

**Study on the Division of Powers between the  
European Union, the Member States, and  
Regional and Local Authorities**

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## Foreword

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The study is a descriptive account of the organisation of regional and local governments in the twenty-seven Member States of the European Union, and Turkey, Croatia, and the Former Yugoslav Republic of Macedonia. The aim is to present information simply and in an easily comprehensible and comparable form. It is not intended for lawyers seeking specialised legal references but for civil servants, politicians, groups, and members of the public needing to know how territorial government is organised, what are its competences, and how the tiers of government relate to each other. For this reason, specialised vocabulary has been avoided where possible and, instead of giving detailed accounts of legal texts, the study concentrates on the structure and operation of institutions. It is not intended as an academic or theoretical analysis or as a commentary but as a factual data set and tool, which may however be used by academics as material for their research.

To allow for easy comparison, the material is organised under consistent headings for each country. This has required the use of standard vocabulary, which does not always correspond to the vocabulary used within national systems.

**Please note that in the English language the term ‘government’ is broader than in many others, where it only means the executive. The term ‘government’ covers the assembly or council as well as the executive body and its administration.**

For each country, there is a short introduction indicating the nature of the constitution and some of the principal laws governing regional and local government. There follows an account of the state system (federal, unitary, regionalised, decentralised). This has involved some judgements on the differences among systems, which in practise may overlap, as discussed in the next section.

Next is a description of the levels of government. Here, a standardised vocabulary is essential in order to make comparison possible. The main relevant headings are the regional, the provincial, and the municipal. Not all these levels exist in all the states, and this is made clear in the text. In the descriptions under each of these headings, the actual name of each category is given in English and, where appropriate, the vernacular language. So in Germany the regional level is called the Land, the provincial level is the *Kreis*, translated as county, and the municipal level is the municipality or *Gemeinde*. In France, there are regions, the provincial level is the department (*département*), and the municipal level is the commune.

For each level, there is an account of the institutions, distinguishing between the deliberative and legislative institutions, and executive institutions. The system of election is also described. Some electoral systems are more complex than others, and this is reflected in the treatment.

Next there is a description of the division of competences. This is an extremely complex matter. Most systems of government do not separate out competences clearly among tiers of government but rather share them among the tiers. Nor is there a clear correspondence between competences that are dealt with by the European Union, or in which the Committee of the Regions has consultative rights, and national divisions of competences. As explained in the next section, some systems of government allocate specific powers to regions, while in other cases the regions can do everything that is not specifically prohibited. This is explained in the individual reports. There is also a distinction between legislative powers and administrative powers although this, too, is not a simple matter, as also explained in the next section.

The main headings of competences are designed to be as comparable as possible across cases. They were arrived at by looking at the main fields of domestic policy, examining the patterns of decentralisation in the thirty cases, and then producing a set of headings. To specify more clearly, a secondary level of sub-heading is also used to indicate where particular aspects of a competence are decentralised to a particular level. This can never be a substitute for a deep and sophisticated understanding of exactly how the various levels work together, but to include excessive detail and qualifications of each case would undermine the intention to have a clear basis of comparison.

The sections on finance are also designed with comparison in mind. The aim is to indicate how far regional and local governments raise their own revenue and what are the principal taxes involved. In practise, intergovernmental financial relations can involve an intricate series of cross-financing arrangements and joint expenditures.

The last section of each report is about relations with the central government and the European Union. Intergovernmental relations can be very political and involve political parties and unwritten bargains. It is not the intention of the authors to make political judgements or to speculate on sensitive political matters. Rather, the study presents the principal linkages and indicates whether and how these are used.

The study is intended principally as a tool for use on-line on the Internet site of the Committee of the Regions <http://www.cor.europa.eu>, with ease of navigation through the cases. The consistency of headings allows users rapidly to find the equivalent headings in different states. There are hyperlinks between the main headings and the relevant texts, and a link allowing the user to return to the main headings. The present printed version includes a detailed table of contents, which does not however provide the same easiness of navigation than the on-line files.

# **Study<sup>1</sup> on the Division of Powers between the European Union, the Member States, and Regional and Local Authorities**

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<sup>1</sup> This study has been prepared for the Committee of the Regions by the European University Institute, Florence, under the supervision of Professors Michael Keating and Jacques Ziller.

# Chapter 1

## Local and Regional Government in Thirty European Countries

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#### **8. Bibliography and References**

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This is an information set on local and regional government in the twenty-seven Member States of the European Union, plus Turkey, Croatia and the Former Yugoslav Republic of Macedonia. It is organised by country and by theme. Readers interested in information about a particular country can access the report by clicking on the name. They can then scroll through the report or, by clicking on the relevant heading, find information on the aspect in which they are interested. The main headings are explained below.

## **1. Systems of Government**

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Please note that in the English language the term ‘government’ is broader than in many others, where it only means the executive. The term ‘government’ covers the assembly or council as well as the executive body and its administration.

For each country there is a paragraph on the form of the state. These are divided into three types:

- federal states;
- regionalised states;
- unitary states.

These definitions of types of government do not necessarily correspond to the official denomination in the country’s constitution or legislation (if any); they are used because they correspond to standard terms used in comparative studies on government in Europe. Usually Constitutions give indications about the type of government, but not necessarily through the use of terms like federation or regions. There is no standard way of approaching regional and local government in the Constitutions of the thirty countries examined in this study.

### **Federal states**

In federal states, there is a constitutional division of power between the centre and the constituent units, which cannot be changed unilaterally. Three of the states in this report, Germany, Austria, and Belgium, are federal. A distinction is often made between coordinate federalism and cooperative federalism. Under coordinate federalism, each level has its own legislative and administrative competences, which are exercised separately. Under cooperative federalism, they share competences, usually with the upper level passing most legislation and the lower level implementing it. Germany and Austria are examples of cooperative federalism. Belgian federalism was supposed to be coordinate, with a clear distinction between the tasks of the two levels; but in practise there is a need for

much cooperation, as it is not easy to distinguish competences. In recent years, there have been efforts to ‘disentangle’ the tasks of the two levels in Germany and Austria, with some limited success. European integration and globalisation have increased pressures on federated units to enhance their competitive position and devise their own policies. Scholars now talk of a third type of federalism, competitive federalism, in which sub-state governments compete with each other for investment, technology, and innovation, and focus more on policy innovation. This is one factor leading to pressures to disentangle responsibilities and to devolve more competences.

### **Regionalised states**

Several European countries have in recent years established an intermediate, ‘meso’, or regional level of government. There are several motives for this. One is a recognition of the importance of the region for economic development and planning. A second is the restructuring of the welfare state and the management of health and social welfare, including the relationship between welfare policies and labour market policies. A third is to respond to the demands of historic regions, stateless nations, and national minorities, as in Spain, Belgium, and the United Kingdom. A fourth is to encourage administrative modernisation and policy experimentation and innovation. A fifth is to bring government closer to the citizen by devolving powers from the centre.

Regionalised states come in a variety of forms. Functional regionalism is limited to one task, usually planning and economic development. The need to administer European regional policies has been one reason for the emergence of this level. Multifunctional regionalism is broader in scope, covering a number of fields or constituting a tier of general-purpose government. Some regions have legislative power and others are limited to administration – although this distinction is not always a clear one, since some tasks covered by administrative action in one country require legislation in another. Regions may also have powers of secondary legislation, allowing them to change the detail of state-wide laws.

Some states have directly-elected regional governments, as in France, Spain, Italy, Poland, Denmark, and the United Kingdom. Where regional government is elected and multifunctional, the system starts to resemble federalism; some observers talk of Spain as an emerging federation.

In others, the regional level is selected from local government and sometimes also the social partners (business, trade unions, and social welfare bodies) and independent experts. Some countries have moved from non-elected or indirectly-

elected regional development bodies to directly elected regional governments, as in France in the 1980s or Poland more recently. Moves to elect regional governments in Hungary have been stalled for some years. In England, a move to regional government failed in a referendum in one region in 2004, and now even the indirectly-elected body is being abolished.

Some states have a regional level over only part of the territory, responding to historical, national, or cultural differentiation or peripherality. The United Kingdom has devolution in Scotland, Wales, or Northern Ireland, but not in England. Portugal has regional government for the Azores and Madeira. Corsica and the overseas regions have a special status within the French Republic. These are examples of asymmetrical regionalism.

### **Unitary states**

In unitary states, there exists only administrative self-government<sup>2</sup> at the provincial and local levels of government. At one time it was common to distinguish between southern European or Napoleonic systems, and northern European systems. In the former, local government was weak and often fragmented and subject to close control by central government. A central government official (in France the prefect) was responsible for administration at the provincial level and had the power to disallow acts of municipal councils. In the latter, there was a stronger tradition of local autonomy or self-government. This distinction is now less clear after decentralisation reforms have limited the powers of prefects, usually to post-facto control of the legality of decisions, and given more autonomy to provincial and municipal levels.

Many countries have consolidated local governments into larger units since the 1970s. This is done in the name of efficiency and economy. France is an exception, since the political power of local mayors has made it difficult to suppress or merge communes. In central and eastern Europe, there was a tendency after the transition to democracy for the number of local units to increase, although more recently there have been efforts at consolidation. Where merging municipalities is not possible, governments have encouraged inter-municipal associations, which may be single-purpose or multi-purpose. In large cities, there have been metropolitan governments, above the municipal level, with planning and infrastructure tasks. These may be directly elected and independent of the constituent municipalities, or indirectly elected by the municipalities themselves.

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<sup>2</sup> Administrative self-government means that local government only has administrative competences. Self-government means that there is at least an elected council. Administrative self-government has thus to be distinguished from mere 'deconcentration', i.e. the organisation of territorial divisions of State administration.

## 2. Levels of Government

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Each report then lists the levels of government and the number of units at each level. We have worked with five levels below the state, of which the first three are the most important. Not all countries have all five levels or even the first three, but all levels of government in all countries can be reported under one of these headings. Constitutions often include an indication of the different levels of government of a country, but not always, and if they do, not always in a comprehensive manner.

*Please note that the standardised English language vocabulary, which is used in the reports in order to allow comparison, does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.*

The *regional level* refers to the constituent units in federal states and to the intermediate or 'meso' level in regionalised states. In purely unitary states, this level is absent.

The *provincial level* refers to the level below the regions or, in unitary states, below the state. Names used for this level include province, county, and department. In some countries this level is primarily an administrative demarcation of the central government. In others it is an autonomous level, with its own powers. In countries inspired by the French Napoleonic system, this level is both an administrative demarcation for deconcentrated central government, under a prefect or similar figure, and a level of local self-government.

The third level is the *local or municipal* one. This exists in all countries and is the basic unit of local democracy.

Some countries also have a very local level of *parish, community, or neighbourhood* government.

There may also be *metropolitan government* in the large urban areas.

Under each level, there is an account of the institutions. This includes parliaments or councils and the executive level.

Some countries have a tier of central government administration at the territorial level. This is true especially of Napoleonic systems, where a provincial prefect is in charge of the field administration of the state. Where such field administrators have

a degree of administrative discretion, the administration is said to be deconcentrated. In recent years, some deconcentrated systems of administration have evolved into elected self-government.

### **3. Electoral Systems**

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Each level of government has an assembly, which may be known variously as a parliament or council or some specific local name. Sometimes the assembly is directly elected; in other cases there is indirect election from a lower level. In some cases, regional institutions include social partners such as business, agriculture, and trade unions, as well as political representatives.

Where there are direct elections, electoral systems differ. Most are based on proportional representation to ensure that parties are represented in proportion to their votes. Proportional elections may be ‘at large’, with representatives elected across the whole territory of the respective government, or by multi-member districts (divisions of the territory). An exception is in England and Wales, where local councils are elected on the single-member plurality (first-past-the-post system). In this system, councillors are elected by single-member districts (called wards), with the candidate who gains the largest number of votes taking the seat. This distorts the relationship between votes gained by parties and seats won. Its claimed advantage is that it retains a link between a representative and a district and that it produces stable majorities, although the rise of third parties means that councils increasingly lack a single party majority.

A system that retains the link between the representative and a district but does provide proportionality in the distribution of seats among parties is the additional-member version of proportional representation, as used in Germany, Scotland, and Wales. Here, some members are elected by single-member plurality in districts; others are elected on party lists from larger constituencies in such a way as to reflect the overall balance of votes received by the parties.

Another form of proportional representation is the single transferable vote, as used in the Republic of Ireland and Northern Ireland. Representatives are elected in multi-member districts. Electors rank all the candidates. The highest ranked candidates are elected and their second-preference votes redistributed until all the seats are filled. This ensures that smaller parties gain a share of the seats.

In proportional representation by party list, electors must choose among rival party lists, and the seats are then distributed among the parties according to the share of the votes received by each. The vote might be conducted by district or for the

whole territory of the parliament or council concerned. In some cases, electors can only vote for the list as a whole; in other cases, they can change the ranking of the candidates on the list, so giving preference to individuals. Proportional representation systems have been praised for their fairness but criticised for their tendency to produce weak and unstable governments, without majorities. In recent years, some governments have sought to reconcile proportional representation with stable and strong government by giving a 'majority premium' to the list that gains the largest number of votes. In some cases, this list is given half the seats, with the remaining ones being distributed among all the parties in proportion to their votes.

Another form of electoral system is the two-ballot system, with votes on two days, a week or two apart. In the first ballot, anyone can stand. In the second ballot, participation is typically limited to the leading candidates from the first ballot or those crossing a certain threshold. It may be possible for parties to merge their lists between the two ballots, so simplifying voter choice.

Systems for the direct election of single candidates vary. In the single-ballot plurality system, the leading candidate is elected, even if (s)he does not gain an overall majority. In the alternative vote system, voters rank the candidates; votes are redistributed in successive rounds of counting, with the lowest candidate eliminated in each round and his/her second preference votes redistributed. In a two-ballot system, the two leading candidates from the first round go through to the second.

#### **4. Executive Authority**

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Executive powers at the local and regional level may be invested in the assembly or in a separate executive. There is a tendency across Europe to the creation of strong executive authorities at the regional and local levels and to the separation of the executive function from the deliberative or legislative function of the assembly. The executive may be headed by a directly elected mayor or president, or by a leader chosen from among the members of the council or assembly. Executive members may be elected from the assembly or appointed by the mayor or president and in some cases do not have to be members of the assembly.

In Napoleonic systems, the provincial level is often shared by both central and locally-elected governments. Sometimes the executive power is also shared between a locally-elected leader and a centrally-appointed governor or prefect, although the tendency has been to separate these roles.

## **5. Competences**

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This report includes the information on the main competences of levels of governments, of the Study on Local and Regional Government in Thirty European Countries. For each country section, they are organised by levels of government (central, regional, provincial, municipal). Information on the competences of each level of government, on intergovernmental relations and relations with the EU, and synopses for all countries are to be found in the relevant topical reports.

Please note that in the English language the term ‘government’ is broader than in many others, where it only means the executive. The term ‘government’ covers the assembly or council as well as the executive body and its administration.

Please note further that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country’s constitution and laws. A general table of these denominations, with an attempt to show possible correspondences with the areas of consultative competence of the Committee of the Regions, is given at the end of this Introduction.

Please note also that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

The word ‘competence’ (plural ‘competences’) is commonly used in European literature, but remains unknown to the largest part of the literature of other world regions, especially that of the United States. Typically, the U.S. Constitution does not speak of ‘competences’, but of powers.

### **General Principles on the Allocation of Competences**

The allocation of competences varies greatly among countries. We can distinguish between *exclusive competences*, in which one level of government has complete authority, and *shared competences*. It is rare for a sub-state level to have exclusive competence in any area, although this comes closest to being the case at the regional level in some countries. Rather confusingly, however, the term ‘exclusive competence’ is used in some national documents to mean that the lower level government can act across the whole field, but without excluding a role for the national government, where it chooses to intervene.

Constitutions often include an indication of the distribution of competences between the state and different levels of government of a country, but not always, and if they do, not always in a comprehensive manner. There is no standard way of approaching regional and local competences in the Constitutions of the thirty countries examined in this study. Furthermore, competences are usually further detailed by acts of Parliament, which more than often are not easily accessible in other than the vernacular language(s). Allocation of competences in legislation is not necessarily to be found in the legislation on regional and local government. It often results also from sectoral legislation. The precise allocation of competences may therefore vary rather quickly, due to policy changes. The country reports therefore only give a link to the country's Constitution in the English language, as far as there is such a document. The constitutional allocation of competences is usually indicating rather broad headings and needs therefore to be complemented by indications of legislation and sometimes implementing regulations, as well as by the case law of competent courts, such as the constitutional court, administrative courts, or other judicial bodies. In many countries, local and regional government benefit from a 'general competence clause' according to legislation, or to general constitutional principles regarding self-government that are interpreted by the relevant courts. Such a general clause empowers local and regional government to act beyond the fields expressly attributed to them, as long as they do not contradict the provisions of legislation giving a specific exclusive power to another level of government. The exact signification in legal terms of such clauses varies from country to country, and the reader should be therefore very cautious in examining national Constitutions.

Competences can be divided into *legislative* and *administrative*, although this distinction is also a rather formal one and the line is not always easy to draw. Only regional-level governments have legislative competences, and not in all states. In some cases, regional legislation is subject to national framework laws, setting out the broad principles that regional laws must follow. These in turn may be permissive or restrictive, giving the regional level more or less autonomy. The distinction between legislative and administrative competence is not as clear-cut as it seems, as administrative competences may well include the power to adopt general regulations that complement the formal laws. There is some degree of discussion about the nature of fiscal powers: in some unitary countries, the powers of taxation of local government are so broad that they are assimilated by politicians and practitioners to legislative powers. Federal systems may be coordinate or cooperative, as explained above. The distinction between legislative and administrative competences is often a source of confusion, as there is not necessarily a correspondence between both: typically in a unitary state, the

legislative competences all belong to the state level, whereas administrative competences may be distributed through different levels. In federal or regional systems, the legislative competence in a specific field may be allocated to the regional level, whereas the administrative competence in the same field may be allocated to another level, or shared between different levels.

Provincial and municipal levels of government have administrative powers only. This is also true of some regional governments. Again, there is a great variety. In some cases, competences are shared among levels, while in others there is a clearer separation. In Napoleonic systems, there is a large degree of sharing of competences and tasks among the levels, although there have been efforts in recent years to clarify the division of powers.

The reports list the main competences at each level of government in each state. We have tried to be consistent here, but there are important differences in the way competences are defined and grouped, so that it is not always easy to make direct comparisons. This is particularly so when competences are divided in complicated ways, for example giving one level the task of building schools, another that of building colleges or organising school transport, and another that of employing teachers.

