

EUROPEAN UNION



**Committee of the Regions**

**STUDY  
ON THE ROLE OF LOCAL AND  
REGIONAL AUTHORITIES IN THE  
EUROPE 2020 NATIONAL REFORM  
PROGRAMMES – ANALYSIS OF  
THE 2012 NATIONAL REFORM  
PROGRAMMES**

**On the role of local and regional authorities  
in the Europe 2020 National Reform  
Programmes – analysis of the 2012 National  
Reform Programmes**



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# List of Acronyms

CoR	Committee of the Regions
EC	European Commission
EU	European Union
LA	Local authorities
LRA	Local and Regional Authorities
MLG	Multilevel governance
MS	Member State / Member States
NPR	National Progress Report / National Progress Reports
NRP	National Reform Programme
PPMI	Public Policy and Management Institute
RA	Regional authority / Regional authorities
R&D	Research and development
SCP	Stability and Convergence Programme
SME	Small and medium-sized enterprises

# List of Country Abbreviations

Austria	AT
Belgium	BE
Bulgaria	BG
Cyprus	CY
Czech Republic	CZ
Denmark	DK
Estonia	EE
Finland	FI
France	FR
Germany	DE
Greece	EL
Hungary	HU
Ireland	IE
Italy	IT
Latvia	LV
Lithuania	LT
Luxembourg	LU
Malta	MT
Netherlands	NL
Poland	PL
Portugal	PT
Romania	RO
Slovakia	SK
Slovenia	SI
Spain	ES
Sweden	SE
United Kingdom	UK





# Executive Summary

## Introduction

The Committee of the Regions (CoR) strongly supports the Europe 2020 strategy,<sup>1</sup> while emphasizing the need to coordinate and implement actions at all levels of government, including local and regional authorities (LRA). The CoR accomplishes this through a variety of mechanisms and initiatives, including the Europe 2020 Monitoring Platform (EUROPE2020MP)<sup>2</sup> and Territorial Pacts<sup>3</sup>.

As part of the European Semester and the monitoring of the Europe 2020 strategy, the Member States (MS) submit their annual National Reform Programmes (NRP), which specify the progress made and action to be undertaken in areas such as employment, research, innovation, energy or social inclusion in order to meet the goals and targets set out in the Europe 2020 Strategy.

Following the CoR's analysis of the role played by LRA in the first round of NRP submissions in 2011, the 2012 study is based on the same set of questions and evaluation protocol used in 2011. Three additional assessment questions were added to reflect the dynamic nature of Europe's economic and policy landscape, including the pressing need to promote sustainable job growth and the fiscal consolidation of the public sector. The second study's objectives mirror those of the first, namely:

- to analyse if and to what extent LRAs were involved in the design of NRPs.
- to examine whether and to what extent the NRPs comply with the request made by the Commission last year for national authorities to explain:
  - how they plan to involve/have involved LRAs and relevant stakeholders in defining and implementing the NRPs;
  - how they communicate/plan to communicate on Europe 2020 and on their NRPs;

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<sup>1</sup> The Europe 2020 Strategy Europe 2020 is the EU's growth strategy for the coming decade and aims to transform the EU into a smart, sustainable and inclusive community by 2020. More information about the Strategy's objectives, instruments and processes can be found at [http://ec.europa.eu/europe2020/index\\_en.htm](http://ec.europa.eu/europe2020/index_en.htm).

<sup>2</sup> The Europe 2020 Monitoring Platform is a network of local and regional authorities and an electronic platform at the same time. It aims to assess the EUROPE 2020 Strategy from the point of view of EU Regions and Cities. More information is available at <http://portal.cor.europa.eu/europe2020/Pages/welcome.aspx>.

<sup>3</sup> CoR Resolution (CdR 199/2010) urges strong support for the proposal launched in the European Parliament to establish a "Territorial Pact of Regional and Local Authorities on the Europe 2020 Strategy" whose objective is to ensure a multi-level ownership of the future strategy through an effective partnership between the European, national, regional and local public authorities. The Territorial Pacts are facilitated by the Committee of the Regions. More information is available at <http://portal.cor.europa.eu/europe2020/news/Pages/TerritorialPacts.aspx>.

- the results and their experiences in collecting, sharing and implementing good practices.

The assessment is based on a set of pre-specified answers that measure whether the NRP makes any reference to LRAs in terms of the different ways that LRAs can be involved in the NRP process and the implementation of Europe 2020 action and if so to what extent (e.g. fully, partially, not at all). Each answer category is associated with a point value and a cumulative score is calculated that was used to:

- analyse the distribution of scores for each assessment question across the NRPs,
- compare each Member State's total score against the maximum possible score,
- compare the Member States' NRPs with one another, and
- assess the changes in the involvement of LRAs between the 2011 and 2012 NRP.

The three Member States that are currently receiving financial support under EU/IMF lending assistance, i.e. Greece, Ireland and Portugal, are not required to submit an NRP for 2012 provided that the regular reporting set out under the programme broadly satisfies the relevant reporting requirements. All three have nonetheless submitted NRPs and have been included in this analysis yet it should be borne in mind that the information contained in the NRP may focus on the implementation of economic and fiscal reform measures.

## **Results**

LRAs are referred to in the majority of NRPs; 24 out of a total of 27 NRPs state that LRAs have a role in implementing the actions outlined in the NRP while 23 NRPs have relevant paragraphs or separate sections devoted to LRAs. LRAs are also frequently mentioned (in 20 out of 27 NRPs) in the context of NRP implementation but with a specific focus on the two priority areas of job creation and combating youth unemployment. In comparison, in the 2011 analysis, LRAs were primarily mentioned in the context of their contribution to the drafting and implementation of NRPs.

Despite these positive results, the NRPs of most Member States fell short on showing exactly how LRAs contributed to the drafting of the NRP (which was the case for only six NRPs) and how they are involved in the monitoring of NRP actions (only six NRPs).

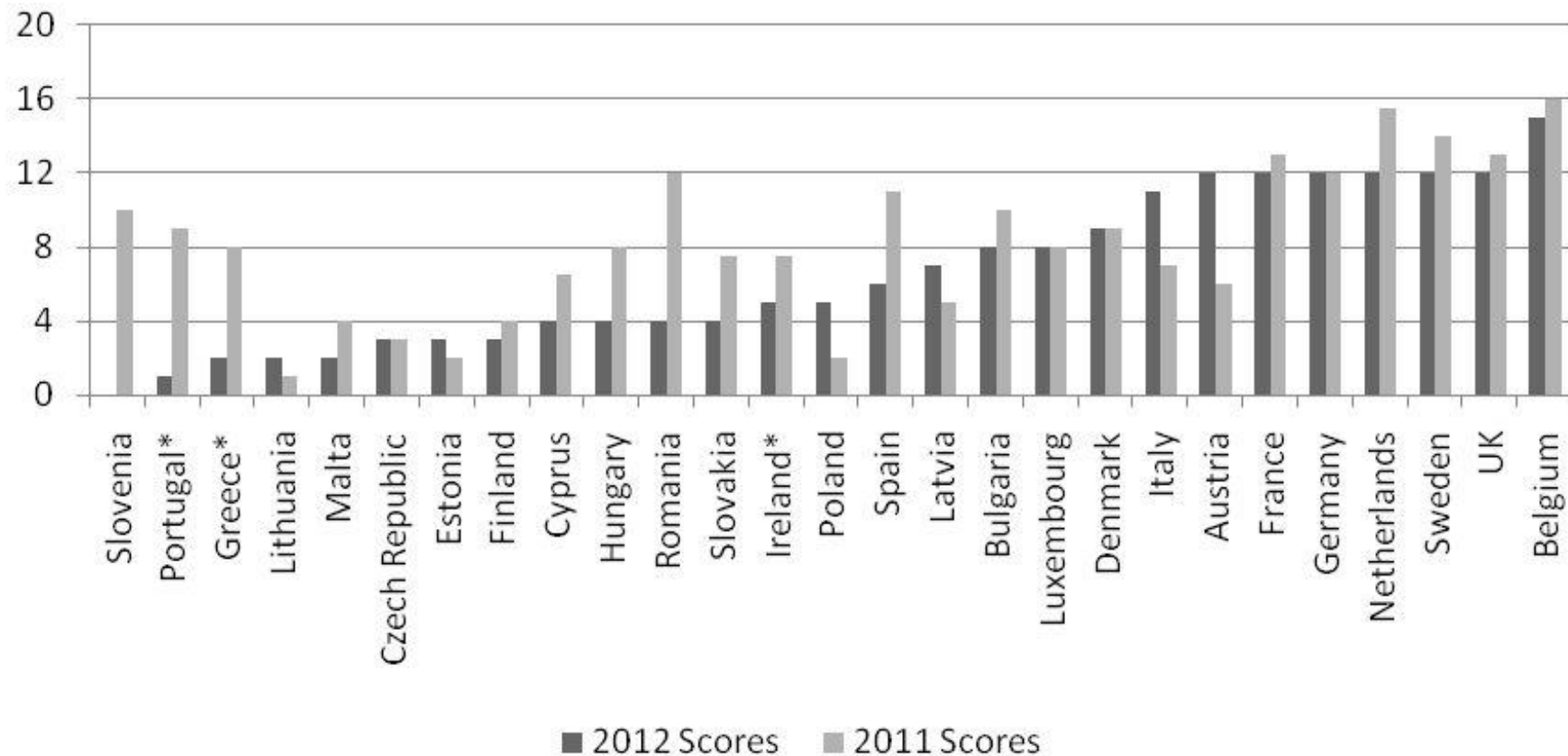
Figure 1 shows the total number of points scored by the 27 NRPs for all 11 questions,<sup>4</sup> sorted from lowest to highest (2011 points included for comparison). The maximum possible number of points is 19.

Belgium's NRP shows the role of LRAs most clearly, recording a total of 15 points for the 11 assessment questions, followed by Austria (13 points) and France, Germany, the Netherlands, Sweden and the UK (all with 12 points). The role and contributions of LRAs was most comprehensively addressed by the NRPs of these countries. One characteristic aspect of their NRPs is the systematic mention of who represented the LRAs and how this representation took place throughout all stages of the NRP drafting, implementation and monitoring process. They also devoted sections to multi-level governance, inter-governmental collaboration, financial flows between the different levels of government, and the distribution of responsibilities in implementing and monitoring the measures included in their respective NRPs.

In contrast, the NRPs of Slovenia (zero points), Portugal (one point) as well as Greece, Lithuania, Malta (all two points) mention hardly any authorities other than central government. Equally, their reform plans fail to set out how the activities planned and underway under the NRP will affect or be affected by local and/or regional perspectives. Of the countries at the bottom of the classification, Portugal and Greece were not required to submit a NRP and their submissions focus mostly on the structural reforms which these countries are currently undertaking to consolidate their public finances and trigger sustainable job creation and economic growth.

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<sup>4</sup> The 2012 assessment includes three new questions but they were not scored in order to enable comparison between the 2011 and 2012 results.



**Figure 1: Ranking of the 27 National Reform Programmes in terms of exhaustiveness of information on the involvement of the local and regional authorities in Europe 2020; Total point scores for questions 1-11 by Member State for 2012 and 2011 NRP**

Note: The maximum number of points is 19. Countries marked \* were exempt from submitting an NRP.

### *Representation of LRA viewpoints during the NRP drafting process and form of contribution*

A total of 10 NRPs explicitly name the LRAs which represented their viewpoints during the drafting of the 2012 NRP, compared to 16 in 2011: Belgium, Denmark, France, Germany, Ireland, Italy, Latvia, Luxembourg, Sweden, and the UK.

The Austrian, Belgian, Danish, German, Irish, Italian, Latvian, Luxembourgish, Dutch, Swedish and British 2012 NRPs also explain how the actors representing regional and local authorities were involved in or contributed to the drafting process. This represents a fall of 42 percent, from 19 in 2011 to 11 in 2012.

### *Extent to which the contributions from LRAs were taken into account (e.g. are the contributions annexed to the 2012 NRP)?*

Twelve of the 27 NRPs explain - albeit to a varying extent - how the input received from LRAs during the drafting stage of the NRP was taken into account. This compares to 15 in 2011, i.e. a slight decrease of 20 percent. Among the twelve who provide such information, seven do so to only a limited extent (Belgium, Bulgaria, Denmark, Germany, Italy, Sweden and the UK), four give substantial information (France, Ireland, Luxembourg and Slovakia) while only Austria presents full information about the process by which LRA viewpoints actually fed into their NRP.

Six Member States prepared the LRA contributions as either separate documents (Austria, Germany and Slovakia) or annexes to the 2012 NRP (Belgium, France and Sweden). This represents a small increase from 2011, when this was the case for only five NRPs, submitted by Austria, Belgium, France, Germany and the Netherlands. Of these countries, Belgium, France and the Netherlands presented the LRA contributions in the form of an annex.

### *Multilevel governance agreements and Territorial Pacts*

None of the 27 NRPs cites the existence or establishment of a Territorial Pact as proposed by the CoR in 2010. In 2011, Romania's NRP included a reference to this governance model where national, regional and local authorities coordinate and synchronise their policy agendas to better focus their actions and financial resources on the Europe 2020 Strategy goals and targets.<sup>5</sup>

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<sup>5</sup> <http://portal.cor.europa.eu/europe2020/news/Pages/TerritorialPacts.aspx> (last accessed 30 July 2012).

Aside from TP, ten NRPs (37 percent) mention multi-level governance agreements involving LRAs (Belgium, Bulgaria, Denmark, France, Germany, Italy, the Netherlands, Spain, Sweden and the UK). However, these NRPs vary markedly in terms of the amount of detail they provide about the specific role of LRAs in the implementation, monitoring and evaluation processes. They range from merely consultative roles to mandated and regular contributions throughout the entire process.

Other forms of coordination or integration of policies that approach or are similar to multilevel governance agreements (MLG) are mentioned in eight NRPs: Austria, Belgium, Bulgaria, France, Germany, Hungary, Italy and the UK. Since this is one of the three additional assessment questions included in the 2012 study, no corresponding information is available for 2011.

#### *The role of LRAs in implementing and monitoring the NRP*

LRAs are frequently mentioned in the NRPs as partners and principal actors for implementing the actions, strategies and programs described therein: in 2012 a total of 24 NRPs name LRAs as partners compared with 27 in 2011 (a decrease of 11 percent). Of the 24, nine make limited references to this issue (Cyprus, Estonia, Hungary, Ireland, Latvia, Luxembourg, Malta, Portugal and Romania), eight provide substantial information about the role of LRAs in implementing the actions set out in the NRP (Bulgaria, Czech Republic, Denmark, Finland, France, Lithuania, Poland and Spain) while seven provide full information (Austria, Belgium, Germany, Italy, the Netherlands, Sweden and the UK).

Greece, Slovakia and Slovenia do not name any LRAs in the context of NRP implementation.

With respect to the monitoring of NRP actions, six Member States mention how LRAs contribute, i.e., Austria, Belgium, Denmark, the Netherlands, Sweden and the UK, a 50 percent decline from 2011.

#### *Role of LRAs in mitigating the economic and financial crises, including the role of LRAs in the two top priority areas of job creation and reducing youth unemployment*

The NRPs of eleven Member States include measures dealing with the economic and financial crises which specifically involve LRAs. This is the same amount as in 2011 but with small changes in terms of the countries that gave LRAs this role, as shown in table 1.

**Table 1: Mention of the role of LRAs in mitigating the economic and financial crises in 2012 and 2011 NRPs**

<b>MS specifying the role of LRAs in mitigating the economic and financial crises</b>	
<b>2012 NRP</b>	<b>2011 NRP</b>
Austria, Belgium, Bulgaria, France, Germany, Italy, Latvia, Netherlands, Poland, Spain, UK	Belgium, Germany, Greece, Italy, The Netherlands, Poland, Slovakia, Slovenia, Spain, Sweden, UK

*Description of financial aspects related to activities involving LRAs*

The majority of NRPs (17 out of 27, i.e. 63 percent) demonstrate how financial resources are allocated, disbursed or otherwise used by LRAs to fund their activities in accordance with their NRP. Of the 2011 NRPs, only eight made corresponding statements (an increase of 50 percent).

*Administrative capacity of LRAs*

The attention given to LRAs' administrative capacities represents another positive change in the way in which LRAs are integrated into the actions outlined in the Member States' NRPs. A total of 12 NRPs provide information about measures to strengthen their administrative capacities and/or to make them more effective. This represents a 33 percent increase on 2011 and must be viewed in the context of the continued economic and financial crises.

*Application of the subsidiarity and proportionality principles*

Five NRPs (Belgium, Czech Republic, France, the Netherlands and Spain) explicitly mention the principles of subsidiarity and/or proportionality in the context of implementing the specified measures. This question was not included in the 2011 study and, therefore, no comparisons can be made.





# 1 Introduction

## 1.1 Background

The Europe 2020 strategy, the successor to the Lisbon strategy for the period 2000-2010, reaffirms the aim of the European Union (and its Member States) to become a smart, sustainable and inclusive community by 2020. These three mutually reinforcing objectives aim to help lift Europe out of the global economic and financial crisis by creating jobs, increasing productivity and strengthening internal cohesion.<sup>6</sup> The Europe 2020 Strategy contains quantifiable targets and flagship initiatives to achieve these goals.

This is the second time that the new European Semester, an annual six-month period launched in 2011, has required that Member States submit their National Reform Programmes (NRPs) on how they are implementing the goals and targets set out in the Europe 2020 Strategy.

The Committee of the Regions (CoR) supports the Europe 2020 Strategy, while simultaneously emphasizing the need to coordinate and implement actions at all levels of government, including local and regional authorities (LRAs). The CoR accomplishes this through a variety of activities such as its proposal to create *Territorial Pacts*, which aim to ensure the collaborative and coordinated implementation of the Europe 2020 actions at all relevant levels of public governance. The Europe 2020 Monitoring Platform is a network of more than 150 cities and regions whose goal is to support multilevel policymaking for growth and jobs. As part of the Europe 2020 Monitoring Platform, the CoR also publishes monitoring reports on Europe 2020.<sup>7</sup>

## 1.2 Objectives

The CoR conducted a first review of NRPs in 2011. This is the second such study, which evaluates the 2012 NRPs with the aim of analysing the scope, forms and roles of LRA involvement in the design and implementation of the NRPs. Specifically, the study aims to identify:

- 1) whether the NRPs comply with the request made by the European Commission in 2010 that *“the NRPs should indicate how the national authorities plan to involve/have involved local/ regional authorities and relevant stakeholders in defining and implementing the NRP and how they communicate (or plan to communicate) on Europe 2020 and on their own*

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<sup>6</sup> Cf. European Commission (2011). Europe 2020 Strategy. Available online at [http://ec.europa.eu/europe2020/index\\_en.htm](http://ec.europa.eu/europe2020/index_en.htm).

