision-making.

The provinces can sign contracts and covenants with other regions, the state and other public organizations and also with private parties.

7. The regions and local authorities

Regional and local authorities can co-operate on regional level activities. Nevertheless the level of cooperation is not very high.

8. The regions and international relations

The regions cannot conclude international treaties. They can sign international agreements and protocols. The national government does not consult the regions on international agreements.

9. Conclusions

There are few challenges that the Dutch provinces are facing today. As the most important, one can mention the extension of cooperation between the provinces, provinces and state and finally provinces and larger cities.

NORWAY



1. Overview

In Norway, there is a strong historical tradition of local democracy. Local government was established with the 1837 Alderman Act, which transferred decision-making regarding important local issues from the central government to locally elected bodies. The independent county councils were created in 1976. Prior to that, a county constituted a legal, economic and administrative union of the municipalities within the county. Today, Norway has a two-tier system of local government composed of 430 municipalities and 19 county authorities.

2. The region: definition and context

In Norway the regional level of government is represented by the counties. There are 19 county authorities and 430 municipalities. However, counties are not given a definition in any legislation. They vary significantly regarding size, topography and population. Hence, it is difficult to describe one typical Norwegian county. Despite such differences, all counties have the same rights and the same responsibilities. Oslo is classified as being both a municipality (the largest one with approximately 500,000 inhabitants) and a county.



3. Institutional Organization

“The Local Government Act determines the ground rules for the organization of the municipalities and county authorities, their work and proceedings, and the relationship with supervisory state bodies.”

The County Council is the supreme body. It can specify policies, tasks and investments. It is directly elected for a four-year mandate. The County Council elects its county council chairman. Within certain limits the Council has the right to allocate funds, set property taxes, impose user fees, and exercise authority in the form of regulations that are binding on the inhabitants.

4. Competences

The county authorities competencies are: (i) Upper secondary school, (ii) Regional development, including County roads and public transport, Regional planning, Regional Research Funds, Business development, Culture (museums, libraries, sports), Public health

The role played by the counties within regional development has increased in the recent years. In addition to the functions mentioned above, they now help to determine the use of central government funds for the promotion of business and industry in remote areas of the country (administration of rural and regional policy instruments and regional partnerships). "In 2002, the responsibility for the hospitals was transferred from the county authorities to the state."

Also, it is an important additional principle that counties voluntarily may assume tasks or functions that have not been assigned to others by law.

5. Financing

The income of the counties is mainly composed of local taxes and revenues from the General Grant. The right of counties to levy taxes is limited by a maximum rate of 2,6%. Counties receive only income tax. Within an interval decided by the state government, the county authorities may freely set their own income tax rates.

The redistribution of resources is ensured through the General Purpose Grant Scheme. "It ensures both a fair distribution of income, and regional growth and development." It compensates the large differences that exist between counties in both the level of income and in the level of expenditure needed. The regions do not feel that they have sufficient own resources to develop their powers fully.

6. The State and the regions

There is no general act regulating the division of competencies between the State, the county and the municipality. The *Storting* (the Parliament) and the Government regulate the tasks that are delegated to the various levels through direct regulation by specific laws, and through indirect regulation (i.e. local government financing).

The Norwegian Association of Local and Regional Authorities (KS) engages in an ongoing dialogue with the Parliament on legislative matters. "An agreement on regular consultative meetings between the central government and local authorities was reached in February 2000 and consists of four meetings per year. These consultations provide a forum to discuss the framework for distribution of revenues in relation to the tasks carried out by the local governments, the financial situation of local government and efficiency measures."

7. The regions and local authorities

There is no subordinate relationship between the municipalities and the counties. The municipalities and the counties have separate tasks. National laws determine the division of the tasks between the State, the counties and the municipalities.

The regions and local authorities have much contact and consultation with each other, both in a formal way (written hearings and co-operation/partnership agreements) and in a more informal way (seminars, discussions, meetings, etc).

8. The regions and international relations

Regions can conclude treaties, agreements and protocols that concern the areas of their governance and competences. Many regions in Norway are members of European and other international organizations and take an active and formal role in these. There are also many bilateral agreements and protocols between Norwegian regions and regions abroad.

The state often consults the regions in international matters that concern the regions. The state has in some cases asked the regions to take an active role in some international topics.

9. Conclusions

In 2006, a reform of the distribution of responsibilities between the different levels was brought forward. It aims at strengthening the role of the regions by decentralizing powers from the central to the regional level. The State delegated more governance and responsibility to the regions and provided the regions with the financial resources to manage their new roles. The reform has been implemented since January 2010.

POLAND*



"In the period before the accession of Poland to the EU, it was mainly thanks to cooperation with the AER that we were able to gain new experiences while cooperating with regions of countries that were already members of the EU (Hesja, Noord Brabant, Flandria, Vasternorrland, Vasterbotten). For us, it was a unique experience to get to know the advantages of the membership in the EU."

Marek Wozniak

Marshal of the Wielkopolska Region

1. Overview

The regional level of government in Poland is the *voivodship*. Local self-governments in Poland have been functioning since 1990 in 2479 gminas (according to the Central Statistical Office). The reform of 1999 introduced two new levels of self-government: poviats (counties) and voivodships (regions). Regions have - like poviats and gminas - independent legal identities with independent budgets. The Sejmiks (Regional Councils) are responsible for the development and implementation of regional economic policies. The aim of the reform was to create larger units (regions), which could better act and compete with other EU regions after the Polish accession to the European Union. The previous voivodships were too small to effectively utilise national and European funds. The law that regulates the regional self-government is the Law on Regional Self-Government dated 5th June 1998.



Poland is thus divided in two levels: (i) governmental with central government and its Head, i.e. Prime Minister and Voivods (Governors) in a region and (ii) self-government with:

- gminas with a Gmina's Council as legislative authority and a Wojt /Mayor as executive authority;
- poviats with a Poviat's Council as legislative authority and a Poviat's Board and a Starost at its head as executive authority;
- voivodships with a Sejmik as legislative authority and Regional Board headed by a Marshal as executive authority.

Both administrative types have own and delegated tasks.

2. The region: definition and context

There are 16 regions in Poland (at NUTS 2 level). In the Constitution of Poland dated 7th April 1997 there is no clear definition of a voivodship.

3. Institutional Organization

Sejmiks (regional parliaments) are the regional decision-making bodies and are elected by direct election. The Sejmiks elect governing Regional Boards to exercise the executive authority. Boards are headed by the Marshal (President), who is elected by the Sejmik.

The region implements the policies and laws formulated at the national level (Sejm, Senate, central government) and its compliance with these laws is controlled by a representative of the central government in the region, the Voivode, and by other competent organs and bodies such as the NIK (Chief Board of Supervision) or RIO (Regional Audit Chamber). On the other hand, the regional self-government performs public tasks defined by laws on its own behalf.

4. Competences

The regions define a strategy of regional development, formulate their own regional development policy and implement it through regional programs. They also make "regional agreements" with the central government. The regional self-government performs different tasks of regional scope in the area of public education, promotion and health protection, culture and heritage, social welfare, pro-familial policy, modernization of rural areas, spatial management, environmental protection, water management, collective transport and public roads, sport and tourism, consumers rights' protection, defenses, public security, counteracting unemployment and activation of local labor market. The Constitution defines these competences in Chapter VII (art. 163). The reform of 1999 brought about a significant decentralization of both public authority and public finance. The principle of subsidiarity constitutes the basis of the restructured Polish state. Soon, Polish Parliament will approve a special Law on Competences, which will enlarge the responsibilities of Polish regions.

5. Financing

The revenues of regions consist of own revenues, general subventions and specific, state budget grants. Apart from these public sources of revenues, local entities are empowered to obtain revenues from private law sources (from the assets that they own). Article 167 of the Constitution is concerned with regional funds. The regions do not have sufficient own resources and for this reason there are general subventions, specific grants and a system of financial equalization.

6. The State and the regions

Regions have their own political representation in both Chambers of the Parliament. Regions can sign agreements with one another (for example when elaborating a regional development strategy or preparing a new plan of spatial management, supra regional investments, etc).

7. The regions and local authorities

The local authorities are very often consulted by the regions. In many cases such consultations are obligatory, e.g. in case of realization of Integrated Operational Programme of Regional Development or in case of supra-local investments and other similar activities.

8. The regions and international relations

According to Article 172 of the Constitution and the Law on Regional Self-Government dated 5th June 1998, regions are able to enter into international cooperation agreements. The state does not consult the regions on international treaties.

9. Conclusions

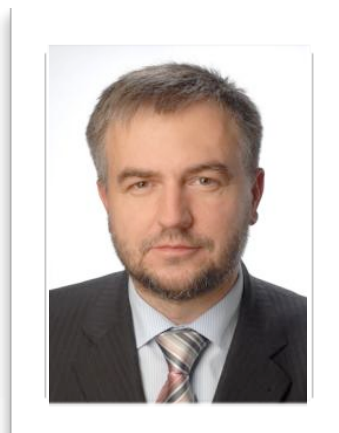
More competencies need to be transferred from central government to self-governmental entities, together with proper financial resources. There needs to be a greater participation of self-government in state revenues.

Interview with Marek WOZNIAK

Marshal of the Wielkopolska Region

1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Marek Wozniak: I am the president of the region together with the other members of the regional board from the executive power of the region. My major competences are official representation of the region on the national and international level and the direction of the region and the organization of the functioning of the region, the regional board and the office of the president of the region. The board of the region is working on the projects and strategies of development, budget management and regional operation programs. It is responsible for international cooperation on the regional level – with the partner regions in other countries and on the international institutional level – and with international regional organizations. They are also managing an important budget project and the execution of the decisions of Sejmik.



In the last years the competences of the presidents of the regions has grown larger since some responsibilities were transferred from the national level to the presidents of the regions. Among those are: environment, waste and water.

However, the transfer of competences from the central power to regions has caused a growing number of competences for regions which should normally belong to the lower levels of the government. The regions should mainly focus on providing more effective development policy which would ensure economic growth and the competitiveness of regions.

2) AER: What do you think should be the role of the regions in the process of constructing the European union? Are there any ways regions can contribute to the development of common European identity?

Marek Wozniak: The creation of the European Union would not be possible without the active participation of regions. That is why we cannot let the policy of unification, whose future is hotly debated and which allows regions to be an integral part of regional development, be relegated to the margins.

Regions are the key actors to truly and effectively realize a policy of unification, mainly thanks to the structural funds.

Regions also have an important role in bringing citizens closer to the EU and explaining to them its functioning. It is important to take into consideration the fact that one of the biggest problems facing the EU is a lack of knowledge about its functioning among its citizens which leads to low participation of the EU citizens on the functioning of EU. As has been underlined in the White Book of the Committee of the Regions, regions are responsible for 70% of the law making process in the EU. That means that their contribution to the creation of EU is more than significant.

3) AER: What is the added-value of being a member of AER according to your experience?

Marek Wozniak: In the period before the accession of Poland to the EU, it was mainly thanks to cooperation with the AER that we were able to gain new experiences while cooperating with regions of countries that were already members of the EU (Hesja, Noord

Brabant, Flandria, Vasternorrland, Vasterbotten). For us, it was a unique experience to get to know the advantages of the membership in the EU.

In general, for the Wielkopolska region, the AER serves as a platform for the exchange of experiences and valuable ideas in the fields of regional development, environmental protection, climate change, transport, healthcare and regional tourism.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Marek Wozniak: The local and regional governments have an important role to play in the future. Being the closest to the citizens, they can be an integral part in the development of local democracy and help to gradually abolish the barrier between official institutions and the citizens – a process called decentralization of communication policy.

Thus I think that it is time for the AER, having the necessary potential and means, to play a major role as a platform for the exchange of ideas and for it to boost the Regions' voice in debates at the EU level, in particular with regards to common actions taken in the field of climate change – a questions that regions will have to deal with in the next 25 years.

Original Language: POLISH

1) AER: Jakie są Pańskie kompetencje jako szefa regionu? Jakie zmiany nastąpiły w wyniku przekazania kompetencji z poziomu władz centralnych do regionów w ostatnich latach? Jakie zmiany są nadal konieczne w celu poprawienia skuteczności regionów w procesie decyzyjnym?

Marek Wozniak: Jako marszałek województwa wraz z pozostałymi członkami zarządu tworzymy organ wykonawczy samorządu województwa. Do moich kompetencji należy m.in. reprezentowanie regionu, zarówno na forum krajowym jak i międzynarodowym, kierowanie bieżącymi sprawami województwa oraz organizowanie pracy zarządu województwa i urzędu marszałkowskiego. W ramach swoich prac zarząd przygotowuje projekty strategii rozwoju, planu zagospodarowania przestrzennego oraz regionalnych programów operacyjnych. Ponadto, odpowiada za organizowanie współpracy ze strukturami samorządu regionalnego w innych krajach i z międzynarodowymi zrzeszeniami regionalnymi. Ważną rolą zarządu jest także przygotowanie projektu oraz wykonanie budżetu województwa oraz wykonywanie uchwał sejmiku.

W ostatnich latach kompetencje szefów polskich regionów zostały rozszerzone o niektóre obszary leżące wcześniej w gestii władz centralnych. Wśród nich znalazły się m.in. zadania z zakresu ochrony środowiska, gospodarki odpadami i gospodarki wodnej.

Jednak przeniesienie kompetencji – co jest prawidłowym kierunkiem działań procesu decentralizacyjnego – powoduje niekiedy zwiększenie liczby zadań, za które muszą odpowiadać samorządy regionalne, a które powinny leżeć raczej w kompetencji władz niższego szczebla. Rola samorządów regionalnych powinna skupić się przede wszystkim na prowadzeniu bardziej efektywnej polityki rozwoju, co zapewniłoby wzrost gospodarczy i konkurencyjność województw.

2) AER: Jaką rolę Pańskim zdaniem powinny odgrywać regiony w procesie tworzenia Unii Europejskiej? Czy w jakikolwiek sposób regiony mogą przyczyniać się do tworzenia wspólnej tożsamości europejskiej?

Marek Wozniak: Proces tworzenia Unii Europejskiej nie byłby możliwy bez wkładu regionów. Dlatego też nie możemy pozwolić, aby polityka spójności, której przyszłość jest obecnie przedmiotem szeroko zakrojonej debaty, a która uwzględnia znaczenie regionów i umożliwia ich bezpośrednie zaangażowanie w rozwój regionalny, została odsunięta na margines. Regiony są kluczowymi podmiotami skutecznie i efektywnie realizującymi politykę spójności, przede wszystkim dzięki środkom pochodzącym z funduszy strukturalnych.

Regiony odgrywają również doniosłą rolę ośrodków przybliżających i wyjaśniających obywatelom lokalnych społeczności sens unijnych działań. Należy zwrócić uwagę na fakt, iż jednym z największych obecnie problemów UE jest deficyt wiedzy na jej temat wśród obywateli Wspólnoty, co w konsekwencji uniemożliwia aktywne zaangażowanie mieszkańców w jej sprawy. Jak podkreślono w Białej Księdze w Sprawie Wielopoziomowego Sprawowania Rządów (Dokument Komitetu Regionów) regiony są odpowiedzialne za wdrażanie 70% prawodawstwa unijnego – wynika z tego, że ich wkład w proces budowania UE, a tym samym jej tożsamości jest bardziej niż znaczący.

3) AER: Opierając się na Pańskich doświadczeniach - jaka jest wartość dodana bycia członkiem AER?

Marek Wozniak: W okresie przedakcesyjnym, dzięki współpracy z AER, jako przedstawiciele władz regionalnych mieliśmy okazję zdobyć nowe doświadczenia nawiązując współpracę z administracjami regionów państw należących już do Wspólnoty (m.in. Hesji, Północnej Brabancji, Flandrii, Västernorrland oraz Västerbotten). Była to dla nas nieoceniona szansa poznania korzyści jakie niesie ze sobą członkostwo w UE.

Obecnie AER jest dla Wielkopolski platformą wymiany doświadczeń oraz najlepszych praktyk w zakresie rozwoju regionalnego, ochrony środowiska i przeciwdziałania zmianom klimatu, transportu, ochrony zdrowia, a także rozwijania i promowania turystyki regionalnej.

4) AER: Jakie jest Pańskie życzenie w odniesieniu do 25 rocznicy AER? Jaka będzie według Pana rola regionów w kolejnym 25-letnim okresie?

Marek Wozniak: Władze lokalne i regionalne mają do odegrania doniosłą rolę. Będąc najbliższymi obywateli mogą wносить wkład w rozwój demokracji lokalnej i przyczyniać się do stopniowej likwidacji bariery między instytucjami wspólnotowymi a obywatelami, realizując tym samym koncepcję tzw. zdecentralizowanej polityki komunikacyjnej. Uważam, iż w tym zakresie AER, posiadające odpowiedni potencjał oraz narzędzia, może odegrać ważną rolę stając się forum wymiany poglądów prowadzącym do wzmocnienia głosu regionów w debacie na temat kształtu przyszłej polityki spójności, wspólnych działań na rzecz zmian klimatu oraz istotnych kwestii z jakimi przyjdzie nam – regionom – zmierzyć się w ciągu kolejnych 25 lat.

PORTUGAL*



"We must look for an intelligent balance between the various levels of administration in order to make Europe as a whole more balanced."

Rogério Gomes

Lisboa e Vale do Tejo
Expert in Portuguese regional policy

1. Overview

Portugal is a parliamentary republic, ruled by a Constitution. The current Portuguese constitution provides for progressive administrative decentralization and calls for future reorganization on a regional basis, yet to be accomplished. The Azores and Madeira Islands have constitutionally mandated autonomous status: (i) a regional autonomy statute promulgated in 1980 established the Government of the Autonomous Region of the Azores; (ii) the Government of the Autonomous Region of Madeira operates under a provisional autonomy statute in effect since 1976. Apart from the Azores and Madeira, the country is divided into 18 districts, each headed by a governor appointed by the Minister of Internal Administration. The districts are part of one of the 5 regional coordinating commissions (Norte, Centro, Lisboa e Vale do Tejo, Alentejo and Algarve), appointed by the Government.

The Information hereafter is therefore only valid for Madeira and the Azores.



2. The region: definition and context

Both autonomous regions have very wide-ranging political and legislative powers and their own Political Administrative statute. The Regional Legislative Assembly and the Regional Government are the organs of this administration. The Regional Government is politically responsible to the Legislative Assembly. The Region also elects representatives to serve in the Portuguese Republic's National Assembly. The autonomous regions' powers are set out in the Portuguese Constitution (section VII, articles 225 – 234).

3. Institutional Organization

The Regional Assembly is elected by direct universal suffrage (proportional system) for a four-year term. The Regional Government is politically responsible to the Regional Legislative Assembly; the president of the government is appointed by the Minister for the Republic who should pay due regard to the results of the election. The President is answerable to the Regional Assembly, has regulatory and administrative powers, and participates in European integration and in negotiating international agreements. The Regional Government oversees the municipalities (19 in the Azores, 11 on Madeira Island).

4. Competences

The competences of the autonomous regions are those that are deemed to be matters of specific interest to the autonomous regions:

Improvement of human resources and quality of life; Heritage and cultural creation; Defense of the environment and ecological balance; Protection of nature and natural resources, as well as the health of the public, animals and vegetation; Agricultural and fisheries development; Water, mineral and thermal resources and locally produced energy; Use of land, accommodation, urbanism and regional planning; Roads, traffic and land transport; Infrastructure and sea and air transport between the islands; Commercial and industrial development; Tourism, folklore and crafts; Sports; Organization of regional administration and related services.

5. Financing

The regions exercise their powers of taxation, in accordance with the law, and adapt the national fiscal system to regional circumstances in accordance with the framework law enacted by the Assembly of the Republic.

They avail of, in accordance with the legislation and the finance laws of the autonomous regions, the tax revenue levied or generated there, as well as a share of the State duty revenue, established in accordance with a principle ensuring effective national cohesion, and other income allocated to them and to apply this to their expenses.

6. The State and the regions

The State, in co-operation with the organs of regional government, ensures the economic and social development of the autonomous regions, and seeks, in particular, to correct inequalities arising from the insular circumstances of the regions.

The State always consults the organs of regional government on those matters within their powers that affect the autonomous regions.

7. The regions and local authorities

The regional Government oversees the municipalities (19 in the Azores, 11 on Madeira Island). They can establish and dissolve local authorities and can alter their areas, in accordance with the law; they supervise the activities of local authorities; they can raise populated areas to the status of towns or cities.

8. The regions and international relations

Regions can form partnerships with regions in other countries and can enter into international agreements. According to the Portuguese Constitution, the Autonomous regions can participate in negotiations for international treaties and agreements of direct concern to them and share in any resulting benefits.

They can co-operate with foreign regional bodies and participate in organizations concerned with the furtherance of inter-regional dialogue and co-operation, in accordance with guidelines laid down by the organs with supreme authority responsible for foreign policy.

They participate in the process of European integration through representation in the respective regional institutions and in the delegations involved in Community decision-making processes where these relate to matters of specific interest to them.

9. Conclusions

In Portugal, the decentralization process was slowed by a negative referendum of 8 November 1998. At the time, the Socialist government of Antonio Guterres attempted to establish eight elected regions in mainland Portugal - Douro e Minho, Trás os Montes e Alto Douro, Beira Litoral, Beira Interior, Estremadura e Ribatejo, Lisboa e Vale do Tejo, Alentejo and Algarve. The creation of these eight regions was formalized by the Decree-Law 18/98 and initially resulted in an agreement between PS and the PCP (performed in July 1997). In an attempt to facilitate decentralization, an agreement was reached between the two parts: PCP and PEV accepted a single region between Douro and Minho, and the PS gave up the Division Alto and Baixo Alentejo.

Portugal is currently discussing again a reform of its territorial structure. But whilst the debate shows a clear consensus on the need to move towards more regionalization⁶, by creating five regions corresponding to the five steering and regional development committees (CCDR) - Norte, Centro, Lisboa e Vale do Tejo, Alentejo e Algarve - the question now is: Which kind of regions does Portugal need? Which kind of competences should they have?

⁶ All parties, PS, PPD/PSD, CDS/PP, PCP and BE are in favour of the reform, but this is a priority only for the PS (it is even part of the government programme) and the PPD/PSD

Interview with Rogério GOMES

Lisboa e Vale do Tejo
Expert in Portuguese regional policy

1) AER: What changes have been made in the transfer of powers from central government to the regions in the last year? What changes are planned following the discussed reform?

Rogério Gomes: There have been no significant changes in the field of decentralization in Portugal last year. There are many reasons for this. First of all, 3 successive elections took place in 2009. Moreover, following changes in key ministries and the economic crisis, the attention of civil society was focusing on issues other than decentralization.

2) AER: What is the role of your lobby in the debate on regional reform in Portugal?

Rogério Gomes: The role of the think tank Construir Ideias' is to support and feed the debate on a new model of territorial organization, in which the allocation of administrative tasks would be improved, and the overlapping of responsibilities, which still exists between local authorities and central government, would be reduced. We have tried to propose the best solutions for each level of administration: central, regional and local.

3) AER: What do you think should be the role of the regions in the process of constructing the European union? Are there any ways regions can contribute to the development of common European identity?

Rogério Gomes: Some of the aspects which prevent decentralization in a number of European countries is the fact that the subject is politicized, but also that the decentralization process generally implies an important increase of expenditures (although the contrary should be the case). Therefore, we must look for an intelligent balance between the various levels of administration in order to make Europe as a whole more balanced. The financial crisis has revealed the impact of debt and budgetary imbalance in a number of EU member States. We should have an in-depth and common reflection about the excessive differences in territorial organization among all EU member States.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Rogério Gomes: In a European society which is always more disconnected from the economic power, i.e., which has to face the growing importance for the world economy of Asia and some developing regions such as Brazil, I would say that Regions have two possibilities to develop in the forthcoming 25 years:

- 1) Either they manage to adapt to a context where Europe plays an ever poorer role at financial level and they manage to assert themselves through a rigorous economic and financial management and their struggling capacity
- 2) Or Regions will face serious difficulties to survive, the national levels of governments being tempted to intervene always more, to face the emergence of developing countries. Central governments may, in the long term, adopt a protectionist policy and intervene more vigorously in regional policy to defend itself.

The role of the Assembly of European Regions could be to help regions to understand what we expect from them in a world which seems always more challenging for Europe, and to explain to Member States that Regions can be the tool to make the difference in a declining Europe.



1) ARE: Que alterações foram feitas na transferência de competências do governo central para as regiões no ano passado? Que mudanças estão previstas na sequência da reforma discutida?

Rogério Gomes: Não houve no último ano modificações significativas em matéria de descentralização. Isso acontece porque houve eleições legislativas, por um lado, com mudanças nos Ministérios fundamentais e por outro lado, a crise económica tem tomado a atenção de todos, deixando pouco espaço para pensar em matérias como a descentralização.

2) ARE: Qual é o papel do seu lobby no debate sobre a reforma regional em Portugal?

Rogério Gomes: O papel da Plataforma Construir Ideias é o de apoiar a discussão de um novo modelo de organização territorial, onde exista maior racionalidade na distribuição de responsabilidades na administração do território, diminuindo as sobreposições de competências que existem hoje entre a administração local e a administração periférica e central do Estado e procurando soluções de desenvolvimento para cada um dos níveis da administração territorial: o central, o regional e o local.

3) ARE: Do seu ponto de vista, qual deveria ser o papel das regiões no processo da construção europeia? De que forma as regiões poderiam contribuir para o desenvolvimento de uma identidade europeia única?