There is no clear-cut correspondence between the fields of competence as set out in the constitution and laws of different countries, even when the vocabulary is the same, as demonstrated by countries sharing the same language (for example Dutch in Belgium and the Netherlands; English in Ireland and the UK; French in Belgium, France, Luxembourg and to some extent Italy; German in Austria, Germany and to some extent Italy and Belgium). It is therefore not possible to establish a general pattern of correspondence between the fields in which the EC Treaty provides for the necessity of an advisory opinion of the Committee of the Regions and the different fields of regional and local competence. Indeed, each of the legal bases (articles of the EC treaty) that gives a competence to EU institutions to regulate a specific topic and provides for the necessity of an advisory opinion of the CoR has to be interpreted according to principles of EU law as developed by the European Court of Justice; whereas the descriptions of competences of local and regional governments in the constitution and laws of Member States have to be interpreted according to criteria of national law. The principles of institutional autonomy and procedural autonomy of member states – which are consistently applied by the ECJ – impede any interference of the EU institutions in the organisation and procedures established for the implementation of EU policies and law, provided the goals set up at EU levels and the principles indicated in the treaties, directives, framework

decisions, regulations, and decisions are complied with.

For each country, there is an indication regarding the degree of correspondence of fields of competences. Furthermore, a general index is provided (in the report on competences which takes up all the relevant information), in which the fields of competences are grouped according to the headings of CoR competences; this is only an instrument for quick checking and should not be relied upon as an exhaustive source of information on the exact allocation of competences for a specific topic.

In federal states, where there is a constitutional division of powers, it is necessary to specify the competences of the national government. In other cases, national governments are competent over all fields but may be restricted in their action by constitutional principles regarding local and regional self-government, as interpreted by the relevant courts.

In federal countries and those with strong regional devolution, the regional level serves as a general level of multifunctional government. In the strongest form, only the national level competences are specified, with everything else belonging to the regional level. In other cases, there is only functional devolution, with the regional level confined to specific tasks, normally centred on economic development and planning.

In each chapter there is a section on finance and taxation. The fiscal powers of each level are indicated, as is the proportion of revenue raised locally. Regional and local taxation powers are always restricted in Europe. In some cases, taxes are assigned, with regional and local governments getting the proceeds of specific taxes but not able to set the rates; in other cases, they can vary the rates, although often within specified limits. The main taxes are those on income, property, business, and sales, plus a variety of minor taxes. Local and regional governments also receive transfers from central government. This may be adjusted for the needs and resources of regional and local areas, to provide for fiscal equalization.

## **Correspondence with the Competences of the Committee of the Regions**

The Committee of the Regions has a mandatory advisory competence in the following fields, as they appear on the CoR Website:

- economic and social cohesion;

- education and youth;
- culture;
- public health;
- trans-European networks;
- transport;
- employment;
- social affairs;
- environment;
- European Social fund;
- vocational training.

Furthermore, the CoR may adopt advisory opinions of its own initiative in any field of competence of the EU.

Any attempt to establish a correspondence between the competences of the Committee of the Regions and the competences of the different levels of government examined in this study has to be submitted to two series of severe limitations.

First, the list of fields of mandatory advisory competence that is being used here might be misleading, as its headings only summarise the EU's competence in the field, which is in each case dependent upon the wording of the relevant legal basis in the Treaty establishing the European Community (TEC, which will become the Treaty on the Functioning of the European Union – TFUE – after the Treaty of Lisbon enters into force<sup>3</sup>). In EU law, due to the principle of conferral, the Institutions of the Union may only act in a limited framework which is set by ‘legal bases’, that is, treaty articles that i) indicate a field of competence, ii) indicate what kind of instrument may be used in this field (regulation, directive, decision – or ‘measures’ which include all of the preceding), iii) indicate the procedure to be followed (including the consultation of the CoR and/or of the European Economic and Social Committee if this is mandatory), and iv) in many cases indicate the objectives for which those instruments may be used. Furthermore, in the field of so-called coordinating, complementary and support action, a number of legal bases indicate that EU action excludes any harmonisation of the laws and regulations of Member States. All this means that the possibilities of action of the EU are usually

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<sup>3</sup> For a detailed analysis of the changes that would have resulted for the CoR from the Constitutional Treaty, and which have been taken up by the Lisbon Treaty, see: Charlie Jeffery and Jacques Ziller, *The Committee of the Regions and the implementation and monitoring of the principles of subsidiarity and proportionality in the light of the Constitution for Europe*, Bruxelles, Committee of the Regions (also available in French and German).

much more limited than it appears from the mere description of the field of competence.

Second, even if there is a correspondence at first sight between a field of competence of the EU institutions and a field of competence of regional or local levels of government in a given country, the relevant field of competence may cover a much broader series of fields than at EU level.

The field of education illustrates this.

The legal basis for EU action in the field of education and vocational training is set out as follows in Articles 149 and 150 TEC (future Articles 165-166 TFEU – changes that will be introduced by the Treaty of Lisbon are indicated between square brackets):

#### Article 149

1. The Community [Union] shall contribute to the development of quality education by encouraging cooperation between Member States and, if necessary, by supporting and supplementing their action, while fully respecting the responsibility of the Member States for the content of teaching and the organisation of education systems and their cultural and linguistic diversity.

[The Union shall contribute to the promotion of European sporting issues, while taking account of the specific nature of sport, its structures based on voluntary activity and its social and educational function.]

2. Community action shall be aimed at:

- developing the European dimension in education, particularly through the teaching and dissemination of the languages of the Member States;
- encouraging mobility of students and teachers, inter alia by encouraging the academic recognition of diplomas and periods of study;
- promoting cooperation between educational establishments;
- developing exchanges of information and experience on issues common to the education systems of the Member States;
- encouraging the development of youth exchanges and of exchanges of socio-educational instructors [and encouraging the participation of young people in democratic life in Europe];
- encouraging the development of distance education.

["– developing the European dimension in sport, by promoting fairness and openness in sporting competitions and cooperation between bodies responsible for sports, and by protecting the physical and moral integrity of sportsmen and sportswomen, especially the youngest sportsmen and sportswomen.]

3. The Community [Union] and the Member States shall foster cooperation with third countries and the competent international organizations in the field of education [and sport], in particular the Council of Europe.

4. In order to contribute to the achievement of the objectives referred to in this Article, the Council:

— [the European Parliament and the Council, acting] acting in accordance with the procedure referred to in Article 251, after consulting the Economic and Social Committee and the Committee of the Regions, shall adopt incentive measures, excluding any harmonisation of the laws and regulations of the Member States;

— [the Council, on a proposal] acting by a qualified majority on a proposal from the Commission, shall adopt recommendations.

#### Article 150 (ex Article 127)

1. The Community shall implement a vocational training policy which shall support and supplement the action of the Member States, while fully respecting the responsibility of the Member States for the content and organisation of vocational training.

2. Community action shall aim to:

— facilitate adaptation to industrial changes, in particular through vocational training and retraining;

— improve initial and continuing vocational training in order to facilitate vocational integration and reintegration into the labour market;

— facilitate access to vocational training and encourage mobility of instructors and trainees and particularly young people;

— stimulate cooperation on training between educational or training establishments and firms;

— develop exchanges of information and experience on issues common to the training systems of the Member States.

3. The Community and the Member States shall foster cooperation with third countries and the competent international organisations in the sphere of vocational training.

4. The Council, acting in accordance with the procedure referred to in Article 251 and after consulting the Economic and Social Committee and the Committee of the Regions, shall adopt measures to contribute to the achievement of the objectives referred to in this Article, excluding any harmonisation of the laws and regulations of the Member States [" and the Council, on a proposal from the Commission, shall adopt recommendations].

On the other hand, in the report on France, for instance, the competences in the field of education are described in the following manner:

#### *“Regional competences*

Regions have no legislative competences. Their main functions are exercised through the execution of their budget – for which they have a broad autonomy within the parameters set by national law – and by regulations. There is no hierarchy between regional and local government. Possible conflicts on the scope of competence of the regions or the conformity of their decisions with the law and Constitution are solved by independent administrative courts, based on actions brought by any person having standing, or by the regional prefect. The budget and its implementation are subject to the control of independent regional financial courts.

- education:

- creation, construction, maintenance, and operation of high schools (*lycées*) and establishments for specialized education;
- vocational training and apprenticeships (regional vocational training development plan; implementation of initial and further training schemes for young people and adults, apprenticeships);

...

*“Provincial competences”<sup>4</sup>*

Like regions, departments have no legislative competences. Their main functions are exercised through the execution of their budget – for which they have broad autonomy within the parameters set by national law – and by regulations in some fields. Possible conflicts on the scope of competence of the departments or the conformity of their decisions with the law and Constitution are solved by independent administrative courts, on the basis of actions brought by any person having standing, or by the prefect. The budget and its implementation are subject to the control of independent regional financial courts.

...

- education:
  - creation, construction, maintenance, and operation of ordinary secondary schools;
  - creation, construction, maintenance, and operation of *colleges*;

*“Municipal competences”<sup>5</sup>*

Like regions and departments, communes have no legislative competences. Their main functions are exercised through the execution of their budget – for which they have broad autonomy within the parameters set by national law – and by regulations in some fields. Police regulations of the mayor are important in the field of road traffic and markets. Possible conflicts on the scope of competence of the communes or the conformity of their decisions with the law and Constitution are solved by independent administrative courts, on the basis of actions brought by any person having standing, or by the prefect. The budget and its implementation are subject to the control of independent regional financial courts.

...

- education:
  - creation, construction, maintenance, and operation of primary schools;
  - creation, construction, maintenance, and operation of pre-school classes;”

One might add that school transport appears in the field of ‘transport’, whereas for some authors, or in some countries, it would be part of a competence in education.

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<sup>4</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country’s constitution and laws.

<sup>5</sup> Please note that the standardized English language vocabulary which is used in the reports to allow comparison does not necessarily correspond to the denominations of these competences in the country’s constitution and laws

Comparing the legal basis for EU action in education in the treaty, on the one hand, with the fields of competences of French regions, departments and communes on the other shows a series of possible discrepancies between what is covered in both cases, which will be increased with the addition of ‘sports’ in the same articles by the Treaty of Lisbon.

This being said, in order for the reader to take all the necessary precautions, the following table of correspondence may be used for a first approach:

<b>Fields of CoR competences</b>	<b>Legal basis<sup>6</sup></b>	<b>Headings in the study</b>
economic and social cohesion	158-162 [174-178]	economic development; planning; regional planning; agriculture <sup>7</sup>
education and youth	149 [165]	education; sports
culture	151 [167]	culture
public health	152 [168]	health
trans-European networks	154-156 [170-172]	planning
transport	70-80 [90-100]	transport
employment	125-130 [145-150]	employment, labour
social affairs	136-145 [151-161]	social welfare, work safety and protection
environment	174-176 [191-193]	environment
European Social fund	146-148 [162-164]	Employment, social welfare
vocational training	150 [166]	education

As a last indication as to the necessity of being cautious, let us remind the reader that the CoR has no mandatory advisory competence in the field of the internal market and competition, where a very substantial part of EU law and actions impact upon the competences of regional and local government. Furthermore, the Committee of the Regions has no influence upon the jurisprudence of the European Court of Justice, which also impacts substantially on the competences of regional

<sup>6</sup> [new numbers in TFUE after entry into force of the Lisbon Treaty].

<sup>7</sup> As far as the European Agricultural Guidance and Guarantee Fund (EAGGF) is concerned.

and local governments of the Member States.

## **6. Intergovernmental Relations**

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Relationships between territorial governments and the state are concerned with:

- Controlling the legality and constitutionality of acts of sub-state governments;
- Clarifying the distribution of competences;
- Resolving conflicts among levels of government;
- Providing for joint policy-making in areas where competences of more than one level are involved.

Mechanisms may be more or less formal.

In federal systems and some regionalised states, there is a constitutional court with the task of ruling on the distribution of competences and the legality of acts. In most cases, courts can strike down acts of both central and regional governments that exceed their constitutional powers, although in the United Kingdom only the acts of devolved governments can be struck down. Sub-state government acts may also be struck down as contrary to EU law or to international agreements. The jurisprudence of the constitutional court has been particularly important in the development of the Spanish autonomous system. Administrative courts also often have the power to strike down acts of regional and local government, be they administrative decisions or general implementing regulations. Administrative and constitutional courts may decide on the basis of a claim of private persons or public bodies, or of a specific action by the central state. The patterns are very variable from one country to another.

In some countries, especially those with a Napoleonic tradition, there is a centrally appointed official (the prefect in France) whose task includes administering central government activities at the territorial level, exercising oversight over regional and local governments, and liaising with central government. There is a tendency for these controls to be less intrusive and concerned more with ex-post legal scrutiny than with intervention in policy-making. Typically, in France, Italy, and Spain, the ex-post legal scrutiny is now confined to the possibility for the representative of the central state to introduce a query for judicial review of local or regional acts by administrative courts.

In most countries, a specific central department has responsibility for dealing with territorial governments, although other functional departments are also involved.

In federal and regionalised states, there may be joint institutions or conferences dealing with intergovernmental matters, at a general level or organised by sector. These include the arbitration of conflicts and the making of joint policies. Such conferences may be formal and constitutionalised or informal and ad hoc. They may have binding authority. In Germany and Austria, there is a large network of joint policy-making bodies because of the tradition of co-operative federalism. Recent reform efforts have sought to limit these in the name of efficiency and transparency.

In some cases, the second chamber of the national legislature includes representatives of regional or local governments; this chamber must consent to legislation affecting the regions or their powers. The most extensive powers are those of the German Bundesrat, which has extended its powers to all matters of joint policy or administration, so covering wide policy fields, although these have now been reduced. In Belgium, on the other hand, the Senate does not have veto power, and its power is restricted to matters of regional and community competences. Proposals to reform the Spanish Senate to make it a chamber of territorial representation have not progressed. The French Senate is elected by local and regional assemblies or governments and their representatives and is generally considered as the expression of local interests, but it does not have a final veto power on national legislation.

All countries have representative organisations of regional and local authorities, which negotiate with central government over matters of mutual interest, including the allocation of financial support.

## **7. The EU Dimension**

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The European Union has had a major impact on the distribution of roles between state and sub-state governments.

- Many matters in which the EU is competent are devolved, domestically, to local and regional governments; yet it is the states that are represented in the Council of Ministers, although in some federal and regional states a member of a regional executive may represent both the state and the regions;
- Regions with legislative powers may be responsible for the transposition of European directives or framework decisions. This is not specified in the directives or framework decisions themselves. In some cases, coordination of transposition by central government leads to less flexibility in the transposition for regional assemblies than national government enjoys under the relevant provisions;

- Local and regional governments must implement EU policies across a range of policy fields. The relevant directives, framework decisions, decisions, and regulations do not specify which levels of government are responsible for the implementation of EU policies, as this is a purely internal matter. The Member States are held accountable for the implementation of policies by local and regional governments under the various procedures foreseen by the EC Treaty;
- Local and regional governments must comply with the principles of the EU and EC Treaties as well as regulations and decisions, according to the principle of direct applicability, without waiting for instructions from central government. The principles of Community law, especially the prohibition of discrimination according to nationality and the principles of freedom of movement of persons, goods, services, and capital impact upon a wide range of matters dealt with by local and regional governments, including state aids, tendering, and employment;
- Local and regional governments may be responsible for managing Structural Funds programmes, in partnership with the state, the Commission, and the social partners;
- EU sectoral policies may have a specific impact on particular regions.

Local government associations may have a role in representing sub-state interests to the government concerning EU matters.

Some states have intergovernmental conferences devoted to EU matters, in which regions and sometimes localities have an input to the national negotiating position. Regional and local governments may be involved in working groups preparing for EU initiatives or meetings of the Council of Ministers.

Under Article 203 EC Treaty, Member States are represented in the Council of Ministers 'at ministerial level', and hence they may be represented by regional representatives, where there is a system of regional government with a ministerial structure. This applies to the three federations of Belgium, Germany, and Austria, and to the United Kingdom, Italy, and Spain, albeit in different ways.

Many regional and local authorities have established offices in Brussels. National laws on this have become more permissive over the years. At present there are over 250 such offices. There are various forms:

- The single regional/local authority office;
- The consortia of regional or local authorities sharing an office;

- The office representing an association of local and regional governments;
- The office representing a cross-border region;
- The office which provides a platform for whichever regional interests choose to use it, as with Scotland House;
- The office representing the social partners rather than just the government, as with the Patronat Català pro Europa.

Regional and local authorities are widely involved in cross-border and inter-regional partnerships, often with EU funding. The new instrument of European Grouping for Territorial Co-operation provides an instrument for this.

Representation in the Committee of the Regions is usually divided among the levels of sub-state government. According to Article 263, EC Treaty, members of the CoR are designated by the relevant national government amongst elected local or regional officers or officers who are politically accountable towards an elected local or regional assembly. Each Member State is free to choose the criteria for the composition of its list of representatives. The list is adopted by the Council by qualified majority voting, but this only amounts to endorsing the proposals made by national governments. The Committee of the Regions has a mandatory advisory competence in the following fields:

- economic and social cohesion;
- education and youth;
- culture;
- public health;
- trans-European networks;
- transport;
- employment;
- social affairs;
- environment;
- European Social fund;
- vocational training.

Furthermore, the CoR may adopt advisory opinions of its own initiative in any field of competence of the EU.

*A general table of correspondence between the CoR's advisory competences and the standard headings used in this study is provided in the report on competences.*

## **8. Bibliography and References**

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Paradoxical as it might seem, there is little useful literature for the subject of this study. There are certainly a lot of publications on local and or regional government in one or the other country examined in this study, and there are numerous journals dealing with local and or regional government. However, most of the useful literature is in the language of the relevant country. Literature in English (or French or German, for instance), even when it is of an excellent academic level, is often imprecise and almost always not comprehensive as far as factual data is concerned, and gives more attention to the analysis of issues which are important and interesting for political scientists or legal scholars. Furthermore, the topic of local and regional government is affected by almost constant changes, as well as specific organisational structures as competences are concerned, which results in the fact that literature is very quickly outdated as far as data is concerned, even when the general analyses remain unaffected.

For these reasons, and in order to avoid important discrepancies between the different country reports, we have preferred not to give other references in the country reports than indications of the main official Websites, which should be able to be tracked easily even if the addresses change.

The same reasons – apart from specific disciplinary reasons and the inherent difficulty of conducting good comparative studies – explain the scarcity of comparative studies on the subject of local and regional government.

To our knowledge, the only general and rather comprehensive study on regional and local government across EU member states is the French language publication by **Alain Delcamp and John Loughlin (eds.) *La décentralisation dans les Etats de l'Union européenne*, Paris: La Documentation Française, 2002, 334 p.** It is however already outdated, as it was published before the 2004 enlargement, and as there have already been several important reforms in some of the countries studied.