<sup>7</sup><http://portal.cor.europa.eu/europe2020/Pages/Publications.aspx>.

*NRP, and what the results have been. They will also be invited to report on their experience with collecting, sharing and implementing good practices“;*

- 2) if and to what extent LRAs (and their representations) are involved in the implementation of NRPs, and if so, in what way;
- 3) whether the multilevel governance approach (MLG) is mentioned in the NRPs as a means of implementing the Europe 2020 strategy;
- 4) any change in LRA involvement, as mentioned in the NRPs, between the years 2011 and 2012;
- 5) how Member States use and/or are planning to use the Structural Funds to achieve the Europe 2020 goals and targets.

To answer these questions, the 27 NRPs (including those of Greece, Ireland and Portugal, who, as recipients of EU/IMF lending assistance, were formally exempt from submitting the document) were evaluated based on the same set of 12 questions (11 of which are evaluated using a point score) used in the 2011 study (cf. the assessment template in section 1.3). In addition, three new questions were added to the assessment template:

Q12. Is there any mention of the application of subsidiarity and proportionality principles?

Q13. Is there any mention in the NRP of the role of LRAs in the two priority areas of job creation and fighting youth unemployment?

Q14. Do the NRPs refer to any form of coordination or integration of policies, which might represent an approach that falls just short of a MLG agreement?

These new questions reflect the dynamic nature of the European policy process in light of the evolving economic, financial, and social situation. They also measure progress in terms of the implementation of measures towards achieving the Europe 2020 Strategy and their interaction with the scope of the CoR's work to ensure a strong role for LRAs.

### 1.3 Data and Methodology

The 2012 NRPs were used as the basis for this assessment.<sup>8</sup> Member States were asked to submit them by mid-April 2012 and by the end of May 2012, all NRPs were available for download.

Each NRP was read based on a specific, harmonised set of questions compiled in a *tabular information fiche*, as shown in table 2. The assessment is based mostly on qualitative information, which is converted to point scores for each question and finally into a total score.

As recipients of EU/IMF lending assistance, Greece, Ireland and Portugal are in a special situation in 2012 in that they were not required by the Commission to submit a NRP or a SCP.<sup>9</sup> However, all three countries submitted NRPs in April 2012 and are therefore included in this study. Greece explicitly notes, however, that its 2012 NRP responds to the EU Commission's country-specific recommendation (CSR) to follow the Economic Adjustment Programme (EAP).<sup>10</sup>

Following the completion of the 27 information fiches, an aggregate assessment was produced reflecting the ways in which the LRAs have been/will be involved in the preparation and/or implementation of their respective NRPs and the quality of the reports in terms of the amount of information provided. Aggregating qualitative information in a meaningful way into a single statistic is a challenging task and the quantitative scores for some of the questions were developed with the aim of striking a balance between specificity and breadth so as to not only capture all the relevant information provided in the NRPs about the role of local and regional authorities, but also to preserve enough flexibility to recognize the diversity in the formats and contents of the NRPs.

Since all questions were deemed to be approximately equally relevant, the total score for each country was obtained by adding up the scores for the individual questions. To enable a comparison with the 2011 results, only questions 1-11 were included in the total score, while the additional three questions in the 2012 review were used to gather more qualitative information about the 2012 NRPs. This permits a cross-country and temporal comparison.

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<sup>8</sup> The NRPs are available at [http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/index\\_en.htm](http://ec.europa.eu/europe2020/making-it-happen/country-specific-recommendations/index_en.htm).

<sup>9</sup> This exception was granted under the condition that the regular reporting in the programme context largely satisfies the relevant reporting requirements. Instead, these three Member States were asked to report to the Commission, in the form of a letter, on: 1) their national Europe 2020 targets, state of play and any possibly updates, and 2) their Europe plus pact commitments, state of play and possible new commitments for the next-coming year and 3) the standard SCP fiscal tables.

<sup>10</sup> Greek NRP, p.5.

**Table 2: Tabular information fiche used to evaluate NRPs**

Aspect used to evaluate the quality of the NRP	Findings	Answer categories and scores (and page number or other appropriate reference where the information was provided)	2012 Score	2011 Score
1. Does the NRP state who represented the viewpoints of local and regional authorities (LRAs)?		<p><b>Yes (1 point) or No (0 points)</b>            Additional information:</p> <ul style="list-style-type: none"> <li>• Which actors represented the viewpoints of the regional, intermediary and local levels in connection with the drafting of the new 2012 NRP?</li> </ul>		
2. Does the NRP state how the LRAs contributed to the drafting of the NRP?		<p><b>Yes (1 point) or No (0p)</b>            Additional information:</p> <ul style="list-style-type: none"> <li>• In your country, how were the actors representing the regional/intermediary/ local authorities involved in the drafting of the country's new 2012 NRP?</li> </ul>		
3. Does the NRP state to what extent LRA input has been taken into account?		<p><b>Not at all (0 points)</b>  <b>To a limited extent (1 point)</b>  <b>Substantially (2 points)</b>  <b>Fully (3 points)</b></p>		

4. Is the written contribution from LRAs annexed to the NRP?		<b>Yes, annexed to NRP (2 points)</b> <b>No, separate documents (1 point)</b> <b>No (0 points)</b>		
5. Is there any mention of Multilevel Governance approaches, e.g. Territorial Pacts?		<u><b>Territorial Pacts:</b></u> <b>Yes (1 point) or No (0 points)</b> <u><b>For other multi-level governance agreements:</b></u> <b>Not at all (0 points)</b> <b>To a limited extent (1 point)</b> <b>Substantially (2 points)</b> <b>Fully (3 points)</b>		
6. Are there relevant paragraphs or separate sections on LRAs?		<b>Yes (1 point) or No (0 points)</b> Additional descriptive information if available		
7. Is there any mention of the role of local and regional authorities in implementing the NRP?		<b>Not at all (0 points)</b> <b>To a limited extent (1 point)</b> <b>Substantially (2 points)</b> <b>Fully (3 points)</b>		
8. Is there any mention of the role of local and regional authorities in monitoring the NRP?		<b>Yes (1 point) or No (0 points)</b> Additional descriptive information if available		
9. Mention and/or clarity of the role of LRAs in mitigating economic and financial crises?		<b>Yes (1 point) or No (0 points)</b> Additional descriptive information if available		

<b>Additional Information:</b>				
10. Clear description of financial aspects of the activities related to local and regional authorities?		<b>Yes (1 point) or No (0 points)</b> In addition: <ul style="list-style-type: none"> <li>• Descriptive information on type and amount of financing</li> </ul>		
11. Administrative capacity of local and regional authorities?		<b>Yes (1 point) or No (0p)</b> <ul style="list-style-type: none"> <li>• Additional descriptive information if available</li> </ul>		
12. Is there any mention of the application of Subsidiarity and Proportionality principles?		<b>Descriptive</b>		
13. Is there any mention in the NRP of the role of LRAs in the two priority areas of job creation and fighting youth unemployment?		<b>Descriptive</b>		
14. Do the NRPs refer to any form of coordination or integration of policies, which might represent an approach that falls just short of a MLG agreement?		<b>Descriptive</b>		
15. Any additional relevant issues that may be raised in the NRP?		<b>Descriptive</b> , if there is additional information not covered by the above questions. This information is used to further assess the quality of the NRP but no point values.		

Note: the grey-shaded areas reflect the newly added questions and the cross-hatched score fields reflect that there is no information for 2011

## 2 Analysis

The following subsections present the findings of the assessment. They are generally summarised by question with the exception of questions 5 and 14 on formal and informal MLGs and questions 6 and 7 on the role of LRAs in implementing the NRP. Their results are discussed jointly. Selected concrete national examples showing the involvement of LRAs are given, which demonstrate the diverse manner in which the Member States' NRPs cover the issues of cooperation, distribution of responsibilities and financial resources between the central and local/regional levels of governments.

### 2.1 Presentation of the viewpoints of LRAs in the 2012 NRP

*Eleven NRPs state that one or more LRAs, or their representations, were involved in the drafting process (AT, BE, DK, FR, DE, IE, IT, LV, LU, SE and UK). The remaining 16 NRPs make no explicit reference to the LRAs' viewpoints in their texts (BG, CY, CZ, EE, FI, EL, HU, LT, MT, NL, PL, PT, RO, SK, SI and ES).*

The NRPs identify a wide range of LRAs. At one end of the scale, they include non-specific references to regions and communities in the case of Belgium, federal provinces, cities and towns, and municipalities in the case of Austria, and local and regional authorities in Denmark's NRP. At the other end of the scale, several NRPs contain references to specific associations such as the Association of French Regions (ARF), the French *Maison Européenne des Pouvoirs Locaux Français* (MEPLF), the Association of Local and Regional Governments in Latvia, the Syndicate of Cities and Towns in Luxembourg (SYVICOL), the Association of Local Authorities and Regions in Sweden (SALAR) as well as the Devolved Administrations of Scotland, Wales and Northern Ireland in the UK. In Germany, the *Länder* cooperated with the central government in the development of the German NRP, while in Ireland representatives of the regional government participated in the drafting process.



## **Box 1: Examples for Question 1**

*Does the NRP clearly state who represented the viewpoints of local and regional authorities (LRAs)?*

**Belgium:** *This [National Reform] programme is established through close collaboration between the federal government and the governments of the Regions and the Communities. The regional programmes are annexed to this programme and describe the specific measures in detail.*

**France:** *As per the Annexes, the following local and social authorities have been consulted and state their viewpoint: Association des Régions de France (ARF, French Association of Regions) which places a focus on controlling public finances in the face of numerous constraints such as the reform of the professional tax system. The French Regions are asking for a pragmatic and realistic NRP and regret that the regional contributions were not annexed in 2011 as required. The Maison Européenne des Pouvoirs Locaux Français (MEPLF, European House of French Local Powers) stresses the importance of local public policies for fulfilling the Lisbon objectives.*

**Germany:** *The ministers of the Länder met through conferences and contributed to the draft version of the NRP. These comments fed into the final NRP and will also be published verbatim in a separate document.*

**Latvia:** *The Latvian Association of Local and Regional Governments participated in the working group which developed the NRP progress report.*

**Sweden:** *SALAR is represented in a reference group along with representatives from other social partners such as the Confederation of Swedish Enterprise, the Swedish Trade Union Confederation (LO), the Swedish Confederation for Professional Employees (TCO) and representatives from the Swedish ministries. The reference group was set up by the Swedish government in order to hold regular meetings for discussions and consultations.*

## 2.2 Forms of contribution by LRAs to the drafting of the 2012 NRP

*Of the 27 submitted NRPs, 11 (AT, BE, DK, DE, IE, IT, LV, LU, NL, SE and UK) mention exactly how the LRAs contributed to the drafting of the NRP. The remaining 16 (BG, CY, CZ, EE, FI, FR, EL, HU, LT, MT, PL, PT, RO, SK, SI and ES) NRPs do not make any mention of LRAs being involved in the drafting process.*

### *Collaboration*

In **Belgium**, the NRP was developed through close collaboration between the federal government and the governments of the Regions and the Communities. The contribution by LRAs to the NRP in **Denmark** took the special form of a Contact Committee, in which the LRAs engaged in dialogue with representatives from the relevant ministries and interest organizations on the overall EU growth and jobs agenda. This Contact Committee provides LRAs with a direct channel to national decision-making on the NRP. More specifically, the Contact Committee is kept updated during the first half of the year about progress while it is involved more actively – through themed meetings – during the second half of the year. Finally, the Contact Committee has the opportunity to comment on the draft NRP.

The ministers of the *Länder* in **Germany** met at so-called topic-specific conference meetings (“Fachministerkonferenzen”) during which they prepared their positions on the draft NRP developed by the central government. These comments then fed into the final NRP and will also be published verbatim in a separate document.

The Latvian Association of Local and Regional Governments participated in the working group that developed the NRP progress report.

### *Consultations*

The **Irish** government chose to contact selected representatives of employers, trade unions, community and voluntary organisations, together with representatives of regional governments, inviting them to provide their comments or observations. In addition, an extensive consultation process was conducted to review the national poverty target.

An extensive consultation process was also held in **Luxembourg**, including projects to involve local players under the "EU 2020 going local" European cooperation project.

The **Dutch** NRP states that achieving the Europe 2020 objectives will require the commitment of not only central government but also other stakeholders such as social partners and local authorities. For this reason, as in previous years, these parties were consulted when drafting this National Reform Programme.

A reference group, including SALAR, was set up by the **Swedish** government for the purpose of holding regular meetings for discussions and consultations on the implementation of the Europe 2020 Strategy in Sweden.

Sub-national governments in the **UK** held stakeholder events such as those organized by the Scottish Government in Edinburgh on 17 February 2012 and by the Welsh Government in Cardiff on 8 March 2012. These events were attended by representatives from the government, the European Commission, Devolved Administrations and other interested stakeholders.

#### *Other forms of contribution*

In **Austria**, the federal provinces, cities, towns and municipalities selected 1-2 showcase projects to support national Europe 2020 goals, which are included in a special annex that is not attached to the NRP.

#### *Further non-specified forms of contribution*

The **Italian** NRP states only that the regions and localities contributed to the preparation of the NRP. The technical committee in charge of the preparation of the NRP (CIACE) also coordinated its work with the regions and autonomous localities to identify comments, contributions and best practices.

## **2.3 Consideration of LRA input in drafting the 2012 NRP**

*Twelve NRPs state that LRAs were involved in the drafting process and that their input was taken into consideration - albeit to a varying extent (AT, BE, BG, DK, FR, DE, IE, IT, LU, SK, SE and UK). The remaining NRPs do not contain any statements regarding the extent to which LRA input was used in the preparation process.*

#### *Fully*

Based in part on the consultation with LRAs, the **Austrian** NRP mentions pacts/standards drawn up through committees involving the participation of the federal government, provincial and municipal participation. These include federal tourism strategies for 2012, the Stability Pact's debt brake, energy standards, a control system for the health plan, the law on the protection of the climate, and all-day schools.

*Substantially*

The annexes to the **French** NRP contain the comments and support for the NRP provided by LRAs.

The written submissions received in **Ireland** have been incorporated into the document where possible and appropriate. Given the multi-stakeholder consultation process (see previous section), it is unclear whether LRAs submitted any comments.

The **Luxembourgish** NRP contains numerous references to LRA contributions as part of various measures in the NRP.

While the **Slovakian** NRP does not make any direct reference to LRA comments, the comments have been included in an accompanying document containing the evaluation of the consultation process, available on the central government's official website.<sup>11</sup>

*To a limited extent*

In the **Belgian** NRP, the LRA contributions have been annexed as separate contributions and many sections in its NRP refer to regional (in particular Flemish and Walloon) programmes and actions, which implies that input was provided by LRAs and taken into consideration when developing the Belgian NRP.

The comments received during the public debate were at least partially incorporated into the **Bulgarian** NRP but it is not certain whether the LRAs actually contributed any comments (cf. sections 2.1 and 2.2).

The **Danish** NRP states that the involvement of LRAs and interest groups in the European growth and jobs agenda has been an important priority for the Danish government in recent years (cf. section 2.2). Efforts have been made to reflect and incorporate the Contact Committee's comments into the final NRP.

The **German** NRP does not explicitly state how many of the comments were taken into account but does confirm that they were taken into consideration. These comments have also been made available to the public in the form of a separate document.

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<sup>11</sup> Note that the new government of the Republic of Slovakia agrees with the objectives of the National Reform Programme submitted by the deadline of 30 April 2012 but intends to supplement it in the immediate future with measures that reflect its opinion on the tools that will be successful for implementing the objectives of the NRP. (Source: Slovak NRP, page 3).

The **Italian** NRP does not explicitly state what LRA input was taken into account, but the technical committee in charge of the preparation of the NRP (CIACE) also coordinated its work with the regions and autonomous localities to identify comments, contributions and best practices.

**Sweden's** NRP states that a consultation meeting took place in November 2011, to which all partners, including SALAR, were invited and who subsequently participated in the preparation of a joint text for the 2012 NRP.

Stakeholder events were organized in connection with the preparation of the 2012 NRP by the Scottish Government (in Edinburgh, on 17 February 2012) and by the Welsh Government (in Cardiff, on 8 March 2012). These events were attended by representatives from the **British** government, the European Commission, the devolved administrations and other interested stakeholders. The feedback received was used when drafting the NRP.

## **2.4 Treatment of written contributions from LRAs in the 2012 NRP**

*Three NRPs included written contributions from LRAs (BE, FR and SE) while three countries made them available in the form of a separate document (AT, DE and SK). The remaining 21 NRPs did not provide written contributions in either form.*

Annexes 3 and 4 of the **Belgian** NRP set out the regional programmes and specific measures to be taken into account for Flanders and Wallonia, respectively.

**France's** NRP includes an annex entitled “Contributions by the ARF”<sup>12</sup>.

**Germany** will make the comments presented by the *Länder* available to the public in the form of a separate document.

**Slovakia** has included all comments from the consulted parties, including LRAs, and the responses from the developers of the NRP, in a separate document.

Sweden's NRP sets out LRA contributions in Appendix 2 entitled “Contributions from the Swedish Association of Local Authorities and Regions (SALAR)” are annexed to the **Swedish** NRP.

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<sup>12</sup> Association of Regional Governments (cf. French NRP).

## 2.5 Territorial Pacts and other multilevel governance agreements

The question on governance agreements between the different levels of government was divided into two parts, each of which was evaluated separately. The first part addressed the mention of Territorial Pacts in the NRPs while the second considered references to other forms of multi-level governance agreements (MLG). In addition, the third new question in the 2012 NRP assessment considers actions that are coordinated or integrated across different levels of government without any formal MLG agreement.