Rogério Gomes: Temos de ser prudentes nesta matéria. Um dos aspectos que mais dificulta o estabelecimento de um indispensável nível regional nos países onde ele não existe, é a politização do tema e a circunstância de as soluções usualmente defendidas representarem sérios aumentos de despesa, quando deveria ser o oposto, um sistema regional com poder político e diminuição da Administração, por via das economias de escala assim conquistadas. Por este motivo, creio que não é oportuno, nesta fase histórica, fazer sentir qualquer diminuição de soberania aos países membros, por via do reforço do papel das regiões na Europa. Isto não quer dizer que não se procure com inteligência “nichos de mercado”, atendendo por exemplo à necessidade de melhor equilibrar na Europa a existência do nível regional, ou nível intermédio da Administração, designadamente em nome da coesão territorial.

Esta crise financeira pôs a nu a importância de que se reveste a desigualdade entre os objectivos orçamentais dos diversos países membros, em matérias como o endividamento e o défice público. Ou seja, mais tarde ou mais cedo os europeus terão que reconhecer que as margens de autonomia dos países membros em matéria orçamental, contribuem directamente para a insegurança monetária de todos.

Decorre daqui que se justifica uma reflexão conjunta acerca do modo como se repercute, em matéria de coesão territorial, a diferença “excessiva” de organização territorial entre todos, e o modo como isso se repercute nos orçamentos de cada País, porque não tenhamos dúvidas, a organização regional de cada Estado-membro, quer seja uma organização desconcentrada, quer seja uma organização descentralizada, conta de modo significativo para o orçamento nacional da despesa. Menor discrepância na organização regional, significaria eventualmente menor discrepância no orçamento da despesa e maior espaço de manobra para integrar regionalmente políticas comunitárias.

Porque a questão central nos poderes regionais, para países no nosso estágio de desenvolvimento, está em saber como podem estes, diminuindo a despesa pública e não servindo como reservatório para empregos políticos e doutros tipos, contribuir para a indispensável desterritorialização da administração central.

4) ARE: Qual é o seu desejo para o 25 ° aniversário da ARE ? Como vê o papel das regiões nos próximos 25 anos?

Rogério Gomes: Numa sociedade europeia cada vez mais descentrada do poder económico nos próximos 25 anos, isto é, prevendo a continuidade das actuais tendências de fluxo económico do ocidente para a Ásia e para outras regiões em desenvolvimento, como o Brasil, prevejo para as regiões duas possibilidades de evolução: ou conseguem adaptar-se a um mundo europeu crescentemente empobrecido em termos de tesouros públicos, ganhando rigor económico, rigor financeiro e capacidade de luta, competitividade, em termos internacionais, por investimentos e por empregos, ou terão crescente dificuldade em se implantarem e em sobreviverem, porque a tentação da intervenção central perante as emergências económicas e sociais, seja de modo proteccionista relativamente ao exterior, seja de modo intervencionista, directamente, relativamente ao interior, tende a aumentar com as dificuldades.

O papel da ARE poderá ser o de ajudar as regiões a compreenderem o que delas se espera nesse mundo mais desafiante que parece aproximar-se para a Europa, e explicar aos Estados membros que as regiões podem ser o instrumento que diferencie a decadência da mobilização para o sucesso, na Europa.

ROMANIA*



“The richness of traditions and cultural customs – the essence of the European charm – is found at the regional level, within the regions, and the links between regions are those that give value to the cultural richness.”

Ion Dumitrel
President of Alba Iulia County

1. Overview

In Romania, the democratic process of overthrowing the communist system took place in the early 90s. In this new context the structure of the new local governments is defined by the Law on Local Public Administration, and the structure of public administration by articles 119–120 of the Constitution. The new local authorities were established by the elections of February 1992, the first to be held in Romania following the collapse of the communist regime. After the four-year mandate of local authorities expired, elections were held again in 1996.

2. The region: definition and context

There are no administrative regions in Romania yet. The country is divided into counties (the counties are the administrative level right next to the national one – NUTS 3), towns and communes, the boundaries of which are established by law. A county consists of a capital, several additional municipalities and all towns and communes within that county's territorial limits. Certain towns are classified as municipalities. Although the distinction between municipalities and towns has not yet been legally formalized, it traditionally has been based on factors such as territorial size, number of inhabitants and historical, social, economic and cultural importance. Unlike towns, municipalities may have subdivisions (districts), each of which can elect district councils and mayors to act as semiautonomous units. One or several villages and hamlets may form a commune.

As of 1998, Romania was divided into 42 counties (including the municipality of Bucharest, 1 which has county status), 262 towns and 2,686 communes. The territorial limits of each county and its cities, towns and communes are defined by the Law on Local Public Administration. The communes together comprise 13,000 villages, with populations of up to five thousand inhabitants each. Of the towns, eighty are considered municipalities, with populations of more than eighteen thousand; the remaining 182 are towns, each with a population of five to forty thousand.





Development regions: Due to the existence and location of compact zones with similar development characteristics and problems, there has been a call for new problem-solving tools. In response to this need as well as the desire to harmonize with EU structures, emphasis in development has shifted toward regionalization and regional development policies.

The Regional Policy was proposed by the *Green Paper for Regional Policy in Romania* published by the Romanian government and the European Commission in May 1997. It designates eight (8) macroregions (development regions) – NUTS 2 level and priority problem areas as basic regional policy units. Region formation is used as a development tool rather than an administrative structure, since the institutional structure is oriented mainly to help improve the competitiveness of the regions. The regions have been delineated not in terms of similar levels of development, but as potential functional units containing several counties; however, they are divided into subregions according to different developmental characteristics.

The Law on Regional Development of 1998 establishes the institutional framework, principles, purposes, jurisdiction and specific instruments necessary for regional development. At the regional level, the Regional Development Board (RDB) is comprised of the presidents of county councils and representatives of local town councils for the duration of their mandates and every development regions have a Regional Development Agency (RDA).

3. Institutional Organization

The major transformations that took place in the 1990s include a fundamental reformation of the nature of authority, the adoption of a democratic constitution.

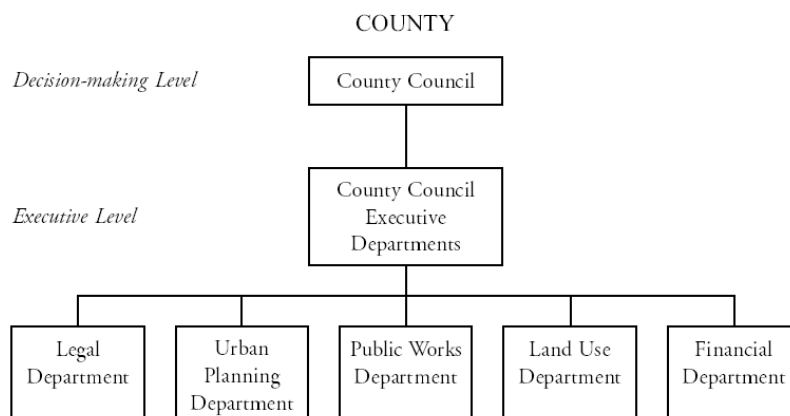
The county council is the deliberative body at the county level (as in the Law on Local Public Administration 215/2001, republished with the ulterior modifications and completions). The number of councilors is established by order of the prefect; depending on the population of the county, it varies from thirty-seven to forty-five. The president, vice-president and the five-to seven-member permanent delegation of the county council are elected by and from among the council's membership. The president and the vice-president of a county council have executive powers to implement council decisions and are president and vice-president of its permanent delegation.

The functioning of the permanent delegation is elaborated by the council statutes. The secretary of the county is also the secretary of the permanent delegation. The prefect or his or her representative may participate in permanent delegation sessions.

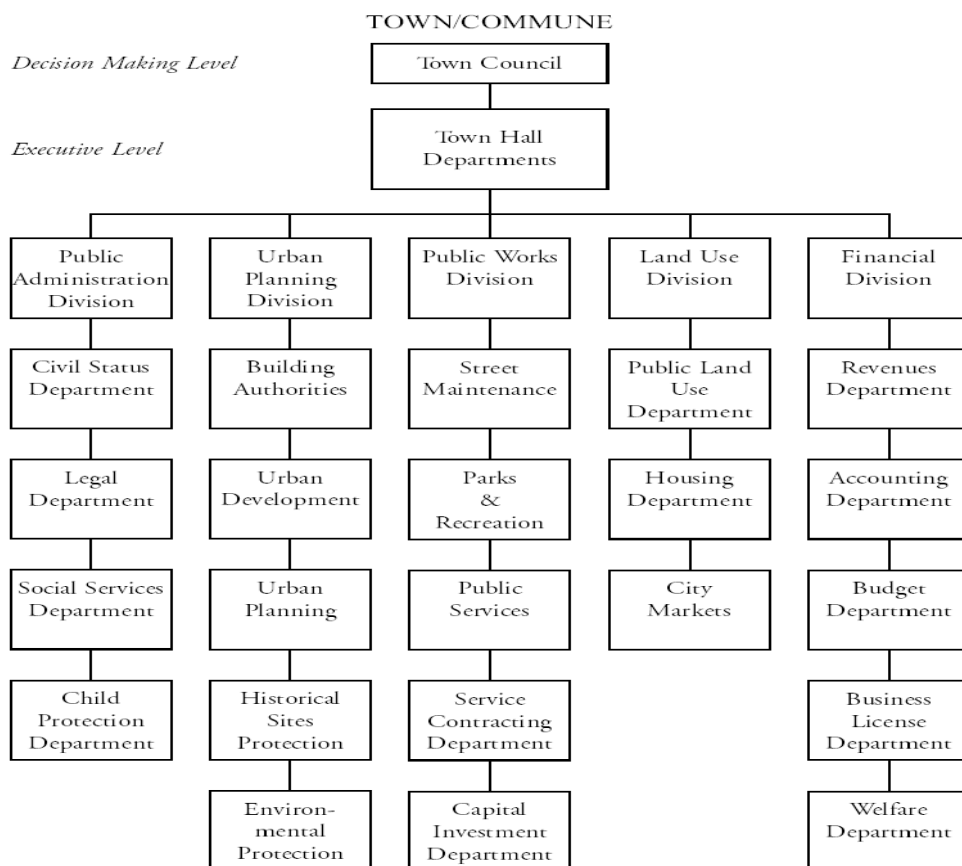
The president of the county council, as the head of county public administration, is responsible for the functioning of the administration and represents the county in its relations

with the natural or legal persons of the country and abroad as well as in court. Internal statutes regulate the number of votes required to pass a council decision, according to the importance of the issue.

Typical Local Administration Structure in Romania



Typical Local Administration Structure in Romania



4. Competences

The county council exercises the following powers:

- to coordinate the activity of the local councils, with a view to providing public services of county interest;
- to organize and manage county public services and to approve their standing orders;

- to analyze economic and environmental protection proposals made by communes and towns;
- to adopt programs for the socio economic development of the county and supervise their implementation;
- to adopt the county budget and the final closing accounts;
- to establish general guidelines for town and county planning;
- to manage the public and private domains of the county;
- to ensure the construction, maintenance and modernization of county and intercounty roads;
- to elect a president, vice-president and permanent delegation from the members of the county council;
- to adopt the council's statutes;
- to approve regulations governing the staffing of county public services, including the number of employees and the related organizational chart;
- to establish county taxes and rates;
- to decide upon the establishment of institutions and economic agents of county interest, the concession and the leasing of county public services;
- to appoint and dismiss councils of authorized representatives of economic agents to manage assets of county interest and to supervise the activities of these councils by analyzing their quarterly reports;
- to institute guidelines for self-managed public companies and trading companies;
- to set up sociocultural and sanitation institutions and ensure their functioning;
- to ensure necessary conditions for the conduct of scientific, cultural, artistic, sport and youth activities;

The president exercises the following rights and duties:

- to preside over the county council sessions and permanent delegation sessions;
- to ensure the execution of county council decisions;
- to support the activity of institutions and self-managed public companies of county interest;
- to exercise the powers that are incumbent on the county as a legal person;
- to fulfill the office of chief accountant of credits;
- to draw up a draft county budget and the final closing account and submit them for approval to the council;
- to appoint the personnel of the county public administration;
- to submit reports to the council annually or as necessary on state and administrative activity and the social and economic status of the county.

The president issues depositions that become executory after being announced to the persons concerned.

Each county also has an administrative commission, which includes the prefect as chair, the president of the county council and the mayor of the county's capital city. The county administrative commission draws up an annual program of the main projects and activities in the county and communicates the plan to the deconcentrated public services as well as to the local and county public administration authorities. The commission is summoned quarterly or whenever necessary by the prefect or the president of the county council. Debates may be attended by all mayors within the jurisdiction of the county, as well as by other persons whose presence is deemed necessary. The administrative commission supports public services of the ministries and the county public administration.

5. Financing

According to Romanian legislation, counties, municipalities, towns and communes are legal entities that may own and dispose of public and private property and have full authority and responsibility in all matters related to the administration of local public interests within their established territorial units. In order to ensure local autonomy, public authorities of communes, towns and counties determine and approve revenue and expenditure budgets and are entitled to institute and collect local duties and taxes.

6. The State and the regions

Public administration in Romania consists of central and local administrations. The central administration oversees activities of national interest and is comprised of the government, ministries, central authorities subordinate to the government or ministries, central autonomous bodies and deconcentrated territorial bodies (the prefect and the specialized deconcentrated services of the ministries, usually at the county level). Local administrations conduct matters of local importance within the administrative territorial units and are comprised of the county council, the mayor and the local council.

7. The regions and local authorities

The county councils consult and maintain contacts with local authorities continually.

8. The regions and international relations

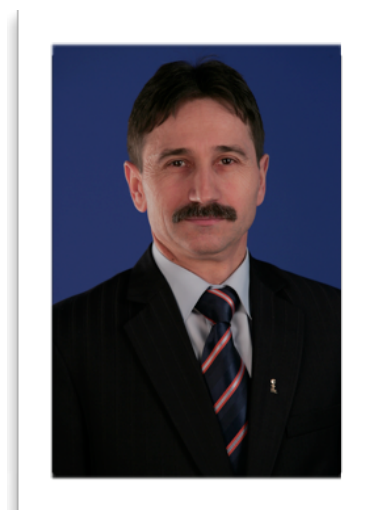
County and local authorities are able to enter into international cooperation agreements with the approval of the Foreign Affairs Ministry and by informing the Ministry of Interior and Administration Reform.

9. Conclusions

More competencies need to be transferred from central government to the county level administration (county councils), together with proper financial resources. There needs to be a greater participation of the counties in state revenues.

Interview with Ion DUMITREL

President of Alba Iulia County



1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Ion Dumitrele: The Romanian law offers large competences to the President of a County Council, transforming this institution in one of the most important institutions at the regional level. A major change occurred in 2008, when the president was, for the first time, elected by the citizens, on the basis of a universal vote, directly expressed. This fact makes this institution stronger and guarantees its representativity and legitimacy.

Enumerating all my competences stipulated by the law would require a lot of space, so I will mention only the most important. I think that these arise from the establishment and practical application of development policies, at a county level, and those concerning the budgetary mechanism and its formation, functions and use, also at a county level.

As for the transfer of powers from the central government to the regions (counties), Romania has come a long way and made huge steps since 1989, passing from excessive centralization towards a model, a pattern closer to the citizens.

Unfortunately, there are many things that have to be done, and the regions' power is not so strong or important. I could even say that we do not yet have in Romania, real and proper decentralization, mainly because of financial dependency on the central power. Furthermore, this was one of the issues that characterized the decentralization on the Romanian style: the transfer of competences from the central level to the county level, but without the transfer of the necessary money that is still at the central level, in the hands of the central power.

From the experience as an AER member, getting in touch with diverse types of organizational cultures and administrative models from all over Europe, and especially from observing the decentralization model from the states of "old Europe", I am quite sure that efficient decentralization and the transfer of powers towards regions is the only successful model that can offer solutions, including solutions for problems such as the economic crisis.

I think that it is our duty, as AER members, to still militate for preserving and developing the idea of a regional administration because the experience that I have gained in the last years, via the AER, is conclusive proof of this fact for me

2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Ion Dumitrele: The most important role should be played by the regions in this process of constructing the European Union. We, those from regional level, are asked to implement the EU's policies, and we are directly in touch with the problems and can observe the effects of different laws and regulations. This is why I think that Europe should be, firstly, ours; it should belong to the regions, and our voice should be, more and more, heard at the level of the European Union. Identity is always a question of membership. People identify themselves, firstly, by elements that are close to them – such as their birth place or the school where they learned the alphabet – elements that always belong to the regional plan. Then, as we grown up, we can all be defined as belonging to a certain nation or as Europeans.

The richness of traditions and cultural customs – the essence of the European charm – is found at the regional level, within the regions, and the links between regions are those that give value to the cultural richness. They do not have an intrinsic value by themselves, but they become valuable by comparing them with other traditions from other regions.

This is why, if we want a solid European identity, I think it is important to let regions contribute to this identity, by building it up from elements that characterize the individuals who form Europe.

3) AER: What is the added value of being a member of AER according to your experience?

Ion Dumitrele: It is difficult to quantify, in a few words, the benefits and the added value of being a member of an organization that gathers together more than 270 regions from 33 countries. However, I think that this is also the main benefit: to be a part of this large Assembly where each region can find a partner and solutions to its problems.

For Alba County, being a member of the AER means opening a door towards partnerships and people that otherwise could not be developed, discovered or known. It means a huge amount of cooperation possibilities and allows us to discover solutions to the most diverse problems, and finally, has brought a change to our way of administrating and solving citizens' problems.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Ion Dumitrele: Best wishes to the AER, to its leading team and, especially to Mr. Klaus Klipp, a person totally dedicated to this organization, who devotes all his energy to serving this Assembly and is a visionary who understood, many years ago, what the role of the regions should be.

I wish, from the bottom of my heart, that the AER develops further and becomes an instrumental voice in the process of making decision at the European level.

With regards to the regions' role for the next 25 years, I can only say that: everything depends on them!

RUSSIAN FEDERATION



1. Overview

The Russian Federation is the largest territorial state in the world that stretches across eleven time zones. As a consequence, the regions vary in terms of geopolitical and geoeconomic importance. Some of the regions have direct access to international borders and suitably located ports. With regard to ethnic groups, the Russian Federation is a complex multicultural state.



The principle of federalism formed the basis of the state Russian Soviet Federative Socialist Republic, which was created in 1918. In the Soviet period, some of Russia's approximately 100 nationalities were granted their own ethnic enclaves, to which varying formal federal rights were attached.

The activation of federalist structures in the beginning of the 1990s created incentives for political actors at the regional level to gain greater political independence. The central authorities still played a major role, but the political representatives of the regions - especially those in charge of ethnically defined administrative unit - were by no means insignificant political actors.

2. The region: definition and context

The federal structure of the Russian Federation is based on the following principles:

- its state integrity,
- the unity of the system of state authority,
- the division of subjects of authority and powers between the bodies of state power of the Russian Federation and bodies of state power of the entities of the Russian Federation,
- the equality and self-determination of peoples in the Russian Federation.

In 1993, when the Constitution was adopted, there were 89 constituent entities. By 2008 the number of constituent entities went down to 83 due to mergers.

The Russian Federation consists of republics, provinces (oblasts), territories (krays), cities of federal importance, an autonomous region (oblast) and autonomous areas (okrugs) - equal subjects of the Russian Federation. Republics and okrugs are often referred to as ethnically defined regions. Krays and oblasts are called territorially defined regions, since these regions are made up of an overwhelming Russian majority.

There are 21 republics which enjoy a high degree of autonomy on most issues and which correspond to some of Russia's ethnic minorities. The remaining territory consists of 46 oblasts (provinces) and 9 krays (territories), as well as 4 autonomous okrugs (autonomous areas), and 1 autonomous oblast (region). There are also two cities of federal importance (Moscow and St. Petersburg).

All constituent entities are grouped into federal districts, each administered by plenipotentiary Presidential representatives. Federal districts' heads serve as liaisons between the federal subjects and the federal government and are primarily responsible for overseeing the compliance of the federal subjects with the federal laws. In May 2000 there were seven Federal districts created. The eighth Federal district – North-Caucasian – was created in 2010.

3. Institutional Organization

The regional chief executives are the heads of the executive branches of the 83 subjects of the Federation. Regional chief executives are usually identified as presidents (in republics) or governors (in krays, oblasts and okrugs). In some republics, the chief official is designated as head of the republic, chairman of the government or head of the state council. In a large number of krays, oblasts and okrugs the chief executives are entitled head of the administration. Furthermore, a mayor is the superior political actor in the city of federal importance - Moscow. The second city of federal importance – St. Petersburg – is administrated by a governor. All entities of the Federation have a regional council or legislature.

After the adoption of a new federal law in December 2004, the Russian president obtained the authority to nominate the entire regional chief executives, while each regional legislative assembly has to confirm or reject a presidential nominee to the post of regional chief executive. However, if the legislature rejects a nominee twice, a one-month consultative process is initiated. After that the president can make a new nomination, appoint an acting governor for up to six months or dismiss the legislature. If the legislature rejects a nominee for a third time, the president has the undisputed right to dissolve the legislature.

4. Competences

Regional jurisdictions are allocated those powers which are not specifically reserved for the federal government or which are exercised jointly. Own competences of the regions include managing municipal property, establishing and executing regional budgets, establishing and collecting regional taxes, and maintaining law and order.

Article 72 of the Russian Constitution states that the following areas are within the joint competences of the Russian Federation and the regions: a) measures to ensure the correspondence of constitutions and laws of republics, the charters, laws and other normative legal acts of krays, oblasts, cities of federal significance, autonomous oblast and autonomous okrugs to the Constitution of the Russian Federation and federal laws; b) protection of human and civil rights and freedoms, protection of the rights of national minorities, ensuring lawfulness, law and order, public security; border zone regimes; c) issues of the possession, utilization and management of land and of subsurface, water and other natural resources; d) demarcation of State property; e) use of natural resources, protection of the environment and provisions for ecological safety; specially protected natural territories, protection of historical and cultural monuments; f) general issues of upbringing,

education, science, culture, physical education and sport; j) coordination of health care issues; protection of the family, maternity, fatherhood and childhood, social protection, including social security; h) carrying out measures against catastrophes, natural disasters, epidemics and rectification of their consequences; i) establishment of common principles of taxation and levies in the Russian Federation; j) administrative, administrative-procedural, labour, family, housing, land, water and forest legislation; legislation on subsurface resources and on environmental protection; k) personnel of judicial and law enforcement bodies; lawyers, notaries; l) protection of the traditional habitat and the traditional way of life of small ethnic communities; m) establishment of general principles of the organization of the system of State government and local self-government bodies; n) coordination of international and foreign economic relations of constituent entities of the Russian Federation, observance of international agreements of the Russian Federation.

5. Financing

The process of budget reform in Russia began in 2005 and the reforms aimed at rationalizing government expenditure:

The first wave from 2001-2004 focused on fiscal decentralization to lower levels of government. The emphasis was put on clarifying expenditure responsibilities and stabilizing revenues. Incentives were provided by competition for voters and investments.

The second wave from 2005-2008 covers administrative decentralization to ministries and agencies. The establishment of medium-term expenditure frameworks aimed at making resources more predictable and competition for budget resources should provide incentives for efficiency.

The third wave, from 2008-2010, is meant to delegate responsibilities for public services to public service providers. This will involve alternative forms of service delivery and new financing approaches, including per capita financing and performance contracts. Competition for consumers should provide the necessary incentives, and quality should be ensured through service standards and contracts.

6. The State and the regions

The Council of Federation is the upper chamber of the Federal Assembly - the parliament of the Russian Federation. The Council of Federation includes two representatives from each constituent entity of the Russian Federation: one from the legislative and one from the executive State government body. The first one elected by the regional legislatures and the second one appointed by the heads of regional executive. The Council of Federation consists of 166 senators.

According to the Article 102 of the Russian Constitution, the approval of border changes between constituent entities of the Russian Federation is within the jurisdiction of the Council of the Federation.

7. The regions and local authorities

There are very few shared competences between the regional and local authorities.

According to article 130 of the Russian Constitution local self-government in the Russian Federation shall provide for the independent resolution by the population of issues of local importance, and the possession, use and management of municipal property and shall be exercised by citizens by means of referendum, elections and other forms of direct expression of their will, and through elected and other bodies of local self-government.

8. The regions and international relations

The regions are required to promote their international ties in accordance with the Russian Constitution, the Federal Law “On Coordination of International and External Economic Ties of the Constituent Entities of the Russian Federation” and some other legislative acts.

9. Conclusions

The Russian Federation is a federative law-governed state with a republican form of government.

SAN MARINO



1. Overview

The Most Serene Republic of San Marino or (*Serenissima Repubblica di San Marino* or *San Marino*) is one of the smallest nations in the world. Located in southern Europe, it is an enclave of Italy, and is one of the European microstates. Founded in AD 301, San Marino is the oldest constitutional republic in the world still in existence today.

The Grand and General Council" (*Consiglio Grande e Generale*), which constitutes the Parliament, is elected by popular vote every five years. The parliament selects two of its members to serve as Regents (*Capitani Reggenti*) for periods of six months. The Regents and the cabinet form the executive branch of the government. The Council also elects the Council of Twelve (*Consiglio dei XII*), which forms the judicial branch during the period of legislature of the Council.

San Marino does not have any regional structures. It is divided into nine municipalities, known as *castelli* or *castles*.