Another interesting comparative publication, more ancient and covering a larger number of countries, is **OECD-PUMA, *Managing Across Levels of Government*, Paris:OECD, 1997, 468 p.**, also available in French under the title *La gestion publique à travers les différents niveaux d'administration*.

On the topic of relations with the EU, the most up-to-date and useful publication is the study by ISSiRFA, *Procedures for local and regional authority participation in European policy making in the Member States*, Brussels: Committee of the

Regions, 2005, 337 p., which also contains some useful references (see the DOCUMENTS / Studies page of the CoR Website).

On the topic of finances, the most useful publications, which have been used for the country studies, are the *Government Finance Statistics* published by the International Monetary Fund (information and references available at <http://www.imf.org/>), OECD, *Taxation Powers of State and Local Government*, Paris: OECD Tax Policy Studies 1, 1999, as well as the yearly, OECD Economic Surveys (information and references available at <http://www.oecd.org/>) and the World Bank study PWC, *Local Government and Grant Distribution. An International Comparative Study* (available at <http://www1.worldbank.org/wbiep/decentralization/library1/Local%20Government%20Grant%20Distribution.pdf>).

As a complementary bibliography in the English language, the following may be of interest to readers:

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# AUSTRIA

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<sup>8</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>9</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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The Constitution of the Republic of Austria was adopted in 1920 and reinstated in 1945.

The principle of local self-government was enshrined in the Constitution (Art. 116) by an amendment in 1929. In 1962, the Federal Constitution was revised to expand local self-government. Amendments in 1974, 1983, and 1988 modified the federal system.

Austria has been a member of the European Union since 1995. It sends twelve members to the Committee of the Regions, nine from the *Länder* and three from the municipalities.

## 2. System of Government and Electoral System

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### State system

Austria is a federal republic, with nine federal states (*Bundesländer*).

The system is one of cooperative federalism, without a clear division of competences between levels. Austria is considered to be a very centralised federation following a compromise in 1920 between supporters of a unitary and of a federal state. The 1983 Amendment to the Federal Constitution scaled down the federal government influence on the *Länder*. The following year, a second amendment consolidated the role of the *Bundesrat* (Federal Council) and the powers of the *Länder*. Four years later, another amendment in 1988 gave the *Bundesrat* extra powers, while the *Länder* were given the power to conclude international agreements.

An attempt to reassign competences to compensate the *Länder* for their loss of influence consequent to EU accession failed in the 1990s. A Constitutional Convention met between 2003 and 2005 but failed to reach agreement. The new government in 2007 proposed to pursue reforms in the administrative courts; enhance the role of the *Länder* in education; concentrate the administration of welfare at the regional level; enhance the autonomy of the *Länder*; and create a 'third pillar' for cooperative legislation between the two levels.

Local Authorities (*Gemeinden*) have the right to local self-government.

## **Regional level<sup>10</sup>**

The nine regions (*Länder*) have their own constitutions and legislative powers. Vienna, as federal capital city, is a *Land* with some specific features.

The regional Parliament (*Landtag*) is composed of members elected by a proportional system for a 5- or 6-year term.

The regional government is headed by a governor (*Landeshauptmann*), elected by the regional parliament, and sworn in by the federal president. As the *Länder* are responsible for implementing federal laws, the governor is responsible to the federal government for their implementation, as well as to the *Landtag* for regional matters.

In some *Länder*, the regional government (*Landesregierung*) is composed proportionately of all parties represented in the parliament. In others, the majority party forms a government alone or coalition with other parties. Ministers do not need to be members of Parliament.

## **Provincial level**

Ninety-nine district administrative administrations provide deconcentrated administration for both the federal and the *Land* governments and, by agreement, the local authorities (*Gemeinden*). The district commissioner is appointed by the regional government.

## **Municipal level**

There are 2 358 municipalities (*Gemeinden*).

The municipal council (*Gemeinderat*) is elected by proportional representation for a 5- or 6-year term depending on the *Land*. The municipal council appoints the members of the local administrative board (*Gemeindevorstand*) from different political parties, proportionally to the electoral result of each party.

The mayor (*Bürgermeister*) is the head of the municipal administration. Depending on the *Land*, (s)he may be elected by the municipal council or by direct universal suffrage, as is the case in most *Länder*. The mayor manages the executive board and chairs the municipal council. (S)he is a member of the local council (although

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<sup>10</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

not necessarily in the cases of Vienna or Styria) and of the local administrative board.

### **3. Main Competences<sup>11</sup>**

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#### **General principles**

Austria has a system of cooperative federalism. There is no absolutely clear distinction between the tiers, and most legislation takes place at the federal level; the *Länder* fill in the details and, together with local authorities, administer the legislation. Framework laws, however, tend to be tightly drafted, leaving the *Länder* with little discretion. The Constitution guarantees self-government and gives indications on the distribution of competences between the Federation and the *Länder*.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Regional<sup>12</sup> competences**

There is a very complicated and detailed division of competences between the federal and regional levels. Constitutional principles regarding the *Länder* are to be found in Articles 95-107 of the Constitution for the *Länder*, and Articles 108-114 for the capital, Vienna.

There are four categories of legislation.

Where the Federation has exclusive powers of legislation and implementation:

- federal constitution;
- external affairs;
- defence;
- entry and exit, immigration;
- federal finances;
- monetary system;
- most civil law;
- peace, order, and security;

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<sup>11</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

<sup>12</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

- trade, industry, and competition;
- railways, aviation, and shipping;
- labour law;
- federal police.

Where the federal level passes legislation, but the *Länder* implement it:

- nationality;
- professional associations;
- social housing;
- police:
  - o highway police;
- health:
  - o public health;
- transport:
  - o inland shipping;
- education:
  - o subject to dominant federal role.

Where the federal level passes framework legislation and the *Länder* apply it through secondary legislation:

- social welfare;
- health:
  - o hospitals;
- planning;
- agriculture:
  - o plant health and disease control and land reform;
- labour:
  - o labour legislation in agriculture.

Where the *Länder* both legislate and implement:

- This applies to everything else.

Matters not expressly reserved to the federal level are the competence of the *Länder*. According to Article 15 of the Constitution, *Länder* are responsible for all areas of legislation and implementation which are not specifically within the purview of the *Bund* (Federation). In practice, the predominance of legislative authority lies with the federal State. On the other hand, the *Länder* are also responsible for the implementation of many federal laws.

## **Provincial<sup>13</sup> competences**

Districts do not have their own competences as they are mere administrative units.

## **Municipal competences**

The local authorities carry out the duties delegated to them by the federations and the *Land*.

Constitutional principles regarding the local authorities are to be found in articles 115-120.

The main tasks of local authorities concern:

- civil service
  - o appointment of local officers and public servants;
- police
  - o public order and local police;
- transport;
- local traffic management and urban transport;
- local planning;
- social welfare:
  - o social services and local health regulations;
- environment:
  - o water, sewage, roads and household refuse;
- culture and recreation.

## **Finance**

Financial relationships between the tiers of government in Austria are based on the constitutional principle that responsibilities must be accompanied by appropriate resources. The types of taxes and duties that may be levied by the federation, the *Länder*, and the municipalities are laid down in the Financial Constitution (*Finanzverfassungsgesetz*) of 1948.

Austria is a centralised federation, in which the federal government retains a dominant role in fiscal relations. Sub-national governments are responsible for 30 per cent of total public expenditure, with *Länder* responsible for 16 and municipalities for 14 per cent, respectively (OECD 2006). The fiscal autonomy of the sub-state entities is also limited, as only 26 per cent of their total revenues are derived from their own source revenues (PWC 1999). It is mainly the federal

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<sup>13</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

government and municipalities that raise taxes, while the *Länder* have few tax-raising powers.

### *Länder*

*Länder* governments are financed by four main sources: general grants, specific grants, shared taxes, and autonomous taxes. Shared taxes and autonomous taxes constitute about 30 per cent of *Länder* revenues (IMF 1998), but shared taxes represent nearly all (98 per cent) of this. This means that *Länder* have little to no autonomous taxation powers. However, the *Länder* governments do enjoy substantial control over these taxes, since their consent is required before any changes can be made to the formula for the allocation of revenue – in practise, the share is always determined after negotiations and an agreement between different levels of government has been reached (OECD 1999).

### *Municipalities*

Municipalities are financed by similar sources – general grants, specific grants, shared taxes, and autonomous taxes – but enjoy greater autonomy than *Länder* governments. Shared taxes constitute the main source of income for municipalities (42 per cent) and include fixed shares of the tax yield on income, capital, and ground purchases in their territory, as well as a flexible share of taxes on corporate profits, wages, VAT, and alcohol (IMF 1998, PWC 1999). The autonomous tax revenue of municipalities accounts for 15.6 per cent of their revenues and includes taxes on income, property, residency, tourism, and alcohol. The trade and wealth taxes were abolished in 1994 and replaced by a single communal tax (a payroll tax). At present, somewhat more than half of the municipalities' own source tax revenues consist of the communal tax. However, the most important tax for which the municipalities have discretion in setting the rate is the real estate tax, which accounts for about 4.5 per cent of the municipalities' total revenues (OECD 2006).

## **4. Intergovernmental Relations and Participation in the EU**

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### **Intergovernmental relations**

*Länder* are represented in the *Bundesrat* (Federal Council), whose members are elected by the *Länder* Parliaments. The *Bundesrat* can delay, but not veto, federal legislation. Since 1984, it has been able to veto constitutional amendments that alter the balance of power between the two levels.

The federal president can dissolve the regional parliament on a proposal by the federal government, subject to the opinion of the *Bundesrat*. The federal government has a delaying veto on the laws of the *Länder*.

Regional governors are sworn in by the federal president. They are bound by the instructions of the federal government and its ministers in so far as they are carrying out federal policy.

The Austrian Constitutional Court (*Verfassungsgerichtshof*) rules on disputes about competence between the *Bund* and the *Länder*. It has tended to give a centralist reading to the Constitution. It has further limited *Land* autonomy through the principle of the duty of federal consideration (*bundesstaatliche Rücksichtnahmepflicht*).

The Conference of Governors (*Landeshauptmännerkonferenz*) represents the *Länder* in negotiation with the federal government, although it is not provided for in the Constitution. Inter-regional forums, strictly at the civil servant level, are the *Landesamtdirektorenkonferenz* and the *Länderexpertenkonferenzen* of all regions.

The Constitution lays down the functions and tasks of the Austrian Association of Cities and Towns (*Österreichischer Städtebund*), representing 248 local governments (especially the big cities) and of the Austrian Association of Municipalities (*Österreichischer Gemeindebund*), representing and medium-size local authorities of the countries, with a membership of 2 346.

The Austrian Association of Cities and Towns (*Österreichischer Städtebund*) represents its members in budgetary and taxation negotiations between the federal government, the provinces, and the municipalities. It is consulted on federal legislation and nominates members to advisory bodies at the *Land* and federal levels.

The *Land* Government appoints the District Commissioner, the regional Minister-President has a supervisory right over local authorities. District administrative authorities carry out ex post facto checks and exert supervisory authority over local authorities.

## **Relations with the EU**

All but one of the Austrian *Länder* have representation offices in Brussels.

Provision for the participation of the *Länder* in the EU is made in the modification of Article 10 of the Constitution in 1992, and the elaboration of a new Article 23 (d) in 1994. A procedure of consultation between the parties was set up, whereby the Federal State is obliged to inform the *Länder* and give them the opportunity to take a position on any proposals within their fields of competence. The *Länder* can

express their viewpoints on EU matters to the state individually or jointly, through the Conference of Integration of the *Länder* or the Conference of the Presidents of the *Länder*. If the State receives a unitary position of the *Länder* on some EU proposal within *Land* competence, it is bound to respect that opinion during negotiations and voting on that proposal at the EU level. The state can depart from the *Länder*'s unitary position only for urgent reasons related to foreign policy and integration. In such an event, these reasons must be immediately communicated to the *Länder*.

*Länder* representatives can attend the Council of Ministers at the invitation of the federal government and, once there, must cooperate with the federal government. This is a weaker form of representation than exists in Germany or Belgium. Within the Austrian Permanent Representation a Department for Länder and Regional Affairs is installed. That department is headed by a Länder civil servant and fulfils the same tasks as all other departments of the Permanent Representation; it deals in particular with all dossiers within the sphere of competence of the Länder.

The Austrian Association of Cities and Towns and the Austrian Association of Municipalities have offices in Brussels, integrated into the Austrian permanent representation. They also represent municipal concerns about EU matters to the federal government.

## 5. References

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### Official Government Website:

<http://www.austria.gv.at/>

**Constitution:** See <http://www.oesterreich.com/deutsch/staat/b-v-g-inh.htm>

There is no official full English translation available on the Internet. A selection is present on <http://www.austria.gv.at/DocView.axd?CobId=12597>

### Austrian Association of Municipalities

Web: <http://www.gemeindebund.at/>

### Austrian Association of Cities and Towns

Web: <http://www.staedte.at/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Austria**  
**Inhabitants 8.2 million<sup>14</sup> – 83 858 km<sup>2</sup>**

<b>EU Membership</b>	Since 1995 – 12 members of the CoR
<b>State system</b>	Federal Republic One chamber of the Federal Parliament is elected by regional parliaments: the Federal Council ( <i>Bundesrat</i> )
<b>Regional level<sup>15</sup></b>	9 federal States ( <i>Bundesländer</i> ), including the capital Vienna Directly elected regional parliaments ( <i>Landtage</i> ) Executive elected by regional parliament, including the Governor ( <i>Landeshauptmann</i> ) who is sworn in by the Federal president.
<b>Provincial level</b>	No elected authorities
<b>Municipal level</b>	2,358 municipalities ( <i>Gemeinden</i> ) Directly elected municipal council ( <i>Gemeinderat</i> ) Executive appointed by municipal council, including the mayor ( <i>Bürgermeister</i> )
<b>System of Competences</b>	Federal States have legislative and administrative competences Municipalities have only administrative competences The constitution distinguishes between areas of exclusive federal powers of legislation and implementation; areas where federal legislation is implemented by the <i>Länder</i> ; areas where federal framework legislation is complemented by <i>Länder</i> legislation; and areas where the <i>Länder</i> have both legislative and implementing powers. Municipalities act upon delegation by the Federation and by the <i>Länder</i>
<b>Intergovernmental relations</b>	The Governor of the Land ( <i>Landeshauptmann</i> ) is not only the regional executive but also in charge of carrying out State legislation and regulation at regional level <i>Länder</i> representatives can attend the EU Council of Ministers at the invitation of the federal government

<sup>14</sup> Eurostat 2006-2007.

<sup>15</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# **BELGIUM**

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<sup>16</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>17</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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The kingdom of Belgium was formed in 1830 as a unitary state. There have long been tensions between the Flemish and French language communities and, from the mid-twentieth century onwards, economic disparities between the regions of Flanders and Wallonia. Brussels, physically surrounded by Flanders, is bilingual. Over a long period, constitutional reforms have sought to manage these tensions. There have been five major state reforms, in 1970, 1980, 1988-89, 1993 and 2001 expanding the power of the regions and communities and, in 1993, formally converting Belgium into a federation. Further constitutional reforms are always pending, and there is pressure from the Flemish side for more devolution.

Belgium is a founding member state of the European Communities and the European Union. Twelve members of the Committee of the Regions are elected from Belgium, including one from the German-speaking Community, two from Brussels, five or six from Flanders, and three or four from Wallonia.

## 2. System of Government and Electoral System

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### State system

Belgium is a federal state composed of three regions and three (language) communities.

The upper house of the Federal Parliament, the Senate is elected on the basis of a system providing for the representation of regions and communities (Art. 67 of the Constitution). It has no veto powers over federal legislation.

Below the regions, there are provinces and municipalities.

### Regional level<sup>18</sup>

The three communities are:

- The Flemish Community (*Vlaamse Gemeenschap*)
- The French Community (*Communauté française*)
- The German Community (*Deutschsprachige Gemeinschaft*)

The three regions are:

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<sup>18</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

- The Flemish Region (*Vlaanderen*)
- The Walloon Region (*Région Wallone*)
- The Brussels Capital Region (*Région Bruxelles Capital – Brussel Hoofdstedelijk Gewest*)

The territories of regions and communities overlap. Both communities have competence in Brussels, and the German-speaking Community is contained within Wallonia. The institutions of the Flemish Region and Flemish Community were merged after 1980.

There are therefore five legislatures:

The Flemish Parliament has 124 directly elected members, 118 designated by proportional representation from party lists in multi-member constituencies in the Flemish Region, and six members elected from Brussels who participate only in Community matters.

The Walloon Parliament has 75 members directly elected by proportional representation from party lists in multi-member constituencies.

The Brussels Region Parliament has 89 members, elected by proportional representation from separate Flemish and French-speaking party lists in multi-member constituencies 72 French and 17 Flemish. Within this parliament, there are separate French and Flemish Commissions.

The French Community Parliament has 94 members indirectly elected, including the 75 members of the Walloon Parliament and 19 chosen from the Brussels Region Parliament.

The German-speaking Community Parliament has 25 members elected by proportional representation from party lists.

All of the parliaments are elected for a five-year term.

Each region and community has a government elected by the Parliament and which in turn elects a president (known as minister-president in Flanders). In Brussels, the government has five members, two from each language group and the president, who can be from either group.

## **Provincial level**

There are ten provinces (*province – provincie*), now contained within the respective Flemish and Walloon regions. The Brussels Region directly exercises provincial competences.

The provincial council is directly elected by universal suffrage for a six-year term, by proportional representation from party lists within electoral districts. Electors may vote for an entire list or change the order of names on it.

The permanent deputation is the executive authority government, elected by the provincial council.

The governor of the province attends the deputation sessions. (S)he can also attend sessions of the provincial council (one a month, except July and August). The governor is appointed by the Minister-President of the regional government on the nomination of the regional government. The governor is not a member of the provincial council.

Brussels is not part of any province. However, the Brussels Capital Region also has provincial competences.

## **Municipal level**

There are 589 municipalities (*commune – gemeente – Gemeinde*):

- Wallonia contains 262, including 9 German-speaking municipalities.
- Brussels contains 19.
- Flanders contains 308.

The municipal council is elected by direct universal suffrage for a six-year term by proportional representation from party lists. Electors may vote for an entire list or change the order of names on it.

The college of the mayor and aldermen is composed of the mayor and his aldermen. They are elected from and by the municipal councillors and they remain members of the council. This executive body implements the decisions of the municipal council and is in charge of the day-to-day management of the municipality.

The mayor chairs the college of the mayor and aldermen as well as the municipal council. (S)he is appointed by the regional government at the recommendation of

the municipal council for a six-year mandate. The mayor is a member of the municipal council. (S)he is in charge of the municipal administration and heads the municipal police.