### *Territorial Pacts*

*None of the 27 NRPs mentioned the use of Territorial Pacts to improve the coordination and inclusion of LRAs.*

### *Multilevel Governance*

*Ten NRPs mention MLGs, often in the context of implementing specific NRP measures. Member States with a federal or decentralized governance structure (e.g. DE and UK) generally mentioned such agreements more often, and as a matter of routine governance, than was the case for the NRPs of countries with historically strong central governments (e.g. many of the new Eastern European MS).*

### *Other forms of policy cooperation and integration*

*Eight NRPs reference informal MLG-type agreements between the central government and local and/or regional authorities (AT, BE, BG, FR, DE, HU, IT and UK).*

The **Belgian** NRP states that there are MLG agreements in place for specific policy sectors that are within the scope of the Europe 2020 strategy and actions under the NRP.

**Bulgaria** views MLGs as an important tool for the coordination of sectoral policies at regional and local level, including the preparation of strategic documents such as the National Regional Development Strategy of the Republic of Bulgaria (2012–2022), Regional Development Plans (2014–2020), District Development Strategies (2014–2020) and Municipal Development Plans (2014–2020).

The **Danish** Contact Committee is made up of representatives of relevant ministries, local and regional authorities as well as interest organisations. The Committee is regularly informed about European policy questions of relevance

to the Europe 2020 strategy and is consulted in connection with the formulation of the NRP.

The federal structure of **Germany** requires close cooperation between the federal government and the regional governments of the *Länder*. Competences are divided between the two levels of government. For example, education policy is under *Länder* control. The German NRP makes many references to agreements between *Bund* and *Länder* for the implementation of specific measures, for example, to spend 10 percent of GDP on research and education by 2015 or the joint National Strategy for Literacy and Basic Skill Training to reduce illiteracy and develop educational skills among adults.

The **Italian** NRP refers to cooperation agreements, such as the agreement on professional education between the government, regions and social/civil organisations; occupational and placement services by universities set up in collaboration with the regions and local authorities as well as regional programmes to reach the 20-20-20 objectives in the area of renewable energies. The **Dutch** NRP includes references to several joint agreements between LRAs and national government.

Although MLG structures exist in **Spain** (collaboration agreements, sector co-operation conferences, Conference of Regional Presidents) and are mentioned in the NRP, they do not seem to have a discernible active role in the NRP.

The **Swedish** NRP cites the ongoing dialogue between the various levels and stakeholders, an issue of particular importance in Sweden. In 2007, the government set up a national forum for regional competitiveness, entrepreneurship and employment to further develop the dialogue between the national, regional and local levels on regional growth issues.

The laws that govern the distribution of power between central government and the devolved authorities for Wales, Scotland and Northern Ireland form the basis for MLGs in the **UK** and are frequently referred to in the NRP.

#### *Other forms of policy cooperation and integration*

**Austria** mentions the fact that provincial laws are in line with federal government laws in several instances, e.g. the Competition and Cartel Law. In addition, a parallel amendment to the local supply law will allow competition authorities to make it easier to prove any cases of price abuse by market leaders supplying electricity and gas in the future.

In the case of poverty and social exclusion, the introduction of the BMS, i.e. minimum benefits to cover living costs, was adopted in all provinces in October 2011. It harmonises the different social benefit provisions of the federal provinces.

**Belgium's** NRP does not specify any formal MLG agreement on top of the existing divisions of responsibilities based on Belgium's federal structure. However, central and regional governments are engaged in cooperative strategies.

Section 7 of the **Bulgarian** NRP focuses on better coordination and integration of policies at regional and local levels. For example: *“A system for strategic planning of regional development has been created exactly with the purpose of achieving the coordination of sector policies at regional and local level; this system includes the preparation of strategic documents – National Regional Development Strategy of the Republic of Bulgaria (2012–2022), Regional Development Plans (2014–2020), District Development Strategies (2014–2020) and Municipal Development Plans (2014–2020).”*

The central government and LRAs in **Italy** work together to implement many of the NRP measures based on a coordinated and integrated approach.

## **Box 2: Examples for question 5**

*Is there any mention of multilevel governance agreements in the NRP?*

**Belgium:** The measures described in the 2011 NRP have been implemented by both federal and regional authorities. An Inter-federal Plan for Research and Innovation will also be implemented. With due respect for the competences of all levels of government, the plan will enable the improved coordination of the efforts made by the Regions and the federal government in the area of R&D and technological innovation to support the economic development of the Regions and highlight the results of this policy.

## **2.6 Role of LRAs in implementing the NRP**

In view of the similarities between questions 6 and 7 in the assessment fiche, their results are presented jointly in this section.

**Does the NRP include relevant paragraphs or separate sections devoted to the role of the LRAs?**

*The majority of NRPs, 22 out of a total of 27, include references, paragraphs or even entire sections on LRAs, although these vary in terms of their levels of detail and frequency. The NRPs with the most extensive coverage include*



*Germany, the United Kingdom as well as countries that submitted separate documents or dedicated annexes on the role and involvement of LRAs such as Belgium, France, Slovakia and Sweden.*

*In contrast, Ireland, Lithuania, Portugal, and Slovenia did not mention LRAs at all in this context.*

### **Do the NRPs mention the role of LRAs in implementing the NRP?**

*The vast majority of NRPs – 24 out of 27 – mention LRAs as having an active role in implementing the activities described in their NRPs. Frequently, LRAs are seen as important or key actors, contributors or overseers of policies relevant to the Europe 2020 Strategy. Seven NRPs (AT, BE, DE, IT, NL, SE and UK) stand out in terms of the depth and breadth of information provided on the LRAs roles in this area. They are described in detail below.*

*The NRPs of Greece, Slovakia and Slovenia do not make any references to LRAs in the context of NRP implementation.*

In Austria, numerous initiatives are implemented through federal and provincial leadership or participation, including Model Regions, Electro Mobility Model Regions, Climate and Energy Model Regions, and all-day school agreements.

In the case of **Belgium's** NRP, LRAs are mentioned as actors that implement specific NRP measures such as wage productivity and competitiveness, labour market participation, energy and retail sector competitiveness, and industrial policy. In direct reference to Europe 2020, the Belgian NRP also states that:

- *“All the Regions intend to contribute to reaching this objective.”*
- *“The Regions and Communities are pursuing their efforts to raise the number of traineeships and opportunities to combine work and studies, especially through enterprise learning experiences.”*
- *“...to increase the professional mobility on the labour market, the Regions and Communities, in collaboration with the social partners, give top priority to training and to the development of their competence policies.”*
- *“Lifelong learning is insufficient in Belgium. The various authorities and the social partners agree that this has to be tackled.”*
- *“An Inter-federal Plan for Research and Innovation will be implemented. With due respect for the competences of all levels of government, the plan will allow the improved coordination of the efforts made by the Regions and the federal government in the area of R&D and technological innovation”*

- *“Education policy is the responsibility of the Flemish, French-speaking and German-speaking Communities.”*

The **German** NRP text frequently mentions the role of the *Länder* in implementing the measures discussed in the NRP. In addition, the NRP includes two extensive tables that list the measures for implementing the region-specific recommendations of the EU Council for Germany and the measures for implementing the German Action Programme 2011 for the Euro-Plus-Pact.

Local and regional authorities in **Italy** will be involved and will have a strong(er) responsibility for all policies related to implementing the NRP. According to the NRP, there is a need for strong coordination among the central, regional and local authorities to tackle unemployment.

The **Dutch** NRP includes many references to LRA involvement in the implementation of a broad variety of measures. For example, it states that in the case of the Own-Strength Programme,<sup>13</sup> agreements were reached in September 2011 with 21 large municipalities, including the country's four largest local authorities, to encourage unemployed women with few qualifications and no right to social benefits to participate in the labour market. Dutch local authorities are, furthermore, working on cluster and campus-based approaches in order to promote cooperation between industry (especially SMEs), research, education and the public sector. The central government, provinces and cities are helping to incorporate top sectors in regional smart specialisation strategies. The Green Deal, which was launched in 2011, has led to nearly 60 Green Deals being signed between businesses, provinces, municipalities and nongovernmental organisations and central government on energy conservation, renewable energy and CO<sub>2</sub> reductions. Working on climate protection is a co-product of central government and local authorities (municipalities and water boards). Local authorities are increasingly formulating distinct objectives in the area of climate and sustainability, thus making a contribution to climate and sustainability targets. Most local authorities implement their own policies and instruments to achieve the CO<sub>2</sub> reduction target. The Netherlands also uses an integrated approach with the government, municipalities, education institutions and youth care services to improve education outcomes.

According to the UK's NRP, LRAs are involved in the implementation of several measures and the respective sections in the text clearly state whether the policy area is a devolved power or if it is a power reserved for parliament – e.g. housing and planning policy is fully devolved to Scotland, Wales and Northern

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<sup>13</sup> Eigen Kracht (cf. Dutch NRP).

Ireland which means that each devolved administration is responsible for its own policies in this area.

**Box 3: Examples for Question 7**

***Mention of the role of local and regional authorities in implementing the NRP?***

**United Kingdom:**

*Reforming the Housing Sector*

The Government is introducing financial incentives for local authorities to promote house building. One example of a local government initiative: Lincolnshire County Council is working with nine local public sector partners to develop a Community Budget of GBP 1 million to fund a team that provides families with intensive support.

*Reforming the Welfare System*

The Government is devolving more autonomy to bodies delivering frontline services, whether in public employment services or through the private and voluntary sector. The NRP shows indicator levels and targets for devolved areas.

*Actions to meet Objectives for Child Poverty*

Recognising that the most effective solutions will often be designed and delivered at local level, the Government is empowering local authorities to tackle the issues that confront them. The Localism Act 51 sets out a series of measures with the potential to achieve a substantial and lasting shift in power away from central government and towards local people. This will mean that local authorities are accountable to local people for solutions and should ensure that the problems facing particular communities are tackled effectively.

Since 2009, the Scottish Government has supported the development of the Tackling Poverty Stakeholder Forum (TPSF). The TPSF was established by the Poverty Alliance, the anti-poverty network in Scotland, to bring together individuals with experience of poverty, voluntary organisations working on poverty issues and officials from local and national government.

*Reforming the Energy Sector*

The Scottish Government has committed to enabling local and community ownership of at least 500 MW of renewable energy by 2020, which could be worth up to GBP 2.4 billion to Scottish communities and rural businesses over the lifetime of the projects.

## 2.7 Role of LRAs in monitoring the NRP

*Six MS mention the role of LRAs in monitoring the NRP (AT, BE, DK, NL, SE and UK).*

There was a noticeable absence of discussion on how the LRAs can and/or will be involved in the monitoring and evaluation of activities and policies under the NRP. Even the six MS that do mention LRAs in this context do so almost implicitly.

In **Austria**, the law on the protection of the climate assigns responsibilities for target compliance to sectors and local authorities.

The Flemish Reform Programme (VHP) states in Annex 3 that *“The VHP also offers the basis for the input by the Flemish authorities to the national reform programme and it is also the starting point for the contribution by the Flemish authorities to the activities of the Committee of the Regions’ Europe 2020 Monitoring Platform.”*

The **Danish** NRP implicitly states that the LRAs are involved in the monitoring of the NRP through their participation in the Contact Committee.

As part of the implementation of the NRP measures, **Dutch** LRAs are given oversight to ensure their successful completion.

Although not stated directly, **Swedish** LRAs have the opportunity to contribute to the monitoring process through their participation in the SALAR reference group.

Performance and Transparency is the **UK’s** approach to national monitoring and actions in support of the five headline Europe 2020 targets.

### Box 4: Examples for Question 8

*Is there any mention of the role of local and regional authorities in monitoring the NRP?*

**United Kingdom:** For each EU target, the NRP sets out the actions that the Government and the Devolved Administrations are taking towards meeting the objective.

The Devolved Administrations have, in some instances, a different approach to performance management and transparency, and, where this is the case, it has been detailed in the NRP.

## 2.8 Role of LRAs in mitigating the economic and financial crises

*The role of LRAs in mitigating the economic and financial crises is mentioned in 11 NRPs (AT, BE, BG, FR, DE, IT, LV, NL, PL, ES and UK). These countries recognise the role of LRAs, including through the control of public finances, the enforcement of existing rules and regulations and through their position as the community's first line of contact and response for the government.*

The MS most affected by the dual crisis have given the issue special attention, responding with a series of reforms in the financial, economic, and regulatory sectors. Greece, Portugal and Ireland in particular are focusing on the reforms that have been and are being implemented to bring their economies onto a sustainable growth path.

Economic and financial issues are also dominant in the other NRPs, which, compared to 2011, reaffirm the countries' commitment to strengthening the resilience of the public and private sectors.

In **Austria**, LRAs are involved in the Austrian Stability Pact, which represents the “debt brake” for the federal government, federal provinces, and municipalities. An agreement was reached with the federal provinces and municipalities in Salzburg on 29 November 2011 on the key elements; these will now be negotiated in detail.

LRAs in **Belgium** are contributing to mitigating the dual crisis by consolidating their public spending.

The **Bulgarian** NRP indirectly mentions the role of LRAs by stating that the creation of regional applied research and innovation centres will help to reduce regional differences and achieve higher and more sustainable economic results. Furthermore, it states that “*Towns and cities are regarded as major drivers of regional growth and development in Bulgaria. The measures for sustainable and integrated urban development will contribute to the achievement of the national targets under the Europe 2020 Strategy...*”

The **French** NRP devotes a full section in the ARF annex to this issue: the ARF states that the regions are contributing to national public finances since they have been very disciplined in their spending. The Annex also mentions, however, that the LRAs must accept decisions taken by central government.

In **Germany**, the *Länder* are committed to following the debt reduction plan for the public sector and to reducing public debt, starting in 2020 at the latest.

Through the Stability Council (“Stabilitätsrat”), the Federal and *Länder* governments have also agreed to monitor public sector finances more closely in order to identify warning signs early on and to respond appropriately. *Länder* also cooperate with the federal government and the private sector to develop the research and education sector through additional financial contributions.

The **Italian** NRP states that central government, regions and social parties have tried to mitigate the impact of the crises with actions on the management of social security services, the strengthening of training and professional education and on labour and employment creation and support.

Most economic measures in **Latvia** are linked to the financial crisis. Accordingly, measures such as the temporary work scheme are linked to mitigating the financial crisis.

The **Dutch** Sustainable Public Finances Act gives both central government and local authorities a joint and equal obligation to respect the objectives of the Stability and Growth Pact (SGP) and to achieve a structural budgetary balance. The new permanent fiscal rule in **Poland** should ensure that once the deficit has been decreased, general government institutions and local government budget balances will be stabilized at the level of the medium-term budgetary objective of -1 percent of GDP.

Clear actions are requested from LRAs in **Spain** on the efficiency of administration and their scope of competences. LRAs must fulfil certain conditions to make use of financial support (cf. Box 5).

The Devolved Administrations in the UK take actions to tackle structural reform challenges in areas of devolved competence (cf. Box 5).

## Box 5: Examples for Question 9

*Mention and/or clarity of the role of LRAs in mitigating economic and financial crises?*

**Spain:** The conditions that need to be met by the Autonomous Regions and Regional Entities in order to obtain access to financial resources for repaying loans are mentioned frequently.

Clear actions are requested from LRAs on the efficiency of administration and their scope of competences.

One further goal is to simplify chambers of commerce and the promotion of economic activities with foreign countries. It has been suggested that regional level offices could be merged with the ICEX (Instituto Español de Comercio Exterior).

**United Kingdom:** the Northern Ireland Executive and Assembly have agreed on a new Programme for Government 2011-15 and an Economic Strategy, which aim to strengthen competitiveness through a focus on export-led economic growth. The Scottish Government published an updated Government Economic Strategy on 12 September 2011, which sets out how the Scottish Government will drive sustainable growth and develop a more resilient and adaptable economy. The Welsh Government's Programme for Government 2011-167 sets out actions to enable business to create jobs and sustainable economic growth in Wales.

## 2.9 Description of financial aspects of the activities related to LRAs

*Seventeen NRPs provide information on the financial resources related to the activities of LRAs (AT, BE, BG, CY, DK, EE, FR, HU, IT, LV, LU, NL, PL, RO, ES, SE and UK).*

### *Further comments*

Explicit financial information related to activities and policy implementation under the NRP is occasionally provided in the text of the NRPs but mostly in the tables listing the specific measures (where such tables are included in the NRP). Several MS mention how European Union funds, such as the European Structural Fund (ESF), are contributing to specific NRP measures, especially in the new EU Member States (e.g. HU) that depend heavily on outside financial support to implement Europe 2020 actions and their Euro Plus Pact obligations.

Other countries name domestic sources of funding for LRAs but these are often not specific.

### **Box 6: Examples for Question 10**

#### **Clear description of financial aspects of the activities related to local and regional authorities?**

**Austria:** A targeted controlling system for an integrative health plan expected to bring about significant savings in the social security system, amounting to approximately EUR 1.4 billion (2012-2016), and a better distribution of the budgetary responsibilities among the authorities.

**France:** The ARF annex includes such information, stating, for instance, that the regions have contributed EUR 10.7 million to professional education/training.

**Luxembourg:** The Social Aid Law measure will be allocated an annual budget of approximately EUR 17 million, 50 percent of which is provided by the State and 50 percent by the communes. The total public eligible commitments and investments under the RCE FEDER programme amount to EUR 70 million, of which EUR 21 million comprises Community funds amassed during the programme period of 2007-2011 in connection with the priorities of the Luxembourg NRP and the Europe 2020 Strategy. These investments, in line with NRP objectives, correspond to 84 percent of the FEDER CRE envelope for Luxembourg.

**Romania:** In order to redevelop the centralised district heating system, a total of RON 42.8 million were allocated from the 2011 state budget to 27 administrative - territorial units within the framework of the Programme District Heating (Heat and Comfort 2006-2015 – heating component). Of this allocation, RON 35.46 million was spent by 22 administrative-territorial units. The own contribution of local authorities amounted to RON 28.7 million.

**Hungary:** Annex 1 provides a detailed list of measures including the source of funds and in some cases the amount of funding.

**Sweden:** No comprehensive overview is provided, but financial aspects are touched upon in a variety of areas, e.g. in energy efficiency, where the central government has allocated SEK 575 million for the period 2010–2012 for further energy efficiency initiatives at local and regional level and for initiatives for sustainable energy use. A total of SEK 440 million has been earmarked for this purpose for 2013–2014.