2. The region: definition and context

Not relevant

3. Institutional Organization

Not relevant

4. Competences

Not relevant

5. Financing

Not relevant

6. The State and the regions

Not relevant

7. The regions and local authorities

Not relevant

8. The regions and international relations

Not relevant

9. Conclusions

Not relevant

SERBIA*



“Strong regions and strong local authorities create sustainable economies which then make satisfied citizens. If the citizens are satisfied and happy they generate stability, and in multi ethnic states, national unity.”

Maja Sedlarevic

Vice-President of the Assembly
of the Autonomous Province of Vojvodina

1. Overview

After the final disintegration of former Yugoslavia, Serbia has experienced major changes politically, constitutionally and territorially. Serbia, together with Montenegro, formed the Federal Republic of Yugoslavia in 1992. In 2003 it transformed into the State Union of Serbia and Montenegro. Three years later Montenegro held a public referendum in 2006 and decided to leave the State Union in order to become independent. In the same year Serbia passed its constitution as an independent country.

The Constitution of the Republic of Serbia from 2006 regulates the basic territorial structure of the state. Under the Constitution, Serbia has two autonomous provinces: Vojvodina and Kosovo and Metohija. Relations with Kosovo and Metohija, are still tense, given the fact that Kosovo and Metohija unilaterally declared its independence in 2008 which is not recognized by Serbia and a majority of the international community. Until now the independence of Kosovo and Metohija has been recognized by 69 states.

The part of Serbia which does not encompass either Kosovo and Metohija or Vojvodina is called Central Serbia. Central Serbia is not divided into political regions. At the local level, Serbia, excluding Kosovo and Metohija, is divided into 24 districts and the district of Belgrade. Other sublevels of authorities are municipalities and local communities.



2. The region: definition and context

The two autonomous provinces of Serbia are Vojvodina and Kosovo and Metohija. In addition new planning regions have been established.

In order to promote socio-economic development, the Government of Serbia has adopted a new law on regional development. The Amended Law on Regional Development officially

entered into force on 8th of May 2010. According to this law and for the purposes of regional development promotion four regions have been defined. 1. Region of Vojvodina; 2. Belgrade region; 3. Šumadija and West Serbia region; 4. South and East Serbia region; 5. Kosovo and Metohija region.

According to Article 4 of the new Law Regions are statistical functional territorial units, which comprise one or more districts, established for the purposes of planning and implementation of the regional development policy, in line with level 2 of the Nomenclature of Territorial Units for Statistics. It is not an administrative territorial unit and has no legal subjectivity.

3. Institutional Organization

The Autonomous Province of Vojvodina has a directly elected Assembly. The Government of the Autonomous Province of Vojvodina is the executive body of the Province. The rights and duties of the Government of Vojvodina are prescribed by the Constitution of the Republic of Serbia and the Statute of the Autonomous Province of Vojvodina as the supreme legal act of the Province.

The new planning regions have a Regional Development Council. Members of the Regional Development Council are representatives from local government units constituting a region, and the representatives from city municipalities, representatives from public and civil sector, and other institutions and organizations from the territory of these local government units, and a representative of the national Government. The majority of Regional Development Council members are to be appointed representatives of local government units and city municipalities which constitute the region for which the Regional Development Council is established, and these representatives are proposed by municipal and city councils.

Member of Regional Development Council for the Region of Vojvodina is withal the representative from the Autonomous province of Vojvodina, and member of Regional Development Council for the Belgrade Region is withal the representative of the City of Belgrade.

4. Competences

On 14 December 2009 the Statute of the Autonomous Province of Vojvodina was adopted. In late 2009 the Republic Law on Defining Competences of Vojvodina was passed as well within the framework permitted by the Constitution. Most of the mentioned competences are not original but were conferred to Vojvodina by the central authority.

The Constitution opens the possibility for Vojvodina to regulate the matters of provincial interest by its regulations in the following areas: in the field of regional development, urban planning and development, agriculture, water management, forestry, hunting, fishing, tourism, hospitality industry, spas and health resorts, environmental protection, industry and craftsmanship, road, river and rail traffic and roads designing, organising fairs and other economic events, education, sport, culture, health and social care and public information at the provincial level. However, none of the issues in these fields may Vojvodina regulate sovereignly and independently, but only what is provided by the republic laws.

The Law on Establishing Competences of Vojvodina has partly expanded the rights and duties of Vojvodina. However, the rights and duties of Vojvodina are not regulated on permanent bases, because they can be narrowed and even suspended by any future republic law.

The rights and duties of the Province of Vojvodina provided by the Constitution are related to Vojvodina only, as the Constitution provides that the substantial autonomy for Kosovo shall be regulated by a special law which shall be enacted according to the procedure for amending the Constitution.

5. Financing

The Constitution of the Republic of Serbia (Article 184), stipulates that the budget of the Autonomous Republic of Vojvodina amounts to minimum 7 % of the national budget, given that 3% of the mentioned 7% of funds is used for financing capital expenditures.

The Constitution of Serbia, also provides the Vojvodina property, which will be regulated by a republic law, as well as the manner of use and disposal of that property. The Law on Establishing Competences also provides that in the ownership of Vojvodina, as a form of public property, will be objects used by Vojvodina authorities, public enterprises and institutions founded by Vojvodina and other movable and immovable objects in accordance with the law regulating the public property. Such a law has not been passed yet, so Vojvodina does not have the right to dispose any of movable and immovable property yet in the territory of Vojvodina.

6. The State and the regions

Relations between the AP Vojvodina and central Serbian authorities face challenges due to insufficient coordination and weak administration. The new Laws on Establishing the Competences of Vojvodina enacted recently provide mutual rights and obligations of the republic and provincial authorities and their co-operation, but its full implementation still has to be established.

7. The regions and local authorities

On local level Serbia is divided into districts as territorial units where the deconcentrated bodies of central and provincial government act.

The AP Vojvodina is divided into 45 municipalities and towns. Towns and municipalities are units of local self-government. In the AP Vojvodina, there are districts as administrative authorities of Serbia. Vojvodina authorities have almost no jurisdiction over these districts in the territory of the AP Vojvodina. The AP Vojvodina establishes cooperation with the authorities of municipalities and towns in Vojvodina territory on issues under the Constitution, law and Statute that fall into its competence.

8. The regions and international relations

According to the Constitution and the Law on Establishing Competences of Vojvodina, Vojvodina may not directly cooperate with other countries, but may cooperate with the corresponding territorial communities of other countries, within the foreign policy framework of the state of Serbia. Vojvodina may conclude only inter-regional agreements within its jurisdiction. The state of Serbia has no obligation to consult Vojvodina authorities when concluding international and interstate agreements that apply to Vojvodina.

9. Conclusions

The new Law on Regional Development of Serbia provides formation of regions in Serbia for statistical and developmental purposes with no regional institutions and authorities. The coming years will show whether these planning regions will be able to gather momentum and further the regional development of the country.

Although a new Law has been passed governing the relations between central state and the Autonomous Province of Vojvodina, much more work has to be done to consolidate relations and organize provincial and national administration accordingly.

Maja SEDLAREVIC

Vice-President of the Assembly of
the Autonomous Province of Vojvodina

1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Maja Sedlarevic: Vojvodina, as a region, does not have a president of the region. We have a president of the Assembly of AP of Vojvodina. The assembly of the AP of Vojvodina chooses the president of the Vojvodina government, as well as the members of the government (executive power).

In December 2009, the Parliament of the Republic of Serbia adopted the Statute of the Autonomous Province of Vojvodina, and within this Statute, Vojvodina gained new competences:

- enact the Statute and decide on amending the Statute,
- enact the Provincial Assembly decisions and other general acts which are used, in accordance with the Constitution, law and Statute, to regulate the fields falling within its area of competence as well as the issues relevant for the Province,
- execute Provincial Assembly decisions and enact regulations for their execution
- execute laws and enact regulations for their execution, when stipulated by the law,
- regulate the election, organization and work of bodies and organizations it establishes, as well as the official use of languages and scripts in them,
- regulate the position, rights and duties of the elected, appointed, designated and employed persons in bodies of the AP of Vojvodina,
- monitor and evaluate the AP of Vojvodina regional development policy, collect and process statistical data relevant for the AP of Vojvodina,
- specify offenses and offense penalties for breach of regulations it enacts within the area of its competence,
- schedule the Provincial referendum,
- enact strategic plans of economic and social development of the AP of Vojvodina,
- decide on the use of its direct revenues and resources required for performance of delegated tasks,
- decide on borrowing of the AP of Vojvodina,
- enact its budget and annual balance sheet,
- establish organizations, agencies, public companies and institutions, funds, and economic associations with the purpose of performing duties of the AP of Vojvodina and monitor their work,
- establish the Provincial awards and rewards for natural and legal persons,
- regulate other spheres and issues stipulated in the Constitution, law and Statute.

Unfortunately, transfer of competences did not follow the transfer of funds from the central State budget, since the administration in Vojvodina still has NO ability to collect funds from its territory (Law should be adopted by the State parliament some time in future). Funds collected in Vojvodina go directly to the State budget, and it is written in the Constitution of Serbia, that a minimum of 7% of the State's budget should be transferred to the Vojvodina administration budget. Vojvodina transferred competences are limited by the Laws adopted in the State Parliament, and not in the Parliament of Vojvodina.



The Republic of Serbia has adopted Law on regional development, and has planned to create 5 additional statistical regions in Serbia. The state of Serbia has also created State Office for decentralization. We hope that in future, Vojvodina will gain more competences in the field of decision making.

2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Maja Sedlarevic: Strong regions and strong local authorities create sustainable economies which then make satisfied citizens. If the citizens are satisfied and happy they generate stability, and in multi ethnic states, national unity. Strong regions can also be a show case for other regions, a motivation to go forward. Strong regions, strong national governments and strong Europe, and above all, satisfied citizens.

3) AER: What is the added-value of being a member of AER according to your experience?

Maja Sedlarevic: As vice-president of the region in Serbia, I strongly believe that by being a member of the AER we as a region have gained quite a lot. We, as a region, are in the company of successful regions from the EU, who can give us know-how and guidance on different issues, and we, as a non-EU region, can participate in EU projects via peer review.

Also, we can show to region – skeptics in Serbia, that strong centralized countries like France have strong regions, and at the same time strong national government and unity. We can also show to EU skeptics that being an EU member state is not all about giving, but mostly about receiving.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Maja Sedlarevic: On behalf of the Assembly of the AP of Vojvodina I would like to express my deepest appreciation to the AER team and to wish that the AER will grow as an organization and to continue its positive work towards the benefit of a European future for the regions.

SLOVAK REPUBLIC*



“On the one hand it is important to maintain a cultural diversity, on the other hand it is important to create comparable living conditions for all EU citizens.”

Vladimir Manka
MEP and President of Banská Bystrica

1. Overview

The Slovak Republic was established as an independent state on January 1, 1993. In 1996, the country was divided into 8 regions of state administration and 79 districts. As at January 1, 2002, according to the first elections on regional level, 8 self-governing regions have been created. These 8 self-governing regions, manage their own resources, properties and profits and guard the rights and interests of their citizens.



On January 1, 2004, more than 400 competencies were transferred from the state administration to municipalities and regions, with the intention of increasing efficiency and improving the quality of the state administration. At the same time, there has been an extension of the networks of authorities of specialized state administration subordinated directly to central ministries.

2. The region: definition and context

The territory of the Slovak Republic is divided into 8 regions and 2.891 municipalities. Public administration is organized on three levels: state – region – municipality. Every level has its own elected officials, distributed duties and liabilities. Some duties are divided between the state and the regions. Catch Four of the Constitution (Articles 64 –71) stipulates the basic principles of both levels of territorial self-administration: they are independent self-administration and administration bodies, which are legal entities with their own property and funds; obligations may be imposed to them only by means of law. The regions have their own elected bodies. The execution of state functions may be transferred to them under the terms stipulated by the Constitution and laws.

3. Institutional Organization

The chairmen of the regions are directly elected by the regions' citizens, for the period of 4 years. The members of General assembly (regional parliament) are also directly elected for four years.

4. Competences

Regions are legal entities with own assets; they have their own budget, personal and financial independence, and they may do business and collect administrative fees. Regions have recently acquired new responsibilities in terms of education, health and environment. They may participate in international, cross-border and domestic cooperation. The competences of the regions include issuing of generally binding regulations. The regions have self-administration (original) competencies, but also perform certain duties transferred from state administration (e.g. part of competences in education, health-care sector, road transportation). Original competences of regions include: roads of class II and III, area planning, regional development, own investment ventures, secondary schools, hospitals, some social service facilities (retirements homes, social services for children, crises centre, orphanages, etc.), cultural facilities (galleries, museums, theaters, some libraries, etc.), participation in civil defense, licenses for pharmacies and private physicians, etc.

5. Financing

According to the Constitution, regions fund their needs mostly from own incomes, but also from state subsidies. The law stipulates which taxes and fees represent the regions' income. The regions prepare their budgets on an annual basis. During the transfer of competences, in the period of 2002-2003, the regions received special-purpose subsidies (decentralization subsidy) by means of which they funded their original competences. Since 1st January 2004, the special-purpose subsidies have been replaced by a global subsidy. This means that the regions can decide on the use of the funds themselves, by means of approved budgets. The duties they ensure in the name of the State continue to be funded by a special-purpose subsidy.

6. The State and the regions

The regions are allowed to sign agreements and fully cooperate with other regions in the same state.

7. The regions and local authorities

There are many forms of co-operation between municipalities and regions. This co-operation is mostly the field of planning, regional development, financing, co-operation of municipalities in administrative work and economic services, international and cross-border co-operation. There is no relation of superiority of regional level over the municipalities.

8. The regions and international relations

Regions are allowed to cooperate with regions from other states. Regions are also allowed to become members of international assemblies of territorial or regional bodies, European and international organizations. Regions are authorized to conclude international cooperation agreements and treaties with other regions.

9. Conclusions

If the Slovak regions are to function properly and exercise the responsibilities deriving from their statutory powers, they must have the appropriate budgetary and financial underpinnings. Regional and local authorities must be consulted during the preparation of the national strategic framework for regional development and in procedures concerning the use of the Community Funds.

Interregional cooperation is also essential in devising regional development projects. Cross-border cooperation between regions for the purposes of social and economic development is important and deserves to be supported further. Regional cultural activities are now regarded as an important factor for economic development. European and national budgetary resources should be allocated to these activities.

Amendment of the Act on self-governing regions is being prepared with active participation of representatives of self-governing regions during 2010. Aim of this amendment will be improvement of present legal wording of regional self-government in the Slovak Republic regarding acquired experiences and actual needs of application practice.

Interview with Vladimir MANKA

MEP and President of Banska-Bystrica

1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Vladimir Manka: The President is the main representative of the autonomous region. He has a statutory status with regards to the property rights, labour relations and other relations. He decides on the matters in which the law confers a Self-Governing Region competencies to decide about the rights and responsibilities of legal and natural persons in the field of public administration. If the President considers that the council resolutions are contrary to the law or are unfavorable for the autonomous region, he may suspend it so that he does not sign it within the time prescribed by law. The Council has a right to reaffirm this resolution with the three-fifth majority vote of all members within two months.



Since the launch of the democratic process in the early 90s years, Slovakia has undergone several reforms of public administration. A major change was the territorial-administrative arrangement in 2001 (creation of eight autonomous regions and 79 counties) and approval of laws enabling the transfer of responsibilities to municipalities and local governments (municipalities). Overall, between 2002 and 2003, 94 competences were transferred to the regional government and 63 responsibilities to the local government.

The competences of county authorities at the present include the establishment of institutions (Hospitals, social service facilities, libraries, museums, galleries and theaters, high schools ...), roads of 2nd and 3rd class and regulation of prices of urban and suburban transport and the utilization of EU funds for regional development.

The basic precondition for the effective implementation of the powers conferred is a corresponding financing. These funds should come from diverse sources (such as the collection of taxes and fees, support the central government, the Structural Funds and grants available ...) and their appropriate and transparent governance should be stressed.

Another precondition are professional, competent employees at all levels of regional and local governments and the introduction of process management and systematic actions that are supported by expert analysis. In this regard, it is essential to extend the use of electronic communication and new technologies because that is the way the government can save money and time.

Finally, association and the creation of regional units and cooperation at multiple levels (In the same region, between regions, national and finally at the European level) contributes to the increase of efficiency in decision-making process as the regions can better enforce their views and share experiences.

2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Vladimir Manka: Regions play an important role in the European union today. For example their active participation in consultations that are a part of the legislation process – either on an individual basis or through the Committee of Regions - influence the creation of laws which are directly connected with them.

The importance of regional and local administrative organs is stressed by the principle of subsidiarity which became one of the basic principles of EU.

A part of the European identity is its cultural diversity based also on the regions that are specific from one to another.

At this point it is important to mention the role played in this context by EU cohesion policy whose goal is to reinforce infrastructure building and economic development of regions. On the one hand it is important to maintain a cultural diversity on the other hand it is important to create comparable living conditions for all the EU citizens.

3) AER: What is the added value of being a member of AER according to your experience?

Vladimir Manka: Half of the Slovak regions are members of AER. The membership is important to exchange experience, gain new information or actively participate in projects. AER with almost 300 member regions is an effective platform for lobbying as well.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Vladimir Manka: The regions will be significantly influenced by the trends that are already visible in the whole Europe. I would like to underline three of them: convergence, demographic changes and sustainable development.

Convergence, a gradual reduction of differences in maturity of individual regions, is the main objective of European cohesion policy and related resources from the Structural Funds. For example, in the Banská Bystrica region, an effective use of these resources should bring in particular the elimination of inequalities between the north and south of the region, but also higher growth, higher employment and productivity.

European regions are mostly threatened by demographic changes - particularly the ageing population and a decline of the workforce due to the ageing, low fertility or departure to the regions with better working conditions. The regional authority will be, within its competences, forced to seek solutions to improve the health and social care on one hand and on the other hand to improve conditions for education, science and research to attract the investment thus to allow a creation of new jobs.

Climate changes and the need for efficient handling of natural resources of energy will be an impulse for sustainable development. For example, in Zvolen, where I served two terms of office as a mayor, we created in cooperation with universities an energy concept for the city. As a result today already 50% of the heat for the city comes from renewable energy sources. Further action by the end of next year will ensure an increase of production of electricity from renewable sources by 20% on the nationwide level!

I wish the Assembly of European Regions sufficient flexibility to help the member regions to face new challenges and have a room to deepen their cooperation.

Podklady rozhovor pre Zhromaždenie európskych regiónov (ZER)

1) ZER: Aké sú Vaše kompetencie ako predsedu regiónu? Aké zmeny nastali pri presune právomocí z centrálnej vlády na regionálnu úroveň v posledných rokoch? Aké kroky ešte treba podniknúť, aby sa zvýšila efektívnosť regiónov v rozhodovacom procese?

Vladimir Manka: Predseda zastupuje samosprávny kraj navonok. V majetkovoprávných vzťahoch, pracovnoprávných vzťahoch a v iných vzťahoch je štatutárnym orgánom; rozhoduje aj vo veciach, v ktorých zákon zveruje samosprávnemu kraju rozhodovanie o právach a povinnostiach právnických osôb a fyzických osôb v oblasti verejnej správy.

Ak sa predseda domnieva, že uznesenie zastupiteľstva je v rozpore so zákonom alebo že je pre samosprávny kraj nevýhodné, môže pozastaviť jeho výkon tak, že ho nepodpíše v lehote určenej zákonom. Zastupiteľstvo môže toto uznesenie trojpäťtinovou väčšinou hlasov všetkých poslancov opätovne potvrdiť v lehote dvoch mesiacov.

Od spustenia demokratického procesu začiatkom 90. rokov Slovensko prešlo niekoľkými reformami verejnej správy. Zásadnou bola zmena územno-správneho usporiadania v roku 2001(vytvorenie 8 samosprávnych krajov a 79 okresov) a schválenie zákonov, umožňujúcim prenos kompetencií na samosprávne kraje a miestne samosprávy(obce). Celkovo sa v rokoch 2002 a 2003 presunulo 94 kompetencií na regionálnu samosprávu a 63 kompetencií na lokálnu samosprávu.

Pod kompetencie samosprávnych krajov v súčasnosti patrí napríklad zriaďovanie inštitúcií (nemocnice, zariadenia sociálnych služieb, knižnice, múzeá, divadlá a galérie, stredné školy...), správa ciest 2. a 3.triedy a regulácia cien mestskej a prímestskej dopravy, a tiež čerpanie prostriedkov z eurofondov na regionálny rozvoj.

Základným predpokladom pre efektívne uplatňovanie zverených právomocí je zodpovedajúci objem finančných prostriedkov. Tieto prostriedky by mali pochádzať z rozličných zdrojov(napríklad výber daní a poplatkov, podpora centrálnej vlády, čerpanie štrukturálnych fondov a dostupných grantov...) a mal by byť dôraz na ich účelné a transparentné riadenie.

Ďalším predpokladom sú odborne zdatní, kompetentní pracovníci na všetkých úrovniach verejnej správy a samosprávy a zavádzanie procesného riadenia a systematických opatrení, ktoré sú podložené odbornými analýzami. V tomto ohľade je dôležité aj využívanie elektronickej komunikácie a nových informačných a technológií vo väčšej miere, pretože vďaka nim môžu samosprávy ušetriť finančné aj časové náklady.

V neposlednom rade k zvyšovaniu efektivity v rozhodovacom procese prispieva aj združovanie sa a vytváranie regionálnych celkov a spolupráca na viacerých úrovniach (v rámci jedného regiónu, medzi regiónmi, na národnej a nakoniec na európskej úrovni), pretože takto môžu regióny lepšie presadiť svoje stanoviská a navzájom si vymieňať skúsenosti.

2) ZER: Akú úlohu by mali regióny zohrávať v procese budovania Európskej únie? Existujú spôsoby, ako môžu regióny prispieť k vytváraniu spoločnej európskej identity?

Vladimir Manka: Regióny už teraz v Európskej únii zohrávajú dôležitú úlohu. Napríklad, aktívne sa zapájajú do konzultácií, ktoré sú súčasťou tvorby legislatívy, či už individuálne, alebo prostredníctvom svojich zástupcov vo Výbore regiónov a tým ovplyvňujú tvorbu zákonov, ktoré sa ich priamo dotýkajú. Dôležitosť regionálnych a miestnych správnych orgánov vyzdvihuje aj zásada subsidiarity, ktorá sa stala jedným z kľúčových princípov EÚ, pretože zvyšuje efektivitu tým, že podporuje konanie na primeranej úrovni.

Súčasťou európskej identity je aj jej kultúrne bohatstvo a rozmanitosť, ktoré prinášajú práve regióny, lebo každý z nich je niečím osobitý. V tejto súvislosti je podstatné spomenúť aj kohéznú politiku EÚ, ktorej cieľom je posilniť budovanie infraštruktúry

a hospodársky rozvoj regiónov. Na jednej strane je dôležité udržiavať kultúrnu rozmanitosť, na druhej strane je však potrebné vytvárať porovnateľné životné podmienky pre všetkých obyvateľov EÚ.

3) ZER: Aká je podľa Vás(na základe Vašich skúseností) pridaná hodnota členstva v ZER?

Vladimir Manka: Zo Slovenska polovica regiónov je členom ZHR. Členstvo má význam z hľadiska výmeny skúseností a získavania informácií, alebo pri aktívnom zapojení sa do projektov. ZHR má asi 300 členských regiónov z celej Európy, preto je efektívny aj *lobbying*.

4) ZER: Čo by ste zaželi ZER pri príležitosti 25.výročia? Ako vidíte úlohu regiónov počas najbližších 25 rokov?

Vladimir Manka: Regiónov sa dotknú trendy, ktoré sú už dnes viditeľné v celej Európe, ale v budúcnosti budú ešte výraznejšie. Z nich by som rád vyzdvihol tieto tri: konvergencia, zmeny demografie a trvalo udržateľný rozvoj.

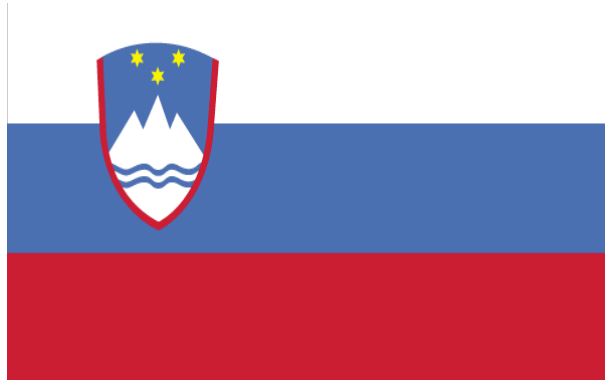
Konvergencia, teda postupné znižovanie rozdielov v hospodárskej vyspelosti jednotlivých regiónov, je hlavným cieľom európskej kohéznej politiky a s tým súvisiacich prostriedkov zo štrukturálnych fondov. Napríklad, v Banskobystrickom kraji by efektívne využitie týchto prostriedkov malo priniesť najmä odstránenie nerovností medzi severnou a južnou časťou kraja, ale aj vyšší hospodársky rast, vyššiu zamestnanosť a produktivitu práce.

Európske regióny sú ohrozené demografickými zmenami - najmä starnutie obyvateľstva a úbytok pracovnej sily, v dôsledku starnutia, nízkej pôrodnosti či odchodu do regiónov s lepšími pracovnými podmienkami. Regionálne autority budú v rámci svojej pôsobnosti nútené na jednej strane hľadať riešenia pre poskytovanie zdravotnej a sociálnej starostlivosti, a na druhej strane zlepšovať podmienky pre vzdelávanie, vedu a výskum, aby prilákali investície, ktoré umožnia vytvorenie nových pracovných miest.