Note: Each municipality has a Public Centre for Social Welfare (CPAS in French, OCMW in Dutch) that has an autonomous status and is in charge of social services (hospitals, elderly care, integration, poverty).

### **3. Main Competences**

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#### **General principles**

In principle, the Belgian Constitution (Art. 105-114; 127-140) aims to divide powers between the federal and the regional and community governments on an exclusive basis. In practice, it is hard to separate competences clearly. Eventually, it is intended that the federal government will have only specific assigned competences, with all other competences going to the regions and communities. In reality, it has proved necessary to specify competences in order to indicate whether they should go to the regions or to the communities.

The federal state retains important domestic competences, including the judicial system, the police, and important elements of social security, including unemployment, pensions, child benefits and health insurance, as well as state-owned companies and federal scientific and cultural institutions. A feature of the Belgian system is that regions and communities have responsibility for the international and European aspects of their domestic competences, within the limits of Belgian foreign policy interests. Regions and communities have both legislative and administrative competences, and there is no hierarchy among federal, regional, and community laws, with the exception of the Federal Constitution and special federal laws, adopted with qualified majority. In recent years, the French Community has transferred some of its competences to the Walloon Region, and the Walloon Region has transferred some of its competences to the German-speaking Community.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

## **Regional competences<sup>19</sup>**

Regions have powers in fields that are connected with their region or territory in the widest meaning of the term.

- urban policy and regional planning;
- economic development:
  - o public works and infrastructure;
  - o external trade (shared);
  - o energy (shared);
  - o research and development;
- housing;
- environment;
- international dimension of domestic competences;
- supervision of municipal and provincial activities;
- transport (shared);
- labour (employment – shared);
- agriculture.

## **Community competences**

Communities have responsibility for ‘personalisable’ services, those delivered to individuals and where language is therefore important:

- health:
  - o public health;
- social services;
- culture (incl. use of languages);
- education and training (except for minimum standards for award of diplomas);
- international dimension of domestic competences;
- media:
  - o radio;
  - o television;
- economic development;
  - o research and development.

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<sup>19</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country’s constitution and laws.

## **Provincial competences**

- planning and urban policy (in Flanders);
- education:
  - o initiative powers;
- culture and sport:
  - o initiative powers;
- implementation of federal, community and regional legislation and regulations;
- general affairs of the provinces.

## **Municipal competences**

- police:
  - o local police and maintenance of public order;
- organisation of elections;
- registration of births, marriages and deaths;
- planning (local);
- transport:
  - o local roads;
- social welfare.

## **Finance**

The gradual transition of Belgium from a unitary to a federal system of government has been accompanied by a complex system of finance that reflects the dual and non-symmetrical structure of the state. The latest reform to the financing of sub-state entities, approved with the Special Law of 13 July 2001, restructured the financing of communities and significantly extended the fiscal responsibility of regions.

Regions and Communities are jointly responsible for about 25 per cent of total public expenditure and are attributed 24 per cent of tax revenues.

### *Communities*

Communities are financed by federal government transfers, shared community/federal taxes (VAT and personal income tax), radio and television licence fees, and government funding for foreign students. The bulk of their taxation revenue derives from the shared tax revenue from VAT (73 per cent) and personal income tax (24 per cent). The formula for calculating shares is subject to a special law in Parliament requiring a majority of each linguistic group. Communities have a constitutional right to levy taxes but have not used this

prerogative because of the difficulties associated with the power of the French and Flemish communities in the Brussels area, as well as the absence of citizen community identification in Brussels.

### *Regions*

Regions are financed by four components: a federal personal income tax transfer, an equalisation grant, specific purpose grants, and autonomous regional taxes. Their autonomous regional taxes derive principally from personal income tax (80 per cent) and from property taxes, inheritance taxes, transaction taxes and other consumption taxes, over which they are free to set the rate. Since 2001, regions can set the rate, base, and exemptions of taxation over withholding tax on securities, tax on gambling machines, tax on betting and gambling, tax on opening of bars, and tax on inheritance. In addition, a reform of the joint regional/federal tax on personal income permits regional authorities to levy a surcharge or a reduction on personal income tax, which can take the form of a general lump-sum reduction or surcharge rather than a proportional one.

### *Local Authorities*

Local authorities comprise municipalities and provinces. The revenue of municipalities and provinces is controlled by regions. Municipalities can introduce the type of taxes under the remit of regions and are free to set the rate and base of taxes. An example is the property tax or income tax, the base of rate of which is levied by the region, while municipalities are free to establish the rate of supplementary tax. However, regional governments can impose restrictions, both on the type of tax and on the rate at which it is levied. The tax autonomy of provinces is not significant and includes a surtax on property.

## **4. Intergovernmental Relations and Participation in the EU**

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### **Intergovernmental relations**

The Belgian Senate is partly a house of territorial representation. It consists of:

- 40 senators elected directly by proportional representation (25 from the Flemish and 15 from the French Community);
- 21 selected by the community parliaments (ten each from the French and Flemish communities and one from the German-speaking community);
- 6 Flemish and 4 French-speakers co-opted by the other members.

The Senate does not have veto power over ordinary legislation, but its consent is required for constitutional changes. It has an important role in mediating conflicts

among the levels of government.

The federal government must contain equal numbers of French and Flemish speakers (excluding the prime minister). Certain legislation requires the support of members of both language communities.

The distribution of competences between the regions and communities and the federal level is subject to judicial control. The federal Court of Arbitration can annul legislation that contravenes the division of powers. The Council of State advises on the constitutionality of legislation and can rule administrative acts unconstitutional.

The Concertation Committee is a multilateral body of federal and subnational ministers that seeks to negotiate solutions to conflicting policies.

Interministerial conferences cover some fifteen policy domains and have negotiated a number of policy agreements.

Municipalities do not have direct links with the federal government but come under the tutelage of the regional governments.

## **Relations with the EU**

Coordination of Belgian positions within the EU is undertaken by the Directorate for European Affairs in the Foreign Ministry, which convenes a Coordinating Committee on European Affairs. Where regional or community matters are concerned, agreement requires the consent of all the relevant governments. If this is not forthcoming, the matter can be referred to the Interministerial Conference for Foreign Policy and thence to the Concertation Committee. If agreement is not reached, Belgium has to abstain in the Council of Ministers.

Belgian regions and communities make use of Article 203 to participate in the Council of Ministers. Matters are divided into those predominantly concerning the federal, the regional, or the community governments; representation in the Council of Ministers is arranged accordingly, either by only one level representing Belgium or by a joint delegation. Matters are classified as follows:

- exclusive competences of the federal government;
- shared competences;
- shared competences with a dominant federal share;
- shared competences with a dominant sub-state share;

- exclusive regional or community competences;
- competences of one regional government. This in practise refers to fisheries and Flanders;
- exclusive regional competences but with the federal government taking the lead. This applies to agriculture.

Where there is exclusive competence, the respective level nominates the representative and assistant representative. In other cases (including the last two), the predominant government nominates the representative and the other government the assistant.

In practice, a great many matters are resolved by informal negotiation among ministers and levels of government.

## **5. References**

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### **General Federal Website**

<http://www.belgium.be/eportal/index.jsp>

### **Brussels Region**

<http://www.bruxelles.irisnet.be>

### **Constitution**

[http://www.fed-parl.be/constitution\\_uk.html](http://www.fed-parl.be/constitution_uk.html)

### **Federal Government, Minister of Finance**

<http://minfin.fgov.be/>

### **Flemish Government**

<http://www.flanders.be>

### **Union of Belgian Cities and Municipalities**

<http://www.uvcb-vbbsg.be/choifed.htm>

### **Union of Flemish Provinces**

<http://www.vlaamseprovincies.be>

### **Union of Walloon Provinces**

<http://www.apw.be>

### **Walloon Government**

References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 6. Synopsis

<b>Belgium</b> <b>Inhabitants 10.4 million<sup>20</sup> – 30 528 km<sup>2</sup></b>	
<b>EU Membership</b>	Founding member 1951 – 12 members of the CoR
<b>State system</b>	Federal Kingdom One chamber of the Federal Parliament is elected to represent the components of the federation, regions and communities: the Senate
<b>Regional level<sup>21</sup></b>	3 regions ( <i>gewesten-regios</i> ) and 3 (linguistic) communities ( <i>gemeenschappen, communautés, Gemeinschaften</i> ) Directly elected regional/community parliaments Executive elected by regional parliament The institutions of the Flemish region and Flemish community are merged
<b>Provincial level</b>	10 provinces ( <i>provinciën, provinces</i> ) Directly elected provincial council Executive appointed by provincial council. A governor appointed by the King on the nomination of the regional government, attends deputation and council sessions.
<b>Municipal level</b>	589 municipalities ( <i>gemeenten, communes, Gemeinden</i> ) Directly elected municipal council Executive appointed by municipal council, mayor ( <i>burgermeester, bourgmestre</i> ) appointed by regional government
<b>System of Competences</b>	Regions and communities have legislative and administrative competences Municipalities have only administrative competences The Constitution and relevant legislation tries to allocate

<sup>20</sup> Eurostat 2006-2007.

<sup>21</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

	<p>competences specifically to either the regions, the communities or the federation.</p> <p>Regions and communities have external relations powers in their respective fields of competence</p>
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# **BULGARIA**

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<sup>22</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>23</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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Bulgaria is a parliamentary republic under the Constitution of 1991, which stipulates that it is a ‘unitary state with local self-government’ (see Art. 135-146). No autonomous territorial formations shall be allowed to exist therein’ (article 2). After the transition to democracy, a law on local self-government was adopted in 1991 and amended in 1995, 1999, and 2003. In 2002, legislation was introduced providing for more financial autonomy for local government.

Bulgaria has been a member of the European Union since 2007. Twelve members of the Committee of the Regions represent Bulgarian local government.

## 2. System of Government and Electoral System

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### State system

Bulgaria is a unitary state composed of regions (*oblasti*), administrative districts, and municipalities (*obshtini*). The Local Self-government and Local Administration Act was adopted in 1991 and amended in 1995, 1999, and 2003.

### Regional level<sup>24</sup>

There are six planning regions, without their own governments.

### Provincial level

There are twenty-eight administrative districts (*oblasti* – sometimes called ‘regions’), which are deconcentrated divisions of central government run by a regional governor appointed by central government, aided by a regional administration.

### Municipal level

There are 264 municipalities (sing. *obshtina*). The municipal council (*obshtinski savet*) is elected by proportional representation for a four-year term. Members of the municipal council elect their president from among themselves. The president convenes and chairs the council, and coordinates the commissions’ work.

The mayor (*kmet*) is the executive leader of the municipality. (S)he is directly elected in a two-ballot system for a four-year term. If no candidate receives a majority of votes in the first round, the two highest placed candidates proceed to a

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<sup>24</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

second round. His/her role is to manage, coordinate, and implement policies adopted by the municipal council and to represent the municipality externally.

#### *Local and neighbourhood level*

There are 3 850 mayoralties and districts. Of these, 24 are in Sofia (the capital), 6 in Plovdiv, and 5 in Varna. Towns of more than 100,000 inhabitants may establish districts.

The municipal mayor is directly elected where there are more than 250 inhabitants. The district mayor is elected by the council.

### **3. Main Competences**

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#### **General principles**

Local governments have only administrative competences. The Constitution guarantees self-government but gives no indication on competences.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Regional competences**

The six planning regions have no competences of their own but are concerned with regional development broadly speaking.

#### **Provincial competences**

The administrative districts do not have their own competences but administer central government policy.

#### **Municipal competences<sup>25</sup>**

- registration (births, marriages and deaths);
- public spaces (including cemeteries);
- housing;
- local planning;
- education:
  - o establishment and maintenance of primary and secondary schools;
- health:
  - o municipal hospitals and public health;

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<sup>25</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

- social welfare:
  - o social services;
- culture, sport and leisure;
- transport:
  - o urban public transport;
  - o maintenance of local roads and bridges;
- environment:
  - o water supply and sewage;
  - o household refuse and waste;
- local referenda.

#### *Mayoralties and districts*

- public works;
- civil service:
  - o appointment of staff;
  - o organisation of the provision of administrative services;
- environment;
- registration (civil registers);
- police:
  - o public order and civil defence;
- representing the mayoralty or district.
- 

In addition, municipalities may decentralise further tasks to this level.

## **Finance**

Bulgaria's Constitution recognises the existence of local government but explicitly provides that the National Assembly has the prerogative of setting taxes (Art. 84), thereby forbidding local councils from imposing additional tax burdens on citizens.

Bulgaria is a centralised state in terms of intergovernmental fiscal relations. Sub-national governments are responsible for 17.5 per cent of total public sector expenditure and are allocated 16.9 per cent of total consolidated government revenue. However, as they have no power to levy taxes, their fiscal autonomy is tightly circumscribed.

#### *Local Government*

The composition of the revenues of local governments in 2000 was as follows: 39.9 per cent derived from central government grants, 46.3 per cent from taxation revenue, and 13.8 per cent from non-tax revenue.

The revenue from taxation comprises taxation on incomes, profits, and capital gains (28.3 per cent); taxes on payroll and workforce (60.6 per cent); and taxes on property (10.3). The entirety of taxation revenue is shared between the central government and municipalities. The formula allocating taxation revenue share is either set in legislation and may be changed unilaterally by the central government, or set in parliament as part of the government budget.

## **4. Intergovernmental Relations and Participation in the EU**

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### **Intergovernmental relations**

The regional governors and deputy regional governors appointed by the central government oversee the implementation of state policy at the regional level.

Local government is represented by the National Association of Municipalities of the Republic of Bulgaria (NAMRB), established in 1996. In 2001, a Cooperation Agreement was signed between the Council of Ministers of Bulgaria and (NAMRB) (2001). The Association has the right to:

- a. represent the municipalities before the central authority and foreign organisations;
- b. protect municipal rights and interests;
- c. work out proposals for changes in the legal base of the local government;
- d. annually conduct consultations with the Ministry of Finance on the state draft budget concerning the section in regard to municipalities.

### **Relations with EU**

Presently, the President of NAMRB is also head of the Bulgarian delegation in the Committee of the Regions.

On Participation in the EU, see ‘Municipal Action Plan for the Accession of Bulgaria to the EU 2004 – 2007’ (Appendix).

The NAMRB has a representative office in Brussels.

## **5. References**

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### **Official Websites of the Bulgarian Government**

<http://www.government.bg/>

<http://www.online.bg/>

## Constitution

<http://www.online.bg/law/const/const0.htm>

## National Association of Municipalities in the Republic of Bulgaria

[www.namrb.org](http://www.namrb.org)

References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Bulgaria**  
**Inhabitants 7.8 million<sup>26</sup> – 110 912 km<sup>2</sup>**

<b>EU Membership</b>	Since 2007 – 12 members of the CoR
<b>State system</b>	Unitary state
<b>Regional level<sup>27</sup></b>	No elected authorities
<b>Provincial level</b>	No elected authorities
<b>Municipal level</b>	264 municipalities ( <i>obshtini</i> ) Directly elected municipal council ( <i>obshtinski savet</i> ) Directly elected executive: mayor ( <i>kmet</i> ) 3,850 mayoralties and districts (local and neighbourhood level) with elected council and mayor
<b>System of Competences</b>	Municipalities have only administrative competences
<b>Intergovernmental relations</b>	Local government is represented by the National Association of Municipalities of the Republic of Bulgaria, which has a representation office of in Brussels

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<sup>26</sup> Eurostat 2006-2007.

<sup>27</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# CROATIA

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<sup>28</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>29</sup> References to publications are to be found in Chapter 1 when available in English language and not at risk of being too quickly outdated.

## **1. Introduction**

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Croatia became independent in 1990, and its Constitution of that year guarantees local self-government (Art. 116).

The local government system is based on the Constitution (Art. 132-137) and on the Act on Local Self-Government and Administration (1992).

Croatia is not a member of the European Union but is a candidate for membership.

## **2. System of Government and Electoral System**

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### **State system**

Croatia is a unitary state with county and municipal levels of self-government.

### **Provincial level<sup>30</sup>**

There are twenty counties (*županijas*) and the capital city of Zagreb, which has the status of a county.

Each county has an assembly (*županijska skupština*) directly elected by proportional representation from closed lists across the entire county. Assembly members are elected for four-year terms. The county assembly elects the executive county leadership.

The leader of a county is a *župan* (sometimes translated as prefect or governor), who has one or two deputies (*dožupan*). The *župan* presides over the county's executive government (*županijsko poglavarstvo*) and represents the county in external affairs. As of May 2009 the county leader and deputy leader will be directly elected by the citizens by a two-round majority vote.

The county council elects the executive board, whose members usually head departments. As of May 2009 the executive board will no longer exist.

Any town with a population over 35 000 or being the seat of the county can take over a part of the jurisdiction of its county. All other towns can take over a part of the jurisdiction of the county pending approval by the county assembly and the Central State Office for Administration.

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<sup>30</sup> Please note that the standardized English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

## **Municipal level**

Within the counties are municipalities (*općine*) and cities (*gradovi*). Their formal powers are similar, but city status is awarded to settlements with at least 10 000 people and county seats. Historic, economic and geo-transit exceptions can be applied. There are 127 cities and 425 municipalities.

City and municipal councils are elected by a mixed system. Members of the city council are elected for four-year terms. The city or municipal council elects the executive municipal leadership.

The mayor is elected by the city or municipal council. Mayors will be directly elected as of 2009.

The municipal council elects the executive board upon the proposal of the mayor. Executive board members usually head departments. As of May 2009 executive boards will no longer exist.

Note: A provision ensures representation of ethnic minorities on county and municipal councils, where such minorities must comprise at least 5 per cent of the local population.

### *Parish level*

Territorial Committees may be established for smaller settlements. They are elected according to local by-laws. They have consultative powers, and municipalities may delegate matters to them.

### *City of Zagreb*

The city of Zagreb has a special status as both county and city.

Members of the city assembly are directly elected in the same way as in municipalities. The city assembly elects the mayor and members of the city government.

The city executive board members are elected on the mayor's proposal by the city assembly by a simple majority vote.

As of May 2009 the mayor will be directly elected, and the executive board will no longer exist.

Within Zagreb there are 17 city districts, represented by directly elected City District Councils.

### **3. Main Competences**

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#### **General principles**

Local autonomy is weak, and councils work under strict national law and policies. They have limited administrative responsibilities and little policy discretion. The Constitution guarantees self-government but gives no indication on competences.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Provincial competences<sup>31</sup>**

Counties have administrative responsibilities in:

- education;
- health service;
- spatial and urban planning;
- economic development;
- transport:
  - o traffic and traffic infrastructure;
  - o road maintenance;
- planning and developing networks of educational, health, social and cultural institutions;
- issuing location and construction permits (except in territories of large cities);
- other tasks in accordance with the law.