## 2.10 Administrative capacity of LRAs

*Twelve NRPs address the issue of strengthening or developing the administrative capacity of LRAs in the context of NRP measures (BE, BG; CY, FR, DE, EL, HU, IT, LV, LU, NL and RO).*

### *Further comments*

In light of the economic and financial crises and the Europe 2020 Strategy's goals of promoting employment, productivity and cohesion, the LRAs are facing several challenges, which can be summarized in a nutshell as "doing more with fewer resources". Therefore, many countries' NRPs refer to streamlining public sector services, reducing the administrative burden and making government more effective and efficient. However, detailed plans for strengthening the capacity of local and regional authorities have remained relatively scarce in the 2012 NRPs.

Belgium aims to streamline governmental services while retaining or improving their efficacy. For example, *"The Walloon government and the government of the Wallonia-Brussels Federation continued the implementation of their Administrative Simplification Plans in 2011."*

The **Bulgarian** NRP contains the Bulgarian response to the Country-Specific Recommendations (CSR, cf. Box 7).

With respect to modernising the public administration, the NRP of **Cyprus** states *"Promote Electronic Local Authorities by establishing a centralised information management system that will be used to serve all municipalities, setting up and operating a call centre for citizens to inform them about the services offered by the Municipalities, installing in public places a number of computers with fast internet access taking into account vulnerable groups, giving incentives to businesses and citizens to use the available online services and using social networks to increase the participation and involvement of citizens."*

In France's NRP, the MEPLF mentions the need for administrative capacity to develop electronic access within the administration and to manage data from the public sector.

In 2011, the **German** federal government reformed its labour market policies to use the available tools and instruments more effectively and efficiently. The reform strengthens local decision-making competences and their flexibility to respond to locally-specific demands and situations. The challenge of continued demographic change and the transition to a knowledge society requires life-long learning. The *Länder* have set up flexible structures and efficient support

mechanisms and policies, including more transparency, information and advice, support for disadvantaged and underrepresented population groups and measures to improve the quality of services.

Germany also provides assistance to Greece to help the country reduce the size of its administrative sector, which is part of the Greek austerity measures (cf. Box 7).

**Hungary** has developed extensive plans for the reform of its public administration, including local and regional government services and agencies: *“The concept of “government windows” introduced as part of the Magyary Zoltán Programme is based on the idea of a one stop shop for citizens extended to a range of administrative issues beyond the scope of the Services Directive (not only for businesses but also for citizens). The organisational reforms will also be supported by an IT development project entitled Development of interoperable IT infrastructure of integrated customer services.”* This project is specifically designed to create the IT conditions needed for single-window administration. This will reduce the fragmentation of the organisation of public administration. Thanks to the introduction of the district level, it will be possible to serve clients in a more cost-effective manner and to provide higher standards than today. *“In the interest of supporting official administration with IT solutions, providing remote and electronic access to services and creating comprehensive customer identification and delivery system, several projects have been launched in 2012.”*

*“The primary purpose of the organisational development of central state administration agencies and their local units from the point of view of effectiveness is to simultaneously improve organizational efficiency (including, in particular, cost-efficiency) and effectiveness. The relevant sub-targets may be identified as follows: improvement of cost-effective operations, monitoring and predictability, development of human resources and promotion of innovative operations.”*

The **Latvian** NRP makes a number of specific references to bonuses for local government employees and capacity building measures for local governments in order to strengthen their ability to support entrepreneurship and investment.

The Social Aid Law in **Luxembourg** has created 30 Social Offices, which are public entities monitored by the communes – social aid was included as a prevention measure to eliminate the cycle of social exclusion. In addition to providing persons in need and their families with access to the goods and services appropriate to their specific situations, the law helps them to acquire or

maintain their autonomy. During 2011, the country's 30 Social Offices distributed a total of EUR 2,221,000 in financial aid.

Reducing the number of people in jobless households is one of the goals set out in the **Dutch** NRP. The government intends to give municipalities responsibility for their social participation budgets, to which the WSW budget and part of the WAJONG (without barriers) reintegration budget have also been added. This should make it easier for municipalities to get people into work using fewer funds. Local authorities believe this measure will lead to a structural reduction of EUR 690 million.

The Romanian NRP states the following: *“In order to strengthen the institutional capacity of the Public Employment Service (PES), 23 employment agencies have already been providing self-services to their customers, by purchasing the necessary IT equipment and certain projects aimed at improving their institutional capacity are in progress in another 11 employment agencies.”*

#### **Box 7: Examples for Question 11**

##### ***Strengthening the administrative capacity of local and regional authorities?***

**Bulgaria:** *“With a view to improving the quality of administrative services, under Priority Axis 3 “Quality Administrative Service Delivery and E-Governance Development” of OPAC, 46 projects for the central, regional and local government administrations were implemented in 2011, including re-engineering processes and updating the internal rules governing the delivery of electronic administrative services by administrations, as well as introducing electronic services for citizens and businesses. Under the same procedure, a Licensing and Registers information system was introduced in 2011 at the Communications Regulation Commission (CRC) in order to facilitate the access of external entities to the regulator’s complex administrative services and public database.”*

*“The introduction of the integrated information system will guarantee the establishment of regional databases in the “Social Assistance” regional directorates and of a national social assistance database in the Agency for Social Assistance, as well as a national child protection database and a centralised database on national child adoptions.”*

*“Approximately 60 percent (EUR 4.08 billion) of the financial resources under the Operational Programmes in Bulgaria for the period 2007-2013 are used to finance measures for higher growth and more jobs. These resources are allocated to five of the Operational Programmes – “Transport”, “Development*

*of the Competitiveness of the Bulgarian Economy”, “Human Resources Development”, “Regional Development” and “Administrative Capacity”.*”

*“Under the “Administrative Capacity” OP, five procedures on priority themes, contributing to the achievement of higher growth and more jobs, have been launched to date. Under this procedure, 51 contracts have been concluded with total European funding of EUR 24.67 million.”*

**Greece:** *“The German Government is assisting Greece in restructuring its local administration. To this end, a draft law was submitted at parliament which provides for the reduction of the public sector units by 30 percent. In addition, the assessment of the public sector staff has started with the evaluation of the Ministry of Administrative Reform and the Ministry of Environment. The assessment is based on objective criteria, both at the aggregate and the individual level, and will be later linked to the compensation of the employee in order to provide continuous motivation and reduce shirking.”*

*“The Ministry is also planning the introduction of a single human resource management system which will significantly upgrade the capacity of the current system. This system will be common for all ministries in order to facilitate its inter-governmental functionality and eliminate compatibility issues.”*

*“In terms of e-governance, the “Hermes” National Portal of Public Administration is fully functional, providing information to the citizens, with the ability to perform certain administrative tasks online.”*

## **2.11 Application of subsidiarity and proportionality principles**

*Only four NRPs address these two principles (BE, CZ, FR and ES) with the Czech Republic, France and Spain mentioning subsidiarity or proportionality explicitly.*

### *Further comments*

This question is one of three new questions that have been added to the 2012 assessment. It aims to track the extent to which the NRPs make explicit reference to two guiding EU principles in governance: subsidiarity and proportionality.<sup>14</sup>

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<sup>14</sup> The **principle of subsidiarity** is defined in Article 5 of the Treaty on European Union. It ensures that decisions are taken as closely as possible to the citizen and that constant checks are made to verify that action at Union level is justified in light of the possibilities available at national, regional or local level. Specifically, it is the principle whereby the Union does not take action (except in the areas that fall within its exclusive competence), unless it is more effective than action taken at national, regional or local level. It is closely bound up with the principle of proportionality, which requires that any action by the Union should not go beyond what

**Belgium** would like to introduce increased collaboration between the federal and regional government, with due respect for the competences of each level, in order to increase the administration's efficiency.

Section 5 of the **Czech Republic**'s NRP on Integrated area development notes that the purpose of a regional dimension is also to take into account regional needs and regional differences, providing space for the projection of aspects of key players, both in terms of their co-decision powers and the degree of subsidiarity or differentiated attitudes according to the positions defined by the regions.

The principle of subsidiarity is mentioned in the context of public markets and concessions in the **French** NRP and the creation of an additional control organization would act as an intermediary between the European Commission and the MS. The MEPLF (European House of French Local Powers) is opposed to the creation of such an organization and claims that it would go against the principle of subsidiarity. The principle of proportionality is not mentioned.

The **Spanish** NRP makes no explicit mention of the subsidiarity principle but proportionality is mentioned in the context of eliminating administrative barriers.

## **2.12 Role of LRAs in job creation and fighting youth unemployment**

*Job creation and youth unemployment are tasks involving LRAs in 20 NRPs (AT, BE, BG, CY, CZ, FI, FR, DE, EL, HU, IT, LV, LT, MT, NL, PL, RO, SK, SE and UK). They are not mentioned by seven NRPs (DK, EE, IE, LU, PT, SI and ES).  
Further comments*

This question was added in light of the continued difficult economic situation in Europe. Fighting unemployment, including youth unemployment, is also one of the main objectives of the Europe 2020 Strategy.

It is, therefore, not surprising that 20 of the 27 NRPs refer to the role of LRAs in the context of reducing unemployment.

*Fully*

France and the United Kingdom made considerable references to this issue.

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is necessary to achieve the objectives of the Treaties. The **principle of proportionality**, laid down in Article 5 of the Treaty on European Union, regulates the exercise of powers by the European Union. It seeks to set actions taken by the institutions of the Union within specified bounds. Under this rule, the involvement of the institutions must be limited to what is necessary to achieve the objectives of the Treaties. In other words, the content and form of the action must be in keeping with the aim pursued.

### *Substantial*

Bulgaria, Finland, Germany, Italy, Malta and the Netherlands made substantial references to this issue.

### *To a limited extent*

The remaining 12 NRPs made limited references.

## **Box 8: Examples for Question 13**

### ***Is there any mention in the NRP of the role of LRAs in the two priority areas of job creation and fighting youth unemployment?***

**France:** The document entitled “Contributions des sections et délégations” specifically mentions the absence of any improvements in terms of helping young people find work as well as a plan to create jobs in small and medium enterprises with support from the LRAs. The document also mentions the importance of geographical mobility which would help young people to access the job market.

FNSEA also comments on these issues, and acknowledges that farming is a sector that can contribute to job creation. It states that several measures have been taken to help young people re-enter the job market.

Several references were made to women and employment, for instance, by creating more spaces in kindergartens to allow women to go to work.

**Malta:** “*The Community Work Scheme (CWS) aims to provide the long-term unemployed with the opportunity to undertake community work under the direction of Local Councils (...). The scheme was introduced in 2009 and in 2010 it was extended to also include the short term unemployed which will be introduced gradually in the coming years. (...) A number of entities participated in this scheme including 35 Local Councils in Malta (118 participants), 12 Local Councils in Gozo (43 participants), 19 NGOs in Malta (45 participants) and 9 NGOs in Gozo (19 participants).*”

“*For the Training Subsidy Scheme (TSS) (...) employees working with Micro Enterprises (10 employees or less), Local Councils and NGOs, and the unemployed can participate and benefit from this scheme.*”

“*In January 2010, the Directorate for Life Long Learning (DLLL) established a formal collaboration with the Department for Local Government, focusing in particular on the standards and quality of these courses. In preparation for this project, an assessment of the qualified adult educators was carried out and on-*

*going professional support for adult educators offering services at local councils is also being provided by DLLL personnel. (...) In 2011-12, 42 Local Councils participated in this scheme, and delivered classes in Spanish, German, French, Maltese & English literacy, Italian, Numeracy Classes, Maltese as a Foreign Language, and Health, Wellbeing & Successful Ageing.”*

**Lithuania:** In order to improve the coverage of labour exchange services, there are plans to develop cooperation with municipalities, non-governmental organizations and to support opportunities to provide labour market services using e-Services.

## 2.13 Additional general results

The 2012 assessment of the National Reform Programmes also reveals the following general results:

1. **Variation:** There is substantial variation across countries in terms of the degree to which the NRPs reflect the role of local and regional authorities.
2. **Minimal representation of the role of LRAs:** While nearly all countries' NRPs at least acknowledge the existence and relevance of LRAs, the majority of NRPs do not describe their role in any detail (in part because LRAs were or are not involved in drafting the NRP).
3. **Consultation of LRAs:** Eleven of the 27 NRPs (41 percent) state that LRAs were involved in the design of the NRP, while 41 percent and 44 percent, respectively, explain how LRAs contributed to the NRP as well as the extent to which their contributions were taken into account. The involvement of LRAs is, however, variable and depends on the specific NRP. According to the NRPs, their involvement varies from 'somewhat' to 'fully' existent, while six NRPs also have special annexes reflecting LRA input or have published such input separately.
4. **Country size:**
  - 4.1. Smaller countries such as Malta and Luxembourg tend to demonstrate a lower level of LRA involvement in the NRPs. Exceptions exist where the governance structure specifies otherwise (e.g. Belgium).
  - 4.2. Larger countries such as Germany, France and Italy mention several levels of local and regional cooperation.
5. **Federalism:** Countries that have a federal governance system or have strong regional governments tend to reflect the types of LRAs and their respective roles more explicitly in their NRPs than in the case of countries with a centralised form of government.
6. **Areas of greatest LRA involvement:**
  - 6.1. Mention of the role of local and regional authorities in implementing the NRP? (Question 7, 24 out of 27 NRPs, i.e. 89%)

6.2.Relevant paragraphs or separate sections on LRAs? (Question 6, 23 out of 27 NRPs, i.e. 85%)

6.3.Is there any mention in the NRP of the role of LRAs in the two priority areas of job creation and fighting youth unemployment? (Question 13, 20 out of 27 NRPs, i.e. 74%)

**7. Areas with least LRA involvement:**

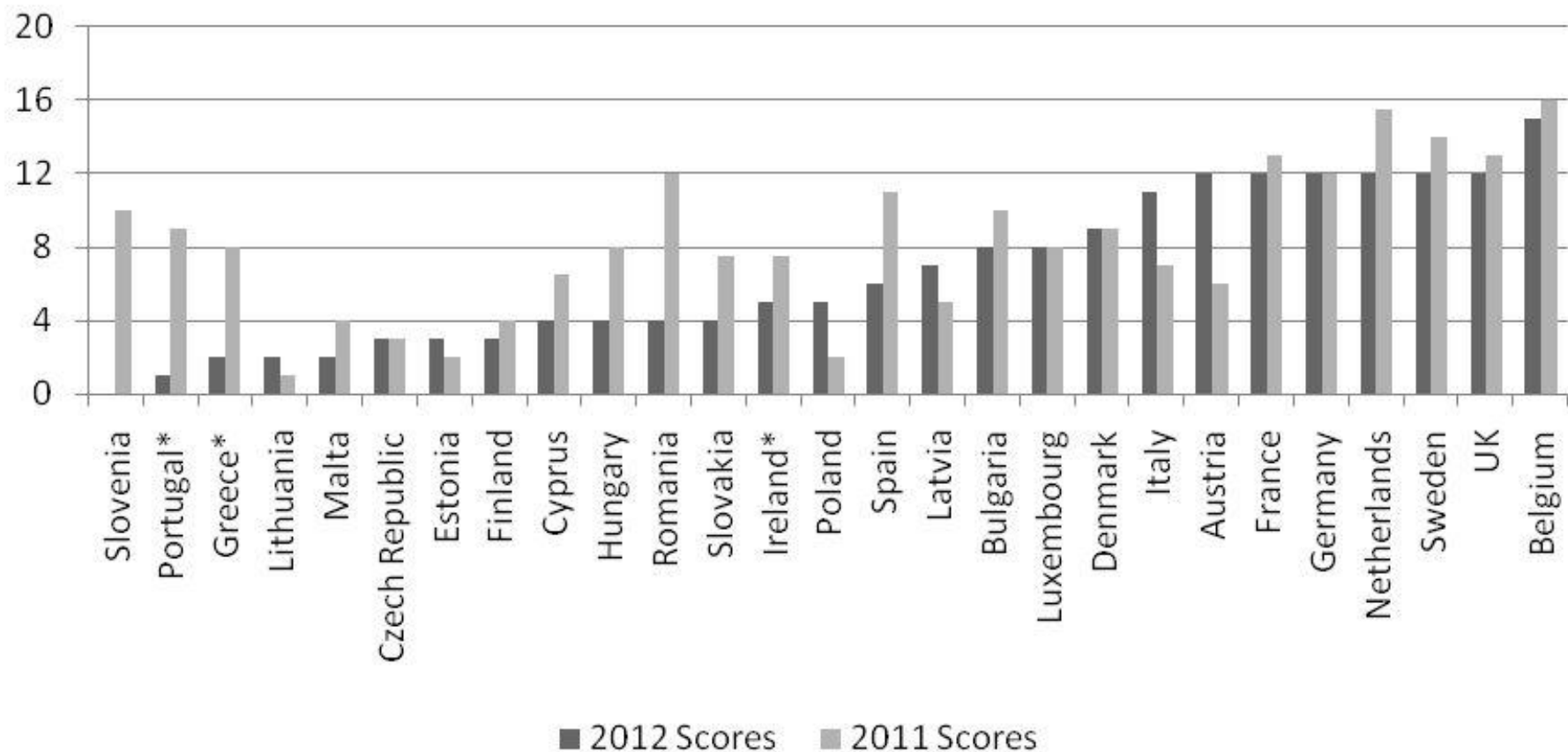
7.1.Is there any mention of the application of the Subsidiarity and Proportionality principles? (Question 12, 5 out of 27 NRPs, i.e. 19%)

7.2.Written contribution from LRAs annexed to the NRP? (Question 4, 6 out of 27 NRPs, i.e. 22%)

7.3.Is there any mention of the role of local and regional authorities in monitoring the NRP? (Question 8: 6 out of 27 NRPs, i.e. 22%)

**8. Distribution of total points:** Figure 2 shows the countries in the order of their total scores for questions 1-11. For comparison, the 2011 scores are also shown.





**Figure 2: Ranking of the 27 National Reform Programmes in terms of exhaustiveness of information on the involvement of the local and regional authorities in Europe 2020; Total point scores for questions 1-11 by Member State for 2012 and 2011 NRP**

Note: The maximum number of available points is 19. Countries marked \* were exempt from submitting an NRP.