Klimatické zmeny a potreba úspornejšieho zaobchádzania s prírodnými zdrojmi energie budú impulzom pre trvalo udržateľný rozvoj. Napríklad, v meste Zvolen, kde som dve volebné obdobia pôsobil ako primátor, sme v spolupráci s univerzitami vytvorili energetickú koncepciu mesta. Už dnes 50% tepla pre potreby mesta pochádza z obnoviteľných zdrojov energie. Ďalšie opatrenia do konca budúceho roka zabezpečia zvýšenie výroby elektrickej energie z obnoviteľných zdrojov o 20% v rámci celoslovenskej úrovne!

Zhromaždeniu európskych regiónov želim dostatočnú flexibilitu na to, aby s jeho príspevom členské regióny dokázali čeliť novým výzvam a aby mali priestor na prehlbovanie vzájomnej spolupráce.

SLOVENIA



1. Overview

Slovenia was created as an independent state in 1991 after a short 10-day war with Yugoslavia. Historical ties to Western Europe, a strong economy, and a stable democracy have assisted in Slovenia's transformation to a modern state. Slovenia became a member of both NATO and the EU in the spring of 2004.

2. The region: definition and context

There are no regions in Slovenia yet. The country is divided into 193 municipalities including 11 urban municipalities (population over 20,000). Municipalities constitute the only local administration level.

There exist also 58 decentralized State administrative units, appointed and dismissed by the Government. They manage matters falling within the remit of their respective ministries.

Municipalities may integrate into 'regions' to regulate and exercise local matters of wider interest. The State may, by agreement with the regional local government bodies, vest specific duties and functions in these regional groupings. However, these voluntary regions have not been established except in a few cases, which have not proved very efficient, especially as the State has not yet delegated any tasks to them.

3. Institutional Organization

Not relevant

4. Competences

Not relevant



5. Financing

Not relevant

6. The State and the regions

Not relevant

7. The regions and local authorities

There are special joint councils for inter-institutional dialogue between the decentralized State administration and the municipalities.

8. The regions and international relations

Not relevant

9. Conclusions

Slovenia is a small country (only 20,000 km²). Therefore it is not obvious that Regions would be relevant in such an area. However, some years ago, and in the EU perspective, the debate on the introduction of a regional level of government, closely related to the implementation of the principle of subsidiarity, was introduced.

If ever the regions will be established in Slovenia, the most suitable model, following discussions which took place in the Parliament, seems to be an eight-region model.

SPAIN*



"The AER, notably, has been a pioneer in calling for the creation of a regional body which should be involved in the EU decision-making process."

Ramón Luis Valcárcel Siso
President of the Autonomous
Community, Region of Murcia

1. Overview

The Spanish Constitution of 1978 provided the basis for the creation of Autonomous Communities in Spain. This granted Catalonia, the Basque Country and Galicia with full autonomy within the confines of the Constitution. It also granted gradual access to autonomy for the other Spanish regions.

2. The region: definition and context

There are three territorial levels of organization in Spain: the State, the Autonomous Communities (*Comunidad Autónoma*) and the entities which compose the « Local Administration ». The Autonomous Communities are 17 : Andalusia, Aragon, Asturias, Balearic Islands, Basque Country, Canary Islands, Cantabria, Castile and Leon, Castilla La Mancha, Catalonia, Extremadura, Galicia, La Rioja, Madrid Region, Murcia Region, Navarra and Valencia Region. Ceuta and Melilla have a special statute as "Autonomous cities".



As for the local level, or "Local Administration", Spain counts 50 provinces and over 8.000 municipalities.

There are also the Islands, which have an administrative, rather than a political nature, with autonomy in the management of their interests.

3. Institutional Organization

Each Autonomous Community has a Single-chamber Legislative Assembly, known as the Autonomous Parliament. It is directly elected. The Autonomous Parliament is responsible for electing the President of the Autonomous Community, adopting the necessary legislation within the region's competences and adopting the budget. The President of the regional

government is designated among the members of the regional Parliament and appointed by the King. The President designates its Government.

4. Competences

The constitution specifies the exclusive competences of the State (art.149). The competences of the Autonomous Communities are those assumed explicitly in their Statutes of Autonomy, plus those that, belonging to the State, are transferred to them by the means of a specific law. The competences that can be assumed by the Autonomous Communities, if they so chose, include: planning and housing, public works, rails and roads, harbors and airports that are not considered being of national interest, agriculture, forests, environment, fisheries economic development, cultural heritage, tourism, sport, welfare, health. Most of them are in fact shared with the State, which regulates those matters through "basic laws".

5. Financing

There are two models of autonomic financing in Spain: the "régimen foral" which is applied to the País Vasco and to Navarra, and the "common regime" which regulates the other Spanish communities. Historical and geographic factors have originated inside the "common regime" the *special cases* of the Autonomous Canarian Community and the cities of Ceuta and Melilla.

The financial system for the regions of common regime has been recently modified by the Law 22/2009, on December the 18th. The main changes have been the increase of the percentages to transfer to the Autonomous Communities on Shared-Taxes and the inclusion of mechanisms to guarantee in all Spanish territory an equal access to fundamental public services.

The regions have access to the financial resources which may be classified in three categories: (i) taxes which are totally transferred to the autonomous communities, including heritage, the ownership transmissions, the inheritances and gifts, and gambling taxes; (ii) shared taxes, including income tax, VAT and taxes on alcohol and tobacco, with now an higher percentage for the regions; (iii) the "Global Sufficiency Fund", which allows Autonomous Communities to develop their competences; and new Funds: "Public Fundamental Services Guarantee Fund" to guarantee in each part of the territory that these services are provided equally and, finally two convergence funds, "Competitiveness Fund" and "Cooperation Fund" to promote equity, efficiency and convergence.

6. The State and the regions

The relationships between the regions and the State are ruled by several integration principles, which are set out in the Constitution. These principles help to ensure the unity of the State.

At the State level, there is a second Chamber known as the Senate within which each province chooses four senators (with a special regime to the Islands). Each Autonomous Community chooses at least one senator.

The Statutes of the regions allow them to conclude agreements with other regions in Spain, in order to manage and provide services. Other types of cooperation agreements between the Spanish regions require the authorization of the Parliament (Art. 145.2 Spanish Constitution).

7. The regions and local authorities

The Spanish Constitution distinguishes between local and regional entities. The first are referred to as "Local Administration" (chapter II of the heading VII). Regions are organized as Autonomous Communities. The first ones are exclusively of an administrative nature, not a political one. The Constitution, although having recognized their autonomy, does not establish a catalogue of competences that belong exclusively to local entities and must be

respected, in the same manner as it is done with Autonomous Communities (as explained above). These competences depend on what the ordinary law (not Constitution) may provide. The extent of this autonomy depends on the recognition by the legislative power of a “quantum” of participation in competences by these local authorities, with regard to matters, which affect to their own interests. Since 2005, local administrations can challenge state or regional legislation before the Constitutional Court, in defense of local autonomy. Therefore, the municipalities benefit from executive powers regarding a vast number of services, such as transport, social services, health care and traffic. These administrative powers must be exercised within the frame of legislative powers of the State and the Autonomous Communities, depending on the subject matter.

8. The regions and international relations

Article 149.3 of the Spanish Constitution reserves international relations as an exclusive competence of the State. However, the Constitutional Court has recognized the capacity of Autonomous Communities to exercise activities with an external scope, as long as it is necessary, or at least convenient, for the exercise of their competences. The regions cannot enter into international treaties, create international obligations towards foreign public powers or take measures, which affect the foreign policy of the State. Nevertheless, in practice they can sign agreements with foreign regions, as it is the case in some cross border issues. A number of regions have articles in their statutes, which oblige the State to consult them when signing international treaties that affect their competences. However, the regions’ opinions are not legally binding on the State. Since 2004, there exists a series of mechanisms, which secure the participation and representation of the regions in European decision-making processes in all matters that affect their competences (including within the working groups and formations of the Council of Ministers).

9. Conclusions

A reform of the Statutes of Autonomy has been approved or initiated in some Autonomous Communities, in order to update them to reflect their actual competences as they have developed over the past few years, and in certain aspects to introduce further developments. The following reforms of the Statutes of Autonomy had been approved⁷:

- 10 April 2006: Valencia Region
- 19 July 2006: Cataluña
- 28 February 2007: Balearic Islands
- 19 March 2007: Andalucía
- 20 April 2007: Aragón
- 30 November 2007: Castilla and León
- Castilla la Mancha: in process
- Extremadura: in process

The 2006 Catalan Statute has been submitted to the Constitutional Court, and its ruling is still pending.

⁷ http://www.mpt.es/documentacion/politica_autonomica/Estatutos_Autonomia/Estatutos_reformas.html

Interview with Ramón Luis VALCARCEL SISO

President of the Autonomous
Community, Region of Murcia

1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Ramón Luis Valcárcel Siso: As President of the Government of Murcia, I have the duty to represent all regional citizens and to stimulate the adoption of measures which allow for the development of the Region and its population. The territorial organization of Spain in autonomous Regions (Autonomous Communities) implies that the latter have a great number of competencies. They are put in place by an administration structured in departments whose heads are nominated and coordinated in their work by the President. The President also represents the Region at national and international institutions, and coordinates the activity of socio-economic actors.



The powers of the Autonomous Communities are defined in the Spanish Constitution (1978) and in their own fundamental laws (Estatutos de Autonomía), but the procedure of transfer of competencies has been long and complex, in particular in the field of education and health.

Despite a well-defined institutional framework, the future efficiency of the Autonomous Communities will also depend upon an appropriate coordination among them as well as a fair treatment from the central government. Funding must also be in line with the transferred competencies. It is therefore essential that the government acts in favor of solidarity within Spain in view of the development of the whole Spanish territory, regardless of political considerations.

2) AER: What do you think should be the role of the regions in the process of constructing the European union? Are there any ways regions can contribute to the development of common European identity?

Ramón Luis Valcárcel Siso: The European Union should not be limited to cooperation among Member States but needs enhanced involvement from citizens. This is only possible through the Regions, which are the best-placed to represent their interests and fight for them. In order to achieve a Europe of citizens and develop a common European identity, a genuine 'Europe of the Regions', or in other words, an increased participation and involvement of regional authorities in the European integration process, is therefore needed. The Lisbon Treaty recognizes principles which are of great importance for sub-national authorities, such as:

- the new definition of the subsidiarity principle, which recognizes for the first time the regional and local dimensions
- the recognition of the territorial dimension of cohesion policy
- the recognition that national identity entails regional and local autonomy
- the recognition of cultural and linguistic diversity
- clauses on participative and representative democracy which can favor the dialogue between European institutions and regional associations

3) AER: What is the added-value of being a member of AER according to your experience?

Ramón Luis Valcárcel Siso: Networks of regional and local authorities, and the AER in particular, have played a key role in the creation of the Committee of the Regions. The AER, notably, has been a pioneer in calling for the creation of a regional body which should be involved in the EU decision-making process. Today, these networks continue to be a valuable tool to articulate the will and efforts of sub-national authorities to improve their position in the institutional system and allow for regional interests to be better taken into account by EU institutions.

The setting up of cooperative relations with other Regions has always been considered extremely important by the Region of Murcia and, in this context, the AER offers an ideal platform for contacts. Good examples of such cooperation activities are, without a doubt, programmes such as Eurodissey. Eurodissey encourages young people from various Regions of Europe to undertake internships in foreign companies, which enable them to improve their language knowledge and establish cultural cooperation links. This programme brings clear satisfactory and enriching results for the Murcia Region.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Ramón Luis Valcárcel Siso: I wish for the AER to continue to play a guiding role for Regions in Europe. I also wish that regional authorities will grasp the opportunities offered by the Lisbon Treaty, which gives them more power in the EU political system and reinforce the institutional role of their representative body, the Committee of the Regions.

In fact, the Treaty of Lisbon formally recognizes local and regional dimensions in the process of European construction and increasingly involves regional and local authorities in the process. It also confers a stronger role upon regional actors in European affairs thanks to an extension in the breadth of the application of the principle of subsidiarity for territorial collectives as well as the potential for the participation of regional parliaments in the political control of the application of this principle via the early alert system.

Our ambition for the future should be to improve the role of the Regions in the EU decision-making process. Without any formal legitimacy, this will depend on the good will of the Member States to articulate, at the national level, the mechanisms that will allow for this participation in a formal or informal way.

The legitimacy of the European integration process relies on its citizens. If Europe wants to continue to progress, it will need a level of governance closer to the citizens and in this context, Regions have a key role to play.

Original Language: FRENCH

1) ARE: Quelles sont vos compétences en tant que Ministre de région ? Quels changements ont été accomplis dans le transfert de pouvoirs du gouvernement central vers les régions ces dernières années? Quels changements sont encore à faire afin d'améliorer l'efficacité régionale dans le processus de décision?

Ramón Luis Valcárcel Siso: Présider le Gouvernement de la Région de Murcia implique d'assumer la représentation de l'ensemble des citoyens régionaux et de stimuler l'adoption de mesures qui permettent le développement de la région et de sa population. L'organisation de l'Espagne en régions autonomes (Communautés Autonomes) implique que celles-ci exercent un grand nombre de compétences, qui sont mises en oeuvre sont par l'administration structurée en départements, et dont les responsables sont nommés et coordonnés dans leur action par le Président. Ce dernier assume également la représentation de la Région auprès des institutions nationales et internationales et la coordination avec les acteurs économiques et sociaux.

Les pouvoirs des Communautés Autonomes sont définis dans la Constitution Espagnole (1978) et dans leurs propres lois fondamentales (Estatutos de Autonomía), mais la procédure de transfert d'attributions a été longue et complexe, particulièrement dans les domaines de l'éducation et de la santé.

Malgré un cadre d'attributions bien défini, l'efficacité future des Communautés Autonomes dépend aussi d'une adéquate coordination entre celles-ci et d'un traitement juste et équitable de la part du gouvernement central. Il faut par ailleurs un financement approprié à l'exercice des attributions transférées. Il est donc essentiel que le gouvernement agisse en faveur d'une structuration solidaire de l'Espagne et pour le développement de l'ensemble de l'Etat espagnol indépendamment des facteurs politiques.

2) ARE: Quel devrait être, selon vous, le rôle des régions dans le processus de construction de l'Union européenne? Comment les régions peuvent-elles contribuer au développement d'une identité européenne commune ?

Ramón Luis Valcárcel Siso: L'Union Européenne ne doit pas être limitée à la coopération entre Etats Membres mais passe par une implication accrue des citoyens. Cette dernière n'est possible que grâce aux régions, instruments privilégiés de représentation et de défense de leurs intérêts. Pour aboutir à une Europe des citoyens et développer l'identité commune européenne, une véritable "Europe des régions", autrement dit, une participation et implication accrues des autorités régionales et locales dans le processus de construction européenne est donc indispensable. Le Traité de Lisbonne reconnaît des principes ayant une grande importance pour les autorités de niveau sub-national tels que :

- la nouvelle définition du principe de subsidiarité qui reconnaît pour la première fois la dimension régionale et locale,
- la reconnaissance de la dimension territoriale de la politique de cohésion,
- la reconnaissance de l'identité nationale qui l'autonomie régionale et locale,
- la reconnaissance de la diversité culturelle et linguistique,
- les dispositions sur la démocratie participative et représentative, qui peuvent favoriser le dialogue entre les Institutions communautaires et les associations régionales.

3) ARE: Quelle est, d'après votre expérience, la valeur ajoutée d'être membre de l'ARE?

Ramón Luis Valcárcel Siso: Les réseaux des autorités régionales et locales et l'ARE, en particulier, ont joué un rôle fondamental dans la revendication institutionnelle qui a abouti à la création du Comité des Régions. Dans ce sens l'ARE a été pionnière dans la revendication en faveur de la création d'un organe régional qui puisse participer à la procédure d'adoption des décisions communautaires. Actuellement, ces réseaux continuent à être un instrument privilégié pour articuler l'élan et les efforts des autorités sub-nationales pour améliorer leur position dans le système institutionnel et faire en sorte que les intérêts régionaux soient pris en compte par les institutions communautaires.

L'établissement de rapports de collaboration et coopération avec d'autres régions a toujours été considéré comme très important pour la Région de Murcie, et dans ce contexte, l'ARE est un cadre privilégié. Un bon exemple de cette collaboration est constitué sans doute pour les programmes tels qu'Eurodyssee, encourageant les échanges de jeunes travailleurs de différentes régions de l'Europe pour faire des stages professionnels dans des entreprises étrangères ce qui favorise aussi leur connaissance des langues et leur permet d'établir des liens de collaboration culturelle avec des résultats nettement satisfaisants et enrichissants pour la Région de Murcie.

4) ARE: Comment voyez-vous le rôle des régions dans les 25 prochaines années? Quel est votre souhait pour le 25e anniversaire de l'ARE?

Ramón Luis Valcárcel Siso: Mon vœu est que l'ARE continue à jouer un rôle de guide des régions de l'Europe et que les autorités régionales profitent de l'occasion que représente pour notre futur l'entrée en vigueur du Traité de Lisbonne, qui donne plus de pouvoir aux

régions dans le système politique de l'UE et renforce le rôle institutionnel de son organe de représentation, le Comité de Régions.

En effet, le Traité de Lisbonne reconnaît formellement les dimensions régionales et locales dans le processus de construction européenne et implique une implication toujours plus grande des autorités régionales et locales dans ce processus. Il confère aussi un rôle renforcé aux acteurs régionaux dans les affaires européennes grâce à l'extension du champ d'application du principe de subsidiarité aux collectivités territoriales ainsi qu'à la potentielle participation des parlements régionaux dans le contrôle politique de l'application de ce principe à travers le mécanisme d'alerte précoce.

Notre ambition pour le futur doit être d'améliorer le rôle des régions puisqu'en absence de légitimation formelle notre participation dans le système institutionnel communautaire dépendra de la volonté des Etats membres d'articuler à niveau interne les mécanismes permettant de façon formelle ou informelle cette participation.

La légitimation de la construction européenne repose dans ses citoyens; si l'Europe veut continuer à avancer, elle aura besoin du niveau de gouvernance plus proche des citoyens et dans ce contexte, le rôle des régions est incontestable.

SWEDEN*



“There is no doubt that the past 25 years have seen a dramatic development of regionalism in Europe, and that the AER has been one of the important actors behind that development.”

Gert-Inge Andersson

President of the Regional Executive Board
Region of Västra Götaland

1. Overview

Historically, Sweden has been a state with a strong national level (Riksdag, Government, and national authorities) and a similarly strong self government on local and regional level (the municipalities and county councils), with directly elected decision-making assemblies, the right to levy taxes, and an extensive area of responsibility. On regional level, the county councils, are mainly responsible for one area; health care and medical treatment. However, the importance of the regional level is increasing, as is evidenced partly by the reform that has taken place during the last ten years. Two County Councils in counties of Västra Götaland and Skåne have taken over some duties within the field of growth and development from the state. After ten years on probation, these two Regions will become permanent from 1 January 2011 onwards. One more county council (Halland) and a municipality (Gotland) are going to take over the same tasks from 1st January 2011 on.

The Government is represented regionally through a county administrative board in every county.

Sweden have 290 municipalities and 21 county councils. The county councils have the same geographical area as the counties.



2. The regions: definition and context

The term ‘regions’ in Sweden is as a rule taken to mean the 21 counties. Historically, they have their origins in the 1600s as areas for the King’s and the Government’s administration. The Government’s regional bodies, the county administrative boards, and the regional autonomous authorities, the county councils, are bound to the counties. The regional level, and the number of counties/regions, are not regulated in the constitution. The constitution states that Sweden shall have municipalities and county councils (that are both part of municipal self-government).

3. Institutional Organization

The decision-making assemblies in the 21 county councils are directly elected by the people every four years. The regional council appoints the chairman of the regional council. The regional council appoints a board, which is the steering and executive body.

4. Competences

The duties and tasks of the county councils are not defined in detail in the constitution but are decided by the Riksdag through legislation. Their principal duty is to be responsible for health care and medical treatment and have responsibility for approximately 90% of the collective budget. They also have duties with regard to culture and public transport. The County Councils in the counties of Västra Götaland and Skåne are also responsible for growth and development matters. This includes drawing up strategies for the region's development, deciding on investments in the regional transportation infrastructure, and distributing funds for development initiatives.

5. Finances

The county councils' financing comes primarily from taxes (their own right to levy taxes), patient contributions and government subsidies, distributed as follows for 2004 (rounded figures): Taxes - 70 %; Government subsidies – 15-20 %; Patient contributions - 3 %; Other – 10-15 %. Sweden has a tax equalisation system to balance the revenues of the municipalities, county councils, and regions; a new system came into force in 2005.

6. The State and the regions

The county councils have no legislative power. The county council makes its own decisions within the region's fields of responsibility. The councils can enter into agreements with other regions within its fields of responsibility. Such agreements may concern cooperation on single issues and shared development projects.

7. The regions and local authorities

The Swedish model means that municipalities and County Councils are equal parties in municipal self-government. The municipality is responsible for tasks and duties of a local nature, including schools, care of children and the elderly, and technical services such as waste management.

The County Councils and the municipal authority cooperate closely in several areas. In health care and medical treatment, which is one of the County councils main responsibilities but where the municipalities are responsible for some health care (residential care for elderly people) and are also important players in health-promoting efforts, cooperation takes place both at the regional level (the County councils and the municipal federations), the sub-regional level (health and medical care boards and the municipal federations) and the local level (the district health centre and the local authority).

8. The regions and international relations

The County Councils are permitted to enter into international agreements within its fields of responsibility. Consultation between the Government and the Region before the Government enters into agreements takes place to a certain extent within the framework of the European Union's decision-making process, for instance in regard to cohesion policy.

9. Conclusions

The need for larger Counties and County Councils is currently the subject of much debate in Sweden. Many people feel that today's 21 counties have had their day and that the number of County Councils must be smaller – 6-10 is a figure often heard – in order to fulfill their

duties in the future. One can wonder, in that context, whether Halland (with about 300 000 inhabitants) and Gotland (55 000) are not too small to function properly, compared to Västra Götaland (1.6 million inhabitants) and Skåne (1.2 inhabitants).

There are some county councils in the northern part of Sweden who have sent in requests to merge. This is for the moment under consideration and it will not be done (if the government decide to do so) before the 1st January 2015.

The opinion is also heard from many quarters that a popularly elected regional self-governing authority is needed that has the legitimacy and resources to work for the region's development, where not least international activities and international co-operation are important. Social development shows that a regional approach is necessary in an increasing number of areas, as labour markets grow and people's range of action expands. Examples of areas where planning needs to be done and decisions made at a regional level include traffic infrastructure and public transport, higher education, the environment, measures for strategic industries and sectors, tourism, and marketing. It is also important to be able to participate strongly in the growing cooperation with regions in Europe. This requires a regional level with unambiguous representation, a mandate, and financial resources.

Interview with Gert-Inge ANDERSSON

President of the Regional Executive Board
Region of Västra Götaland

1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Gert-Inge Andersson: Healthcare and regional development are the main responsibilities of the Region Västra Götaland. We base our activities mainly on income tax. Some new tasks in regional development (development plans, growth programmes and parts of infrastructure planning) were transferred from the national level a decade ago – but not to all Swedish regions, and only for a limited time. This new order has been considered successful and will now become permanent. But it is still only valid for some Swedish regions, and there is room to expand this to our colleagues in other regions. In my opinion, it is vital that an elected regional council has a mandate, a vision and financial means to support regional development.



2) AER: What do you think should be the role of the regions in the process of constructing the European union? Are there any ways regions can contribute to the development of common European identity?

Gert-Inge Andersson: In a well functioning, multi-level democracy, regions are essential players. There are a number of processes now on the European level, where regions have a crucial role to play – the Europe 2020 process, budget discussions, the future of cohesion policy, and the new concept of macro-regional strategies, to mention a few. Regions can be involved to a higher degree in implementation as well as in policy-making, and on a national as well as on a European scale.

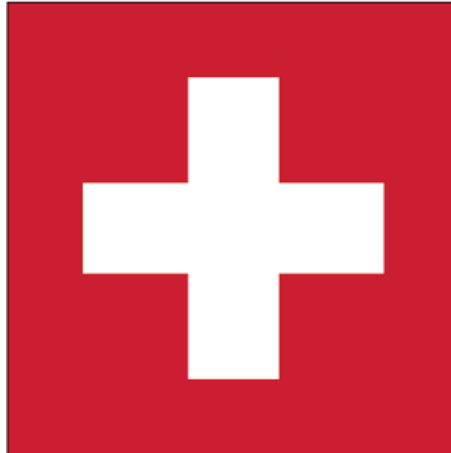
3) AER: What is the added-value of being a member of AER according to your experience?

Gert-Inge Andersson: The most obvious strength of the AER is that it brings together a large number of regions from countries all over Europe, from EU member states, candidate countries and the EU's neighbors. That makes the organization a platform for contacts and for the promotion of regional democracy throughout the wider Europe.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Gert-Inge Andersson: There is no doubt that the past 25 years have seen a dramatic development of regionalism in Europe, and that the AER has been one of the important actors behind that development. Although tendencies may differ from one country to the other, it seems inevitable that multi-level democracy with active participation from Europe's regions will continue to develop. The competence of the European regions is essential in the development of European co-operation.

SWITZERLAND



1. Overview

Switzerland is a federal state, which has limited "state" status for the cantons. They have authority over their own territory and their own people, but their powers exist only within limits laid down by the federal constitution. The Swiss cantons, being public bodies, constitute separate legal entities and they each have an own constitution.