#### **Municipal competences**

- housing;
- management and organisation of the settlement;
- spatial and urban planning;
- health:
  - o child care;
  - o primary health services;
- social welfare;
  - o social care

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<sup>31</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- education:
  - o pre-school and primary education;
- culture and sports;
- consumer protection;
- environmental protection;
- fire-fighting;
- civil protection
- traffic management
- other tasks in accordance with the law.

In addition to municipal competencies, cities with a population above 35 000 and county seats issue construction and location permits, and should maintain all public roads in the territory of the city. However, the Law on Public Roads has still not been harmonised with the Law on Amendments to the Law on Local and Regional Self-Government (2005) and the authority to maintain roads has not yet been devolved to cities a with population above 35,000.

## **Finance**

Croatia is a centralised state in matters of intergovernmental fiscal relations.

### *Counties*

The revenue of local units, both counties and municipalities, is divided into central government grants, taxation revenue, and non-taxation revenue. Taxation revenue is the leading budget item in both local units. For counties, local revenue is composed in the following way: 56.86 per cent of taxation revenue, 15.47 per cent of non-taxation revenue, 2.26 percent of capital revenue, and 25.41 percent of subsidies. The bulk of taxation revenue is made up of shared taxation, as only 4 per cent of taxation revenue is accounted for by local taxes. Autonomous taxation has a very small influence on the fiscal capacity of local units. The revenue from shared taxation is allocated in the following way for counties: 15 per cent of income tax (15.5% as of 1 July 2008). Counties can levy taxes on inheritance and gifts, motor vehicles, organisation of sports, and entertainment events. They are free to set the rate on these taxes but cannot introduce new types of taxes apart from the ones stipulated under Law on Financing of Units of Local Self-Government.

### *Municipalities*

The budgets of municipalities are composed in the following way: 56.49 per cent taxation revenue, 30.27 per cent non-taxation revenue, 6.92 per cent capital revenue, 3.31 per cent central government grants. The bulk of taxation revenue is

constituted by shared taxation, as only 4 per cent of their budgets is made up of local taxes. The revenue from shared taxation is allocated in the following way: 52 per cent of income tax (55% as of 1 July 2008), and 60 per cent of real estate tax. Cities and municipalities can levy taxes on consumption, vacation property, advertising, corporation names, and the use of public grounds. They are free to set the rate on these taxes but cannot introduce new types of taxes apart from the ones stipulated under Law on Financing of Units of Local Self-Government.

Profit tax was a shared tax until January 2007 when it became central government revenue, despite local government protests and demands for distribution of profit tax according to the number of inhabitants of each local government.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The Chamber of Counties or *Županijski dom* used to be composed of three deputies from each of the twenty-one counties (*županije*). However, as it had no practical power over the Chamber of Representatives, it was abolished in 2001.

In 2001, there was a separation of the regional self-government (county) from the state administration bodies at the level of the county. As a result, the role of the prefect as head of the county self-government and his simultaneous role as head of the office of the state administration in the county were separated. The state administration at the country level reviews the legality of municipal actions and can suspend them pending a judgment by the Constitutional Court.

### **Relations with EU**

Croatia is not a member of the EU but is a candidate for membership.

## **5. References**

### **Official Website for Croatia**

<http://www.hr/>

### **Constitution**

[http://www.usud.hr/default.aspx?Show=ustav\\_republike\\_hrvatske&Lang=en](http://www.usud.hr/default.aspx?Show=ustav_republike_hrvatske&Lang=en)

### **The Constitutional Court of the Republic of Croatia**

<http://www.usud.hr/default.aspx>

### **President of the Republic**

<http://www.predsjednik.hr/>

### **Parliament**

<http://www.sabor.hr/>

### **National government**

<http://www.vlada.hr/>

### **Official pages on local government**

<http://www.hr/croatia/state/local>

### **HIDRA (Croatian Information Documentation Agency)**

<http://www.hidra.hr/>

References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **6. Synopsis**

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### **Croatia** **Inhabitants 4.4 million<sup>32</sup> – 56 542 km<sup>2</sup>**

<b>EU Membership</b>	Candidate
<b>State system</b>	Unitary state
<b>Regional level<sup>33</sup></b>	No regional government
<b>Provincial level</b>	21 counties ( <i>županijas</i> ) and 1 city (Zagreb) Directly elected assembly ( <i>županijska skupština</i> ) Executive board ( <i>županijsko poglavarstvo</i> ) elected by the assembly
<b>Municipal level</b>	127 cities ( <i>gradovi</i> ) and 425 municipalities ( <i>općine</i> ) Directly elected council Executive board and mayor elected by municipal council (directly elected as of May 2009)
<b>System of Competences</b>	Counties and communes have only administrative competences
<b>Intergovernmental relations</b>	State Administration reviews the legality of municipal actions and can suspend them pending a judgment by the

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<sup>32</sup> Eurostat 2006-2007.

<sup>33</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

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<sup>34</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>35</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Cyprus became independent in 1960. Its Constitution, dating from the same year, recognises the principle of local autonomy (implicitly in Articles 173 to 178). There are lengthy provisions governing the balance of power between the Greek and Turkish communities. Since 1974, the Republic of Cyprus has controlled only part of the island. The remainder is controlled by the “Turkish Republic of Northern Cyprus”, which declared independence in 1984 but is not recognized internationally (except by Turkey). Municipal structure is regulated by a law of 1985 modified by a law of 1999.

Cyprus has been a member of the European Union since 2004. It elects six members of the Committee of the Regions – four from municipalities and two from communities.

## **2. System of Government and Electoral System**

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### **State system**

Cyprus is a unitary state composed of municipalities, communities and districts. There is no regional level, but the island is divided into six districts.

### **Provincial level<sup>36</sup>**

There are six districts (Famagusta, Kyrenia, Larnaca, Limassol, Nicosia, and Paphos), which form a deconcentrated level of central government.

The commissioner of the district is a senior public servant appointed by the government (by the Public Service Commission) as its local representative in the district. (S)he coordinates the State administration. In recent years, more responsibilities have been deconcentrated to this level.

### **Municipal level**

There are two types of local authorities – municipalities (*demos* plural *demoi*) and communities (*koinote* plural *koinotites*) – which are governed by separate laws. In principle, municipalities constitute the form of local government in urban and tourist centres, while communities constitute the local structure in rural areas. There are 33 municipalities, covering approximately 65 per cent of the population,

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<sup>36</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

and 353 Community Councils covering the rest. Nine municipalities, located in the northern part of the island, are “displaced” as a result of the occupation of 37% of the territory of the Republic of Cyprus by Turkey following the 1974 military intervention. They continue to maintain their legal status, although their mayors and councils have temporarily been displaced to the government-controlled area, as have the vast majority of their constituents.

The municipal council is composed of members who are elected by proportional representation for a five-year term. Candidates may be independent or affiliated to party lists. The deliberative assembly sets up commissions to deal with budgetary and other issues. The number of councillors varies from eight to twenty-six, depending on the size of the municipality.

The mayor is the executive authority, directly elected by a single ballot plurality system for a five-year term. The mayor manages the executive board and represents the municipality externally and before any state authority. (S)he also supervises the administration and chairs the municipal council and management committee.

Any community may become a municipality by local referendum, subject to the approval of the Council of Ministers, provided it has either a population of more than 5 000, or has the economic resources to function as a municipality.

Communities elect a president and a Community Council for a term of five years, in the same way as municipalities.

In the communities comprising both Greeks and Turks, there are provisions for the creation of two separate councils.

### **3. Main Competences**

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#### **General principles**

Local governments have administrative responsibilities allocated by national laws. The Constitution guarantees self-government implicitly but gives no indication on competences.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

## **Provincial competences<sup>37</sup>**

The districts, as part of central government, do not have their own competences.

They administer central government policies at district level in:

- public health;
- construction and maintenance of roads;
- collection and disposal of waste;
- trade;
- promotion of the district.

## **Municipal competences**

Municipalities have administrative responsibilities in:

- public health;
- transport:
  - o maintenance and construction of bridges and roads;
  - o street lighting;
- planning:
  - o local planning;
  - o land development;
  - o building permits
- public areas:
  - o parks;
  - o cemeteries;
- environment:
  - o protection of the environment;
  - o waste disposal;
  - o sewage management and treatment;
  - o water supply and management;
- economic development (regulation of trade and business);
- municipal markets and abattoirs.

## ***Communities***

Rural communities' responsibilities are similar to those of municipalities. In practice, due to the limited human and financial resources of communities, responsibilities such as water supply and sewerage are frequently assumed by district services.

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<sup>37</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## **Finance**

Cyprus is a highly centralised country in matters of intergovernmental financial arrangements. The expenditure of the whole Cypriot sub-national public sector<sup>38</sup> represents 2.2 per cent of the national GDP and around 5 per cent of the expenditure of the total public sector.

### *Local Government*

The revenue of local government is constituted principally by central government transfers (one third) and taxation and fees (two thirds) (IMF 2007).

Municipalities and communities are entitled to levy their own taxes, which are imposed according to the provisions of the relevant laws and regulations. They can collect taxes on real estate, property, professions, entertainment, rent, and tourism. Municipalities are free to set the rates, but these must be approved by the Ministry of the Interior.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental Relations**

Districts represent the state and are responsible for the implementation of national policy. The Council of Ministers is responsible for the approval of the budgets submitted by municipalities, while the Ministry of Interior is responsible for the approval of the budgets submitted by the communities.

The Union of Cyprus Municipalities and the Union of Cyprus Communities are the main associations of local authorities in Cyprus. Their core functions are to contribute to the development of local government autonomy, as well as to speak for local government interests vis-à-vis central government.

### **Relations with the EU**

The Union of Cyprus Municipalities has a representation office in Brussels and supports the Cyprus delegation in the Committee of the Regions.

The Union of Cyprus Municipalities and the Union of Cyprus Communities also participate to the decision-making process concerning Cyprus national positions on EU matters through frequent consultations with the national Ministries on various issues.

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<sup>38</sup> The sub-national public sector in Cyprus includes communities, municipalities and water boards.

## 5. References

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### Official Government Website

<http://www.cyprus.gov.cy>

### Constitution

[http://www.mfa.gov.cy/mfa/mfa2006.nsf/constitution\\_en/constitution\\_en?OpenDocument](http://www.mfa.gov.cy/mfa/mfa2006.nsf/constitution_en/constitution_en?OpenDocument)

### Union of Cyprus municipalities

<http://www.ucm.org.cy>

References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Cyprus**  
**Inhabitants 0.4 million<sup>39</sup> – 9 251 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 5 members of the CoR
<b>State system</b>	Unitary republic
<b>Regional level<sup>40</sup></b>	No regional level
<b>Provincial level</b>	Districts
<b>Municipal level</b>	33 municipalities ( <i>demoi</i> ) and communities ( <i>koinotites</i> ) – Directly elected municipal and community councils
<b>System of Competences</b>	Municipalities have only administrative competences
<b>Intergovernmental relations</b>	Union of Cyprus Municipalities and Union of Cyprus Communities

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<sup>39</sup> Eurostat 2006-2007.

<sup>40</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# CZECH REPUBLIC

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<sup>41</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>42</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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The Czech Republic became independent in 1993. The Constitution of 1992 provides for regional and local self-government (Art. 8 and 101). In 1998, provision was made for regions (art. 99), which were elected in 2000. District offices were abolished by an act of 2003.

The Czech Republic became a member of the European Union in 2004. It elects twelve members in the Committee of the Regions – seven from regions and five from municipalities.

## 2. System of Government and Electoral System

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### State system

The Czech Republic is a unitary state divided into regions and municipalities.

### Regional level<sup>43</sup>

Since 2000, the Czech Republic has consisted of thirteen *kraje* (singular *kraj*) usually translated as ‘region’, but sometimes as ‘province’ or ‘shire’).

The regional assembly (*zastupitelstvo kraje*) is elected by direct suffrage for a four-year term by proportional representation from party lists. It monitors the regional budget and subventions given to municipalities. It can also submit draft laws to the House of Representatives.

The regional board (*rada kraje*) is the executive body of the region. It is composed of a chief executive officer of the regional authority (*hejtman*) and vice-chiefs. Together with the other members of the regional board, they are elected by and within the regional assembly for a four-year term.

### Provincial level

The Czech Republic used to be divided into seventy-three districts (*okresy*, sing. *okres*); three statutory cities (*Statutární města*, sing. *Statutární město*) with the status of districts (Brno, Ostrava and Plzen); and the city-district region of Prague (*Hlavní město Praha*). They lost their status as governments after the 2000 reform but remained as territorial divisions for deconcentrated branches of state administration.

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<sup>43</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

Since 1 January 2003, Municipalities with Extended Competence (unofficially named 'Little Districts' (*malé okresy*), took over most of the administration of the former District Authorities. Some of these are further divided into Municipalities with Commissioned Local Authority. They are not directly elected.

### **Municipal level**

There are 6 254 municipalities (sing. *obec*, plural *obci*).

The municipal council (*zastupitelstvo obce*) is elected for a four-year term by proportional representation from party lists. This assembly appoints the members of the municipal committees, which are deliberative bodies for the municipal council.

The municipal board (*rada obce*) is composed of members elected by and within the municipal council for a four-year term. The mayor and vice-mayors are always members of the municipal board. This executive body can form specific commissions which are deliberative or executive bodies for the municipal board.

The mayor (*starosta*) or lord mayor (*primátor*) is elected by and within the municipal council for a four-year term. The mayor heads the municipal board and administration and represents the municipality. In municipalities with fewer than fifteen councillors, the mayor endorses the executive authority by him- or herself.

Note: The capital, Prague, is both a municipality and a region, with only one assembly and one board. It is divided into metropolitan districts, each with its own elected local council.

## **3. Main Competences**

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### **General Principles**

Regional and local governments only have administrative competences. The Constitution guarantees self-government (Art. 101) but gives no indication on competences.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

## **Regional competences<sup>4445</sup>**

Regions have administrative responsibilities in:

- education:
  - o secondary education;
- transport:
  - o roads;
  - o regional public transport;
- social welfare:
  - o social services;
- environment;
- economic development;
- health.

## **Municipal competences**

- public areas (management and maintenance of open spaces and cemeteries);
- health
- social welfare:
  - o social assistance
  - o youth policy;
- transport:
  - o local roads;
- environment:
  - o water supply (management and treatment);
  - o public sewage and waste management;
  - o environmental protection;
  - o urban heating;
- economic development;
- local planning;
- sport;
- fire fighting and fire prevention.

In addition, the state can transfer to municipalities the following competences:

- education:
  - o pre-school;

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<sup>44</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>45</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- primary;
- municipal transport;
- culture;
- agriculture and forest management;
- energy;
- public order;
- housing;
- cooperation with other municipalities and regions.

## **Finance**

For the purpose of the IMF *Government Finance Statistics*, the OECD *Revenue Statistics* and *Tax Policy Studies*, Czech districts are treated as a local level of government.

The Czech Republic is a moderately centralised state in matters of fiscal relations. Sub-national governments are responsible for about 30 per cent of total public expenditure, and are allocated about 13 per cent of total tax revenue. However, the fiscal autonomy that sub-national governments exercise is severely restricted, as the main components of district and municipal financing are derived from shared taxes and earmarked grants, and the share of taxation revenue over which they exercise discretion is limited.

### *Municipalities*

Municipalities are funded by two principal sources: central government grants, which are mostly earmarked (27 per cent), and taxation revenue (73 per cent), comprising both autonomous and shared taxation. The taxation revenue of municipalities derives principally from shared taxation (90 per cent), the share of which can be unilaterally changed by the central government; taxes over which the municipalities can set the tax rate and base (2 per cent); and taxes over which they can set either only the rate (5 per cent) or only the base (3 per cent).

Shared taxation makes up the bulk of the taxation revenue of municipalities. The main source is the personal income tax on wages and salaries (70 per cent). The central government sets the rate and base of taxation, and for the four main cities, the proceeds are shared by the municipality (70 per cent) and central government (30 per cent). In the other districts, proceeds are shared among municipality (10 per cent), district administration (30 per cent), other municipalities of the district (20 per cent), and the central government (50 per cent). The formula for the allocation of revenue is determined by the central government. Taxation on the income of the self-employed constitutes the second principal source of shared taxed revenue (23

per cent), for which the central government sets the rate, collects the tax, and transfers all proceeds to municipalities. Last, the tax on corporate profits, making up about 5 per cent of shared tax revenue, is split between municipalities (20 per cent) and central government (80 per cent). The rate is set by the central government and the shares are stipulated in central government legislation.

The autonomous taxation powers of municipalities are narrow. They are free to set the base and rate of fixation on the use of certain goods, such as recreational fees. They are free to set the tax rate on property, within a certain range determined by the central government. The central government collects the tax and transfers the revenue to municipalities according to the location of the property. Last, municipalities impose taxes on miscellaneous licenses and permit fees. Though the central government sets the rate and base of taxation, districts are allowed to influence the tax base through the choice of exemptions and reliefs.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental Relations**

Regional Coordination Committees are composed of the representatives of the regions and state administration.

The Union of Czech Towns and Communities (AKCR) represents local government

### **Relations with the EU**

So far, nine regions have opened their own offices in Brussels. AKCR represents the interests of regions in European institutions. The association offers support to the regions in their international activities and offers services to members of the Czech national delegation in the Committee of the Regions.

A substantial part of the Union of Czech Towns and Communalities (SMO CR) activities are focused on monitoring the impact of Czech Republic's EU membership on local authorities. SMO CR's daily activity focuses heavily on legislative work in the area of the EU structural and cohesion policy, social integration, or granting.

## **5. References**

### **Official Government Website**

<http://www.czech.cz/>

## Constitution

[http://www.hrad.cz/en/ustava\\_cr/index.shtml](http://www.hrad.cz/en/ustava_cr/index.shtml)

## Towns and Communities Online Portal (TCOP)

[http://mesta.obce.cz/summary\\_english.asp](http://mesta.obce.cz/summary_english.asp)

## Union of Czech Towns and Communities

<http://www.smocr.cz/en>

References to publications are to be found in Chapter 1 if available in English language and not at risk of being too quickly outdated.

## 6. Synopsis

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**Czech Republic**  
**Inhabitants 10.2 million<sup>46</sup> – 78 866 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 12 members of the CoR
<b>State system</b>	Unitary state
<b>Regional level<sup>47</sup></b>	13 regions ( <i>kraje</i> ) – Prague is both a municipality and a region Directly elected regional assembly ( <i>zastupitelstvo kraje</i> ) Regional board ( <i>rada kraje</i> ) and chief executive ( <i>hejtman</i> ) elected by assembly
<b>Provincial level</b>	Only territorial divisions for state administrations
<b>Municipal level</b>	6 254 municipalities ( <i>obci</i> ) Directly elected municipal council ( <i>zastupitelstvo obce</i> ) Executive board ( <i>rada obce</i> ) and mayor ( <i>starosta</i> ) elected by municipal council
<b>System of Competences</b>	Regions and communes have only administrative competences
<b>Intergovernmental relations</b>	The Union of Czech Towns and Communities (AKCR) represents local government. Nine regions and AKCR have offices in Brussels

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<sup>46</sup> Eurostat 2006-2007.