## **9. General gaps in the NRPs regarding the involvement of LRAs:**

The general gaps in the NRPs, defined as the questions for which more than half of all NRPs received zero points, are:

- Question 1: Does the NRP state who represented the viewpoints of the local and regional authorities (LRAs)? (11 out of 27 NRPs (41 percent) received points)
- Question 2: Does the NRP state how the LRAs contributed to the drafting of the NRP? (11 out of 27 NRPs (41 percent) received points)
- Question 3: Does the NRP state to what extent LRA input has been taken into account? (12 out of 27 NRPs (44 percent) received points)
- Question 4: Is any written contribution from the LRAs annexed to the NRP? (6 out of 27 NRPs (22 percent) received points)
- Question 8: Is there any mention of the role of local and regional authorities in monitoring the NRP? (6 out of 27 NRPs (22 percent) received points)
- Question 9: Mention and clarity of role of LRAs in mitigating economic and financial crises? (11 out of 27 NRPs (41 percent) received points)
- Question 11: Is there any information on strengthening the administrative capacity of local and regional authorities? (11 out of 27 NRPs (41 percent) received points)
- Question 12: Any mention of the application of Subsidiarity and Proportionality principles? (yes in the case of 5 out of 27 NRPs (19 percent))
- Question 14: NRPs refer to any form of coordination or integration of policies, which might represent an approach that falls just short of a MLG agreement? (yes in the case of 8 out of 27 NRPs (30 percent))



## 3 The 2012 NRPs and the seven Europe 2020 Flagship Initiatives

The Europe 2020 Strategy encompasses seven Flagship Initiatives to boost growth, create jobs and ensure greater social cohesion and sustainability. These initiatives are also reflected – to a varying extent – in the NRPs, as shown in the following examples for each pillar and flagship initiative. Some initiatives named in the NRPs may be listed under multiple flagship initiatives because they address several Europe 2020 objectives simultaneously or in a coordinated manner.

### 3.1 Smart growth

Smart growth in the Europe 2020 strategy aims to improve the EU's performance in three areas:

- In **education**: by fostering, updating and matching the skills of workers and young people entering the job market with those required by a technology and knowledge oriented society.
- In **research and innovation**: by generating new markets and areas for job growth.
- By transitioning further to a **digital society** through the use of new information and communication technologies that harness economic and social potential.

To achieve progress in the above areas, the EU has designated three flagship initiatives: the Digital Agenda for Europe, the Innovation Union and the Youth on the Move Initiative. Each initiative is tied to measurable and qualitative targets and includes a specified timeline for its completion. The following sections present a number of examples selected from the NRPs which show the actions taken to implement the initiatives in the MS.

#### 3.1.1 Digital Agenda for Europe

*The Digital Agenda for Europe aims to create a single digital market benchmarked by creating broadband access for everybody by 2013, providing access to internet connections of 30 Mbps or more for EU residents and by connecting at least 50 percent of European households to the internet with connection speeds of more than 100 Mbps.*

*Examples of corresponding actions in NRPs:*

In **Hungary**, an eighteen-month programme funded by the EU was launched in spring 2012 to implement regional networks on a micro-regional level. This will

enable localities that currently lack access to a broadband connection to connect to backbone networks with appropriate band widths. Some 800 localities will be prepared for connection.

**Italy** is including the country's regions in its efforts to reduce the 'digital divide' and improve digital infrastructure.

### **3.1.2 Innovation Union**

*Achieving the innovation union involves refocusing research and development activities and improving policy to deal with the present and emerging challenges of society, including issues of climate change, energy and resource efficiency, health and demographic change. Furthermore, it aims to facilitate the transformation of innovative ideas into commercial successes. In particular, the EU aims to improve the conditions and access to finance for research and innovation in Europe.*

*Examples of corresponding actions in the NRPs:*

**Hungary** will develop its Innovation Strategy from 2013-2020. Hungary's strategy will play an important role in the country's preparations for Horizon 2020 and will contribute to the planning of the upcoming operational programmes of the Structural Funds, and may thereby ensure the more effective utilisation of EU development funds between 2014 and 2020. The 2013-2020 Innovation Strategy also provides a framework for the planning of the national or regional smart specialisation strategies, which constitute one of the ex-ante conditions of access to cohesion funds during the period 2014-2020.

The **Netherlands** aim to position itself strongly in the expanding markets sector and to work with businesses to find innovative solutions: Local authorities are pursuing this through their cluster and campus-based approach in order to promote cooperation between industry (especially SMEs), research, education and the public sector.

With regard to private sector policies, the central government, provinces and cities are all working together to incorporate top sectors in regional smart specialisation strategies.

The **United Kingdom** has also developed several measures to promote innovation. The Northern Ireland Executive and Assembly have agreed a new Programme for Government 2011-2015 that includes an Economic Strategy, which aims to strengthen competitiveness through export-led economic growth. The Scottish Government published an updated Government Economic Strategy on 12 September 2011, which sets out plans for sustainable growth and the development of a more resilient and adaptable economy. Finally, the Welsh

Programme for Government 2011-2016 sets out specific actions to enable business, generate jobs and to promote sustainable economic growth.

### **3.1.3 Youth on the Move**

*This initiative aims to better develop and harness the potential of Europe's youth through improved educational systems by building the necessary skills and experiences needed for success in the 21<sup>st</sup> century's entrepreneurial and technological society. The initiative includes programmes that help students and trainees study abroad and equip young people with relevant skills for the job market. In turn, the programme also enhances the performance and international attractiveness of Europe's universities while improving all levels of education and training.*

*Examples of corresponding actions in the NRPs:*

Improving youth employment is an important area of activity in the **Italian** NRP, where the central government, regions and social/civil organisations have all concluded agreements on professional education. In addition, occupational guidance and placement services have been set up by universities and will be strengthened in collaboration with regions and local authorities.

**Malta** recognises the particular challenges it faces as a small island with a significant brain drain and lack of sufficient employment opportunities for its highly qualified graduates. Malta, therefore, is focusing on doctoral and post-doctoral science learning by addressing the persistent skills mismatch, improving ICT skills and launching cooperation between the Directorate for Lifelong Learning and the Malta Council for Science and Technology to allow more students to take up opportunities in research and innovation.

The **Netherlands** plans to reduce the number of individuals that leave school prematurely by using a multifaceted approach with support from the government, municipalities, educational institutions and youth care services working together at regional level.

## **3.2 Sustainable Growth**

The economic and financial crises as well as tangible ecological limits have shown that the economic model of the past needs a fundamental rethink. Europe 2020 defines sustainable growth as economic development that builds a competitive low-carbon economy, which uses its resources wisely, protects the environment and biodiversity, invests and harnesses new and green technologies and production methods. Europe 2020 specifically identifies plans to build smart electricity grids, strengthen networks for businesses to create competitive

advantages and better business environments while encouraging consumers to make more-informed choices.

The sustainable growth objective includes three targets:

- Reducing greenhouse gas emissions by 20 percent compared to 1990 levels by 2020;<sup>15</sup>
- Increasing the share of renewable energy in final energy consumption to 20 percent; and
- Moving towards a 20 percent increase in energy efficiency.

### 3.2.1 Resource Efficient Europe

*A resource efficient Europe can only be achieved if economic growth is decoupled from resource and energy use. The resource efficient Europe flagship initiative, therefore, aims to reduce CO<sub>2</sub> emissions, promote greater energy security and reduce the resource intensity of consumption.*

*Examples of corresponding actions in the NRPs:*

**Italy** plans to implement regional programmes to reach the 20-20-20 objectives in the area of renewable energies.

**Malta's** central government has incentivised the installation of Renewable Energy Sources (RES) and Energy Efficiency (EE) systems through a number of capital assistance schemes in addition to its own direct investment that has led to most Ministries being fitted with PV systems. Schemes to assist domestic households have been launched using national and ERDF funds, with the private sector using ERDF funds and local councils using national funds.

The **Netherlands** promotes the creation of energy and climate targets at various levels of administration (water authorities, provincial and municipal authorities etc.) and by setting stricter local policy targets. Policies to achieve CO<sub>2</sub> reduction targets include the 2011 Green Deal, a policy instrument whereby the government gives support to individuals with local sustainable projects that would otherwise be difficult to launch. To date, businesses, provinces, municipalities and non-governmental organisations have signed nearly 60 Green Deals with the central government on energy conservation, renewable energy and CO<sub>2</sub> reductions.

In **Romania**, energy efficiency and local decentralized heating systems are fostered at local administration level.

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<sup>15</sup> The EU would commit to a 30 percent reduction if other developed countries make similar commitments and developing countries contribute according to their abilities, as part of a comprehensive global agreement.

In the **UK**, the Scottish Government has committed to enabling local and community ownership of at least 500 MW of renewable energy in Scotland by 2020, which could be worth up to GBP 2.4 billion to Scottish communities and rural businesses over the lifetime of the projects.

### **3.2.2 An Industrial Policy for the Globalisation Era**

*A competitive EU economy that is able to drive and respond to globalisation requires a business sector that is entrepreneurial, competitive and sustainable. This flagship initiative, therefore, aims to support entrepreneurship and includes the entire (international) value chain and is characterised by a relative and absolute decoupling of greenhouse gas emissions. Policies in this context need to be devised by working closely with business, trade unions, academics, NGOs and consumer organisations.*

*Examples of corresponding actions in the NRPs:*

The **German** NRP claims that the *Länder* are participating in the provision of EUR 500 million additional funds for transportation infrastructure development.

**Romania's** NRP states that the MRDT signed a total of five contracts that set out to plan, upgrade and redevelop national and local roads in eleven counties. The implementation period is set from 2011 to 2013.

## **3.3 Inclusive Growth**

The social dimension of economic growth is important and is necessary to achieve the goal of the Europe 2020 strategy. Inclusive growth aims to ensure that the benefits of economic growth are available to all members of society. This includes raising Europe's employment rate and providing sufficient and high quality jobs, particularly for women, young people and older workers through investments in skills, training and modernising labour markets and welfare systems. The corresponding targets are:

- 75 percent employment rate for women and men aged 20-64 by 2020;
- Better educational attainment, i.e. reducing school drop-out rates below 10 percent and achieving tertiary (or equivalent) completion rates of at least 40 percent for 30-34-year-olds;
- A reduction of at least 20 million in the number of people in or at risk of poverty and social exclusion.

### **3.3.1 An Agenda for New Skills and Jobs**

*This flagship initiative aims to help people acquire new skills, adapt to a changing labour market and make successful career shifts. Collectively it seeks to modernise the labour market to raise employment levels, reduce*



*unemployment, increase labour productivity and ensure the sustainability of social models.*

*Examples of corresponding actions in NRPs:*

The German NRP makes reference to agreements between *Bund* and *Länder* to spend 10 percent of GDP on research and education by 2015 and to implement the joint National Strategy for Literacy and Basic Skill Training to reduce illiteracy and build educational skills among adults.

**Malta** has a strong focus on job creation and developing appropriate skills for the work available on a small island. Initiatives include the Community Work Scheme (CWS), which aims to provide those individuals experiencing long-term unemployment with the opportunity to undertake community work under the direction of Local Councils. The scheme was introduced in 2009 and was extended to all unemployed people in 2010. A number of entities have participated in this scheme, including 35 Local Councils in Malta (118 participants), 12 Local Councils in Gozo (43 participants), 19 NGOs in Malta (45 participants) and 9 NGOs in Gozo (19 participants).

In addition, the Training Subsidy Scheme (TSS) allows employees working with Micro Enterprises (10 employees or less), Local Councils and NGOs, as well as the unemployed, to participate in and benefit from this scheme.

### **3.3.2 European Platform against Poverty and Social Exclusion**

*Europe 2020 identifies poverty and social exclusion as a key challenge towards making the EU a smart, sustainable and inclusive community. While poverty and social exclusion is mainly the responsibility of national governments, the flagship initiative against poverty recognises the fundamental rights of people experiencing poverty and social exclusion, enabling them to live in dignity and take an active part in society through the mobilisation of support for integration, job placements and access to social benefits. In addition, regional development can help reduce regional disparities and promote economic, social and territorial cohesion as well as a more fair distribution of the benefits of growth across all of Europe's regions.*

**Hungary's** NRP mentions a priority project on the integrated development of sector-specific policy tools promoting social inclusion and modelling the development of regional cooperation based on the principle of equal opportunities in the area of public services. The project serves to identify the goals of inter-sector coordination, cooperation and the relevant regulatory systems. As of 1 November 2012, local municipalities will only be eligible for financial support from the central budget and from EU funds if they have a valid local programme on equal opportunities.

One example of a successful local government initiative in the **UK** is Lincolnshire County where the Council is working with nine local public sector partners to develop a Community Budget of GBP 1 million to fund a team that provides intensive support to 65 needy families. As part of its aim to reform the Welfare System, the central government is devolving more autonomy to those bodies delivering frontline services, whether in public employment services or through the private and voluntary sector.

Actions to meeting objectives for child poverty follow a similar strategy and are designed and delivered at local level.

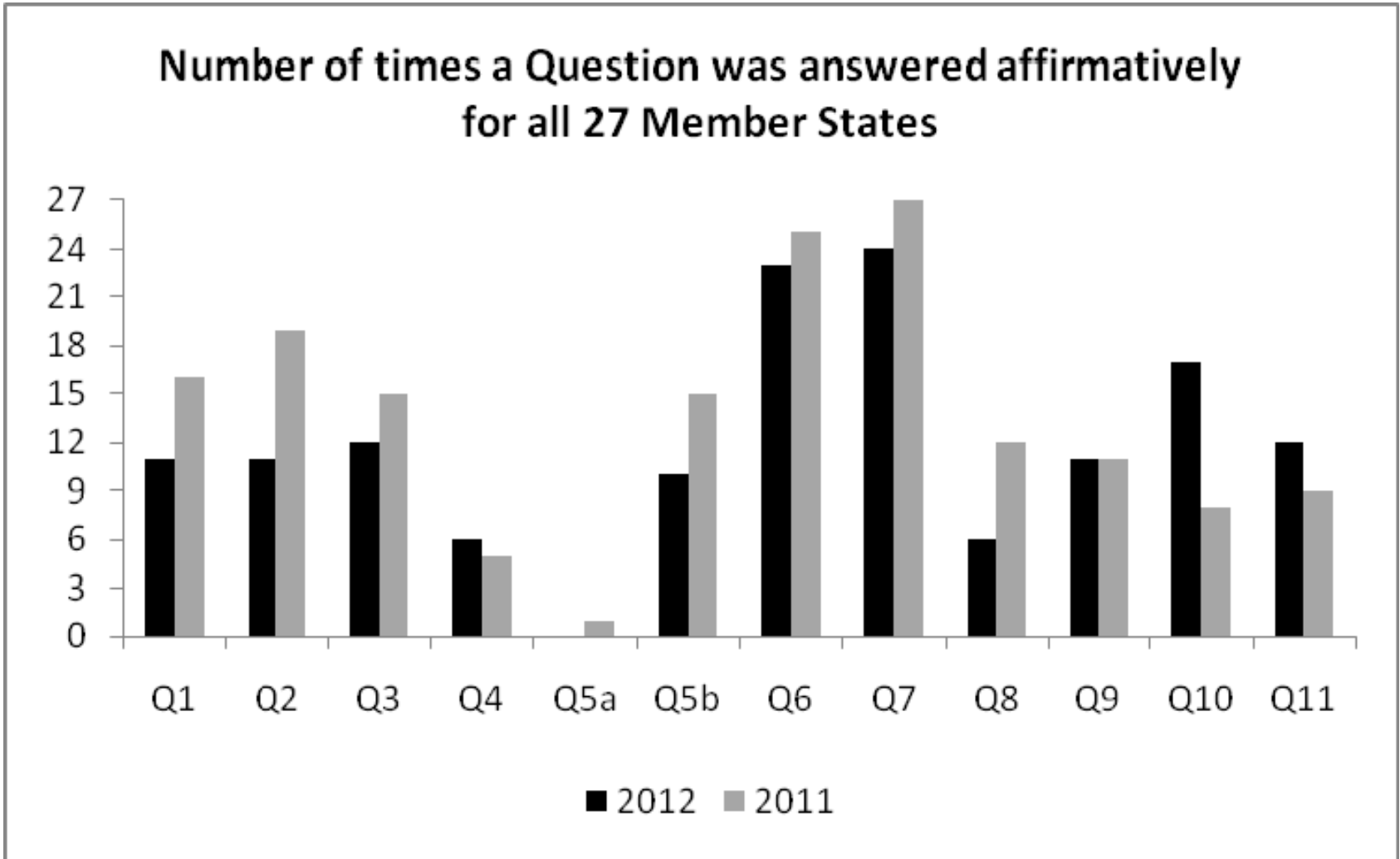
In addition, the Scottish Government has supported the development of the Tackling Poverty Stakeholder Forum (TPSF), which was launched in 2009. The TPSF was set up by the Poverty Alliance and the Anti-Poverty Network in Scotland with the aim of bringing together impoverished individuals and voluntary organisations to work on socio-economic issues with support from officials at local and national government level.



## **4 Comparison of 2011 and 2012 Results**

Compared with the 2011 Assessment, there has been a discernable improvement in the involvement of LRAs. While some countries have continued their tradition of involving LRAs there are still countries that continue to exclude them (cf. figure 3). For most countries, therefore, there has been little change in the overall situation, general point pattern or total score since 2011.