Switzerland was created from the (independent) Cantons, which, in 1848, delegated their power to the federal State. As

a consequence, they have a great deal of sovereignty. In principle key elements governing the respective competences of the state and cantons have altered little since the establishment of the Confederation in 1848.



The Reform of financial equalization and task allocation (RET/NEF) or "RPT reform" adopted in 2004 by referendum marks the starting point of a new type of Swiss federalism. The reforms aim at the disentanglement of tasks and financial flows between the Confederation and the cantons, and try to enforce intercantonal cooperation.

2. The region: definition and context

There are 26 Cantons; their size varies greatly (15'000 – 1'250'000 inhabitants). Regional government is recognized in the federal constitution and in primary legislation. According to the federal constitution, the cantons are sovereign within the limits of the federal constitution. The constitution regulates the competences and the participatory rights of cantons.

3. Institutional Organization

Cantonal constitutions set out the Cantonal organization, the political rights of their citizens, and the organization of local government. They all have a representative assembly and universal suffrage. The political authorities at cantonal level include a cantonal parliament (the Grand Council of up to 200 members, depending on the size of the canton), a cantonal government (Council of State - 5-9 members), and cantonal courts (first and second instances). Citizens' participatory rights are also defined at constitutional level. They include voting rights (for the parliament and government) and popular participatory rights including popular initiative and referenda. In all cantons, parliament and government are elected by direct general election. Terms of office of political authorities are generally 4 years.

4. Competences

According to article 3 of the constitution of the Swiss Confederation, the cantons are sovereign insofar as their sovereignty is not limited by the federal constitution. They exercise all state powers not assigned to the federal government. Own competencies of the Cantons are: Education, Health, Economic Development, Social Services, Police, Ports and Airports, Tourism, Training, Justice, Cultural Organization, Taxing Authority, Procedural law. Shared competencies are: Roads, Environment, Energy, Social Security, Agriculture, Research

5. Financing

The cantons have fiscal autonomy: They are authorized to collect any tax (direct or indirect) that is not the exclusive responsibility of the Confederation. As a result, cantonal tax legislation and taxation rates vary considerably from one canton to the next.

One of the main purposes of the RPT reform was to simplify the system of financial equalization and make it more manageable. The RPT reform brought in a new system of vertical equalization (between the Confederation and the cantons) and horizontal equalization (between different cantons) based on new socio-economic and geotopographical criteria.

6. The State and the regions

Relations between the federal state and the cantons and among the cantons themselves are governed both by constitutional provisions and by various agreements between the Confederation and the cantons and between different cantons.

Cantons have participatory rights at the federal level. The constitution grants a consultative procedure in the federal legislative process. The federal parliament consists of two chambers – one of them is the Council of States, where every canton is represented by two members of the parliament. The organization of the election of these members is within the competence of the canton, but there is no possibility of giving instructions.

In many important votes (e.g.: amendments on the constitution, participation in supranational organizations, etc.) a qualified majority is needed, which means a majority of the population and a majority of the cantons. There is an optional legislative referendum: 8 cantons can oppose a federal law and there will be a vote.

The constitution allows cantons to sign agreements with other cantons or to build common organizations and institutions, especially to fulfill tasks of regional interest. There is the tendency towards increasing cooperation between the cantons.

7. The regions and local authorities

Within the 26 cantons, there are about 2 636 municipalities (communes) in total. They are governed in detail by the constitution and the legislation of the cantons to which they belong. Therefore the structure of communes and their operating methods vary from one canton to the next.

8. The regions and international relations

The regions have the ability to conclude international agreements, including international treaties concerning cantonal competencies. Switzerland's accession to joint-security organizations or to international communities requires the approval of the majority of the electorate and of the cantons. Since 1 July 2000, the Federal Law Concerning Cantonal Participation in the Foreign Policy of the Federal Government has been in effect. The object of cantonal participation in federal foreign policy is to make appropriate allowance for the interests of the cantons and to protect cantonal competences. This is to be achieved through exchanges of information, through listening to the preparation of negotiation mandates and in the conduct of negotiations. There is also an obligation upon the cantons to make the necessary adjustments to cantonal legislation required for the implementation of international law- and to do so in due time.

9. Conclusions

In Switzerland there has been an increase in legal standardization. In particular, legislative powers for new functions in the economic sphere, in social affairs, in the field of anti-pollution measures, and in technology have increasingly been transferred to the federal government. The main reasons for this have been the increasing complexity of such areas, pressure of time, financial bottlenecks, and a view that the cantons cannot be expected to keep up in legislative terms with a rapidly changing society. The cantons themselves are partly to blame for this development, having occasionally renounced to their own powers, not able as a result of financial inducement. Swiss federalism is therefore in danger of degenerating into legislation and in which they exercise their own legislative jurisdiction to an ever-decreasing extent.

Part of the reason why cantonal legislation cannot be expected to keep up in areas of huge complexity lies in their different orders of magnitude. The canton with the highest population has around 1.2 million inhabitants, while the canton with the smallest population numbers 14.400 inhabitants. In general, most of the Swiss cantons are small and rather weak economically. It is particularly these small cantons that cannot be expected to keep pace with the ever more challenging tasks of legislation and its implementation. Part of the essence of Swiss federalism is that in principle all cantons, irrespective of size, have to perform the same functions. It follows that increased cooperation and possibly, in future, even inter-cantonal amalgamations are indispensable if Swiss federalism is to remain viable.

TURKEY*



“All these aspects of being an AER member have brought our region a lot of benefits like sharing experiences with other regions, opening the door to establishing direct relations with EU institutions, making partnership with other regions in Europe, etc. AER membership has triggered the Europeanization process.”

Kerim Genç

President of Committee of EU and International Affairs in the Provincial Council of Istanbul

1. Overview

The creation of municipalities and provinces in Turkey dates back to the middle of the 19th century. In 1864 the first municipality was created in Istanbul on a European model. The country was then subdivided into provinces, districts and villages. In 1913, a Law on the General Administration of the Provinces was passed, and in 1961 the new Constitution set out the principle of decentralization. Nevertheless, the State remains strongly centralized; Article 127 of the Constitution states that: *“the central administration has the*



power of administrative tutelage/trusteeship over local authorities within the framework of principles and procedures set forth by law, with the objective of ensuring the functioning of local services in conformity with the principle of the integral unity of the administration, securing uniform public services and meeting local needs in an appropriate manner”.

In the period between 2004 and 2005, the government enacted a string of laws on sub-national governance in order to align the Country with the EU principles for subnational governance. The package of reform involved the restructuring of (i) the Special Provincial Administrations (SPAs), (ii) the municipalities and (iii) the village administrations. Overall the reform process set a framework for redefining the state organizations and institutions and for strengthening local administrations especially the Provincial Councils.

2. The region: definition and context

The Turkish State is divided in three levels of government. At the national level, the Grand National Assembly is directly elected, as is the President. At the regional level, there are 81 provinces, which are divided into districts. The local level comprises municipalities, metropolitan municipalities (which have a dual structure, comprising the metropolitan municipality and its constituent district municipalities) and villages.

3. Institutional Organization

The provinces are both institutions of devolved state administration and institutions of self-government. Provincial Governors are appointed by the State. Before the reforms they were presiding over the Provincial Councils, which are directly elected for 5 years. However, the reforms of 2005 have limited the Governors' role: accordingly the Governor ceases to be the President of the Provincial Councils. Instead the Council among its elected members now elects the President. The Provincial Council furthermore elects an executive committee for one year from amongst its members, which is chaired by the President. The executive committee supports the head of the Provincial Council in his/her tasks, controls the implementation of the provincial budget, organizes public tender procedures for provincial administration and monitors the expenditure of the provincial administration.

4. Competences

The functions and duties of the provinces include: land development, education, agriculture, health services, social security, commerce and the economy. Most of these duties, however, have been transferred to the central government by subsequent legislation; those duties have not been specifically withdrawn from the provinces actually, which results in significant confusion. As the financial resources of the provinces are very limited, most of the tasks and duties are in fact executed by the central government. This tends to significantly reduce the importance of the provinces.

5. Financing

The regions depend almost entirely on national funding. The budgets of sub-national authorities are drafted and approved by the authorities themselves, but also have to be approved by the state representative. The provinces are granted a share of 1,70 per cent of the total collection of the state budget tax revenue. In addition, 15 per cent share of the property tax collected by municipalities is granted to provincial special administration.

6. The State and the regions

Under Article 80 of the Constitution, members of the Turkish Grand National Assembly represent not only their own constituencies, but also the nation as a whole. In practice, however, regional and local interests are represented at the national level by informal lobbies of deputies to the parliament.

Authorities at the sub-national level may, with the permission of the Council of Ministers, form associations for the purpose of performing specific public services; there are over 800 such associations.

7. The regions and local authorities

The provinces are territorially divided into districts; the districts have no institutions in their own right, just local provincial branch offices.

Municipalities and metropolitan municipalities are in practice the only sub-national bodies in which self-government is effectively executed and they have seen significant developments in recent years.

8. The regions and international relations

According to Act 1173, sub-national administrations are entitled to establish partnerships with foreign sub-national administrations. The sub-national authorities must submit their decision to the Ministry of Interior for approval, and must seek the opinion of the Governor and the Ministry of Foreign Affairs. The municipal level is more active than the regional level in international relations; there are over 400 cross-border partnerships.

9. Conclusions

The changes brought by the reforms can be considered as a process of Europeanization in Turkish sub-national governance in which increasing the role of sub-national democracy and efficiency was a prime concern. Regional politicians have become more influential in policy-making in the provinces, since provincial councils have been given more power including electing their presidents themselves. However, all these legislative and institutional changes need to be followed by the increased transition in political culture and behavior through cooperation with EU counterparts. Especially, the EU institutions and other transnational bodies can contribute to this transformation process (Europeanization) in Turkey via concrete supportive measures such as common projects, the transfer of best practices and overall political support.

Interview with Kerim GENÇ

President of Committee of EU and International Affairs in the Provincial Council of Istanbul



1) AER: What are your competences as a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Kerim Genç: In our country when we talk about the “regions” we refer to provinces. Special Provincial Administrations (SPA) and Governors are the regional governments. SPAs are responsible for education, healthcare, culture and tourism, social services, etc. Infrastructures like building roads, city and public transport and urban cleaning are done by the municipalities. However, SPAs carry out these services in the rural areas. SPAs have financial and administrative autonomy. Appointed governors who also represent the central government are the highest authorities in the provinces. Provincial councils are the

decision making body of the SPAs. Members of the provincial councils are directly elected by the people once every five years.

With the reform which was made in 2004 and 2005 by Ak Party Government, SPAs have been given more power and elected politicians have become main actors in policy making in the provinces. Before the reforms, governors were also presidents of the provincial councils, but now the president is directly elected from among the members and the governors are only responsible for executing the council's decision. Again before the reform, governors had to approve the decisions of the councils but now there is no need for approval.

3) AER: What is the added-value of being a member of AER according to your experience?

Kerim Genç: The AER is an organization working for the interests of regions, which encourages further democracy. It allows politicians to gain lots of experience and observe good practices. Being a horizontal network, the AER has a great advantage for communication among its member regions. All these aspects of being an AER member have brought our region a lot of benefits like sharing experiences with other regions, opening the door to establishing direct relations with EU institutions, making partnership with other regions in Europe, etc. AER membership has triggered the Europeanization process.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Kerim Genç: AER is the voice of regions in Europe and should increase its visibility. Regions are closer to the citizens than the national governments. In the next 25 years, they should be given more competences in providing their citizens with services and be more influential in the decision making process in the EU.

UKRAINE



1. Overview

According to the Constitution, the territorial structure of Ukraine is based on the principles of unity and indivisibility of the state territory, the combination of centralization and decentralization in the exercise of state power, and the balanced socio-economic development of regions that takes into account their historical, economic, ecological, geographical and demographic characteristics, so as ethnic and cultural traditions.



2. The region: definition and context

Ukraine is divided into 24 oblasts (provinces), one autonomous republic (Crimea), 479 rayons (divisions), and 415 cities. The Republic of Crimea has been granted special status, with considerable autonomy in its internal affairs. Regional Policy is defined in the Ukrainian Constitution and in legislation.

3. Institutional Organization

The law determines the status of the heads, deputies and executive bodies of the regional council and their terms of reference, the procedure for formation, reorganization and dissolution. The regional and district Councils are defined as representing the common interests of territorial communities of villages, settlements and cities. Under the constitution, the heads of Regional and District Councils are elected by the appropriate Council (art. 141).

The Law "On the Election of Deputies of Local Councils and Village Heads and Mayors" sets the procedure for election of regional and district Councils. Regional Council deputies are elected on the basis of a majority system in multi-member constituencies, whose boundaries coincide with the boundaries of districts and regional cities, which are part of the given region.

4. Competences

Under the Constitution of Ukraine, Oblast and district councils:

- approve programs for socio-economic and cultural development of the respective oblasts and districts, and control their implementation;
- approve district and oblast budgets that are formed from the state budget for their appropriate distribution among territorial communities or for the implementation of joint projects, and from the funds drawn on the basis of agreement from local budgets for the realization of joint socio-economic and cultural programs, and control their implementation; resolve other issues ascribed to their competence by law.

5. Financing

The State participates in the formation of revenues of the budget of regions and financially supports them. Expenditures of regions that arise from the decisions of bodies of state power are compensated by the state. This is stipulated in the Constitution and in Ukrainian legislation.

The state recognizes the right of local self-government to administer, at its own discretion, a portion of financial resources that can be accrued through economic activities of territorial communities without having a risk to lose a certain amount of transfers.

6. The State and the regions

The relations between the region and the nation state can be considered as supervision. Regions play a minor role in the legislative bodies and decision-making processes of the state. They can make their propositions, but the national legislative body makes the final decision. Regions can form association with the aim of exercising their powers more efficiently and protecting the rights and interests of their communities.

7. The regions and local authorities

Local and regional authorities co-operate in a manner of mutual trust.

8. The regions and international relations

The Regions can maintain external relations within the limits of their competencies. They can conclude international treaties, agreements and protocols, but they must consult the state. The state consults regions when it signs international agreements/treaties, which concern the regions' competences.

9. Conclusions

The main challenges for regional self-government in Ukraine today are:

- strengthening the constitutional legal base of local self-governance
- providing sub-national authorities with sufficient material and financial resources to be able to provide the services that are guaranteed to the citizens by the Constitution of Ukraine as well as by the current legislation
- reforming the system of territorial organization of government and administrative territorial system in Ukraine
- improving the legislation on local elections
- improving intergovernmental relations and the interaction of central authorities, local authorities and civil society

UNITED KINGDOM*



"The regions should have the opportunity to contribute to the development of European policy and should be in receipt of European funds to help deliver EU priorities, without changing the basic premise that the EU is a voluntary association of sovereign nation states."

Roy Perry

Deputy Leader, Hampshire County Council

1. Overview

The United Kingdom of Great Britain and Northern Ireland is a Constitutional Monarchy, which comprises England, Scotland, Wales and Northern Ireland. Scotland, Wales and Northern Ireland all have some form of devolved government and therefore qualify as the second layer of directly elected government under the central state. In England, the first layer of directly elected government under the central state is the unitary and county councils. In June 2003, plans for the creation of regional assemblies in several areas of England were announced. But, in a referendum held in the North-East in November 2004, voters rejected the concept and the process of creating new regional structures has been put on hold.

Since 1999, Scotland has a devolved Parliament in Edinburgh. It has an executive arm, which used to be known as the Scottish Executive, but since 3rd September 2007 is referred to as the Scottish Government. It has legislative power on all devolved matters (see below), whilst all other issues are dealt with by the Westminster Parliament.

The Welsh Assembly was elected in 1999. It has more limited powers than the Scottish Parliament, most notably it does not have legislative powers. In particular, the Welsh Assembly develops and adopts policy, proposes Assembly Measures (Welsh laws), makes subordinate regulations and statutory guidance.

The process of devolution for Northern Ireland has been a far more complex and fragile process than has been experienced in Scotland and Wales, due to the difficult relationship between the province and the UK government. The Northern Ireland Assembly was established in 1998 (the Belfast Agreement, also known as the "Good Friday" Agreement), but was suspended in autumn 2002 when a row erupted over allegations about IRA activities. In a bid to restart the political process and after consultations with Dublin, the UK government published emergency legislation in spring 2006 paving the way for the recall of the Northern Ireland Assembly in May and setting a deadline of 24 November 2006 for the formation of a power-sharing executive. The St Andrews Agreement of 13 October 2006 led



to the establishment of the Transitional Assembly and also set the date for the third election to the Northern Ireland Assembly as 7 March 2007. Devolved power was restored to a Northern Ireland Assembly on 8 May 2007.

2. The region: definition and context

Taking the AER definition as the first layer of directly-elected government beneath the central state, we can define Scotland, Wales, Northern Ireland and the English Counties and Unitaries as regions for the purpose of this study. In England, there are 27 Counties and 56 Unitary authorities. The structure of County and Unitary government is set out in legislation taking effect from 1 April 1997.

It is important to note that the 11 Regional Development Agencies in England (which represent what are known in England as the 'regions') are agencies of central government and not directly elected and therefore do not meet the AER conditions.

3. Institutional Organization

In England, County and Unitary authorities are directly elected and the President/Leader is elected from among the Members.

The Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly are directly elected by the people of Scotland, Wales and Northern Ireland respectively. Scotland and Northern Ireland have legislative and executive branches. The Welsh Assembly is comprised of 60 elected members, is led by the First Secretary and a cabinet.

4. Competences

In England, County & Unitary authorities are responsible for children services (including education), adult services, minerals policy, roads, transportation, culture, economic development, consumer protection, waste, libraries, environment & tourism. They have a general competence to act to promote economic, social & environmental well-being in their areas.

Scottish Government has wide powers to legislate on devolved matters, such as: education, environment, health, housing, tourism, local government, civil and criminal law, economic development, agriculture, sports, police and fire services. However, there are also reserved certain matters, which remain the responsibility of the Westminster Parliament in London. These include: taxation, foreign policy, energy, the U.K. Constitution, national security, international trade policy, nuclear safety, immigration and social security. The Scottish Government is held to account by the Scottish Parliament and its various committees. It is headed by the First Minister of Scotland, who presides over a Cabinet consisting of five Cabinet Secretaries. There are also ten Scottish Ministers and two Law Officers. The annual budget equates to approximately £30 billion.

The Welsh Assembly does not have primary law making authority; it can only make delegated legislation within its areas of devolved competence. These areas include tourism, culture, ancient monuments, highways, health, education, transportation, agriculture, environment, sports and recreation, water and flooding, and the Welsh language. The Assembly consists of the First Minister, the Counsel General, up to twelve Welsh Ministers and the Deputy Welsh Ministers.

The powers conferred on the New Northern Ireland Assembly include the power to adopt primary legislation for the province, although a significant number of policy areas need the consent of the UK government. The Assembly consists of 108 elected Members and is chaired by the Presiding Officer (Speaker). The First Minister and Deputy First Minister are elected to lead the Executive Committee of Ministers.

5. Financing

In England, County and Unitary authorities are funded by central government and a local property based tax & fees, with the majority of funding coming from central government.

The Scottish Parliament and the Scottish Government are reliant for most of their income from London and have extremely limited rights to raise money through taxation. Its power to raise or lower income tax by one penny in the pound has not been used.

6. The State and the regions

In England, County and Unitary authorities have no formal place in legislative and decision-making processes of the state, other than via consultation pre-legislation. They can enter partnership arrangements with other authorities/regions in England & other states.

Scotland plays little part in the decision-making processes of the UK state but is represented by a UK Cabinet Minister known as the Secretary of State who shares this portfolio with other responsibilities.

7. The regions and local authorities

In England, all levels of local government work together in partnership as and when it is appropriate and effective to do so.

Within Scotland, local authorities work closely with the Scottish Government upon which they are reliant for most of their income.

8. The regions and international relations

In England, County and Unitary authorities can enter international agreements with other regions. The state does not consult regularly and directly with County and Unitary authorities on matters of international agreements, but there are formal and informal links between local government associations at the national level and national government.

The Scottish Government, the Scottish Parliament and Scottish local authorities can enter into agreements and protocols, but not treaties. The Scottish Government and the Scottish Parliament are both fully consulted on European issues. Matters concerning foreign affairs are the subject of informal consultation.

9. Conclusions

The discussions on devolution and regionalization in the UK are ongoing. Undoubtedly, it is England that faces the greatest challenges as, since devolution to Scotland, English national identity is growing at a faster rate than English regional identity.

Current challenges in England are:

1. Proposals for reorganization & reconfiguration of public services e.g. police, fire and health, which affect partnership working & potentially service delivery.
2. Finance and the desire by County & Unitary authorities to have more independence and flexibility in managing their business.

Furthermore, the new elected UK coalition government has among its top priorities further decentralization and giving new powers to local councils. Among them is mainly a greater financial autonomy of local administration and general power of competence for the local councils.

Interview with Roy PERRY
Deputy Leader, Hampshire County Council

1) AER: What are the competences of a president of the region? What changes have been made in the transfer of powers from central government to the regions in the last years? What changes are still to be done in order to improve the regional efficiency in the decision process?

Roy Perry: Competences: Leading the Executive Decision-making body (the Cabinet) and Executive decision-making power for policy and resources.

Changes: The development of Local Area Agreements has nominally put the County Council at the heart of and accountable for public services in the region but in reality England remains a highly centralized system.

Future changes needed: The removal of the unelected regional tier of government in the UK. These are basically quasi-autonomous non-governmental organizations which have budgetary control over and jurisdiction for strategic planning in NUTS 2 areas. We would prefer for local government to have a direct relationship with national government in these matters. Local authorities should have more authority over tax raising and expenditure.



2) AER: What do you think should be the role of the regions in the process of constructing the European Union? Are there any ways regions can contribute to the development of common European identity?

Roy Perry: The regions should have the opportunity to contribute to the development of European policy and should be in receipt of European funds to help deliver EU priorities, without changing the basic premise that the EU is a voluntary association of sovereign nation states.

3) AER: What is the added-value of being a member of AER according to your experience?

Roy Perry: The ability to punch above our weight within Europe and have a far greater influence. Directly influencing policy such as the GATS agreement in the 1990s and the services of general interest in 2007. Being part of a network that is not just EU-centric which allows us to hear the voice of the wider Europe.

The Annual Summer School – giving young people an opportunity to work with politicians on issues of importance.

Finding partners for EU-funded projects such as the PEPTRAN project that Hampshire was involved in.

4) AER: What is your wish to AER for its 25th anniversary? How do you see the role of the regions in the next 25 years?

Roy Perry: We wish AER to flourish over the next 25 years, helping local people to have more influence over local issues.

Annexes

Annex 1: AER Declaration on Regionalism in Europe

PREAMBLE

The Assembly of European Regions (AER) meeting in Basel on 4th December 1996:

1. Considering that the AER represents almost 300 European regions of varying sizes and different administrative and political structures with a total population of nearly 400 million;
2. Considering that the Regions have different statuses, which vary according to their history, their culture and their constitutional principles and characterize the territorial organization of each State. Whilst respecting this diversity, this common declaration expresses the Regions' aspirations to further regionalism within the institutional framework of their own country, which have a federal, decentralized or autonomous structure. This text cannot be interpreted as binding the regions to any of these structures.
3. Considering that the regions are an essential and irreplaceable element of European development and integration;
4. Conscious that the regions have different origins and functions, with some historically based on distinct communities, ethnic groups or even nations, and others created as administrative districts, exercising powers delegated to them by the State;
5. Considering the importance in Europe of the process of integration and regionalization;
6. Noting that people through historical, linguistic, cultural, social, economic and geographical ties, increasingly identify themselves with their region, the variety of which, constitutes an inexhaustible richness;
7. Considering that States with strong regional political structures, i.e.. with legislative powers and their own finances can optimally resolve their economic and social problems;
8. Considering also that the regional reality justifies the participation of the regions in State bodies and actions at an international level;
9. Being aware that the regions, within the national legal order, are an indispensable element of democracy, decentralization and self-determination, by allowing people to identify with their community and by increasing the opportunities for their participation in public life;
10. Conscious that the regions and their peoples have endless possibilities to carry out and further develop mutually advantageous political, economic and cultural cooperation between themselves;
11. Noting the vast potential for political, social, economic and cultural cooperation between European regions and the significance of such cooperation at national, transfrontier and international level for the development of a united and cohesive Europe and for improved knowledge and understanding of its actions among the general public;
12. Considering that regional participation in the decision-making process of the European institutions, in accordance with the principle of subsidiarity, contributes to improving transparency of European Union actions for citizens;
13. Considering the relevance of the Council of Europe's draft European Charter of Regional Self-government (1996) and the European Parliament's "Community Charter for Regionalization" (1988);

14. Convinced of the significance of this declaration, which reflects a political will and aspirations that the regions wish to promote in Europe, while respecting the diversity of their situations which call for a variety of solutions;
have adopted the following Declaration:

ARTICLE 1. THE REGION: DEFINITION AND CONCEPT

1. The region is the territorial body of public law established at the level immediately below that of the State and endowed with political self-government.
2. The region shall be recognized in the national constitution or in legislation which guarantees its autonomy, identity, powers and organizational structures.
3. The region shall have its own constitution, statute of autonomy or other law which shall form part of the legal order of the State at the highest level establishing at least its organization and powers. The status of a region can be altered only in cooperation with the region concerned. Regions within the same State may have a different status, in keeping with their historical, political, social or cultural characteristics.
4. The region is the expression of a distinct political identity, which may take very different political forms, reflecting the democratic will of each region to adopt the form of political organization it deems preferable. The region shall resource and staff its own administration and adopt insignia for its representation.