<sup>47</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# DENMARK

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<sup>48</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>49</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Denmark is a constitutional monarchy under the Constitution of 1953, which recognises the right to local self-government (Art. 82).

Local government dates from an act of 1849. In 1948 and 1985, respectively, autonomy was given to the Faroe Islands (not EU territory) and Greenland (Overseas country/territory associated to the EU). The Local Government Act of 1970 strengthened local government. In 2005, a major reform of local government reduced the number of municipalities and set up regions.

Denmark has been a member of the European Union since 1973. It elects nine members to the Committee of the Regions – three from regions, and six from local government.

## **2. System of Government and Electoral System**

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### **State system**

Denmark is a unitary state composed of regions (*regioner*) and municipalities (*kommuner*). The major reform of 2005, coming into effect as of 1 January 2007, abolished the old counties, established 5 regions, and reduced the number of municipalities from 271 to 98.

Greenland and the Faroe Islands have an autonomous status. They each have their own government and legislative assembly.

### **Regional level**

Denmark is divided into five regions (*regioner*, singular: *region*).

Regional Councils each have forty-one members, elected by proportional representation by party list.

The Faroe Islands were given control over all of their internal affairs in 1948. They have their own parliament, the *Løgting*, but send two members to the Danish Parliament. The Faroes are not in the European Union.

Greenland has been fully autonomous in internal matters since 1985. It has a directly elected parliament (*Landsting*) and a government responsible to it. Greenland has two representatives in the Danish Parliament. In 1986, Greenland

withdrew from the European Community.

### **Provincial level<sup>50</sup>**

The fourteen counties (*amtskommuner*) were abolished in 2007.

### **Municipal Level**

There are ninety-eight municipalities (*kommuner*).

The municipal council is composed of 9 to 31 members elected for four years by a system of proportional representation from open party lists.

The executive commissions are in charge of local administration. Permanent commissions assist the municipal council in its decision-making. The municipal council is obliged to set up a financial committee but may also set up special standing committees.

The mayor, elected for four years by the council, chairs the municipal council and the finance committee, and heads the whole administration.

## **3. Main Competences**

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### **General principles**

As a consequence of the entry into force on 1 January 2007 of the Local Government Reform, a new “public sector” has been created whereby the state lays down the general framework and the municipalities undertake most of the citizen-related tasks, while the five new regions are responsible for health care, preparation of regional development plans, and solution of certain operational tasks for the municipalities. The tasks of the counties have been redistributed among the regions, the municipalities, and the state. Furthermore, some tasks have been transferred between the state and the municipalities.

The Constitution guarantees self-government but gives no indication on competences. There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

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<sup>50</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

## **Regional competences<sup>51</sup>**

As the counties were abolished and the five regions created, the primary responsibilities of the regions are in health care, regional development, and the operation of a number of social institutions.

- health:
  - o hospitals and health insurance;
- economic development:
  - o tourism;
- environment;
  - o conservation;
  - o soil pollution;
- education ;
- culture;
- planning (raw material mapping and planning);
- social welfare:
  - o operation of a number of institutions for vulnerable groups;
  - o special education;
- transport:
  - o establishment of transport companies.

The most important area of responsibility for the new regions is the national health service. Unlike the former counties, the regions are not allowed to levy taxes, and the health service is primarily financed by a national 8 per cent (*sundhedsbidrag*) tax combined with funds from both government and municipalities.

Greenland is responsible for all competences except foreign relations, defence, and currency.

In the Faroes, Denmark remains responsible for defence and foreign policy, constitutional matters, and the judicial and monetary systems. The Faroes control the fishing resources within their territorial waters, but jurisdiction over resources beneath the seabed has yet to be settled with Denmark.

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<sup>51</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## **Municipal competences<sup>52</sup>**

The 98 new larger and more sustainable municipalities are responsible for most of the welfare tasks and they are the citizens' main access point to the public sector. With the local government reform the municipalities have been assigned a number of new tasks within the following areas: health care, employment, social services, special education, business service, collective transport and roads; nature, environment and planning and culture.

- social welfare:
  - o regulation and supply of finance of social services;
  - o operation of institutions for children and young people with social or behavioural problems;
  - o social psychiatry.
- health:
  - o general health care;
  - o home care;
  - o treatment of alcohol and drug abuse;
- education:
  - o primary school;
  - o special education for adults;
  - o special training: activation and employment projects for the unemployed;
  - o integration and language education for immigrants;
- environment:
  - o environmental regulation and planning;
  - o local action plans for waste, waste water and water supply;
- economic development:
  - o local business services;
  - o local promotion of tourism;
- transport:
  - o participation in regional transport companies;
  - o local road network;
  - o local transport;
- culture, sports and recreation:
  - o libraries;
  - o music schools;

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<sup>52</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- culture;
- employment:
  - regulatory responsibility for the unemployed without insurance
  - job centres in collaboration with the state;
  - 10 pilot job centres where the municipalities take over the state's responsibility for the unemployed with insurance;
- Tax
  - Citizen service regarding tax and collection in collaboration with state tax centres.

## **Finance**

Denmark is a highly decentralised unitary state, in which localities have a considerable degree of responsibility in managing public expenditure and a significant level of fiscal autonomy. Municipal and county authorities are jointly responsible for about two-thirds of total public expenditure and are attributed about one third of total tax revenues. Of their total revenue, 58 per cent is derived from own source revenues, while the rest is derived from general grants (10 per cent), specific grants (8 per cent), and fees and charges (23 per cent). The autonomy of sub-state entities is buttressed by their involvement in the coordination of economic policy: representatives of the central government negotiate with the organization of municipalities; their agreements include recommendations on expenditures and the level of local taxation.

The revenue of the municipalities can be divided into the following categories:

- taxes (income tax, property tax and a share of the corporation tax)
  - operating and capital revenue (from supply companies, day care institutions and sale of land)
  - reimbursements (from the state – especially within social services)
  - general subsidies (e.g. the general state grant to the municipalities – block grant – that is not earmarked for a specific purpose)
  - loans (limited by local loan sanctions)
- The economy of the regions has been divided into three “sections” – health care, rate-financed tasks within social services and special education as well as other tasks.

The economy of the regions has been divided into three “sections” – health care, rate-financed tasks within social services and special education as well as other tasks. Within health care, the tasks of the regions are financed by four kinds of subsidies: a block grant from the state, a state activity-related subsidy, a local basic

contribution and a local activity-related contribution.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The five State Administrations (*Statsforvaltninger*) represent the deconcentrated arm of central government, with offices in the regions under a Director (*Forvaltningsdirektør*) who is a university law graduate. They replaced the State Counties (*Statsamter*), under the leadership of a county prefect (*amtmand*). The State County Office verified the legality of acts (a posterior) of municipalities.

### **Relations with the EU**

The interests of the regions are represented in Brussels by an office established by Danish Regions. The tasks of the office are: to function as an information channel between towards regions concerning EU political initiatives that are important for the regions; to support members of regions in the Committee of the Region; to spread information about the Danish regional system; and to give regions information related to the EU.

Local Government Denmark (LGDK) represents the interests of municipalities on EU affairs. LGDK has an EU office with twelve employees: eight in Copenhagen and four in Brussels. Influencing EU decisions that have an impact on Danish municipalities is the most important international activity of the association. These policies are those in which the competence or the participation of local governments is at stake, or those which imply new financial burdens for the municipalities.

## **5. References**

### **Official Government Website**

<http://www.denmark.dk/en>

### **Constitution**

<http://www.folketinget.dk/pdf/constitution.pdf>

### **The Local Government Reform – in Brief**

[www.im.dk/publikationer/government\\_reform\\_in\\_brief/index.htm](http://www.im.dk/publikationer/government_reform_in_brief/index.htm)

## Institute of Local Government Studies – Denmark

[www.akf.dk/english](http://www.akf.dk/english)

### Local government Denmark (LGDK)

<http://www.kl.dk/1>

### Danish regions

<http://www.arf.dk/English/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Denmark**  
**Inhabitants 5.4 million<sup>53</sup> – 43 094 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 12 members of the CoR
<b>State system</b>	Unitary state, with two autonomous regions (Greenland and Faroe Islands)
<b>Regional level<sup>54</sup></b>	5 regions Directly elected regional councils
<b>Provincial level</b>	<i>Amtskommuner</i> were abolished in 2007
<b>Municipal level</b>	98 municipalities ( <i>kommuner</i> ) Directly elected municipal council Executive commissions and mayor elected by municipal council
<b>System of Competences</b>	Regions and communes have only administrative and taxing competences
<b>Intergovernmental relations</b>	State County Office verified the legality of acts (a posteriori) of municipalities Local Government Denmark (LGDK) functions as an inter-municipal organization representing local government. It has an EU office and a representation in Brussels

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<sup>53</sup> Eurostat 2006-2007.

<sup>54</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# **ESTONIA**

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<sup>55</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>56</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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Estonia is a republic under the Constitution of 1992, which recognises the right of local self-government (Art. 154 and 157). Preparations for local self-government started in 1989, before independence and the Local Government Organisation Act and the Municipal Councils Election Act of 1993. Under the County Administration Act of 1993, counties lost their status as local governments.

Estonia has been a member of the European Union since 2004. Estonian local authorities elect seven members of the Committee of the Regions – four from cities and four from rural municipalities.

## 2. System of Government and Electoral System

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### State system

Estonia is a unitary state composed of rural municipalities (*vald*), urban municipalities (*linn*), and counties (*maakonnad*). Municipalities are the only level of self-government. There is no regional level.

### Provincial level<sup>57</sup>

The provincial level is composed of fifteen counties (*maakond*, pl. *maakonnad*). As a consequence of the County Administration Act, county governments have lost their status as self-governing bodies. The former county governments now act as deconcentrated arms of central government under county governors. The governor (*maavanem*) is appointed by the central government for a five-year term after consultation with the local authorities. According to the Government of the Republic Act, among the responsibilities of the county governor are co-ordination of the administrative functions of the central government in the county, management of state property, and the awarding, subject to the authorisation of the Government of the Republic, of administration contracts with municipalities for performance of state obligations. There is a governor's office (*maavalitsus*), whose activities are funded by the central government.

### Municipal level

There are two types of municipalities (*omavalitsus*): urban municipalities, or towns (*linnad*, sing. *linn*) and rural municipalities, or communes (*vallad*, sing. *vald*). There is no other status distinction between them. Territorial units within rural

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<sup>57</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

municipalities are towns (*linn*), boroughs (*alev*, pl. *alevid*), small boroughs (*alevik*, pl. *alevikud*) and villages (*kiila*, pl. *kiilad*); but these have no administrative functions.

Some urban municipalities are divided into districts (*linnaosa*, pl. *linnaosad*) with limited self-government. For example, Tallinn consists of eight districts (Haabersti, Kesklinn, Kristiine, Lasnamäe, Mustamäe, Nõmme, Pirita, Põhja-Tallinn), while Kohtla-Järve contains six districts (Ahtme, Kohtla-Järve, Kukruse, Oru, Sompa, Viivikonna). Since October 2005 there are a total of 227 municipalities in Estonia, 34 of them urban and 193 rural.

The municipal council (*volikogu*) is composed of members elected by direct universal suffrage for four years. Elections are conducted by proportional representation from party lists. In smaller municipalities, elections are at-large and in other cases there are electoral districts. In Tallinn, half the members are elected in districts and half at-large. The members of the council elect a chairperson (*volikogu esimees*), who organises the council's work and represents the municipality.

Executive authority is provided by a mayor (*linnapea* in towns, *vallavanem* in communes), who is appointed by the council for a four-year term. The mayor cannot be the chairperson of the council. The municipal or town secretary is an ex-officio member of the local government. The mayor and the chair of the council may be removed from office by the council, via a vote of no confidence.

The government (*valitsus*) is composed of the mayor and of members appointed by him, after approval by the council. Members of the municipal government cannot sit on the municipal council.

### **3. Main Competences**

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#### **General principles**

Local governments only have administrative competences. The Constitution guarantees self-government but gives no indication on competences.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

## **Provincial competences<sup>5859</sup>**

NB: provinces are only territorial units of deconcentrated state administration

- management and administration of the county;
- economic development;
- planning (spatial planning);
- supervision over single acts of local self-governments;
- coordination of emergency situations.

## **Municipal competences<sup>60</sup>**

- Education:
  - o nursery school;
  - o primary school;
  - o secondary school;
- Maintenance of public areas and cemeteries;
- Social services;
- Environment:
  - o water and sewerage;
  - o waste disposal;
- Transport:
  - o local roads;
  - o local public transport;
- Police:
  - o public order;
  - o local police;
- Health services;
- Culture, Leisure and recreation (incl. libraries and museums);
- Local planning.

## **Finance**

The Constitution makes provisions for fiscal autonomy: Article 157 stipulates that local governments have the right to levy and impose taxes and to impose duties.

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<sup>58</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>59</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

<sup>60</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

Estonia is a highly centralised state in matters of intergovernmental fiscal relations. Municipalities are responsible for 22 per cent of total public expenditure. The fiscal autonomy of local governments is limited, however.

### *Local Government*

Local government is funded by three principal sources: central government general grants (13.4 per cent), specific grants (9.1 per cent), shared taxation (62.1 per cent), autonomous taxation (13.4 per cent), and local fees and charges (9.1 per cent). The fiscal autonomy of municipalities is tightly circumscribed: they depend greatly on revenue from shared taxation, and the share of the total revenue over which they can exercise discretion is limited.

The taxation revenue of local governments comprises shared and autonomous taxation. Revenue from shared taxation constitutes 82 per cent of taxation revenue. It is levied principally on personal income and corporate income. The shared revenue from personal income tax amounts to about 60 per cent of local government total revenue. The formula for allocating personal income tax revenue may be unilaterally changed by a proposal of central government, but before the government proposal goes to Parliament it must be negotiated between authorised representatives of local authorities and the government. Municipalities are free to set the sales tax within the limits set by law.

Autonomous taxation makes up 9 per cent of taxation revenue. It derives from the tax on property. Municipalities can set the rate, within limits set by law, on taxation on land, motor vehicles, boats, and animals.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The governor of each county is appointed by the central government after consultation with the representatives of local authorities. County governors have supervisory and advisory functions in relation to local government. The exact division of powers between central and local authority is regulated by special legislation.

Local interests are represented to the centre via the Association of Rural Municipalities of Estonia (AME), the Association of Estonian Cities (AEC), and the Union of Estonian Associations of Local Governments.

The Estonian Regional and Local Development Agency (ERKAS) is a national

development organisation reporting to local self-governments. ERKAS was established cooperatively by the three unions of local self-governments.

## **Relations with the EU**

Estonia's EU policy is reflected in positions reached in the process of cooperation involving the Parliament (*Riigikogu*) and citizens, the government and officials, Estonia's local authorities and their associations. The corresponding principle, laid down in the strategy document 'The Estonian Government's European Union Policy', forms the basis for national association of local authorities such as the Association of Municipalities of Estonia (AME) to participate actively in this process.

The Association of Estonian Cities (AEC) also plays an active role in representing local interests in European affairs.

The AME and the AEC have shared a joint Brussels Office since 2005.

## **5. References**

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### **Official Government Website**

<http://www.valitsus.ee/>

### **Constitution**

<http://www.president.ee/en/estonia/constitution.php>

### **Association of Estonian Cities**

<http://www.ell.ee>

### **Association of Municipalities of Estonia**

<http://www.emovl.ee>

### **Union of Estonian Associations of Local Authorities**

[www.eoly.ee](http://www.eoly.ee)

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**Estonia**  
**Inhabitants 1.3 million<sup>61</sup> – 45 228 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 7 members of the CoR
<b>State system</b>	Unitary state
<b>Regional level<sup>62</sup></b>	No regional level
<b>Provincial level</b>	15 ( <i>maakond</i> , pl. <i>maakonnad</i> ) are territorial units of deconcentrated state administration
<b>Municipal level</b>	227 municipalities ( <i>omavalitsus</i> ): 34 towns ( <i>linnad</i> , sing. <i>linn</i> ) and 193 communes ( <i>vallad</i> , sing. <i>vald</i> ) Directly elected municipal council mayor ( <i>linnapea</i> in towns, <i>vallavanem</i> in communes) appointed by the council
<b>System of Competences</b>	Provinces and communes have only administrative competences
<b>Intergovernmental relations</b>	Local interests are via the Association of Rural Municipalities of Estonia (AME), the Association of Estonian Cities (AEC) who have a joint Brussels Office, and the Union of Estonian Associations of Local Governments

<sup>61</sup> Eurostat 2006-2007.

<sup>62</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# **FINLAND**

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<sup>63</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>64</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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Finland became an independent republic in 1917. Its Constitution was rewritten in 2000. Municipal self-government is recognised by Art. 121. Although local government dates from the nineteenth century, new legislation was adopted in 1919. The Åland Islands, with a majority of Swedish speakers, have a special autonomy status, guaranteed by international law since 1921 and by Art. 75 of the Constitution. The Åland Islands are part of the EU but with several opt-outs from Single Market provisions. In 1949 and 1977, Local Government Acts unified the various provisions and abolished distinctions between rural and urban areas. In 1989, the Free Municipality experiment was launched to give local governments the opportunity to acquire more powers. In 1995, a new enabling Local Government Act gave local governments more freedom to organise their affairs, permitting greater diversity.

Finland has been a member of the European Union since 1995. Finnish local governments elect nine members of the Committee of the Regions – one from the Åland Islands, four from regions, and four from municipalities.

## 2. System of Government and Electoral System

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### State system

Finland is a unitary state composed of municipalities (*kunta*), provinces (*lääni*) and regions (*maakunnan liitto*). For administrative purposes, there are six Provincial State Offices and ninety State Local Districts, which were created in 1996 and are subordinated to the former. The 1995 Local Government Act recognises diversity among local authorities. It affords local authorities leeway and flexibility to organise their functions and administration. It also encourages mergers of small local governments, which are still underway.

### Regional level<sup>65</sup>

Finland is divided into nineteen regions (*maakunnan liitto*) for strategic planning purposes.

The regional council is a statutory joint local authority indirectly elected by the municipalities of the region and supported by an administration.

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<sup>65</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

The Åland region has a special statute of autonomy dating from 1921, with a parliament, the *Lagtinget*, elected every four years by proportional representation. This elects an Executive Council (*Landskapsregeringen*) and a Chief Minister (*Lantråd*).