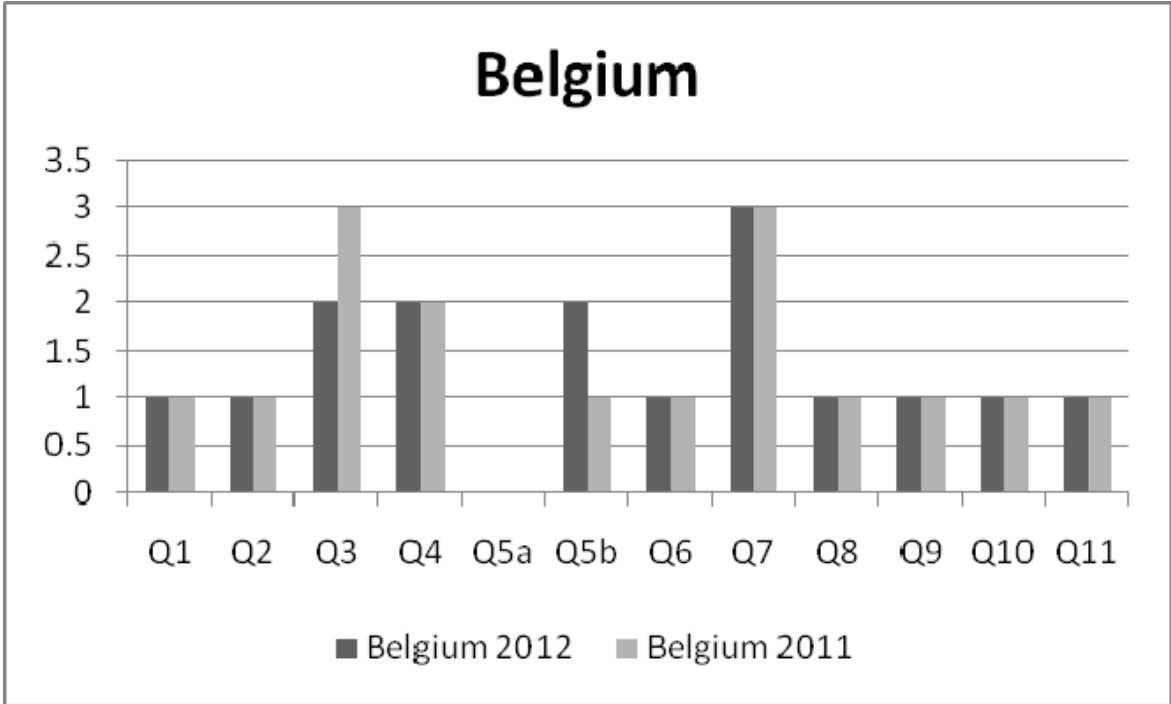
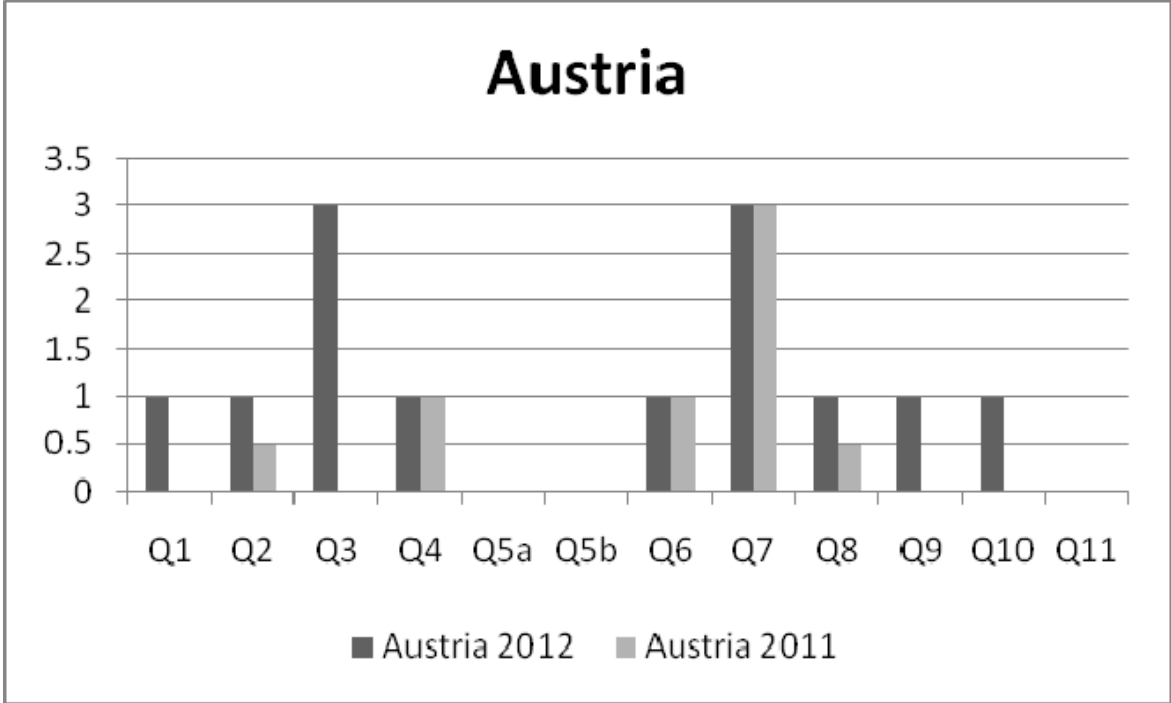
Questions 1-5 appear to have witnessed a general decline in the number of NRPs that mention LRAs in their context. At the same time, Europe's continued economic and fiscal problems have led to increased efforts by countries to tackle the related causes and symptoms, particularly at all levels of government, including at regional and local level. MS also demonstrate the role of LRAs in implementation and monitoring activities more clearly in 2012 than in 2011.



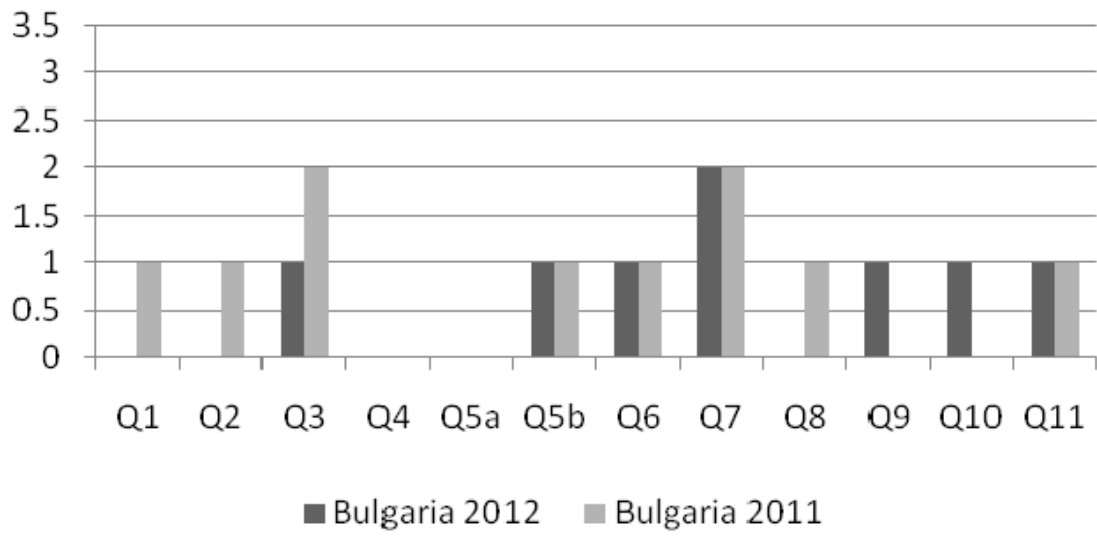
**Figure 2: Comparison points by question in 2011 and 2012 NRPs**

# 5 Appendix

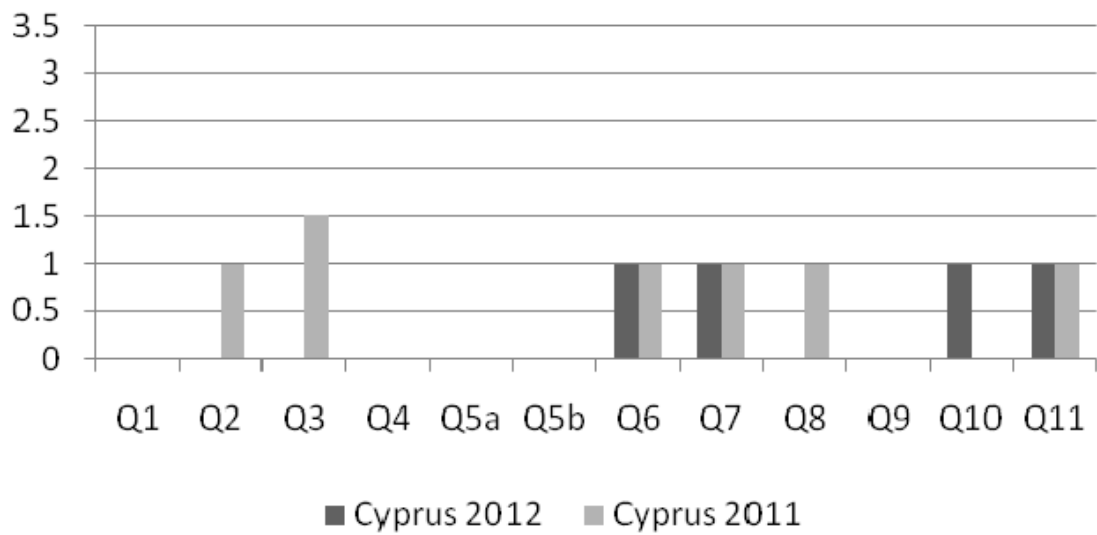
The following shows the evaluation of the NRP for each of the 27 Member States. The 2012 scores are in black and the 2011 scores in grey.