ARTICLE 2. INSTITUTIONAL ORGANISATION

1. The region shall have full legal status.
2. The region's basic structure shall comprise a representative assembly and an executive body. Its organization shall be a matter for the region alone.
3. The members of the representative assembly shall be directly elected by free and secret ballot on the basis of equal and universal suffrage. The assembly may be granted legislative powers, subject to the limits laid down in the domestic legal order.
4. The executive body shall be politically answerable to the representative assembly, subject to the conditions and procedures prescribed in domestic legislation.
5. Members of both the representative assembly and the executive body shall not be subjected to supervision by the central authority which would prejudice the free exercise of their functions.

ARTICLE 3. POWERS

1. The apportionment of powers between the State and the regions shall be determined in the national constitution or in legislation in accordance with the principles of political decentralization and subsidiarity. Under these principles, functions should be exercised at the level as close to the citizen as possible.
2. The implementation of national law, either directly or by delegation, should, as a general rule, be the responsibility of the region.
3. The region should have responsibility for all functions with a predominantly regional dimension.
4. Where the State has decentralized administration at regional level, it shall transfer the corresponding staff and financial resources to the regional bodies in order to avoid duplication.

5. The regions shall exercise the powers assigned to them on an individual basis. The regions within a single State shall agree to harmonize, where appropriate, the action taken within their specific spheres of competence. To that end, they shall decide on the required procedures.
6. State decisions and measures which affect regional powers or interests - in particular measures which have implications for their financial situation or that of the local authorities, and decisions which affect the scope of any legislative powers the regions may have - may not be adopted without the prior assent of the regions involved.

ARTICLE 4. FINANCING

1. The region shall enjoy financial autonomy and have sufficient own resources to develop its powers fully. It shall be governed in particular by the principles of economy, efficiency, effective use of resources, service to the citizen, and transparency in its budgetary decisions.
2. The fundamental principles governing the public finances and apportionment of revenue as well as State guidelines for regional budget management shall be laid down in the national constitution or in legislation. The regions shall also play a decisive role in the shaping of financial legislation at national level.

ARTICLE 5. FINANCIAL RESOURCES OF THE REGION

1. The financial resources of the region shall consist basically of taxes partly or wholly transferred by the State, and of its own taxes.
2. The region shall receive the income necessary for the performance of its functions. It shall be entitled to an appropriate share of national tax revenue for this purpose. Its income shall be sufficient and concentrated uniformly on a small number of major sources of tax revenue in order to ensure stable regional budget management and allow the implementation of an economic policy directed towards sustainable development.
3. Under national legislation, the region shall be entitled to levy its own taxes and determine sources of tax revenue. For this purpose, it shall set the criteria for determining its taxes, duties and dues. Where the law permits, it may decide to charge supplements on State taxes.
4. Where a number of authorities share a source of tax revenue, the scale and procedure for the distribution of such revenue shall be prescribed by legislation. State financial allocations of a general nature shall take precedence over special allocations, which shall be governed only by statutorily prescribed criteria.
5. Where the region is not empowered to collect taxes, it shall be involved in determining the organization of the relevant bodies and tax procedures. It shall likewise be involved in determining the composition and procedure of the competent courts.
6. Within the limits prescribed by law, the region may seek credits to finance investments. Credit limits and arrangements for monitoring their legality shall be laid down by law.

ARTICLE 6. INTER-REGIONAL FINANCIAL EQUALISATION

1. The principle of solidarity entails the existence of national systems of financial equalization. The aims and procedure of financial equalization shall be prescribed in the national constitution or legislation. Account shall be taken of the uneven distribution of the financial burdens borne by the regions, on the basis of objective criteria. However, financial equalization shall not dissuade those regions required to make equalization payments from making appropriate use of the sources of tax revenue available to them. The needs of municipal authorities shall also be taken into account in the calculation of equalization payments. Equalization shall take the form of transfers from the State to the regions, and between regions.
2. The principle of solidarity shall also be expressed in the EU for reducing the interregional inequalities in order to achieve the aim of social and economic cohesion in Europe. The Structural Funds of the European Union shall be one instrument for the achievement of this aim.

ARTICLE 7. INVOLVEMENT AT THE CENTRAL LEVEL OF THE STATE

1. The regions shall play an appropriate part in the legislative bodies of the State.
2. The State, within the scope of its own powers, shall make arrangements to coordinate the participation of the regional institutions in the State's decision-making processes, where such decisions affect the region's powers.
3. The regions shall be involved in appointing the judicial bodies responsible for the settlement of disputes over the division of powers between the State and the regions. Disputes between the regions and the State shall be settled by court proceedings or arbitration.

ARTICLE 8. THE STATE AND THE REGIONS

1. Relations between the State and its regions and among the regions themselves shall comply with the principles of mutual respect, cooperation and solidarity. The regions and the State shall promote mutual cooperation and refrain from adopting measures which could prejudice or limit the exercise of powers at other levels.
2. Where it exists, State control over the regions shall be regulated by the national constitution, or failing that, by appropriate legislation.
3. Regions should be permitted to sign treaties or agreements with other regions within the same State.
4. As a general principle, administrative powers should be exercised by the regions and only in exceptional circumstances by the State.

ARTICLE 9. THE REGIONS AND LOCAL AUTHORITIES

1. In exercising the powers assigned to them, regions and local authorities shall cooperate in a spirit of mutual trust and in accordance with the principle of subsidiarity. Regions and local authorities shall take all necessary measures to promote mutual cooperation, bearing in mind the control which regions may exercise over local authorities.
2. Local authorities shall be consulted on all regional measures which affect their sphere of competence or individual interests. In practice, these measures shall include any which have a bearing on the financial powers of the local authorities.

ARTICLE 10. THE REGIONS AND INTERNATIONAL RELATIONS

1. Regions shall have the capability to act at an international level. They may conclude treaties, agreements or protocols which are international in scope, subject to approval by the central Government where this is required by national legislation.
2. The regions shall promote bilateral and multilateral domestic and transfrontier cooperation among themselves for the purpose of carrying out joint projects.
3. Regions shall have the right to set up their own representations, either individually or in conjunction with other regions, in other States and in appropriate international organizations.
4. Subject to the provisions of paragraph 1 of this Article, the regions shall participate in the international activities of their State, in accordance with the relevant domestic legislation, whenever their own powers or essential interests are concerned.
5. Prior to the conclusion of an international treaty which affects their essential interests, the regions shall be consulted by the State. Should the State intend to sign an international treaty which affects the powers of the regions, the regions shall participate in the drafting and conclusion of the treaty. The exact manner of their participation shall be governed by the domestic procedures in force between the State and its regions. Treaties shall be executed in accordance with the apportionment of powers between the State and its regions.

ARTICLE 11. THE REGIONS AND TRANSFRONTIER COOPERATION

1. Regions with common frontiers shall, in compliance with relevant domestic legislation and international law, promote transfrontier cooperation.
2. Regions, taking due account of domestic legislation and international agreements between States, shall be entitled to conclude transfrontier agreements in order to develop their cooperation within the limits of their powers.
3. Regions shall have the right, within the legal framework of each State concerned, to establish joint deliberative or executive bodies.
4. The actions of these bodies shall be subject to the procedures of the competent courts in the same manner as actions of regional bodies.

ARTICLE 12. THE REGIONS AND EUROPEAN UNION

1. The European Union shall recognize the regions of its Member States and associations of a regional nature as active participants in its policies. It shall have a body of regional composition which shall participate in decision-making on issues having a regional dimension. Its members shall be proposed by the regions.
2. The regions may make representations to the institutions of the European Union. Such representations may be established jointly by several regions. The European Union and the Member States where they are located shall recognize their proper status.
3. The regions, within the scope of their powers, or where their interests may be affected, should participate in the determination of the positions taken by their States in the Community institutions.
4. Where an issue is the exclusive responsibility of the region or has a particular bearing on its interests, the State shall not be able to deviate from the position adopted by the region, save where domestic legislation requires this in the interests of unity. The State shall be required to justify any deviation from the region's position. On such issues, the region shall also be entitled to take part in the decision-making process of European institutions and shall in particular have the right to have its representation within the national delegation.

5. The regions shall implement Community legislation within their sphere of competence.
6. The regions shall manage assistance from the Community Funds for matters within their powers. For this purpose, the regions shall liaise with the European Union without the intermediation of the State.
7. The regions may enter into agreements designed to improve the implementation of Community policies. The courts shall supervise the implementation of Community legislation by the regions. The State and the regions shall keep one another informed of the measures they adopt in the implementation of Community legislation and programs.
8. The regions shall have the right to bring proceedings before the European Court of Justice where measures taken by the Community institutions affect their powers or interests.
9. The legislation on elections to the European Parliament shall refer to regional constituencies in States which have decentralized political or administrative structures.
10. Arrangements must be made for contact between the European Parliament and regional parliaments in their capacity as institutions which directly represent the will of the citizen.

ARTICLE 13. FINAL CONSIDERATIONS

1. The Assembly of European Regions (AER), in adopting the present Declaration, which is inherently political in character, aims to promote and strengthen regionalism in Europe. In view of the wide variety of regional situations and aspirations, this document, which is not legally binding, is intended to serve for some regions as a guide containing basic standards or goals for regionalization.
2. The AER and its members shall make such approaches to national governments, European Union institutions and other European bodies as are necessary to achieve the objectives of this document.
3. The Declaration also illustrates the fact that the region is the best form of organization for resolving regional problems in an appropriate and independent manner. The States of Europe shall undertake to pursue as far as possible the devolution of powers to the regions and to transfer the financial resources necessary for their exercise, amending international legislation as necessary.
4. AER and its members shall also promote European interregional cooperation at all levels and shall offer assistance in their regionalization where necessary by proposing amendments to the constitution or constitutional law to allow for the creation of the most appropriate forms of regional structure.
5. Transfrontier cooperation strengthens and consolidates regionalism. The development of a regional identity based on transfrontier cooperation promotes political and social stability.
6. The establishment of the Committee of the Regions within the European Union and the Congress of Local and Regional Authorities of Europe within the Council of Europe is a great step forward for regionalism in Europe. A longer-term goal shall be to establish a Europe of the regions as a third level of government; this would entail the Committee of the Regions attaining the status of a genuine regional chamber.
7. The AER and its members shall lend support to associations of local authorities. Its central aim, however, shall remain the development of a genuine regional identity.
8. The AER shall monitor the progress made in the individual European States towards achieving the goals set forth in this Declaration.

APPENDIX TO ARTICLE 3. PARAGRAPH 1

Examples of the existing regions' powers:

- ▶ regional economic policy,
- ▶ regional planning, building and housing policy,
- ▶ telecommunications and transport infrastructures,
- ▶ energy and environment,
- ▶ agriculture and fisheries,
- ▶ education at all levels, universities and research,
- ▶ culture and media,
- ▶ public health,
- ▶ tourism, leisure and sport,
- ▶ police and public order.

Annex 2: Regions in European countries – Synopsis tables

COUNTRY	ALBANIA
Overview	In 2000 a new structure of regional councils replaced the previous system of district council rule; each regional council was created to cover multiple districts. Throughout this time period, regional democracy has continued to evolve and today continues with the push for further empowerment of local government bodies.
The region: definition and context	Albania has 12 regional councils, one for each of its 12 regions: (1) Tirane, (2) Berat, (3) Durrës, (4) Vlorë, (5) Lezhë, (6) Shkoder, (7) Kukës, (8) Diber, (9) Elbasan, (10) Korce, (11) Fier, and (12) Gjirokastër.
Institutional Organization	The regional councils are the representative bodies, their members come from the elected municipal and commune councils according to the population size. Some members of the regional councils are heads of communes and municipalities that fall within the territory of their individual region. They are elected directly by their constituents. Other members of the council are selected from member lists of the commune or municipal councils.
Competences	The regional councils develop and implement policy for regional development. In this position, they work as a facilitator between the local and state government. Primary examples include expenditures towards: rural road infrastructure, pre-university level education, health systems, tourism development (visitor services), regional transport, and cultural heritage.
Financing	The regional councils are financed from the state budget, from which they receive funds without any conditions. In addition to this general financing, they also receive financing from the state budget based on certain parameters.
The State and the regions	The regional councils of Albania have a membership organization: the Organization of Regional Councils. Regional councils are free to develop collaborative relationships among themselves.
The regions and local authorities	Regional councils are in consultation with local governments to seek synergies and avoid duplication in activities of shared competence. Regional councils and local governments establish collaborative relationships with the idea of reciprocal trust.
The region and international relations	Regions (regional councils) may establish relationships and conclude international treaties, agreements, and protocols with foreign counterparts. Regions consult the Ministry of Foreign Affairs before concluding agreements.

COUNTRY	ANDORRA
Overview	There is no regional division in Andorra. The territory is divided for administrative purposes into seven municipalities: Canillo, Encamp, Ordino, La Massana, Andorra la Vella, Saint Julià de Lòria and Escaldes-Engordany.
The region: definition and context	Not applicable
Institutional Organization	Not applicable
Competences	Not applicable
Financing	Not applicable
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	ARMENIA
Overview	The legal basis of local self-government in Armenia derives from the Constitution of the Republic of Armenia, international documents signed by Armenia, among them the European Charter of Local Self Government, the European Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities and the Law on Local Self-Governance.
The region: definition and context	Armenia is divided into ten regions (Marzes), which are in turn divided into municipalities that are administrative units. There are 915 municipalities in Armenia, 48 of which are cities, and the rest villages. In all municipalities Mayor is elected by direct elections (majority votes) and municipal council (councilors) from 7 to 15 members (by majority votes).
Institutional Organization	Governors (Marzpets) are appointed by the Government. Governors (Marzpets) implement state territorial policy in regions (Marzes). Regional councils, attached to Governors (Marzpets) are formed that have advisory nature. Members of regional (Marz) councils are Mayors elected in the territory of the region (Marz).
Competences	The main task of Regions is to implement the Government's regional policy and to coordinate the regional activities of republican executive bodies.
Financing	Regions (marzes) do not have a budget.
The State and the regions	Governors (Marzpets) are appointed by the Government and they implement territorial policy.
The regions and local authorities	Governors (Marzpets) implement administrative supervision over the activities of Local Self-Governed Bodies.
The region and international relations	Many regions of Armenia have relations with regions of many countries.

COUNTRY	AUSTRIA
Overview	The Federal Constitution of 1920 which was substantially revised in 1925 and 1929 set up Austria as a democratic republic and as a federal state consisting of the autonomous Länder of Burgenland, Carinthia, Lower Austria, Upper Austria, Salzburg, Styria, Tyrol, Vorarlberg and Vienna, which formally became an own land in 1922.
The region: definition and context	Austria is a federal state. The nine Länder are entities and have developed over the course of history and have their own distinctive identity.
Institutional Organization	Each region is governed by a Provincial Government (Landesregierung) which consists of the Governor (Landeshauptmann), the requisite number of deputies and other members. The federal capital Vienna has a double role as municipality and Land.
Competences	Länder's legislative competence consists of adopting the Land constitution, Land's budget laws as well as electoral laws. Any area of legislation or administration not expressly assigned to the federal level remains within the sphere of responsibility of the Länder. Länder have the power to organize local authorities; moreover, they are responsible for planning, building matters, protection of nature and landscape, protection of animals, tourism, hunting and fishing, sports, housing promotion, some professional laws, service code and staff representation, rules of civil servants and employees of Land and local authorities.
Financing	A constitutional finance law and a financial equalization law set up a sharing of tax revenues between the federation, Länder and local authorities.
The State and the regions	A special feature of the Austrian federal system is the "indirect federal administration": as far as no federal authorities exist, the Landeshauptmann and the Land authorities subordinate to him exercise the executive power of the federation. The Länder are represented at the State-level by the Federal Chamber, which is the second chamber of the Parliament. It disposes of a power to veto; such veto can be overruled by the first chamber of the Austrian Parliament in most cases. One third of the members of the Federal Chamber have the right to initiate a bill.
The regions and local authorities	Municipalities are territorial and administrative districts. On the one hand they have their own functions on the other hand they exercise functions delegated by the federation and the Land.

The region and international relations	The Länder can conclude treaties with states or their constituent regions, bordering Austria, and conclude international or interregional agreements not subject to public law and be a member of international regional organizations.
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COUNTRY	AZERBAIJAN
Overview	Azerbaijan is a presidential republic. The head of state and head of government are separate from the country's law-making body. The people elect the president for a five-year term of office. The president appoints all cabinet-level government administrators. A fifty-member national assembly makes the country's laws. The people of Azerbaijan elect the National Assembly.
The region: definition and context	The Constitution defines Azerbaijan as a unitary republic (Art. 7). Azerbaijan is divided into: 65 districts, 13 city districts and 69 cities, over 4400 villages and 1 autonomous republic : Nakhichevan, which is situated on the border with Iran and Turkey.
Institutional Organization	All districts except for the exclave of Nakhichevan are under direct republic jurisdiction, and are central-government bodies operating at the local level. Heads of executive power bodies carry out executive power locally. Heads of executive power bodies are appointed to their posts and dismissed by the President of the Azerbaijan Republic.
Competences	The only sub-national authority with own-competences is the Nakhichevan Autonomous Republic. The competences are following: (i) elections to Ali Majlis of Nakhichevan Autonomous Republic; (ii) taxes; (iii) routes of economic development of Nakhichevan Autonomous Republic; (iv) social maintenance; (v) protection of environment; (vi) tourism; (vii) protection of health, science, culture.
Financing	Municipalities throughout the country are entitled to establish taxes and duties on a local scale. The Nakhichevan Autonomous Republic has the right to establish its own taxes.
The State and the regions	The districts are administrative units of the central government.
The regions and local authorities	Local self-government is carried out by municipalities, which are directly elected by the citizens. The relationship and the division of powers and responsibilities between the appointed governors and the locally elected councils remains unclear and is undergoing a process of further resolve.
The region and international relations	No information available.

COUNTRY	BELGIUM
Overview	Several reforms have transformed a unitary state into a country with federal structure. Currently there is a complex structure on four levels: the upper level comprises the federal state, the Communities and the Regions; the middle level is occupied by the Provinces; and the lower level is that of the Communes.
The region: definition and context	There are three Regions (from north to south) the Flemish Region, the Brussels-Capital Region and the Walloon Region. In addition to that there are three Communities. They are based on "language": the Flemish, French and German-speaking Communities.
Institutional Organization	The Regions have legislative and executive organs: these are known as the Regional Parliament and the Regional Government. The population elects the members of the Regional Council directly every five years. The Minister President is elected by the assembly.
Competences	<p>Regions have powers relating to economy, employment, agriculture, water policy, housing, public works, energy, transport (except Belgian Railways), environment, town and country planning, agriculture, nature conservation, foreign trade, supervision of the provinces, communes and intercommunal utility companies. They also have powers relating to scientific research and international relations in those fields.</p> <p>The Community has powers for culture (theatre, libraries, audiovisual media, etc.), education, the use of languages and matters relating to the individual which concern on the one hand health policy (curative and preventive medicine) and on the other hand assistance to individuals (protection of youth, social welfare, aid to families, immigrant assistance services, etc.) They also have powers in the field of scientific research in relation to their powers and international relations associated with their powers.</p>
Financing	The regions' and communities' finances come from taxes, levied by the federal level and then redistributed according to population, or directly by the regions and communities.
The State and the regions	Agreements with other regions / communities are possible.
The regions and local authorities	Provinces and communes; both are submitted to the legislative and administrative supervision of the Regions.
The region and international relations	Regions can enter into agreement with foreign regions and with foreign States. The state is obliged to consult the regions when it signs international agreements/treaties, which concern the regions' competences.

COUNTRY	BOSNIA AND HERZEGOVINA
Overview	Bosnia and Herzegovina is a state with an asymmetrical and complex governance structure. As result of the Dayton Peace Accord signed 1995, 4 levels of governance were created in BiH: state, entity, cantonal and municipal (city) level. In particular its components, the Entities, have a very different character: The Federation is subdivided into ten "Cantons" with different ethnic majorities. Republika Srpska is a centralized entity with municipalities as units of local self-government.
The region: definition and context	The Federation consists of 10 federal units (Cantons). Cantons, in turn have municipalities as units of local self-government. Republika Srpska does not have cantons, and is composed of municipalities as units of local self-government only.
Institutional Organization	<p>Federation Cantons: Each canton has a Constitution, Cantonal Government (representing executive power) and a Cantonal Assembly (representing legislative power). Each canton consists of a specific number of municipalities. Cantons have a Prime Minister, who is elected from among the delegates of the Cantonal Assembly.</p> <p>Republika Srpska: This entity is a unitary authority with a President, a Prime Minister and a bi-cameral Parliament (National Assembly and Council of Peoples).</p>
Competences	<p>The Entities have competencies in areas such as finance, taxation, business development, and general legislation. The Cantons have competences in the areas of education and culture, energy, housing, social welfare, business development, tourism.</p> <p>The Republika Srpska has among others responsibilities in banking and tax system, employment, social and health care, education and culture, environment and international co-operation.</p>
Financing	Ongoing reforms have led to the creation of a state-level Indirect Taxation Authority (ITA) that is responsible for the introduction and implementation of a state-wide value-added tax (VAT), revenues which fund the government of the state of Bosnia and Herzegovina as well as the two entities. Customs, which had been collected by agencies of the two entities, are now collected by a new single state customs service
The State and the regions	The delegates from the Cantonal assembly select their representatives, i.e. the delegates into the Federation of BiH Parliament.
The regions and local authorities	Canton regularly consults the local authorities on all matters related to the interests of the Municipalities, and Cantonal and local authorities do cooperate in a manner of mutual trust. The organization of local self-government falls within the powers of Republic Srpska.

The region and international relations	Cantons can conclude international agreements and protocols. The state sometimes consults the Cantons when it signs international agreements/treaties concerning regions' competencies. The organisation of local self-government falls within the powers of Republic Srpska.
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COUNTRY	BULGARIA
Overview	The country has no self-governing regions. It is divided into 28 districts which are territorial administrative units and 6 planning regions.
The region: definition and context	There are 28 districts (territorial administrative units) which are in charge of implementation of state government policy on the regional level. There are also 6 planning regions for the purpose of planning, statistics and coordination of accession instruments of the EU.
Institutional Organization	Districts administration is appointed by the Central government, Its head is a Regional governor who is nominated by the Council of Ministers. Planning regions have no administrative structures but a Commission for Economic and Social Cohesion.
Competences	District governor is responsible for: implementation of national policy at the regional level, protection of national heritage, observance of laws, control over the legality of acts of local bodies and organizations, mobilization of population in case of emergency.
Financing	Districts are financed by the central government. Planning regions have their own financing.
The State and the regions	Districts are arms of the state administration.
The regions and local authorities	The district governor has a power of control over municipal councils – he may suspend and repeal unlawful acts of municipal councils and mayors of municipalities.
The region and international relations	Cross-border relations are a responsibility of a national government. Bulgaria signed the Council of Europe's Madrid Outline Convention on cross-border co-operation.

COUNTRY	CROATIA
Overview	The Constitution of the Republic of Croatia was adopted on 22 December 1990, after the first multiparty parliamentary elections held in the spring of 1990.
The region: definition and context	There are 21 units of regional self-government (20 counties and the City of Zagreb, that has both city and county status) and 547 units of local self-government.
Institutional Organization	Regional representative bodies are elected through direct elections (secret ballot) and the executive is established in accordance with the results of the elections. The Central Government is not entitled to interfere in the responsibilities of local and regional authorities.
Competences	Counties carry out regional responsibilities in the areas of education, health service, area and urban planning, economic development, environmental protection, traffic infrastructure and culture.
Financing	Local and regional self-government units have the right to their own revenue. The state is under the obligation to assist the financially weaker units of local self-government.
The State and the regions	State administration bodies monitor the work of local and regional authorities, especially on some matters provided for by law.
The regions and local authorities	Units of local self-government (municipalities and towns) in their self-governmental scope perform the tasks of local importance, which directly meet the needs of the citizens.
The region and international relations	Local and regional self-government bodies have the right to conclude agreements either among themselves or with corresponding territorial units from abroad, without obligation to request prior approval from the State.

COUNTRY	CYPRUS
Overview	<p>There are no regions in Cyprus. Sub-national subdivisions, named districts, have been set up for the purpose of central administration. There are six districts, which have the same name as their capitals. Each district is headed by a District Officer, who is a senior civil servant appointed by the Government as its local representative. The District Officer is the chief coordinator for the activities of all Ministries in the District and is accountable to the Ministry of Interior. The District Offices are not elected local or regional authorities; they are part of the civil service.</p> <p>There are two types of local authorities in Cyprus: municipalities and communities, which are governed by separate laws. In principle, municipalities constitute the form of local government in urban and town centers, while communities constitute the local structure in rural areas.</p>
The region: definition and context	Not applicable
Institutional Organization	Not applicable
Competences	Not applicable
Financing	Not applicable
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	CZECH REPUBLIC
Overview	Czech Republic has a three-level structure: the central government, regions and communes. There is a 'double track' system, in which the communes and the regions are both state administration executives and public administration bodies. The second track of the framework for governance accounts for autonomous political authority.
The region: definition and context	There are 14 regions with an exceptional status for Prague.
Institutional Organization	The head of the region is the President of the Region. He is elected directly from among the Deputies of the Regional Assembly. The legislative body on the regional level is the Regional Assembly elected directly for 4 years. The executive body is the Regional council.
Competences	Own competencies: to approve concepts of the regional development, to establish and dissolve the allowance organizations (education, social care, health service, infrastructure), to set the range of public transport, to decide on international co-operation, to approve the budget of the region and the final account of the region, to decide on the acquisition or transfer of regional movables. Among shared competences in the fields of public administrative belong policies as follows: legislation, social policy, foreign policy, commerce and industry, exchequer, internal affairs, defense and security, infrastructure, education, environment, agriculture, local development, and proposing new centrally approved laws.
Financing	There is no explicit fiscal autonomy. The regional budget revenues originate from taxes that are levied nationwide, a percentage of which is legally destined to regions. The percentage is defined centrally.
The State and the regions	Regions have a right to propose a legislation in the Chamber of Deputies of the national Parliament.
The regions and local authorities	Local authorities are executive bodies of those spheres of policies of each region that are delegated on them by edicts approved by the Regional Assemblies. Regions within the Czech Republic can sign agreements between each other.
The region and international relations	Regions have the right to sign treaties with other regions.