In Kainuu, in the north of Finland the Act on Regional Self-Government Experiment introduced a Regional Council elected by direct ballot from 2005.

### **Provincial Level**

The deconcentrated State administration is divided into six administrative provinces (*lääni*, pl. *läänit*), within which there are ninety State local districts. Provincial governors (*maaherra*) are appointed by the President.

### **Municipal level**

There are 415 municipalities (*kunta*).

The municipal council (*kunnanvaltuusto*) is composed of members elected every four years by proportional representation from party lists.

The executive board (*kunnanhallitus*) is composed of members appointed by the municipal council. It is responsible for running the municipal administration and for its finances. The executive board may be assisted by sector-based committees.

The mayor is elected by the municipal council and heads the executive. (S)he can be elected for an indefinite or fixed term of office.

There are many joint municipal authorities, some of which are mandatory, to manage services at a larger scale than the individual municipality.

## **3. Main Competences**

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### **General principles**

Local authorities are given administrative competences under law. The Constitution guarantees self-government but gives no indication on competences. Only the Åland Islands have legislative competences.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

## **Regional competences<sup>66 67</sup>**

- a. regional development;
- b. regional planning;
- c. preparation and execution of programmes co-financed by the structural funds;
- d. cooperation among local governments.

The Åland Islands have legislative powers in all matters not reserved to the Finnish State. The main reservations concern constitutional law, foreign relations, general taxes and payments, criminal and most civil law, the judiciary, social insurance, navigation and aviation and communication

Kainuu Region has broad responsibilities including social welfare and health, upper secondary education, vocational education, economic development and management of EU structural funds.

## **Municipal competences**

Municipalities have general competence over affairs in their area and have numerous statutory and discretionary functions.

The main responsibilities of the municipalities are:

- health care;
- social welfare;
- education:
  - o pre-school;
  - o primary school;
  - o secondary school;
  - o vocational training;
  - o adult education;
- culture, leisure, sport (including libraries);
- land use planning and building control;
- environment:
  - o energy management and supply;
  - o water and sewerage works;

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<sup>66</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>67</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- waste management;
- environmental protection;
- public transport and harbours;
- rescue services;
- economic development, promotion of business and employment.

## **Finance**

Finland is a moderately decentralised unitary state, in which localities exercise a considerable degree of responsibility in managing public expenditure and enjoy a significant level of fiscal autonomy. The expenditures of municipal authorities represent 19.3 per cent of GDP.

### *Municipalities*

The expenditures of municipalities stem from four sources: autonomous and shared taxation (76 per cent), grants (15 per cent), and other sources including fees and borrowing (9 per cent). The tax revenues of municipalities derive principally from local income tax and property tax (89 per cent), over which they can set the rate, although the central government sets an upper limit to the rate on property taxes. The remainder (11 per cent) are from taxes on corporate profits, which they share with the central government (40 per cent for the municipality).

### *Åland Islands*

The Åland Islands have their own budget, but their fiscal authority is restricted: tax revenue amounted to less than 0.01 per cent of aggregate tax revenue.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

Cooperation among municipalities is required by law and takes place in part through Regional Councils, which are in charge of regional planning and regional development.

The Provincial State Offices monitor and evaluate the implementation of key services by municipalities for seven ministries (including education, social welfare, and health).

There are 250 joint authorities in Finland. Three-quarters of all joint authority expenditure is incurred from organising health care services. Joint authorities are independent legal public entities governed by municipal legislation.

Small municipalities in particular have established municipal offices shared jointly by more than one local authority. To perform the common tasks, a joint municipal committee and an organisation functioning under the committee can also be established. They can be joined by private partners, creating a stronger investment base for a wider range of projects.

Contractual cooperation between local authorities is common in the areas of waste management, water supply, rescue services, building inspection, consumer and debt counselling, and education. Some contracts are statutory, such as cooperation agreements on rescue services and contracts for building and maintaining regional emergency dispatch centres and purchasing health-centre services.

The Association of Finnish Regional and Local Authorities (AFLRA) represents the interests of decentralised governments to central government.

### **Relations with the EU**

Regions and the Association of Finnish Local and Regional Authorities (AFLRA) have their own offices in Brussels. AFLRA's office was opened in 1992 and directly represents the interests of cities and regions in the EU, acting as a channel for communication with the EU institutions and other partners and stakeholders. AFLRA keeps the association, Finnish cities and other stakeholders posted on initiatives of EU institutions and the drafting of regulatory acts and makes Finnish regional and local government known to the EU. The Association also acts as Secretariat for the Finnish delegation to the EU's Committee of the Regions.

Concerning the participation of local and regional authorities on EU matters at the state level, only the Provincial Government of Åland is directly involved and consulted in both the Cabinet Committee on European Union Affairs and the Committee on EU Affairs. Experts from AFLRA participate in the discussion and preparation of EU matters at the national level. AFLRA is represented in the extended compositions of many sub-committees of the Committee on EU Affairs: these sub-committees meet as necessary and are important information channels for the organisation. The Association also gives its opinions on EU issues to specific ministries. In some cases, AFLRA's representatives participate in working groups preparing EU affairs. Committees of the Finnish Parliament have also consulted the Association.

## 5. References

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### Official Government Website

<http://www.government.fi/>

### Constitution

<http://www.om.fi/21910.htm>

### Association of Finnish Local and Regional Authorities

<http://www.localfinland.fi/> or

[http://www.kunnat.net/k\\_etusivu.asp?path=1;161;279](http://www.kunnat.net/k_etusivu.asp?path=1;161;279)

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Finland**  
**Inhabitants 5.2 million<sup>68</sup> – 338 144 km<sup>2</sup>**

<b>EU Membership</b>	1995 – 9 members of the CoR
<b>State system</b>	Unitary state plus one autonomous region (Åland Islands)
<b>Regional level<sup>69</sup></b>	Nineteen regions ( <i>maakunnan liitto</i> ) Regional council is a statutory joint local authority indirectly elected by the municipalities of the region.
<b>Provincial level</b>	Only a deconcentrated territorial division of state administrations
<b>Municipal level</b>	415 municipalities ( <i>kunta</i> ). Directly elected municipal council ( <i>kunnanvaltuusto</i> ) Executive board ( <i>kunnanhallitus</i> ) and mayor elected by municipal council
<b>System of Competences</b>	Regions and municipalities have only administrative competences
<b>Intergovernmental relations</b>	Association of Finnish Regional and Local Authorities (ALFRA) represents the interests of decentralised

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<sup>68</sup> Eurostat 2006-2007.

<sup>69</sup> Please note that the standardized English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

	governments to central government. Finnish Regions and the ALFRA have offices in Brussels
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# FRANCE

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<sup>70</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>71</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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France is a unitary state with two levels of local government since the French Revolution (1789-1799), and fully fledged regions since 1982-1986. Local and regional self-government is guaranteed by the Constitution (Art. 72 and 34). Communes have had elected councils since 1834 and have been fully fledged territorial communities (*collectivités territoriales*), endowed with a general competence on their territory and with a mayor, elected by the *conseil municipal*, as executive since 1884. Departments, created in 1791, have always had an elected body, the General Council, which had mere consultative functions, assisting the *préfet*, as a state representative since 1806. In 1881, the departments became fully fledged territorial communities. In 1982 their executive functions, which until then were being exercised by the *préfet*, were transferred to directly elected presidents of the General Council.

France elects twenty-four members to the Committee of the Regions – twelve from regions, six from departments, and six from municipalities.

Recently, France has enacted a process of decentralisation in two phases. The first phase, which departed from a long Republican tradition of centralised administration of the territory, took place in 1982-1983 by way of Acts of Parliament. The second began in 2003 with a constitutional amendment, by which France became a unitary and decentralised state. Both phases implied the devolution of competence to the established regions and to the departments and communes of the country. In 1982, the traditional control powers of the prefect (*tutelles*) were replaced by the possibility to devolve local government decisions to the administrative courts. The last reform also recognized the principle of experimentation, whereby these sub-state units of administration are allowed to derogate from the limits imposed on their competences by law or regulation for a certain time and concerning certain matters, on the basis of a special authorisation by means of Act of Parliament.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

## **2. System of Government and Electoral System**

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### **State system**

France is a unitary state composed of regions, departments, and municipalities.

## Regional level

France is composed of twenty-four regions (*régions*), of which twenty-one are in European continental territory, one is the island of Corsica (with a somewhat special status), and four lie overseas. Regions in mainland France are further subdivided into between one and eight departments (*départements*).

The four overseas regions (*régions d'outre-mer*, or ROM) of Guadeloupe, French Guiana, Martinique, and Réunion, which have the same status as “metropolitan” regions (they have somewhat more powers of autonomy and somewhat broader competences than metropolitan regions), all include only one department.

Furthermore, the overseas governments (*collectivités territoriales d'outre-mer*) have specific autonomous status: French Polynesia, Mayotte, Saint-Barthélemy, Saint-Martin, Saint-Pierre-et-Miquelon, Wallis-and-Futuna, and the French Antarctic and Austral Territories. New Caledonia is a country of its own, with a specific status guaranteed by the Constitution. Unlike the overseas *régions-départements*, which are integral parts of the European Community with the status of outermost regions – like the Azores, Canary Islands and Madeira – these are only associated to the EC with the status of Overseas Country and Territory (shared by Greenland for Denmark, and the overseas territories of the Netherlands and the UK).

The Act of 1982 on the rights and freedoms of municipalities, departments and regions launched a decentralisation process (*décentralisation*), abolished the supervisory powers of the state over the actions of local authorities, transferred departmental and regional executive power to the presidents of the general councils (*département*) and regional councils (*région*) and turned the region into a territorial authority run by a directly elected assembly.

The Constitutional Act of 2003 on the decentralised organization of the French Republic reshuffled the constitutional provisions relating to regional and local government. It gave a constitutional guarantee to the existence of regions and organised the possibility of local and regional referenda, as well as the possibility for Acts of Parliament to allow regional and local government to derogate from state law on an experimental basis. These constitutional amendments needed a series of statutory instruments to establish the framework for their implementation, which were adopted in 2003-2004.

The regional council (*conseil régional* – *assemblée territoriale* in Corsica) is the deliberative body, elected for a six-year term. It is elected based on proportional

voting, with two ballots allowing for a majority premium to the winning coalition, based on constituencies that coincide with the departments. The regional council adopts the budget and regional regulations in the field of regional competences.

The permanent committee (*commission permanente*) is a deliberative board composed of the vice-presidents elected by the council. The president (*président*) is elected by the regional council for a six-year term. (S)he has executive power in the region and is the head of the regional administration, chairing the regional council. (S)he has authority over the regions' civil servants and the power to take all decisions necessary for the implementation of regional programmes as foreseen in the regions' budget and regional regulatory acts, and represents the region for the signature of contracts or for court litigations,

### **Provincial level<sup>72</sup>**

There are 100 departments (*départements*), four of which are overseas departments (*départements d'outre-mer* – DOM) whose territory coincides with that of overseas regions. They have more powers of autonomy than metropolitan departments. Paris has a special status, with the competences of both department and commune.

The general council (*conseil général*) is directly elected for a six-year term, and half of its membership is renewed every three years. They are elected by majority voting with a two-ballot system, with separate constituencies for each councillor. The council appoints the president among its members. The general council adopts the budget and regional regulations in the field of departmental competences. The general council is composed of specialised committees.

The president of the council (*président du conseil général*) is the executive arm of the department. (S)he is elected by the council for three years and is assisted by a permanent committee within which vice-presidents are elected. (S)he chairs the general council. (S)he has the same type of functions as the president of the region.

### **Municipal level**

There are 36 569 communes.

- Three communes (Paris, Marseille, and Lyon) are further divided into forty-five municipal *arrondissements* with their own representative structures, but no separate powers.
- 730 associated communes (as of January 2006) also exist. There were

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<sup>72</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

formerly independent communes that were merged with larger communes but have retained some limited degree of autonomy.

A variety of inter-communal structures have also been created:

- 14 Urban communities (*communautés urbaines*, or CU);
- 163 Agglomeration communities (*communautés d'agglomération*, or CA);
- 2 391 Commune communities (*communautés de communes*, or CC);
- 5 Syndicates of New Agglomeration (*syndicats d'agglomération nouvelle*, or SAN), a category now being phased out.

The municipal council (*conseil municipal*) is elected for a six-year term. The mode of election, based on proportional representation with two ballots, varies according to the size of the commune. In larger communes, a majority premium is given to the winning coalition. The council appoints the mayor (*maire*) from among its members. The municipal council adopts the budget and some municipal regulations in the field of municipal competences

The mayor and his/her deputies are the executive power of the municipality. (S)he chairs the municipal council. (S)he has authority over the commune's civil servants and the power to take all decisions necessary for the implementation of the commune's budget, and (s)he represents the commune for the signature of contracts or for court litigations. The mayor furthermore exercises a number of state functions on the territory of the commune: (s)he has police powers, is in charge of the organisation of elections, and has a number of functions as *officier d'Etat civil*, for example, marriage and the registry of births and deaths.

### **3. Main Competences**

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#### **General principles**

The legislation on regional and local government has been codified in the *Code Général des Collectivités Territoriales* (CGTC). Numerous other laws and codes, such as the Code of Environmental Law or the Code of Education, also contain provisions for the distribution and management of competences of regional and local government.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same. As a matter of principle, each level of government is in charge of the implementation of its own policies. State administrations at the local and regional levels implement EC legislation or regulations outside of the field of local competences. Each level of local and regional government has a number of

competences set by law, but local and regional authorities also have a general competence for all matters that are relevant for their territory, as long as they do not encroach on competences attributed to another level.

Competences are normally the same for all governments of a specific level (region, department, commune). However, there are differences between the competences of Corsica and the overseas regions (ROM) and other regions, and between the overseas departments (DOM) and other departments. A number of municipal competences may only be exercised by communes above a threshold of population, or by intercommunal structures.

The Constitution guarantees self-government but gives no indication on competences. There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

### **Regional competences<sup>73</sup>**

Regions have no legislative competences. Their main functions are exercised through the execution of their budget – for which they have a broad autonomy within the parameters set by national law – and by regulations. There is no hierarchy between regional and local government. Possible conflicts on the scope of competence of the regions or the conformity of their decisions with the law and Constitution are solved by independent administrative courts, based on actions brought by any person having standing, or by the regional prefect. The budget and its implementation are subject to the control of independent regional financial courts.

- education:
  - o creation, construction, maintenance, and operation of high schools (*lycées*) and establishments for specialised education;
  - o vocational training and apprenticeships (regional vocational training development plan; implementation of initial and further training schemes for young people and adults, apprenticeships);
- planning;
  - o regional development and land use plan;
  - o state-region planning contracts;
- transport:

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<sup>73</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- school transport;
- road transport;
- rail transport;
- economic development:
  - economic aid: direct aid in accordance with EU rules; indirect aid for companies;
  - stake-holding in regional development and regional financing companies;
  - management of EU Structural Funds (shared with prefects);
- environment:
  - environmental protection;
  - heritage and sites board;
  - regional air quality plan;
  - classification of regional nature reserves;
- cultural affairs:
  - regional archives;
  - regional museums;
  - protection of heritage and listing of monuments and artistic heritage.

### **Provincial competences<sup>74</sup>**

Like regions, departments have no legislative competences. Their main functions are exercised through the execution of their budget – for which they have broad autonomy within the parameters set by national law – and by regulations in some fields. Possible conflicts on the scope of competence of the departments or the conformity of their decisions with the law and Constitution are solved by independent administrative courts, on the basis of actions brought by any person having standing, or by the prefect. The budget and its implementation are subject to the control of independent regional financial courts.

- social welfare:
  - aid for children;
  - social aid for families;
  - accommodation for disabled and elderly;
  - supervision of the constituency's social establishments;
- education:
  - creation, construction, maintenance, and operation of ordinary secondary schools;

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<sup>74</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- creation, construction, maintenance, and operation of *colleges*;
- regional planning:
  - rural equipment aid programme;
  - associated state-region planning contracts;
- transport:
  - school transport (financing and organisation of transport outside of towns);
  - passenger transport between towns (including departmental transport plan);
- economic development:
  - direct economic aid complimentary to that of the region;
  - indirect aid for companies, including loan and other guarantees;
- town planning:
- environment (departmental waste disposal plan);
- culture:
  - departmental archives;
  - departmental museums;
  - central lending library.

## **Municipal competences<sup>75</sup>**

Like regions and departments, communes have no legislative competences. Their main functions are exercised through the execution of their budget – for which they have broad autonomy within the parameters set by national law – and by regulations in some fields. Police regulations of the mayor are important in the field of road traffic and markets. Possible conflicts on the scope of competence of the communes or the conformity of their decisions with the law and Constitution are solved by independent administrative courts, on the basis of actions brought by any person having standing, or by the prefect. The budget and its implementation are subject to the control of independent regional financial courts.

- social welfare (optional services such as day care centres, shelters for the homeless, municipal hygiene offices);
- education:
  - creation, construction, maintenance, and operation of primary schools;
  - creation, construction, maintenance, and operation of pre-school classes;
- planning:

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<sup>75</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- regional planning (joint municipal boundary initiatives);
- town planning (preparation of territorial consistency schemes; local town planning issue of building permits and other authorisations concerning occupation of the land);
- school transport (financing and organization within the municipal boundaries);
- economic development (direct economic aid complementary to that of the region; indirect aid for companies, including loan and other guarantees);
- environment:
  - drainage;
  - distribution of drinking water;
  - collection and processing of household waste;
- culture:
  - artistic teaching schools;
  - municipal archives;
  - municipal museums;
  - music academies.

## Finance

France remains relatively centralised in financial terms. Regional, departmental, and municipal authorities are jointly responsible for about 20 per cent of total public expenditure and about eleven per cent of total tax revenue. The fiscal autonomy of sub-national governments is important, as about 50 per cent of their revenue is derived from autonomous taxation.

Municipalities, departments, and regions are financed principally by central government transfers, by autonomous taxation, by other sources of financing, and by borrowing. The dependence of sub-national government on central transfers and their degree of fiscal autonomy is presented in the table below.

	Municipalities	Departments	Regions
Autonomous Taxation	52	63	49
Central Transfers	29	21	44
Other own sources	12	12	3
Borrowing	7	4	4

Source: (DEXIA 2002)

The autonomous taxes of municipalities, departments, and regions stem from four types of taxes. The most important is the tax on property – residency, developed and undeveloped land – which represents 51.7 per cent of taxation revenue. The last source of taxation is on business, constituting 32.5 per cent of taxation revenue. The remainder of the taxation revenue is from specific goods and services (12.7 per cent) and taxes on the use of specific goods (2.9 per cent).