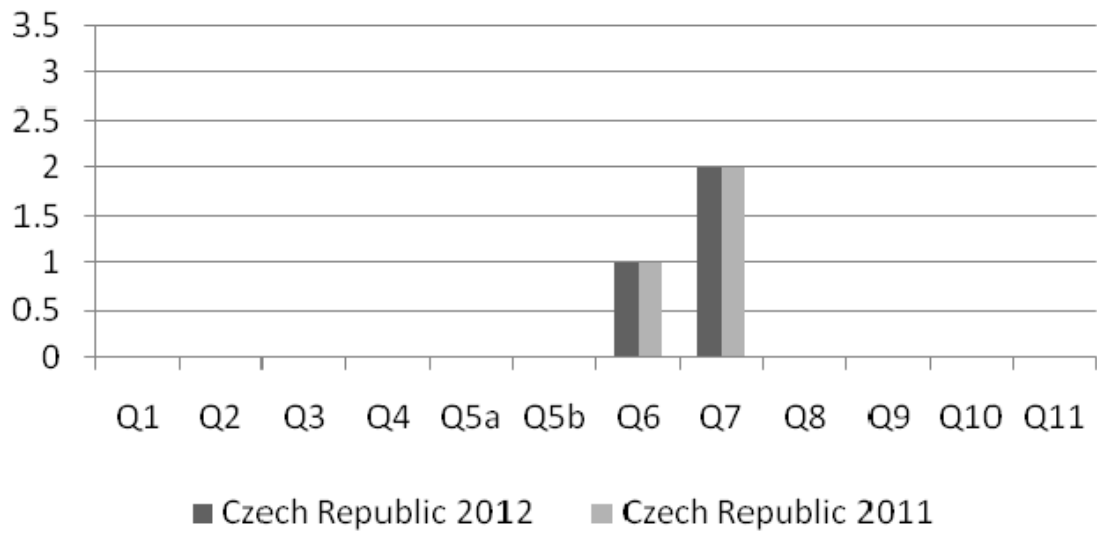
## Bulgaria



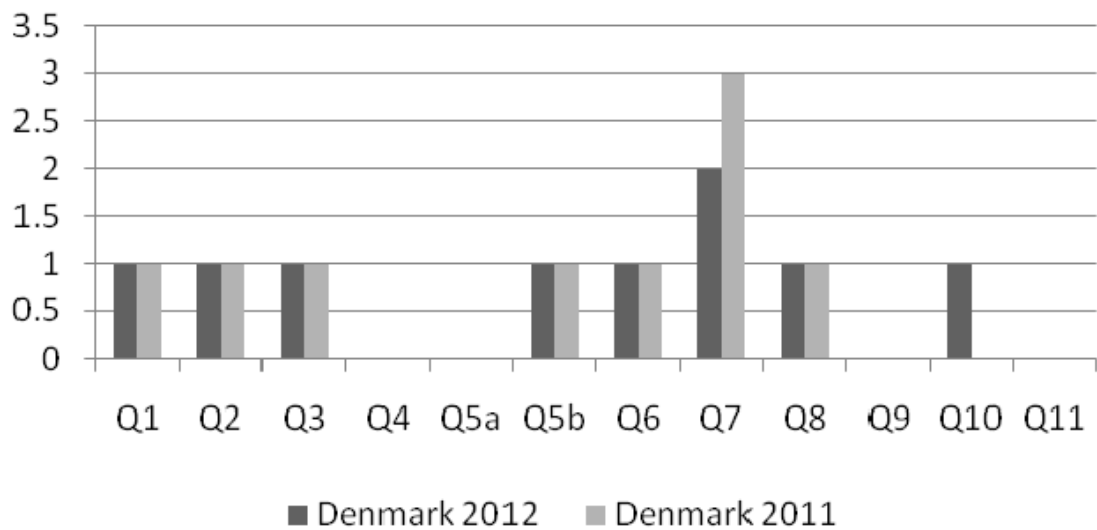
## Cyprus



## Czech Republic

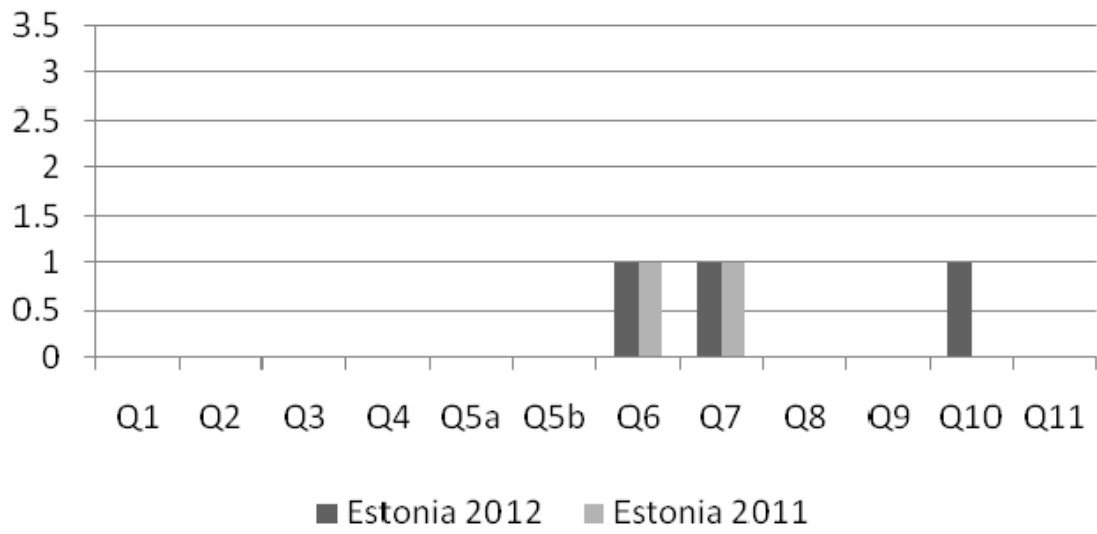


## Denmark

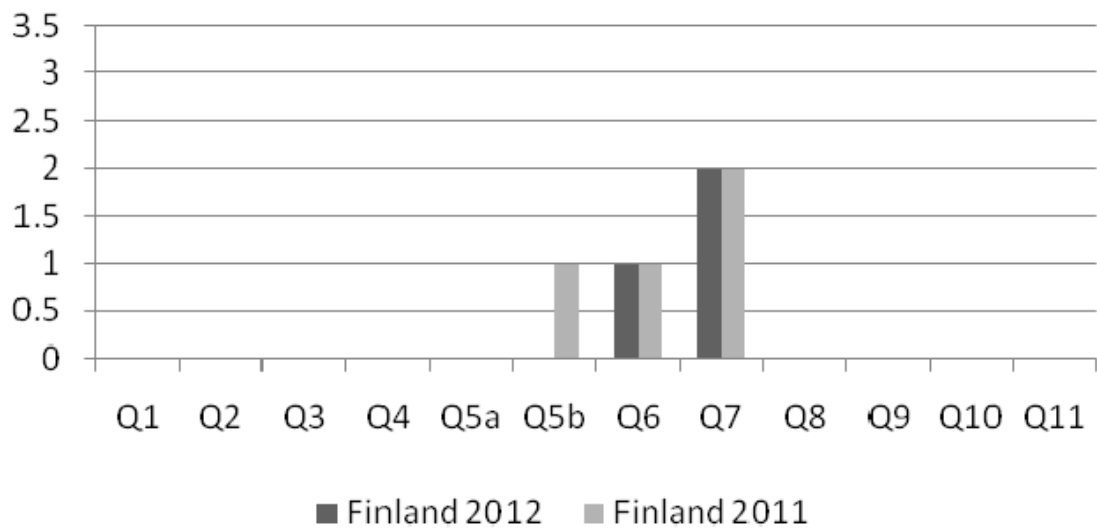




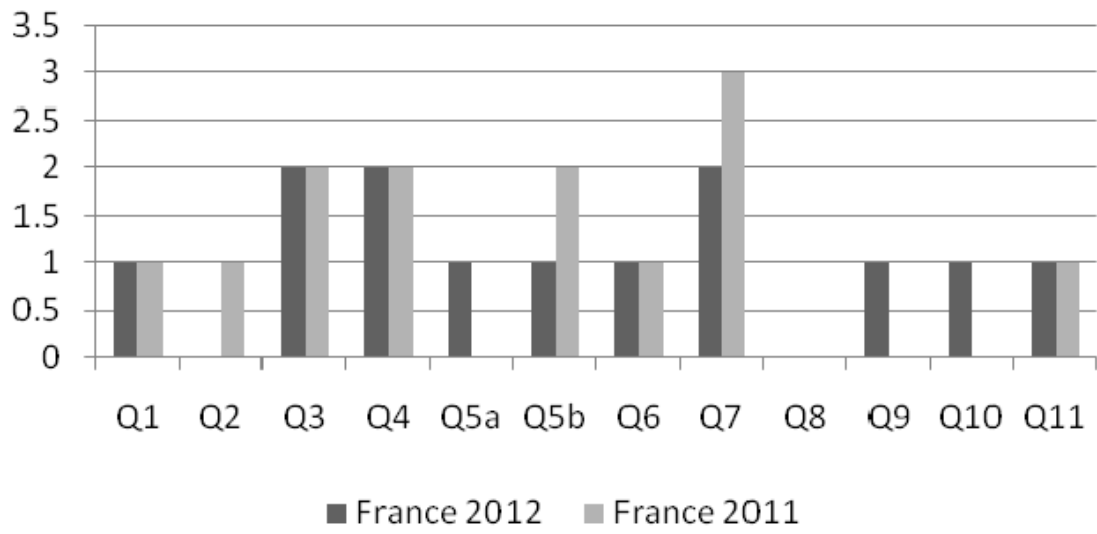
## Estonia



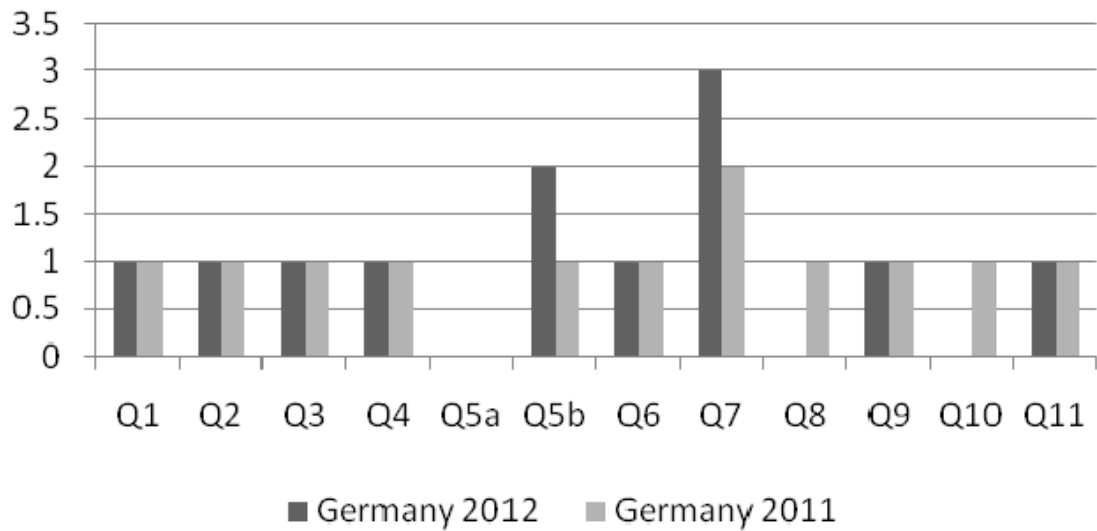
## Finland



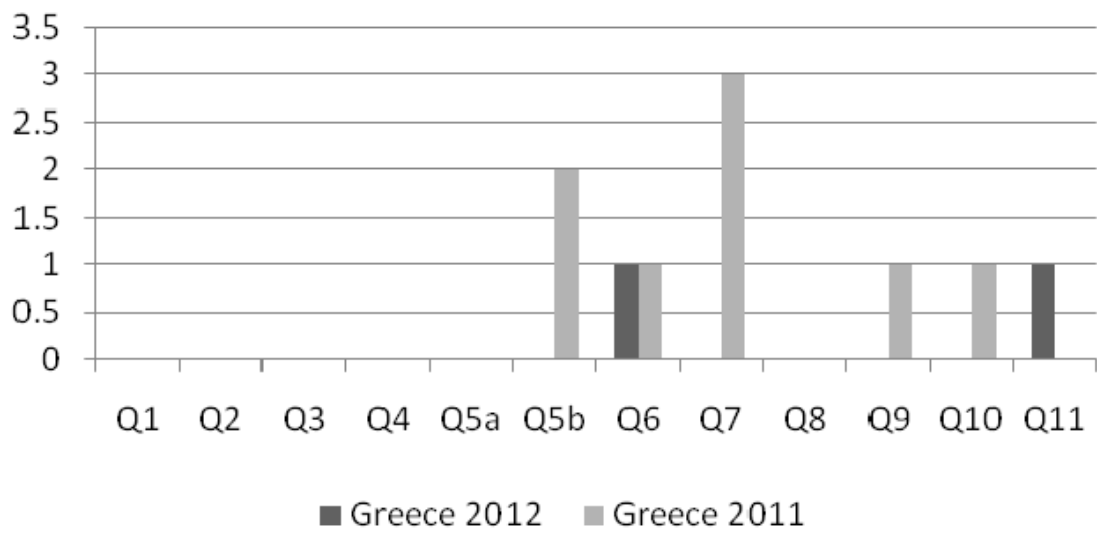
## France



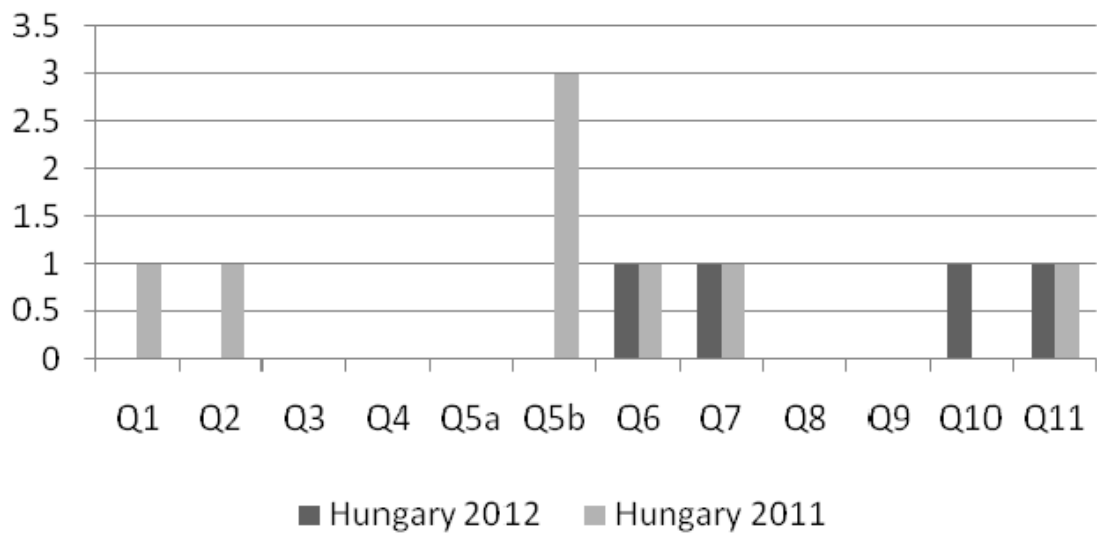
## Germany



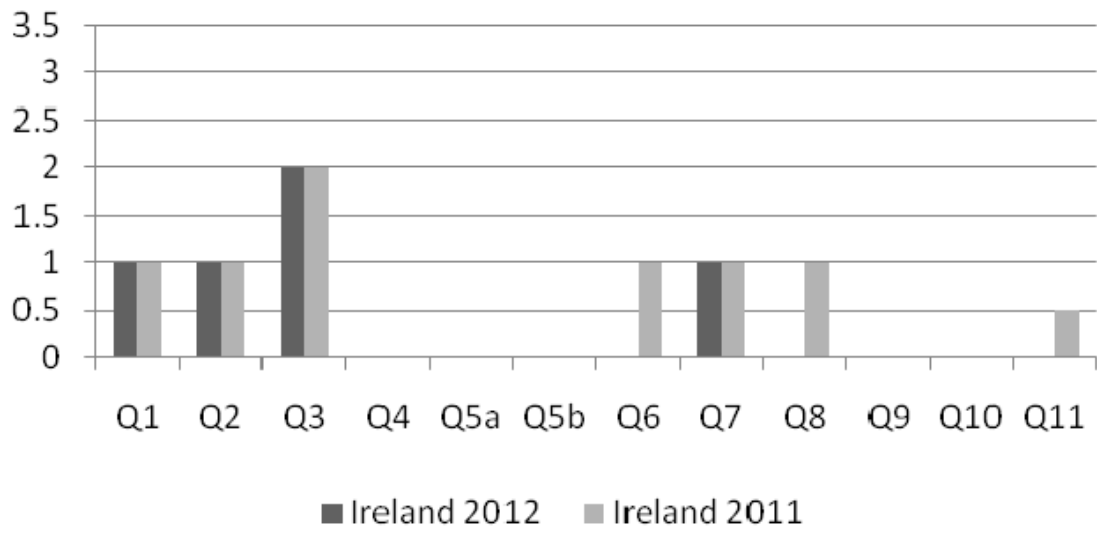
## Greece



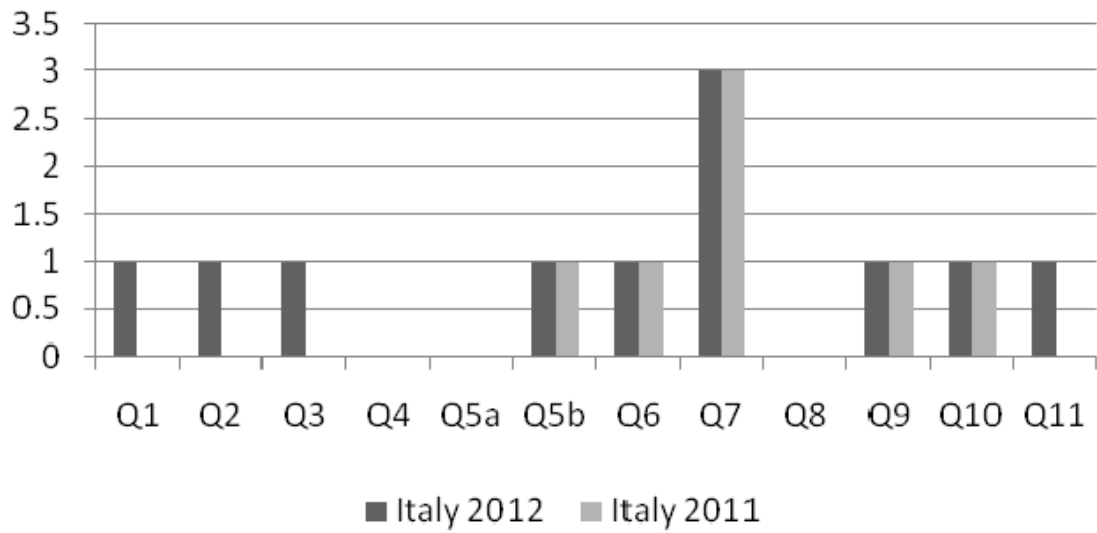
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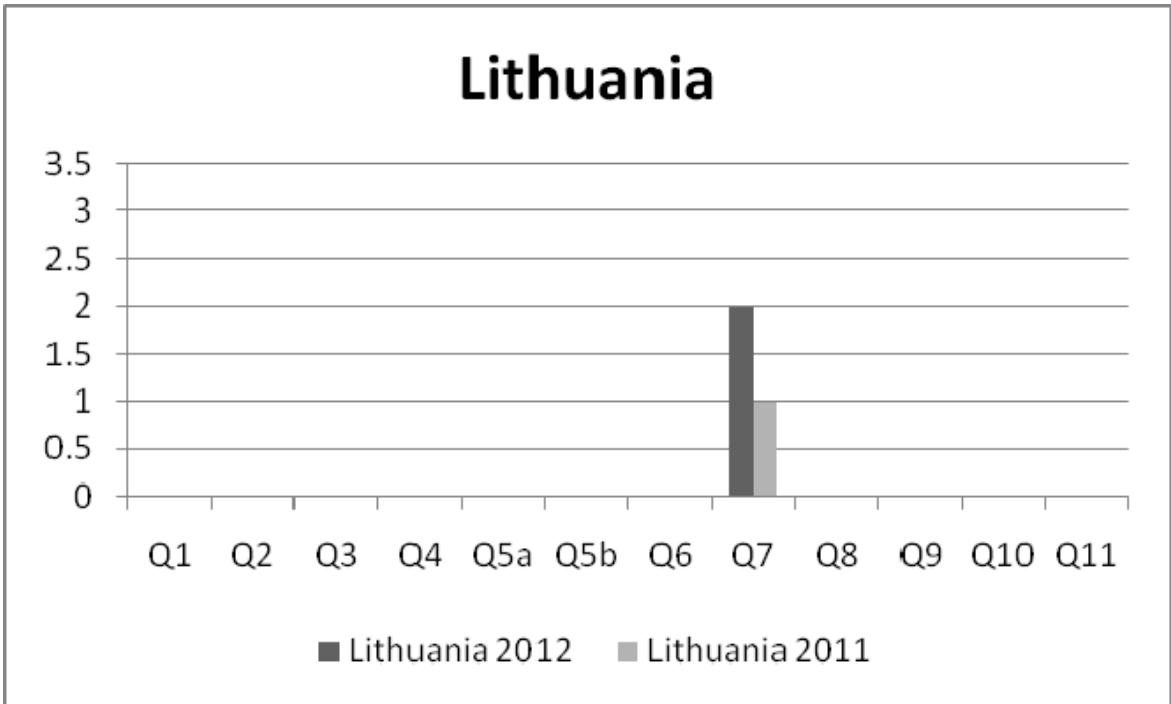
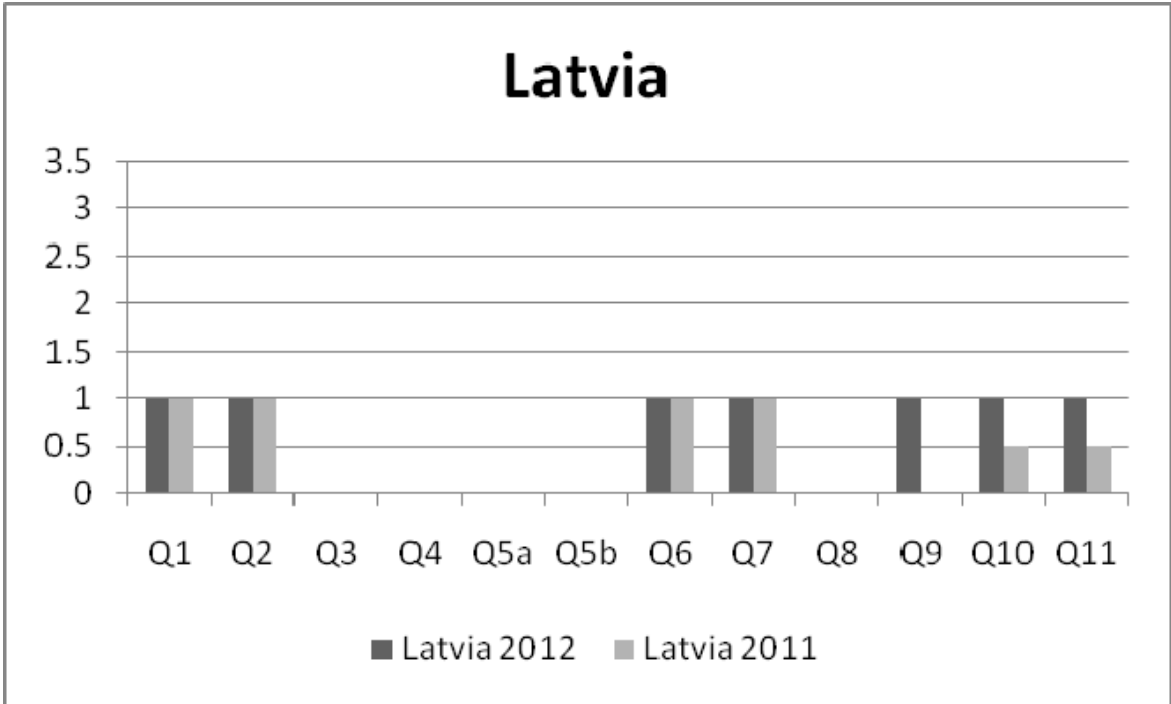