COUNTRY	DENMARK
Overview	A major local government reform came into effect on 1 st January 2007. This reform aimed at creating an efficient public sector, which would be able to deliver better public services without increasing the taxation levels; it also implied the strengthening of local democracy and the establishment of clear responsibilities for each authority, via the elimination of overlapping responsibilities.
The region: definition and context	13 counties were replaced by 5 Regions following the Municipal Reform of 2007
Institutional Organization	The counties/regions have directly elected assemblies: the regional councils. Each council has 41 members. The councils are elected for a four-year period. The chairperson of the regional council is appointed for a four-year term among the members of the regional council.
Competences	The five regions are primarily responsible for health care systems, according to the Danish primary legislation. They are also responsible for regional development.
Financing	The three main regional competence areas (health care, social services - social education and regional development) are financed separately: incomes related to one area may be used only to finance activities within that area.
The State and the regions	The regions implement national legislation; they can sign agreements with regions both in Denmark and in other countries.
The regions and local authorities	The regions work closely with the municipal level, for example in the field of regional development, schools etc.
The region and international relations	The region cannot sign international treaties but may sign agreements and protocols.

COUNTRY	ESTONIA
Overview	<p>Since the adoption of the new Constitution in 1992, territorial organization in Estonia has been characterized by a single-tier local self-government system: county administration became part of the central government, and the county governor became the representative of the central government.</p> <p>In Estonia, there are fifteen counties and 241 municipalities, divided into 39 urban municipalities and 202 rural municipalities.</p>
The region: definition and context	Estonia currently has no regions. However, there are fifteen <i>Maakonad</i> - translated as counties. <i>Maakonad</i> are just administrative units of the central government. Legally, they are departments of the Ministry of Interior Affairs.
Institutional Organization	The county governor is appointed for a five-year term by the national government at the proposal of the Prime Minister and following consultation with the local government representatives of the county. He/she is the representative of the government in the county and is in charge of the administration of the county. There is no county council.
Competences	Counties are responsible for the economic and spatial development at the local level (including county spatial planning, supervision over single acts of local authorities, coordination of emergency situations, environmental management, coordination of tourism, leisure activities...
Financing	Counties are part of the state administration.
The State and the regions	Counties are part of the state administration.
The regions and local authorities	Since there is no regional level in Estonia, the cooperation between local authorities within a county is of great importance. In each of the 15 Estonian counties, there is a regional association uniting all or most of the local authorities. They exercise joint activities in various areas such as waste management, education, transport or social care.
The region and international relations	Counties are part of the state administration.

COUNTRY	FINLAND
Overview	Finland has a semi-presidential dual system in which the government is answerable to the parliament and the President of the Republic has a strong position in determining the broad lines of foreign policy. Finland has a solid tradition of devolution, which is due in particular to the civic awareness and democratic spirit that pervade the country.
The region: definition and context	Finland has 19 regions, established in 1993 and one autonomous province (Åland Islands). There are 342 municipalities; the division into urban and rural municipalities has no legal implications.
Institutional Organization	The composition of the Regional Councils must reflect the political groups existing in the municipalities of the region concerned.
Competences	Regional Councils are in charge of general regional planning; they also prepare and monitor the implementation of regional development plans and coordinate development measures in their region. Regional Councils are also responsible for voluntary functions agreed upon by the region's municipalities.
Financing	Finnish regions (except Åland) have no tax-raising powers and depend for their resources upon the municipalities.
The State and the regions	Finland still has the shape of a unitary state. There are two major types of state offices located in the regions and they function primarily as decentralized territorial units of central government.
The regions and local authorities	There are obvious close relations between the municipalities and the regions. Actually, regions are "federations" of municipalities.
The region and international relations	Regional Councils are represented in numerous European and international organizations, such as the Committee of the Regions of the EU, the Congress of the Local and Regional Authorities of Europe, the Assembly of European Regions and the Regional Council of the Barents Area.

COUNTRY	FRANCE
Overview	French regions developed in the second half of the twentieth century, on the basis of a model of administrative decentralisation. These reforms, in particular the Decentralisation Act of March 1982, were completed in 1986, when the regions were given the possibility to elect their own representatives by direct universal suffrage, thus breaking definitively with a centralising past. The Constitutional Reform of 2003 confirmed the statute of Regions as territorial authorities with full capacity.
The region: definition and context	France is composed of 22 metropolitan regions and four overseas regions (Guadeloupe, Guyane, Martinique and Réunion).
Institutional Organization	French Regions have a directly-elected Assembly. The regional councillors elect among themselves the President of the Regional council for a six-year mandate.
Competences	The main competences of the French regions are: economic development and assistance to companies, spatial planning, vocational training, apprenticeship and culture, building and equipment of high schools. The reform in August 2004 added or development their competences: (i) in the economic field: setting up of economic development plan and definition of aid schemes for enterprises; (ii) in the spatial planning field: arrangement and management of non-autonomous harbours and civil airports, regional railway transport; (iii) in the cultural field: recording of historical heritage and organisation of vocational art education; (iv) in the educational field: management of service and specialised staff of the high schools, vocational training.
Financing	Financing of the regions has diverse origins: taxes, grants and subsidies, loan.
The State and the regions	The principle of self-administration of territorial authorities is guaranteed by the Constitution.
The regions and local authorities	Co-operation between local and regional authorities exists since the beginning of the decentralisation process. However, there is no hierarchy in this cooperation.
The region and international relations	The international initiatives and actions are a competence of the State. In France, whilst twinnings were tolerated, it is only the law of 6 February 1992 on Territorial administration of the Republic that allowed French local authorities to sign conventions with foreign local authorities.

COUNTRY	THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA
Overview	Republic of Macedonia is a unitary state in which the decentralization process is still under implementation. With the adoption of the Law on Balanced Regional Development (BRD) in May 2007, the legal framework for regional policy of the Republic of Macedonia has been regulated.
The region: definition and context	In that respect, eight (8) planning regions have been established for planning and development purposes (Article 5 of the Law on BRD). They are based on NUTS III territorial units, determined by the Act of the Government of the Republic of Macedonia.
Institutional Organization	On the regional level, Councils for Development of the Planning Regions (regional councils) have been established. Mayors of all municipalities within the region (who are directly elected on local level) are members of the regional council. The President of the council is elected by the Mayors and has a mandate of two years.
Competences	Regional councils are responsible for implementation of the programs for development of their regions (widely known as Regional Development Plans). In addition the regional council is in charge of organizing and coordinating, monitoring and evaluation activities on the state of play of the implementation of the regional development planning documents.
Financing	Regional development is financed through the national budget of the Republic of Macedonia, the budgets of local self-government units, EU funds and other international sources, donations and sponsorships of legal and natural entities and other funds.
The State and the regions	Regions are independent in their planning and in implementation structures while the state provides the legal, strategic and financial framework for these purposes. In addition, the national level will influence regional development through negotiations with the EU in terms of financing and implementing major regional projects.
The regions and local authorities	The current local self-government structure is organized into 84 municipalities plus the city of Skopje. The capital city, Skopje, is a special unit of local self-government consisting of 10 municipalities. The Mayors and municipal councils are directly elected on local elections for four years. The municipalities are grouped together into planning regions.
The region and international relations	The regions are not legal entities in the international relations. The regional structures cooperate with local and regional authorities from other countries, and with their associations, in the area of their responsibility.

COUNTRY	GEORGIA
Overview	Georgia became an independent state on the collapse of the USSR in 1991. However, the country became embroiled in territorial disputes over the two regions of Georgia, Abkhazia and South Ossetia, which are not solved until today, These territories currently have the status of being occupied by the Russian Federation.
The region: definition and context	Georgia is divided into 9 regions, 2 autonomous republics (<i>avtonomiuri respublika</i>), and 1 city (<i>k'alak'i</i>). The regions are further subdivided into 69 districts (<i>municipaliteti</i>). The 9 regions are: Guria, Imereti, Kakheti, Kvemo Kartli, Mtskheta-Mtianeti, Racha-Lechkhumi and Kvemo Svaneti, Samegrelo and Zemo Svaneti, Samtskhe-Javakheti, Shida Kartli. The two Autonomous republics are Abkhazia and Adjara.
Institutional Organization	<p>The 9 regions each have a regional administration headed by a State Commissioner - informally <i>Governor</i> – who is an official appointed by the President of Georgia. There are no representative bodies on the regional level, and the administration of the regions is the responsibility of the representatives of the President.</p> <p>The Autonomous Republic of Adjara has a local legislative body, the Supreme Council (parliament) that consists of maximum 21 members and is elected for 4 years. The Head of Adjara Autonomous Republic is nominated by the President of Georgia.</p> <p>De jure, Abkhazia is headed by the Chairman of the Supreme Council (who is in exile) while de facto it is headed by the President.</p>
Competences	The spheres of governance delegated to the government of Adjara include budget, economy and finances, tourism, education, culture, sport, urban development, health-care, agriculture, forestry, local taxes and dues, state property management.
Financing	Adjara can introduce and adopt local taxes in accordance with the laws of Georgia, but the Constitution does not specify which taxes these are.
The State and the regions	The regions do not and cannot act as genuinely autonomous bodies. The officials appointed by the central government are accountable to the centre rather than to the regions.
The regions and local authorities	The territory of Georgia is divided into 65 regional municipalities and 7 self-governing cities – the capital Tbilisi, Batumi (Adjara Autonomous Republic), Rustavi, Poti, Kutaisi, capital of South Ossetia Tskhinvali and capital of Abkhazia Sokhumi.
The region and international relations	No information available.

COUNTRY	GERMANY
Overview	Germany is a federal state, composed of 16 regions ("Länder"). Many of these Länder are former independent states or unions of states. As a result of this origin, in the constitution of the federal state ("Grundgesetz") all power is contributed to the Länder unless otherwise mentioned.
The region: definition and context	There are 16 Länder. 11 of them are founding members of the Federal Republic of Germany in 1949. 5 of them were formed out of the former German Democratic Republic and added to the Federal Republic of Germany in 1990. All Länder have full developed, autonomous legislative, executive and juridical bodies. Each Land has its own constitution and is named in the Grundgesetz.
Institutional Organization	All Länder have a directly elected assembly. The assembly elects the Minister President. The relationship between the region and the federal state is defined through the above-mentioned legislative acts. In addition, all Länder participate in the formation of federal legislation in the Bundesrat.
Competences	<p>All exclusive competences of the federal state are fixed in the Grundgesetz, as are the concurrent competences. Everything else is automatically in the competence of the Länder. Examples for Federal state competences are: Foreign Policy, Defense, Citizenship, Monetary-, Customs- and Trade-Policy (if not EU), Air transportation, Federal Statistics. Examples for concurrent competences are: Public welfare, Traffic, Navigation, Criminal and Civil law.</p> <p>Aim of the constitutional reforms of the last years was to make the distribution of competences more efficient and transparent.</p>
Financing	The Länder participate in the revenues of sales and income tax. This is fixed by federal law, which has to be approved by the Bundesrat. The Länder have fully financial autonomy concerning their expenses, naturally restricted through their own legislative obligations. There is both a horizontal and a vertical financial equalization system. The first manages the allocation between the federal state and the Länder as a whole, the second is an interregional mechanism between the Länder.
The State and the regions	Agreements with other Länder are possible.
The regions and local authorities	There are many links between the regional and local level. For example, the Länder give a part of their administrative tasks to local authorities. There are also associations of local authorities, which act on regional level.
The region and international relations	In general, foreign policy is an exclusive competence of the federal state. The participation of the regions in international agreements/ treaties concerning their competences is regulated by law. There is for example a clear procedure for participation and co-determination of the Länder at EU level.

COUNTRY	GREECE
Overview	Greece is a parliamentary representative democratic republic.
The region: definition and context	There are two levels of sub-national government in Greece: the region (Perifereia) and the prefecture (Nomarxia). Greece has 13 and 51 prefectures.
Institutional Organization	In the majority of cases, regions are territorially superior to prefectures: they each cover the territory of between 1-7 prefectures.
Competences	<p>The Perifereia are administrative units that regroup the old regional branches of the national Ministries. Their role is to implement central government's policy within their territories.</p> <p>The Nomarxia have competencies, delegated to them from the national Ministries in all policy areas except for defence, foreign affairs, economy and justice.</p>
Financing	<p>The funds of the Perifereia are allocated by central government from the national budget.</p> <p>The Nomarxia have limited taxation powers. Funds are allocated by central government from the national budget.</p>
The State and the regions	The Perifereia are simply arms of central government. The Nomarxia have greater autonomy.
The regions and local authorities	The Nomarxia, as second-level local authorities, exercise responsibilities only to the extent that a particular subject does not fall within the responsibilities of a municipality or a community.
The region and international relations	No data

COUNTRY	HUNGARY
Overview	The country is divided into 19 counties since the reform in 1990.
The region: definition and context	There are 19 county-level self-governments in Hungary.
Institutional Organization	The counties have directly elected general assemblies. Citizens elect the members from lists of political parties or associations. The head of the general Assembly is the President of the General Assembly elected by the members of the General Assembly by ballot.
Competences	<p>Obligatory competences: Organization and provision of public services which cover the whole county or a large part of it – funding and managing public institutions (e.g. educational, social, cultural, health care services and institutions), environmental protection (e.g. planning, waste management), spatial planning – co-coordinating the planning of the municipalities and the small regions at county level, tourism, co-coordinating vocational training and the needs of the labor market at county level, establishment and management of regional information system.</p> <p>Optional competences: Promotion of cultural, artistic and scientific institutions, co-ordination of links between the small regions and the county, promotion of regional economic development, promotion of the tasks related to the ethnic minorities, co-operation with religious and voluntary associations as well as the organizations of the disabled people, promotion of issues related to equal opportunities, promotion of issues related to the elderly people, developing international partnerships with special respect to European integration, etc.</p>
Financing	Double financing – part comes from the region's incomes and other part are national financial resources decided by national Parliament.
The State and the regions	Cooperation and coordination of national and regional development by Regional and County Development Councils.
The regions and local authorities	The counties coordinate actions and cooperate on a certain level with local authorities.

The region and international relations	Counties are free to conclude international treaties, agreements, protocols and take part in international co-operation programs.
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COUNTRY	ICELAND
Overview	There are no regions in Iceland. In 2000 the number of municipalities in Iceland was 124. They work under the Local Government Act. Local authorities may establish Regional associations of Local authorities. There are currently eight regional local authority associations, to which most, but not all, local authorities belong. These are free associations. They also correspond very often to the electoral constituencies.
The region: definition and context	Not applicable
Institutional Organization	Not applicable
Competences	Not applicable
Financing	Not applicable
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	IRELAND
Overview	The Republic of Ireland has a relatively centralised administration. However, the local and regional levels have important responsibilities in a number of key area.
The region: definition and context	Eight Regional Authorities were established by the 1991 Local Government Act and came into existence in 1994. Following the organization of Ireland into two regions, the new Regional Assemblies were established and came into effect on the 21st July 1999.
Institutional Organization	The members of the Regional Authorities are not directly elected, but are nominated from among the elected members of the local authorities in the region. Each local authority has a certain number of seats on a Regional Authority, based loosely on the population of the local authority area.
Competences	Under the 1991 Act, the Regional Authorities have two main functions: <ul style="list-style-type: none"> • To promote the coordination of public service provision • To monitor the delivery of EU Structural Fund assistance in the regions
Financing	The financing of the activities of the Regional Authorities is largely borne by their constituent local authorities.
The State and the regions	The system in Ireland may fairly be described as being marked by strong central government control.
The regions and local authorities	Regional Authorities consult local authorities on a range of issues as required. Local Authorities provide representation to a range of committees and subcommittees of both Regional authorities and Regional assemblies.
The region and international relations	Regions cannot conclude international treaties. However, for the purpose of certain programmes, Regional assemblies have linkages with other authorities in Europe.

COUNTRY	ITALY
Overview	Italy is a regionalized State, where regional particularities are very strong. The principle of Regions' autonomy is recognized in the Constitution.
The region: definition and context	The Country is divided into 20 Regions. Among them, 15 have an "ordinary status", and the remaining 5 have a "special status".
Institutional Organization	Each region has an elected parliament, the Regional Council, and a government called <i>Giunta Regionale</i> , headed by the regional President.
Competences	The Regions may adopt their own statute, as stated in the article 117 of the Constitution.
Financing	Regions have financial autonomy. They have autonomous resources; they establish and implement their own taxes and revenues, in harmony with the Constitution and in accordance with the principles of coordination of the public finances and the taxation system.
The State and the regions	The Regions primarily serve to decentralize the State government machinery.
The regions and local authorities	The local level in Italy includes the Provinces and Municipalities. Local authorities depend on Regions for the transfer of State funds. Nonetheless, the reform adopted in 2008 introduced the right for the State to transfer funds to municipalities directly, in case of Regions' delay.
The region and international relations	Within the framework of State policies and of the regional sphere of competences, Italian Regions and Autonomous Provinces may also sign cross-border and cooperation agreements with local governments in other states to foster economic, social and cultural collaboration, as well as international level activities.

COUNTRY	LATVIA
Overview	On May 4, 1990, a declaration renewing the independence of the republic of Latvia was adopted.
The region: definition and context	The three 1990 laws state that the regional level includes 26 districts and seven major cities, which are represented on both levels (local and regional).
Institutional Organization	The local and regional government legal framework is set by the Law on Self-Governments, which was passed on May 19, 1994.
Competences	Article 15 of the Law on Administrative Territorial Reform of 1998 establishes the basic principle for the division of functions.
Financing	Districts have their own budgets.
The State and the regions	There are annual negotiations between local and regional governments and central government.
The regions and local authorities	The main issue between regions (districts) and local authorities is the division of competences.
The region and international relations	Self-governments can cooperate with local and regional governments in other countries. Before EU accession, PHARE programs were a great source of funding for cross-border and interregional cooperation.

COUNTRY	LIECHTENSTEIN
Overview	Liechtenstein is made up of two regions, Vaduz (Upper Country) and Schellenberg (Lower Country), and subdivided into eleven communities (<i>Gemeinden</i> – singular <i>Gemeinde</i>), most of them consisting only of a single town.
The region: definition and context	The regions in Liechtenstein represent administrative units without powers of their own.
Institutional Organization	Not applicable
Competences	Not applicable
Financing	The municipalities rely primarily on taxes raised at the local level, but also receive subsidies from the central government.
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	LITHUANIA
Overview	<p>There are no elected bodies at the regional level in Lithuania. The 10 counties (<i>Apskritis</i>) established in 1995 represent state authority at the regional level. They are administrative units dependent upon the Government. The institution of County Governor will be abolished and the administration of county government will be liquidated on 1 July 2010. After 1 July 2010 the administration of Lithuanian higher administrative units will be organized through Ministries, offices by the Ministries, governmental offices and other public administrative subjects, acting at the regional level. This regional reform is part of an overall administrative reform aimed at optimizing the public government in Lithuania.</p> <p>There are also Regional Development Councils, covering the same territory as the counties.</p>
The region: definition and context	Not applicable
Institutional Organization	Not applicable
Competences	Not applicable
Financing	Not applicable
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	LUXEMBOURG
Overview	Luxembourg is a unitary State made of 116 municipalities. There are no regions. The Luxembourg local territorial organization enjoys a great stability. The local territory division goes back to an 1843 Act, and the 1868 Constitution upholds the municipal autonomy principle.
The region: definition and context	Not applicable
Institutional Organization	Not applicable
Competences	Not applicable
Financing	Not applicable
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	MALTA
Overview	Malta has a two tier (local) system: (i) central government; (ii) local government, consisting of 68 municipalities. There is no system of self-government at regional level. The 68 local councils have been grouped into three 'regions', which are purely administrative territorial entities. They are: Gozo (14 local councils), Malta Majjistral (29 local councils), Malta Xlokk (25 local councils). This system was established in 1993 and it was integrated into the Constitution in 2001.
The region: definition and context	Not applicable
Institutional Organization	Not applicable
Competences	Not applicable
Financing	Not applicable
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	MOLDOVA
Overview	The system of local public administration consists of two levels: The first level - public bodies with general or special powers created and functioning on the territory of a village or town/municipality. The second level - public bodies with general or special powers created and functioning on the territory of raions (districts), Chisinau municipality and the special legal-status autonomous territorial unit
The region: definition and context	The Republic of Moldova is divided into villages, cities, raions (districts) and the autonomous-territorial unit of Gagauzia. There are 32 raions, 3 municipalities, the autonomous territorial unit of Gagauzia and territorial unit Stinga Nistrului (Transdnistria).
Institutional Organization	Each raion (district) elects a council which co-ordinates the activities of the local councils in order to provide public services on a district or municipal level. The councils are elected on the basis of universal, equal and direct suffrage by secret ballot for a term of four years.
Competences	Responsibilities of the districts include: (i) social, economic, territorial and urban development; (ii) construction of raion roads, construction of public facilities in the raion (district); (iii) lyceum-type educational institutions except those rendering to the first level; (iv) provision of social assistance; (v) sports and other activities; (vi) protection of environment; (vii) management of property; (viii) fire protection services, etc.
Financing	The local public administration bodies enjoy financial autonomy and are entitled to initiative in all issues related to the administration of local public affairs.
The State and the regions	The activity of the first and second level local public authorities is subject to an administrative control. The administration control includes the control of the legislation and the adequacy of the political public administration authorities.
The regions and local authorities	The interrelationships of public authorities are based on the principles of autonomy, legality, transparency and co-operation in solving common problems.
The region and international relations	The raion (district) councils may decide within the law, to cooperate with other authorities of the local public administration, including cross-border co-operation, for the implementation of activities and rendering necessary public services, as well as the cooperation with national and foreign economic entities and non-governmental.

COUNTRY	MONACO
Overview	The Principality of Monaco is an independent and sovereign state (art. 1), comprising one municipality, Monaco (art. 78). "The Principality's political and institutional regime is governed by the Constitution established on December 17, 1962."
The region: definition and context	Not applicable
Institutional Organization	Not applicable
Competences	Not applicable
Financing	Not applicable
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	MONTENEGRO
Overview	The Constitution of Montenegro, which was approved in October 1992, established Montenegro as a democratic sovereign state. The government of Montenegro is arranged according to the rule of the division of power into the legislative, executive and judicial.
The region: definition and context	Montenegro is not divided into regions.
Institutional Organization	Not relevant
Competences	Not relevant
Financing	Not relevant
The State and the regions	Not relevant
The regions and local authorities	Not relevant
The region and international relations	Not relevant

COUNTRY	THE NETHERLANDS
Overview	The country is divided into 3 levels: national, regional which is formed by 12 provinces, and local, with municipalities.
The region: definition and context	Netherlands is divided into 12 provinces
Institutional Organization	Regions (the Provinces) have a directly elected assembly. The head of the provinces is the Commissioner of the Queen that is assigned by the Queen and presides the provincial executive body. Members of the provincial executive are usually chosen by the provincial council from among its members, for a period of four years.
Competences	<p>The commissioner of the Queen may be attributed some national tasks.</p> <p>The provinces can make legislation in addition of the national legislation. The provinces are responsible for provincial roads and waterways and for some forms of public transport, they are in charge of licensing activities with consequences for the environment.</p> <p>They have shared competences with the national state in key sectors such as: spatial planning, environmental planning, water policy, economic affairs, social affairs (limited), security and disaster policy.</p>
Financing	No financial autonomy, most of the finances come from national funds.
The State and the regions	The provincial assemblies elect the First Chamber of the national parliament, but are not formally involved in the decision-making.
The regions and local authorities	The regions can sign contracts with other regions and cooperate on regional level activities.
The region and international relations	The regions cannot conclude international treaties. They can sign international agreements and protocols.

COUNTRY	NORWAY
Overview	Norway has a strong historical tradition of local democracy. Today, Norway has a two-tier system of local government composed of 434 municipalities and 19 county authorities.
The region: definition and context	In Norway the regional level of government is represented by the counties. There are 19 county authorities and 430 municipalities. Counties are not given a definition in any legislation and they vary regarding size, topography and population.
Institutional Organization	The County Council is the supreme body. It can specify policies, tasks and investments. It is directly elected for a four-years mandate. The County council elects its county council chairman. Within certain limits the Council has the right to allocate funds, set property taxes, impose user fees, and exercise authority in the form of regulations that are binding on the inhabitants.
Competences	<p>The county authorities competencies are: (i) Upper secondary school, (ii) Regional development, including County roads and public transport, Regional planning, Business development, Culture (museums, libraries, sport).</p> <p>An important additional principle is that counties voluntarily may assume tasks or functions that have not been assigned to others by law.</p>
Financing	The income of the counties is mainly composed of local taxes and revenues from the General Grant.
The State and the regions	There is no general act regulating the division of competencies between the State, the county and the municipality. The Norwegian Association of Local and Regional Authorities (KS) engages in an ongoing dialogue with the Parliament on legislative matters.
The regions and local authorities	There is no subordinate relationship between the municipalities and the counties. The municipalities and the counties have separate tasks. National laws determine the division of the tasks between the State, the counties and the municipalities.
The region and international relations	Regions can conclude treaties, agreements and protocols that concern the areas of their governance and competences. The state often consults the regions in international matters that concern the regions.