## Ireland

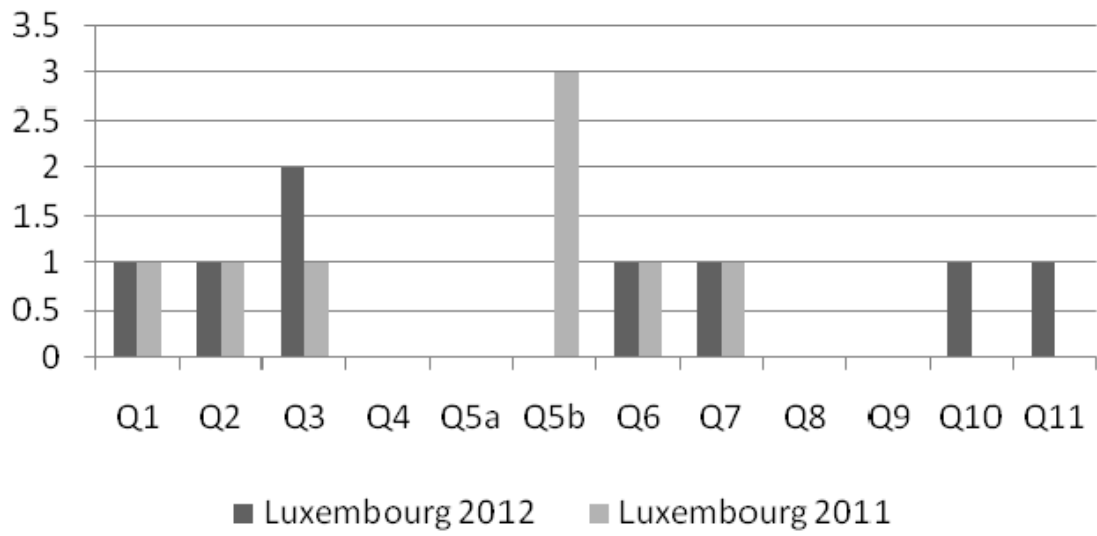


## Italy

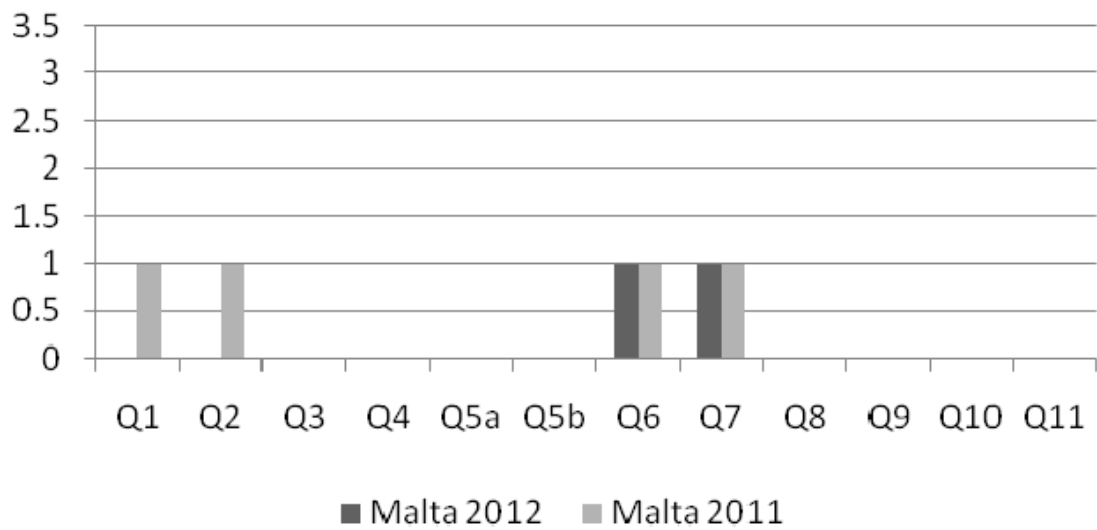




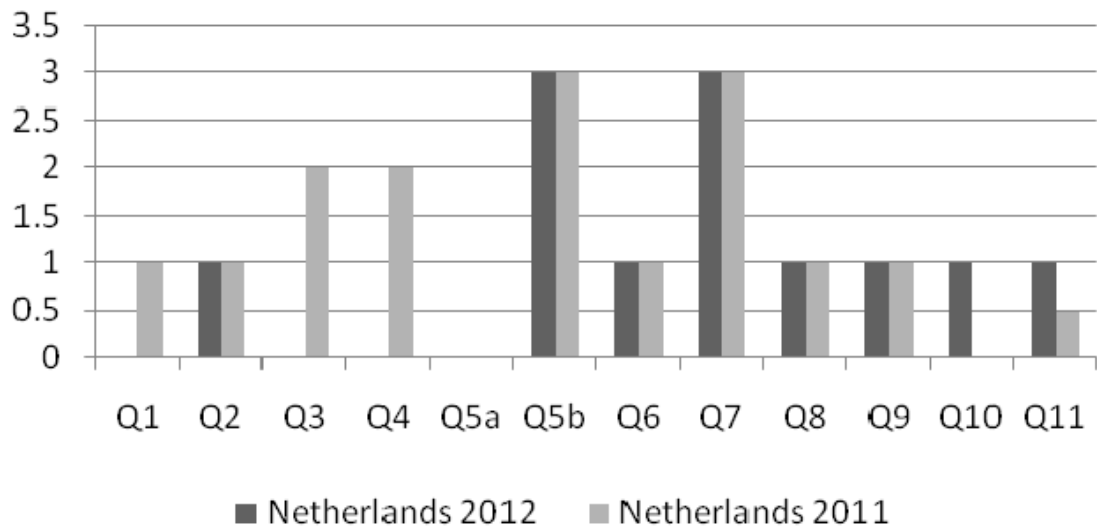
## Luxembourg



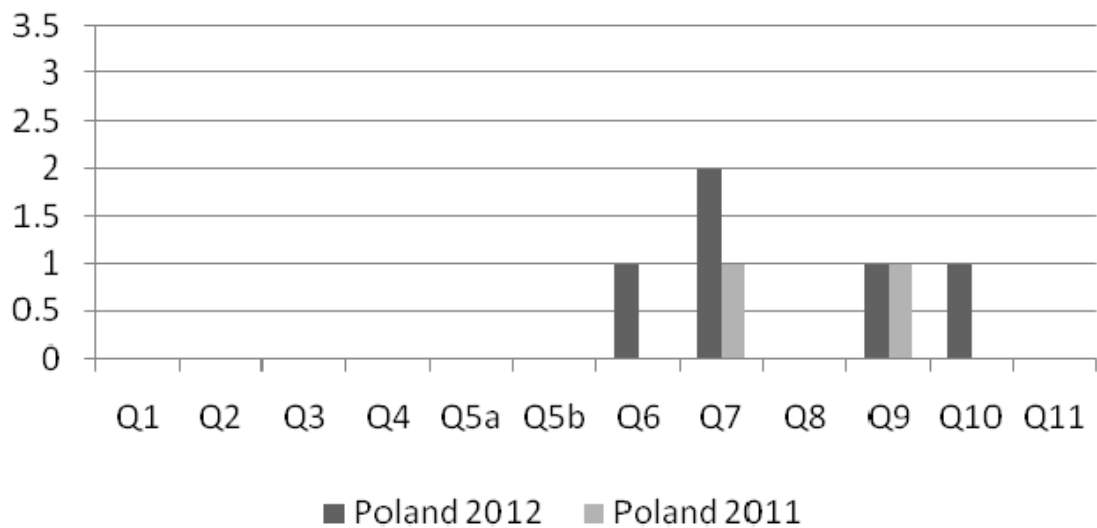
## Malta



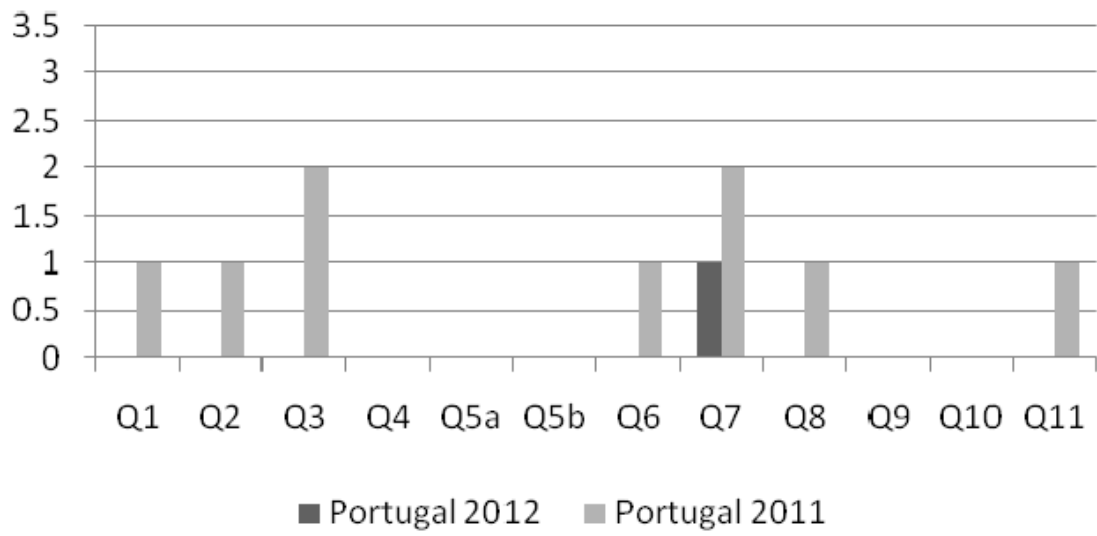
## Netherlands



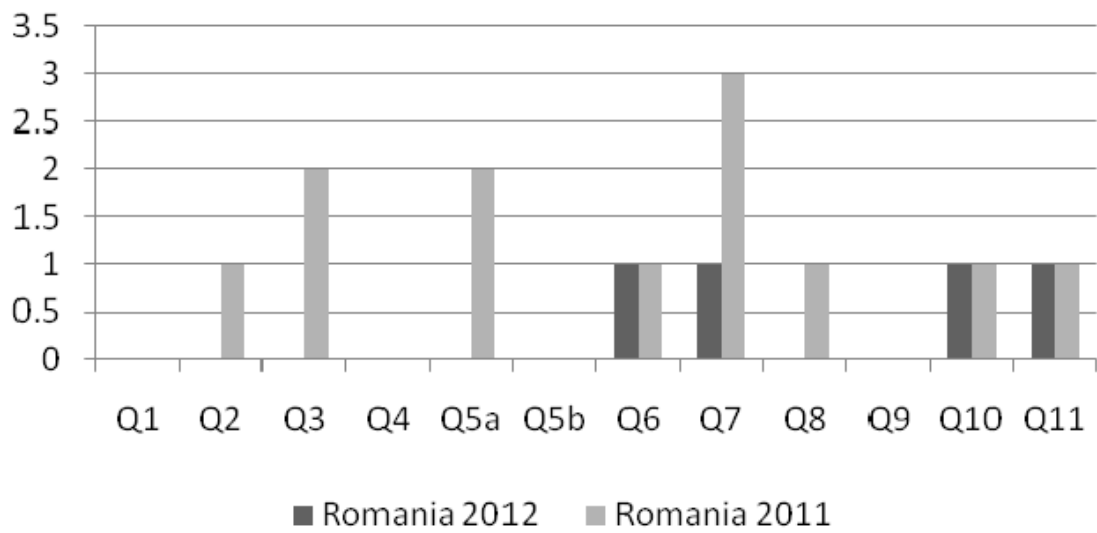
## Poland



## Portugal

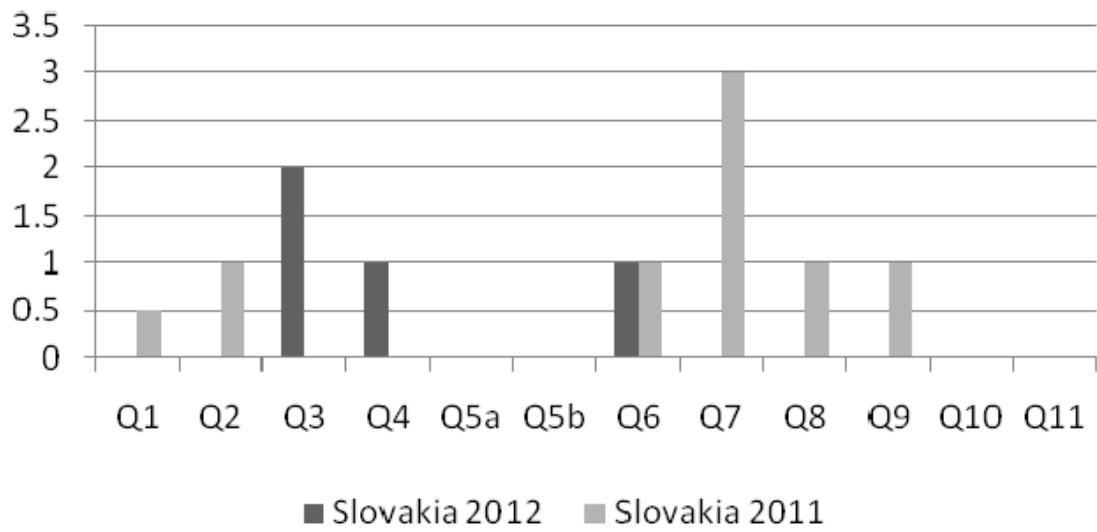


## Romania

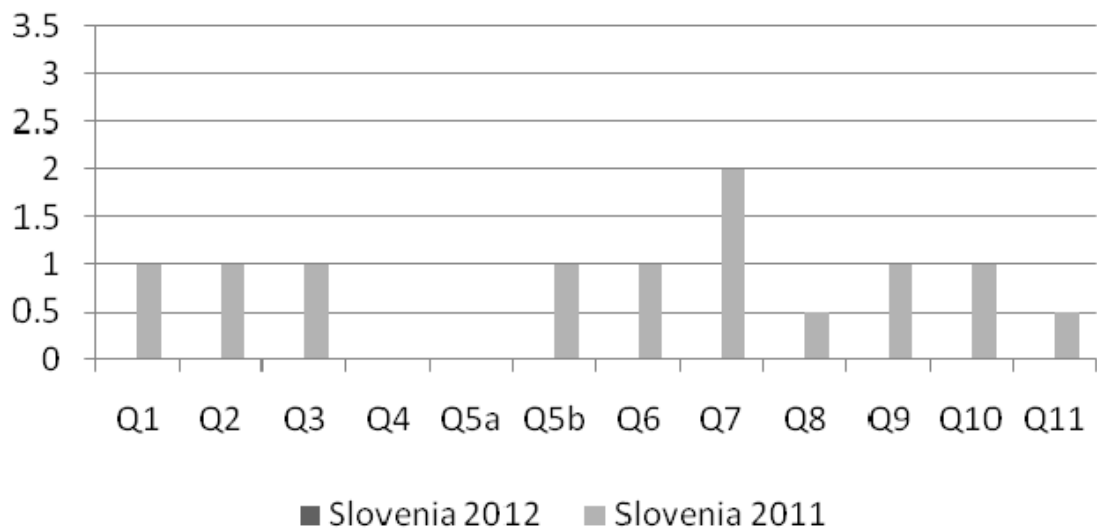




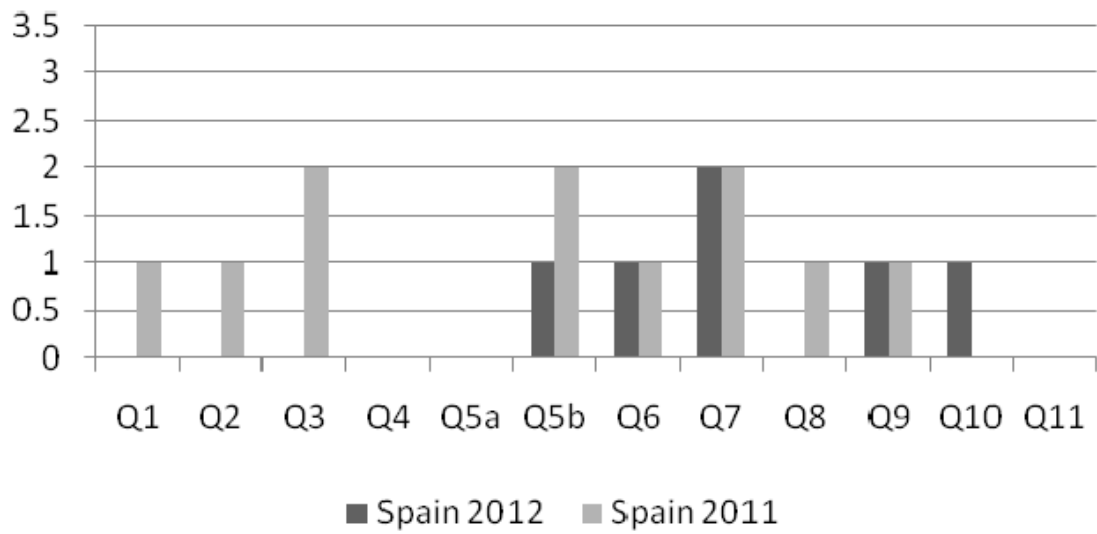
## Slovakia



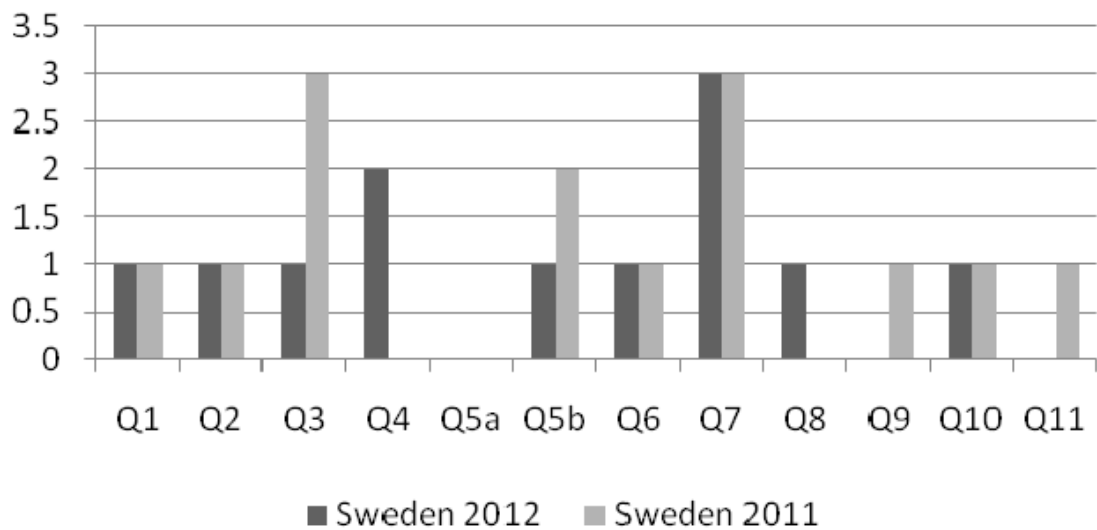
## Slovenia\*

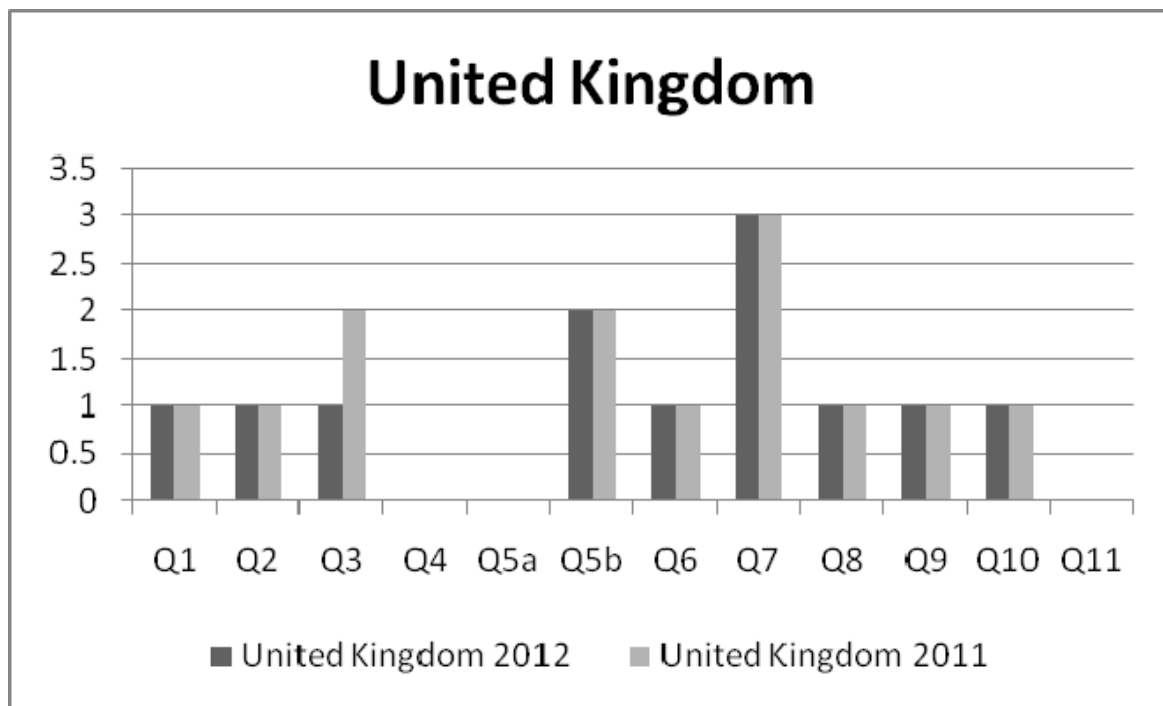


## Spain



## Sweden





\* Slovenia did not receive any points in the assessment of its 2012 NRP.

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