COUNTRY	POLAND
Overview	<p>There are two levels of government in Poland: governmental with central government and its Head, i.e. Prime Minister and Voivods (Governors) in a region and self-government with:</p> <ul style="list-style-type: none"> a) gminas with a Gmina's Council as legislative authority and a Wojt /Mayor as executive authority; b) poviats with a Poviat's Council as legislative authority and a Poviat's Board and a Starost at its head as executive authority; c) voivodships with a Sejmik as legislative authority and Regional Board headed by a Marshal as executive authority.
The region: definition and context	There are 16 regions (voivodships) in Poland. In the Constitution of Poland dated 7th April 1997 there is no clear definition of a voivodship.
Institutional Organization	The legislative body of the region is the Sejmik, which is elected by direct election. The executive body on the regional level is the Regional Board which is elected from the members of the Sejmik. On the head of the Sejmik is the Marshal who is elected by the Sejmik as well.
Competences	The regions define a strategy of regional development, contract "regional agreements" with the central government, take care of public education, promotion and health protection, culture and heritage, social welfare, pro-familial policy, modernization of rural areas, spatial management, environmental protection, water management, collective transport and public roads, sport and tourism, consumers rights' protection, defenses, public security, counteracting unemployment and activation of local labour market. according to the principle of subsidiarity.
Financing	The revenues of regions consist of own revenues, general subventions and specific, state budget grants, revenues from private law sources.
The State and the regions	Regions have their own political representation in both Chambers of the Parliament.
The regions and local authorities	Regions can sign treaties between each other. Local authorities are often consulted by regions.
The region and international relations	Regions in Poland are able to enter into international cooperation agreements.

COUNTRY	PORTUGAL
Overview	Portugal is a parliamentary republic, ruled by a Constitution. The current Portuguese constitution provides for progressive administrative decentralization and calls for future reorganization on a regional basis, yet to be accomplished. The Azores and Madeira Islands have constitutionally mandated autonomous status.
The region: definition and context	Both autonomous regions have very wide-ranging political and legislative powers and their own Political Administrative statute. The Regional Legislative Assembly and the Regional Government are the organs of this administration.
Institutional Organization	The Regional Assembly is elected by direct universal suffrage (proportional system) for a four-year term. The Regional Government is politically responsible to the Regional Legislative Assembly; the president of the government is appointed by the Minister for the Republic.
Competences	The competences of the autonomous regions are those that are deemed to be matters of specific interest to the autonomous regions: culture, environment, agriculture, locally produced energy, transport, use of land, etc.
Financing	The regions exercise their powers of taxation, in accordance with the law, and adapt the national fiscal system to regional circumstances in accordance with the framework law enacted by the Assembly of the Republic.
The State and the regions	The State always consults the organs of regional government on those matters within their powers that affect the autonomous regions.
The regions and local authorities	The regional Government oversees the municipalities.
The region and international relations	Regions can form partnerships with regions in other countries and can enter into international agreements. They can co-operate with foreign regional bodies and participate in organizations concerned with the furtherance of inter-regional dialogue and co-operation, in accordance with guidelines laid down by the organs with supreme authority responsible for foreign policy.

COUNTRY	ROMANIA
Overview	The new local authorities were established by the elections of February 1992, the first to be held in Romania following the collapse of the communist regime. After the four-year mandate of local authorities expired, elections were held again in 1996.
The region: definition and context	There are no administrative regions in Romania yet. The country is divided into counties, towns and communes, the boundaries of which are established by law. A county consists of a capital, several additional municipalities and all towns and communes within that county's territorial limits. Certain towns are classified as municipalities. As of 1998, Romania was divided into 42 counties (including the municipality of Bucharest, 1 which has county status).
Institutional Organization	The county council is the deliberative body at the county level. The president, vice-president and the five- to seven-member permanent delegation of the county council are elected by and from among the council's membership. The president and the vice-president of a county council have executive powers to implement council decisions and are president and vice-president of its permanent delegation.
Competences	The competences of counties are: budget, ecology, country planning, socio-economic development, taxes, roads culture etc.
Financing	In order to ensure local autonomy, public authorities of communes, towns and counties determine and approve revenue and expenditure budgets and are entitled to institute and collect local duties and taxes.
The State and the regions	Public administration in Romania consists of central and local administrations. The central administration oversees activities of national interest and is comprised of the government, ministries, central authorities subordinate to the government or ministries, central autonomous bodies and deconcentrated territorial bodies.
The regions and local authorities	The county councils consult and maintain contacts with local authorities continually.
The region and international relations	County and local authorities are able to enter into international co-operation agreements with the approval of the Foreign Affairs Ministry and by informing the Ministry of Interior and Administration Reform.

COUNTRY	RUSSIAN FEDERATION
Overview	The 1993 constitution establishes a federal government and creates eighty-nine sub-national jurisdictions. In May 2000 there were seven federal districts created, each one to be run by a Presidential representative.
The region: definition and context	The Russian Federation consists of 89 constituent components: 21 republics, 48 oblasts (provinces) and 7 krais (territories), 9 autonomous okrugs (autonomous districts), and 1 autonomous oblast. There are also two federal cities (Moscow and St. Petersburg). Recently, seven extensive federal districts (four in Europe, three in Asia) have been added as a new layer between the regions and the national level.
Institutional Organization	The head of the republics is a President or Prime Minister, the legislative body is regional council. Lower sub-national authorities are presided by a governor or an administrative head. 89 regional leaders are appointed by President of the Federation and confirmed by regional legislative bodies.
Competences	Competences are of two kinds: own – managing municipal property, establishing and executing regional budgets, establishing and collecting regional taxes, and maintaining law and order and joined - ensuring regional constitutions and legislation do not conflict with those of the Republic; human rights and the rule of law; land use; environmental protection and cultural heritage; education, science, culture, physical culture and sports; health care and social protection; disaster prevention and emergency planning; common principles of taxation and dues in the Russian Federation; housing, land, water, and forest legislation; legal personnel; cultural diversity; local self-government; international relations.
Financing	A new reform came into force recently recently which means a fiscal decentralization to lower levels of government. new financing approaches, including per capita financing and performance contracts.
The State and the regions	The Council of Federation is the upper chamber of the Federal Assembly - the parliament of the Russian Federation. The chamber consists of representatives elected by the regional legislatures or appointed by the heads of regional executive.
The regions and local authorities	Regions are only few shared competences between regional and local authorities.
The region and international relations	Russian regions have no right to conclude international treaties by themselves, they need to consult the Federal Government.

COUNTRY	SAN MARINO
Overview	<p>Founded in AD 301, San Marino is the oldest constitutional republic in the world still in existence today.</p> <p>San Marino does not have any regional structures. It is divided into nine municipalities, known as <i>castelli</i> or <i>castles</i>.</p>
The region: definition and context	Not applicable
Institutional Organization	Not applicable
Competences	Not applicable
Financing	Not applicable
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	SERBIA
Overview	The Constitution of the Republic of Serbia from 2006 regulates the basic territorial structure of the state. Under the Constitution, Serbia has two autonomous provinces: Vojvodina and Kosovo and Metohija. Kosovo and Metohija unilaterally declared its independence in 2008 which is not recognized by Serbia and a majority of the international community.
The region: definition and context	The two autonomous provinces of Serbia are Vojvodina and Kosovo and Metohija. In addition new planning regions have been established. Four regions have been defined. 1. Region of Vojvodina; 2. Belgrade region; 3. Šumadija and West Serbia region; 4. South and East Serbia region; 5. Kosovo and Metohija region.
Institutional Organization	<p>The Autonomous Province of Vojvodina has a directly elected Assembly. The Government of the Autonomous Province of Vojvodina is the executive body of the Province.</p> <p>The new planning regions have a Regional Development Council. Members of the Regional Development Council are representatives from local government units constituting a region, and the representatives from city municipalities, representatives from public and civil sector, and other institutions and organizations from the territory of these local government units, and a representative of the national Government.</p>
Competences	Vojvodina has a possibility to regulate the matters of provincial interest by its regulations, amongst others, in the following areas: in the field of regional development, urban planning and development, agriculture, water management, forestry, hunting, fishing, tourism, environmental protection, industry and craftsmanship, road, river and rail traffic and roads designing, education, sport, culture, health and social care and public information at the provincial level.
Financing	The Constitution of the Republic of Serbia (Article 184), stipulates that the budget of the Autonomous Republic of Vojvodina amounts to minimum 7 % of the national budget, given that 3% of the mentioned 7% of funds is used for financing capital expenditures.
The State and the regions	The new Laws on Establishing the Competences of Vojvodina enacted recently provide mutual rights and obligations of the republic and provincial authorities and their cooperation, but its full implementation still has to be established.
The regions and local authorities	On local level Serbia is divided into districts as territorial units where the deconcentrated bodies of central and provincial government act.
The region and international relations	Vojvodina may not directly cooperate with other countries, but may cooperate with the corresponding territorial communities of other countries, within the foreign policy framework of the state of Serbia.

COUNTRY	SLOVAK REPUBLIC
Overview	The country is divided into 8 regions and 79 districts and 2891 municipalities. There have been some major competences transferred to the regions in 2004 during the decentralisation reform.
The region: definition and context	Three levels of public administration: state – region – municipality. The regions have their own elected bodies. The execution of state functions may be transferred to them under the terms stipulated by the Constitution and laws.
Institutional Organization	President of the region and General Assembly of the region – both are elected directly for 4-year terms.
Competences	<p>Original competences: roads of class II and III, area planning, regional development, own investment ventures, secondary schools, hospitals, some social service facilities (retirements homes, social services for children, crises centre, orphanages, etc.), cultural facilities (galleries, museums, theaters, some libraries, etc.), participation in civil defense, licenses for pharmacies and private physicians, etc They may participate in international, cross-border and domestic co-operation. The competences of the regions include issuing of generally binding regulations.</p> <p>Transferred competences from the state administration: education, health-care, road, transportation.</p>
Financing	Combination of own incomes and state subsidies. Regions themselves as what concerns the original competences decide the use of global subsidies. The duties they ensure in the name of the State are to be funded by a special-purpose subsidy.
The State and the regions	The regions are allowed to sign agreements with other regions in the same state.
The regions and local authorities	Wide spectrum of cooperation between two levels whilst there is no relation of superiority of regional level over the municipalities: field of planning, regional development, financing, co-operation of municipalities in administrative work and economic services, international and cross-border co-operation
The region and international relations	The regions have a right to cooperate with other regions form different states, conclude cooperation agreements and treaties with other regions, become a part of international regional assemblies and international organizations.

COUNTRY	SLOVENIA
Overview	<p>There are no regions in Slovenia.</p> <p>The country is divided into 193 municipalities including 11 urban municipalities. There are also 58 decentralized State administrative units, appointed and dismissed by the Government. At the moment there are experiments to integrate municipalities into regions.</p>
The region: definition and context	Not applicable
Institutional Organization	Not applicable
Competences	Not applicable
Financing	Not applicable
The State and the regions	Not applicable
The regions and local authorities	Not applicable
The region and international relations	Not applicable

COUNTRY	SPAIN
Overview	The Spanish Constitution of 1978 provided the basis for the creation of Autonomous Communities in Spain.
The region: definition and context	There are three territorial levels of organization in Spain: the State, the Autonomous Communities and the entities which compose the local administration. The Autonomous Communities are 17: Andalusia, Aragon, Asturias, Balearic Islands, Basque Country, Canary Islands, Cantabria, Castile and Leon, Castilla La Mancha, Catalonia, Extremadura, Galicia, La Rioja, Madrid Region, Murcia Region, Navarra and Valencia Region.
Institutional Organization	Each Autonomous Community has a Single-chamber Legislative Assembly, known as the Autonomous Parliament. It is directly elected.
Competences	The competences that can be assumed by the Autonomous Communities, include: planning and housing, public works, rails and roads, harbors and airports that are not considered being of national interest, agriculture, forests, environment, fisheries economic development, cultural heritage, tourism, sport, welfare, health. Most of them are shared with the State.
Financing	The regions have access to the financial resources which may be classified in three categories.
The State and the regions	The relationships between the regions and the State are ruled by several integration principles, which are set out in the Constitution. These principles help to ensure the unity of the State.
The regions and local authorities	The Spanish Constitution distinguishes between local and regional entities. The first are referred to as "Local Administration" (chapter II of the heading VII). Regions are organized as Autonomous Communities.
The region and international relations	Article 149.3 of the Spanish Constitution reserves international relations as an exclusive competence of the State. However, the Constitutional Court has recognized the capacity of Autonomous Communities to exercise activities with an external scope.

COUNTRY	SWEDEN
Overview	Historically, Sweden has been a state with a strong national level and on the regional level the county councils, are mainly responsible for one area; health care and medical treatment. However, the importance of the regional level is increasing today. Sweden have 290 municipalities and 21 county councils. The county councils have the same geographical area as the counties.
The region: definition and context	The term 'regions' in Sweden means the 21 counties. The constitution states that Sweden shall have municipalities and county councils (that are both part of municipal self-government).
Institutional Organization	The decision-making assemblies in the 21 county councils are directly elected by the people every four years. The regional council appoints the chairman of the regional council. The regional council appoints a board, which is the steering and executive body.
Competences	Their principal duty is to be responsible for health care and medical treatment and they have responsibility for approximately 90% of the collective budget. They also have duties with regard to culture and public transport.
Financing	The county councils' financing comes primarily from taxes, patient contributions and government subsidies.
The State and the regions	The county councils have no legislative power. The county council makes its own decisions within the region's fields of responsibility.
The regions and local authorities	The Swedish model means that municipalities and County Councils are equal parties in municipal self-government. The County Councils and the municipal authority cooperate closely in several areas.
The region and international relations	The County Councils are permitted to enter into international agreements within their fields of responsibility.

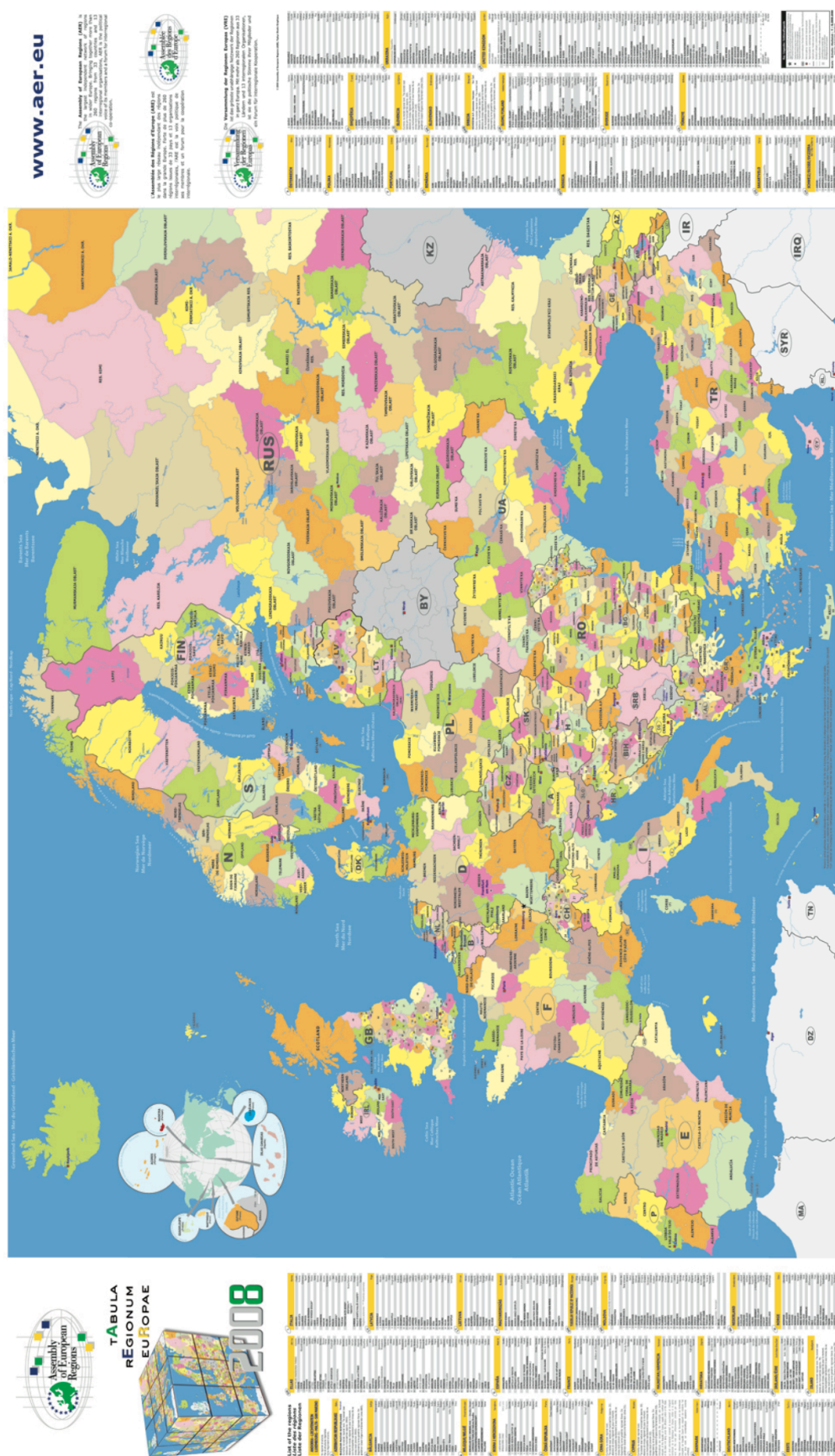
COUNTRY	SWITZERLAND
Overview	Switzerland is a federal state, which has limited "state" status for the cantons. They have authority over their own territory and their own people, but their powers exist only within limits laid down by the federal constitution. The Swiss cantons, being public bodies, constitute separate legal entities and they each have an own constitution. The latest regional reform aims at the disentanglement of tasks and financial flows between the Confederation and the cantons, and try to enforce intercantonal cooperation.
The region: definition and context	There are 26 Cantons; the regional government is recognized in the federal constitution and in primary legislation. According to the federal constitution, the cantons are sovereign within the limits of the federal constitution.
Institutional Organization	The political authorities at cantonal level include a cantonal parliament , a cantonal government and cantonal courts (first and second instances). Terms of office of political authorities are generally 4 years.
Competences	The cantons are sovereign insofar as their sovereignty is not limited by the federal constitution. Own competencies of the Cantons are: Education, Health, Economic Development, Social Services, Police, Ports and Airports, Tourism, Training, Justice, Cultural Organization, Taxing Authority, Procedural law. Shared competencies are: Roads, Environment, Energy, Social Security, Agriculture, Research.
Financing	The cantons have fiscal autonomy: they are authorized to collect any tax that is not the exclusive responsibility of the Confederation.
The State and the regions	Cantons have participatory rights at the federal level. The federal parliament consists of two chambers – one of them is the Council of States, where every canton is represented by two members of the parliament.
The regions and local authorities	Within the 26 cantons, there are about 2 636 municipalities (communes) in total. They are governed in detail by the constitution and the legislation of the cantons to which they belong.
The region and international relations	The regions have the ability to conclude international agreements, including international treaties concerning cantonal competencies. The object of cantonal participation in federal foreign policy is to make appropriate allowance for the interests of the cantons and to protect cantonal competences.

COUNTRY	TURKEY
Overview	In the period between 2004 and 2005, the government enacted a string of laws on sub-national governance in order to align the Country with the EU principles for subnational governance. The package of reform involved the restructuring of (i) the Special Provincial Administrations (SPAs), (ii) the municipalities and (iii) the village administrations.
The region: definition and context	At the regional level, there are 81 provinces, which are divided into districts. The local level comprises municipalities, metropolitan municipalities (which have a dual structure, comprising the metropolitan municipality and its constituent district municipalities) and villages.
Institutional Organization	The Provincial Governor is appointed by the State. The President of the Provincial Council is elected by the members of the Provincial Council. The Provincial Council is directly elected for 5 years. The Provincial Council furthermore elects an executive committee for one year from amongst its members, which is chaired by the President.
Competences	The functions and duties of the provinces include: land development, education, agriculture, health services, social security, commerce and the economy. Most of these duties, however, have been transferred to the central government by subsequent legislation; those duties have not been specifically withdrawn from the provinces actually, which results in significant confusion.
Financing	The regions depend almost entirely on national funding. The budgets of sub-national authorities are drafted and approved by the authorities themselves, but also have to be approved by the state representative.
The State and the regions	In practice, regional and local interests are represented at the national level by informal lobbies of deputies to the parliament.
The regions and local authorities	Municipalities and metropolitan municipalities are in practice the only sub-national bodies in which self-government is effectively executed and they have seen significant developments in recent years.
The region and international relations	The sub-national administrations are entitled to establish partnerships with foreign sub-national administrations. The sub-national authorities must submit their decision to the Ministry of Interior for approval, and must seek the opinion of the Governor and the Ministry of Foreign Affairs.

COUNTRY	UKRAINE
Overview	According to the Constitution, the territorial structure of Ukraine is based on the principles of unity and indivisibility of the state territory, the combination of centralization and decentralization in the exercise of state power, and the balanced socio-economic development of its regions.
The region: definition and context	Ukraine is divided into 24 oblasts (provinces), one autonomous republic (Crimea), 479 rayons (divisions), and 415 cities. The Republic of Crimea has been granted special status, with considerable autonomy in its internal affairs.
Institutional Organization	Each region (oblast) has a regional council. The law determines the status of the heads, deputies and executive bodies of the regional council and their terms of reference, the procedure for formation, reorganization and dissolution. Regional council deputies are elected on the basis of a majority system in multi-member constituencies. In addition the President of the Ukraine appoints regional Governors, heads of the regional state administration.
Competences	Oblast and district councils approve programmes for socio-economic and cultural development of the respective oblasts and districts, and control their implementation. They also approve district and oblast budgets that are formed from the state budget for their appropriate distribution among territorial communities or for the implementation of joint projects.
Financing	The State participates in the formation of revenues of the budget of regions and financially supports them. Expenditures of regions that arise from the decisions of bodies of state power are compensated by the state. The state recognizes the right of local self-government to administer, at its own discretion, a portion of financial resources that can be accrued through economic activities of territorial communities.
The State and the regions	Regions play a minor role in the legislative bodies and decision-making processes of the state. They can make their propositions, but the national legislative body makes the final decision.
The regions and local authorities	Local and regional authorities co-operate in a manner of mutual trust.
The region and international relations	The Regions can maintain external relations within the limits of their competencies. They can conclude international treaties, agreements and protocols, but they must consult the state. The state consults regions when it signs international agreements/treaties, which concern the regions' competences.

COUNTRY	UNITED KINGDOM
Overview	The United Kingdom of Great Britain and Northern Ireland is a Constitutional Monarchy, which comprises England, Scotland, Wales and Northern Ireland.
The region: definition and context	In England, there are 27 Counties and 56 Unitary authorities. The structure of County and Unitary government is set out in legislation taking effect from 1 April 1997.
Institutional Organization	In England, County and Unitary authorities are directly elected and the President/Leader is elected from among the Members.
Competences	In England, County & Unitary authorities are responsible for children services (including education), adult services, minerals policy, roads, transportation, etc.
Financing	In England, County and Unitary authorities are funded by central government and a local property based tax & fees, with the majority of funding coming from central government.
The State and the regions	In England, County and Unitary authorities have no formal place in legislative and decision-making processes of the state, other than via consultation pre-legislation.
The regions and local authorities	In England, all levels of local government work together in partnership as and when it is appropriate and effective to do so.
The region and international relations	In England, County and Unitary authorities can enter international agreements with other regions.

Annex 3: AER Tabula regionum Europae



Annex 4: Indicative bibliography and useful links and contacts

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List of acronyms

AER/ARE - Assembly of European Regions
BMW - Border Midland & Western Region (Ireland)
CEMR/CCRE - Council of European Municipalities and Regions
CLRAE/CPLRE - Congress of Local and Regional Authorities of Europe
CoR/CdR - Committee of Regions
CPMR/CRPM - Conference of Peripheral Maritime Regions
EU/UE - European union
GATS / AGCS - General Agreement on Trade in Services
INTERREG - Programme for Interregional Cooperation (EU)
IRAP - regional tax on productive output
IRPEF - surtax on national income tax
KS - Norwegian Association of Local and Regional Authorities
SNCB - Société Nationale des Chemins de Fer Belge (National railway company of Belgium)
MS - member states
NARC - National Association of Regional Councils (of USA)
NATO/OTAN - North Atlantic Treaty Organization
NGO / ONG - Non-governmental organization
NIK - Chief Board of Supervision
NUTS - Nomenclature of Territorial Units for Statistics
PEPTRAN - Pedestrian and Public Transport navigator
RDB - Regional Development Board
RIO - Regional Audit Chamber
RPT - Reform of financial equalization and task allocation in Switzerland
SPA - Special Provincial Administration
SGR - Secretary General of the Region
S&E - Southern & Eastern Region (Ireland)
UN - United Nations
UK - United Kingdom
USSR - Union of Soviet Socialist Republics
VAT - Value added tax