The autonomy in raising this taxation is limited, as both tax base and rates are regulated by the central government. With respect to the tax base, sub-national governments may decide to exempt certain categories of taxpayers from property or business taxes. They are also free to set the rate of taxation, subject to limits set by the national government. The national government specifies a range within which each of the four main taxes must fall by linking the rates between authorities. For instance, the communal property tax may be no higher than 2.5 times the department or regional level, while the business tax may not exceed twice the average national level in the previous years.

#### **4. Intergovernmental Relations and Participation in the EU**

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##### **Intergovernmental relations**

The French Senate represents the interests of territorial authorities. It is indirectly elected by an electoral body consisting of representatives of the communes (95 per cent) and from the departments and regions. The Senate's electoral system traditionally leads to an over-representation of rural zones.

Regional and local affairs are usually dealt with by the minister of the interior or a specialised state-secretary. The general directorate of regional and local government (*direction générale des collectivités territoriales*) has an important role in issuing circulars for the interpretation of state legislation relevant to regional and local government. The national government appoints regional and departmental prefects (*préfets*) to represent the state at the departmental and regional levels. The prefect acts as a focal point for relations between regional and local assemblies and executives and state administration. S/he also coordinates state administration at the regional and departmental levels. In each canton, state administration is further represented by a sub-prefect, also appointed by government. The prefects have the function of 'retrospective verification' of department administration and municipal administration. With very few exceptions, prefects do not have the power to annul administrative decisions; they can only bring an action to independent administrative – or financial – courts.

The state and the regions discuss, define, and enact common policies through contracts. The first State-Region Plan Contracts (*Contrats de plan Etat-région*) were stipulated immediately after the 1982 law on decentralisation. Starting in January 2007, these contracts have been known as State-Region Project Contract (*Contrat de projet Etat region*: CPER). The CPER have a duration of seven years (2007-2013) and are signed by the prefect and the president of the Regional Council. Other agreements on lower priority issues can be signed between the state and the region outside of CPER.

The collective interests of local and regional governments are represented vis-à-vis the state by three bodies.

The Association of French Regions (Association des Régions de France: ARF) was founded in 1998, replacing a previous organisation established in 1983. ARF informs the government on the regions' presidents' positions on public policies as well as members of Parliament concerning the opinion of regions that should be taken into account during the legislative process. ARF also expresses the regions' viewpoints in a number of state bodies such as the National Council for Local Development (*Conseil national de l'aménagement et du développement du territoire*), the Local Financial Committee (*Comité des finances locales*), and the French Agency for International Investments (*Agence française pour les investissements internationaux*). The ARF also promotes regional activities, collaboration, and exchange of information in several economic and social spheres, like commerce, industry, and agriculture, as well as legislation on decentralisation and regional administration.

The Assembly of French Departments (*Assemblée des départements de France*) represents the views of the departments to government and parliament. It also promotes partnerships between departments and social and economic associations as well as among departments.

The Association of French Mayors (*Association des maires de France*: AMF) dates back to 1907. It provides opinions and comments on draft legislation coming from both the government and the Parliament. There are also the Association of Mayors of Major French Cities (*Association des maires de grandes villes de France*), the Federation of Mayors of Medium Cities (*Fédération de maires de villes moyennes*), and the Association of Small French Towns (*Association des petites villes de France*).

Like regions, communes also have established forms of cooperation with the state

through ‘contracts’. Contracts were signed as early as 1991 following the enactment of a new urban policy by the state. In 1999, according to Article 26 of the Orientation Law for the Management and Sustainable Development of the Territory (*Loi d’orientation pour l’aménagement et le développement durable du territoire*), new projects and contracts concerning urban agglomerations were signed between local collectivities, the state, and the region of the agglomeration.

The Local Finance Committee (*Comité des finances locales: CFL*) is the key body concerning the financial relations between the state and territorial collectivities. In October 2007, Prime Minister Fillon created the National Conference of Executives (*Conférence nationale des exécutifs: CNE*), which aims to broaden intergovernmental relations. The CNE is chaired by the prime minister, with the cooperation of ministries and bodies with interests in territorial matters (Home Affairs, Overseas and Territorial Collectivities, Environment and Development; Economy, Finances and Employment; Budget, Public Accounts and Public Administration; and the Secretary of State responsible for European Affairs).

The Consultative Commission for the Evaluation of Norms (*Commission consultative sur l’évaluation des normes*) within the CFL advises on proposals of regulations with impact on the competences and finances of territorial collectivities. A draft law was presented on 1 September 2008, to define the proposals on which the CNE will be competent to provide comments, the procedure that it will follow, and the consequences of its suggestions. The CNE will also be the privileged arena for the discussion on the long-term redefinition of the local fiscal regime in order to adapt it to the redistribution of competences to regions, departments, and communes.

## **Relations with the EU**

Most French regions have opened offices in Brussels, either one per region or by grouping themselves. The ARF has a mandate to represent the interests of French regions and to promote their actions in several EU institutions such as the Commission, the European Parliament, and the Committee of the Regions. It also networks with the Association of European Regions.

The AMF nominates the mayors to the Committee of the Regions and is represented in the technical assistance group of the French Delegation to the Committee of the Regions. The association has a European Committee specializing on EU issues, which provides information to the regional associations represented by a mayor in the Committee. It also prepares guidelines for the AMF board members on European issues concerning local authorities. The priorities of the

AMF are regional policies and public services. The AMF also has an office in Brussels that provides a contact with various EU institutions.

Since December 2005, the European House of French Local Powers (*Maison européenne des pouvoirs locaux français*) has performed a liaison and lobbying function between local authorities as a group, and the EU. This institution was established by the AMF, the ADF, and the three organisations that represent large, medium, and small French cities (see above). The Maison provides information to its members by processing news, participating in meetings, completing minutes and notes, and issuing a bi-weekly electronic newsletter. It also supports the activities of the French delegates to the Committee of the Regions by participating in the meetings of the commissions inside the Committee and eventually helping to prepare the plenary sessions. In its role of representing the interests of local authorities in the EU, the Maison enters into relations with several EU institutions and expresses its opinions on several matters. In 2006, these matters were regional and urban policies, public services, public markets and public-private partnerships, environment, communication, and decentralized cooperation.

In the near future, the regions, departments, and communes will also have the ability to indirectly influence EU affairs and legislation through the state level. During the first CNE meeting in October 2007, it was decided that the General Secretariat for European Affairs (*Secretariat General aux affaires européennes: SGAE*) would establish a closer relationship with the ARF, AFD, and AMF. The SGAE will meet regularly with the delegates of the territorial associations responsible for European affairs. The CNE has also decided that the EU-related initiatives of the three organizations would be integrated into the official programme of the French EU Presidency during the second half of 2008.

## **5. References**

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### **Official Government Website**

[www.premier-ministre.gouv.fr](http://www.premier-ministre.gouv.fr)

### **Constitution**

<http://www.assemblee-nationale.fr/english/8ab.asp>

### **Public administration and government portal**

<http://www.service-public.fr/>

### **Association of French Regions**

[www.arf.asso.fr](http://www.arf.asso.fr)

**Association of French Departments**

[www.departement.org/jsp/index.jsp](http://www.departement.org/jsp/index.jsp)

**Association of French Mayors**

[www.amf.asso.fr](http://www.amf.asso.fr)

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**France**  
**Inhabitants 60.6 million<sup>76</sup> – 551 500 km<sup>277</sup>**

<b>EU Membership</b>	Founding member 1951 – 24 members of the CoR
<b>State system</b>	Unitary, decentralised state
<b>Regional level<sup>78</sup></b>	24 regions ( <i>régions</i> ) , four of which are overseas There are also overseas governments ( <i>collectivités territoriales d'outre-mer</i> ) with specific status, and New Caledonia
<b>Provincial level</b>	100 departments ( <i>départements</i> ), four of which overseas – Paris has the competences both of a department and of a commune Directly elected general council ( <i>conseil général</i> ) President ( <i>président du conseil général</i> ) elected by the general council
<b>Municipal level</b>	36 569 communes ( <i>communes</i> ) Directly elected municipal council ( <i>conseil municipal</i> ) Mayor ( <i>maire</i> ) elected by municipal council Variety of inter-communal structures
<b>System of Competences</b>	Regions, departments and communes have only administrative competences
<b>Intergovernmental relations</b>	The regional prefects and prefects act as focal points for relationships between the state, regions, departments and communes. Most French regions have offices in Brussels. the General Secretariat for European Affairs ( <i>Secrétariat Général aux affaires européennes: SGAE</i> ) has a close relationship with the associations of regions, departments and communes

<sup>76</sup> Eurostat 2006-2007.

<sup>77</sup> Overseas not included.

<sup>78</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# **GERMANY**

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<sup>79</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>80</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Germany (the Federal Republic of Germany – *Bundesrepublik Deutschland*) has been a federal state since unification in 1871 (Second Empire), with the exception of the National Socialist period of 1933-1945. Germany has a strong tradition of local autonomy (*Kommunale Selbstverwaltung*), dating at least from the reforms of Baron Vom Stein (1802) as far as the territory of former Prussia is concerned and from even earlier in a number of other cases, especially the city-states. The Constitution (Basic Law) guarantees federalism (Art. 20) and local self-government (Art. 28).

Reunification in 1990 involved the reconstitution of the *Länder* in the east and their incorporation into the existing constitution. In 2006, there was a major reform of the federal system, and a second stage of reform is under discussion. Germany is characterised by cooperative federalism, with a close linkage between the two levels; the 2006 reform seeks to disentangle some competences.

Germany is a founding Member State of the European Communities and the European Union. The twenty-four members of the Committee of the Regions are appointed by the *Länder*, three of which must represent municipalities. Each *Land* has at least one seat.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in the Basic Law or relevant federal or *Länder* legislation, even if the vocabulary is the same (for example on the environment). Furthermore, as the execution of federal legislation is in principle a competence of the *Länder*, and as federal and *Länder* legislation are in numerous fields primarily a competence of the local government (*Gemeinde*), there is no correspondence between legislative and executive competences.

## **2. System of Government and Electoral System**

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### **State system**

Under the Basic Law of 1949, Germany is a Federal Republic made up of sixteen states (*Land*, pl. *Länder*). Article 28 of the German Basic Law guarantees local self-government, so local government organisation is the responsibility of individual *Länder*. There are 323 counties (*Landkreise*) and about 12 500 local authorities (*Städte and Gemeinden*).

## **Regional level<sup>81</sup>**

There are sixteen *Länder*, of which the cities of Berlin, Bremen, and Hamburg are states in their own right, termed *Stadtstaaten* (city-states). The remaining thirteen states are called *Flächenländer* (area states).

The parliaments in the thirteen *Flächenländer* are called *Landtag* (State Parliament). Berlin's parliament is called the *Abgeordnetenhaus* (House of Representatives), while Bremen and Hamburg each have a *Bürgerschaft*.

The *Landtage* are elected by a mixed proportional system (like the Federal Parliament *Bundestag*), with half of the members elected by the plurality system in constituencies and the remainder by proportional representation from party lists, to achieve overall proportionality. They are elected for four or five years, depending on the state.

Before January 1, 2000, Bavaria had a bicameral parliament, with a popularly elected *Landtag* and an appointed Senate made up of representatives of the state's major social and economic groups. The Senate was abolished following a referendum in 1998.

The thirteen *Flächenländer* are governed by a cabinet led by a Minister-President (*Ministerpräsident*). The *Ministerpräsident* is then chosen by a majority vote among the *Landtag*'s members.

In the three city-states, the equivalent of the Minister-President is the *Senatspräsident* (President of the Senate) in Bremen, the *Erster Bürgermeister* (First Mayor) in Hamburg, and the *Regierender Bürgermeister* (Governing Mayor) in Berlin. The Minister-President appoints a cabinet of ministers.

In the three Free States of Bavaria, Saxony, and Thuringia, the government is referred to as the State Government (*Staatsregierung*); in the other ten *Länder*, Land Government (*Landesregierung*) is used.

## **Provincial level**

Because local government in Germany is the responsibility of the individual *Länder*, there are differences among provincial governments.

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<sup>81</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

In the thirteen area states, the counties (*Kreise*) are the administrative units at the intermediate level. Of those, 323 are rural (*Landkreise*).

Cities with more than 100 000 inhabitants (and smaller towns in some *Länder*) have both county and municipal responsibilities. There are currently 116 such county boroughs (*Kreisfreie Städte/Stadtkreise*), bringing the total number of counties to 439.

The county council (*Kreistag*) is elected directly by proportional representation for a term of one to four years. The executive authority is an officer titled *Landrat* or *Landrätin*. In some *Länder* (s)he is elected by the council, in some others directly. His(her) term is usually longer than that of the council. The county administration is generally known in northern Germany as the *Landratsamt* and in southern Germany as the *Kreisverwaltung*.

### **Municipal level**

Municipal government systems vary among the *Länder*. The municipal level is considered the major unit of self-government (*Kommunale Selbstverwaltung*), the principle of which is guaranteed by the Federal Constitution (Basic Law) Article 28.

There are 12 431 municipalities (*Gemeinde*). All have directly elected councils, chosen by proportional representation. Traditionally, there have been three models of organisation.

In the northern German system, there is an elected council and a full-time appointed executive.

In the southern German system, there is a strong, directly elected mayor.

In the *Magistrat* system, the council is directly elected and, in turn, appoints a full-time mayor and executive body, or *Magistrat*.

In recent years, these differences have diminished, and all *Länder* now provide for a directly elected mayor with a term of office between four and nine years.

The southern German system usually provides for more direct citizen input through referenda and petitions. The elector has as many votes as there are council seats to be filled. (S)he can simply vote for a party list; give up to three votes to the same candidate; or split his/her votes among candidates from different party lists.

There are no metropolitan governments in Germany (but three municipalities are also *Länder* and 116 are also *Kreise*), but there is provision for inter-municipal associations and planning districts, whose boards are nominated by municipal councils.

### **3. The Main Competences**

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#### **General principles**

In the German system of cooperative federalism, most competences are shared by all levels. The federal level is in practice responsible for the biggest part of legislation because the principle of shared or concurring legislative competences (*konkurrierende Gesetzgebung*) usually leads to uniform federal legislation rather than to the juxtaposition of *Länder* legislation. The *Länder* have a limited number of legislative competences. The federal reform of 2006 has largely suppressed the procedure of framework laws (*Rahmengesetze*), by which the Federation set the principles and the *Länder* adopted complementary legislation. Execution of federal legislation is in principle a competence of the *Länder*, with the exception of a small number of fields where the Federation has an administrative structure of its own (*Bundeseigene Verwaltung*). Much of the day-to-day administration is the responsibility of the local governments, which apply federal and land laws and regulations.

The Constitution guarantees self-government and gives indications on the distribution of competences between the Federation and the *Länder*.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Regional competences<sup>82 83</sup>**

The Constitution contains three lists of legislative competences (Art. 70 ff.):

- Exclusively federal competences;
- Concurrent competences, where both levels may legislate but federal laws prevail in case of conflict;
- Exclusive competences of the *Länder*. Furthermore, the principle of the

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<sup>82</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>83</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

*Länder* residual competences implies that if a field does not come under one of the competences mentioned in the Constitution, it will fall within the competence of the *Länder*.

In practice, most laws have been passed at the federal level, but the *Länder* implement them. Exclusive *Land* competences have mainly concerned culture and the media, local government, education, and policing.

The federal reform of 2006 seeks to disentangle federal and *Land* competences to some degree. The area of framework laws is reduced and almost disappears. Federal legislative powers concerning nuclear energy, environmental issues, and fighting terrorism have increased, while the *Länder* gained some extra control over education, the judiciary, and localised commerce. The federal state was given competence to fund university-based research projects.

#### Exclusive federal competences

- foreign affairs and defence;
- citizenship in the Federation;
- immigration, emigration, and extradition;
- currency, weights and measures;
- the unity of the customs and trading area;
- air transport and federal railways;
- postal and telecommunication services;
- industrial property rights, copyrights, and publishing;
- Federal Criminal Police Office and international action to combat crime;
- statistics for federal purposes.

#### Concurrent competences:

- civil law, criminal law, and corrections, court organisation and procedure, the legal profession;
- registration (births, deaths and marriages);
- the law of association and assembly;
- residence and establishment of aliens;
- weapons and explosives;
- social welfare;
- economic development (mining, industry, energy, crafts, trades, commerce, banking, stock exchanges, and private insurance);
- labour law (occupational safety and health, employment agencies, unemployment insurance);
- regulation of educational and training grants and the promotion of research;

- transfer of land, natural resources, and means of production to public ownership or other forms of public enterprise;
- prevention of the abuse of economic power;
- agriculture and forestry;
- health and safety (measures to combat dangerous and communicable human and animal diseases, food and plant safety);
- health regulation (human artificial insemination, analysis and modification of genetic information, and the regulation of organ and tissue transplantation);
- health employment regulation (admission to the medical profession, trade in medicines, drugs, narcotics, regulation of hospital charges);
- transport:
  - maritime and coastal shipping, and inland waterways used for general traffic;
  - road traffic, motor transport and long-distance highways;
- environment (waste disposal, air pollution control, and noise abatement).

### **Provincial competences<sup>84 85</sup>**

County competences are divided into compulsory and voluntary. They may vary from one *Land* to another. The main ones are:

- education:
  - building and maintenance of secondary schools;
  - building and maintenance of technical colleges;
  - support for pupil exchanges;
  - management of adult education colleges (*Volkshochschulen*);
- transport:
  - construction of pedestrian areas and cycle lanes;
  - building and maintenance of secondary roads;
- planning (spatial planning at district authority level);
- environment:
  - maintenance of nature parks;
  - household waste collection and disposal;
- social welfare and youth welfare;
- health (building and maintenance of hospitals);
- culture:

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<sup>85</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- support for cultural activities;
- construction and maintenance of public libraries;
- economic development (promotion of economic activity and tourism).

## **Municipal competences<sup>86</sup>**

Municipal competences are divided into compulsory and voluntary. They may vary from *Land* to *Land*, with the exception of some core competences that are protected by the Basic Law under the principle of local self-government (*Kommunale Selbstverwaltung*). The main ones are:

- economic development:
  - local economic development;
  - management of energy supply utilities;
  - urban development and regeneration;
- social welfare and youth welfare;
- housing;
- culture, sports and recreation (cultural affairs and sport facilities);
- planning (town planning);
- transport:
  - local roads;
  - urban traffic management;
  - building and maintenance of public transport infrastructure;
- education (construction and maintenance of primary schools);
- environment (waterways, sewage disposal);
- recreational and leisure areas;
- registration (birth, marriages and deaths, issuing of identity papers);
- running of elections;
- data (census taking and registration formalities for non-Germans);
- health and safety (supervision of food quality, hotels, restaurants, and public houses).

## **Finance**

The financial arrangements of the German Federation reflect the interlocking legislative and administrative relationship between the federal government, *Länder* and municipalities. An important principle regulating the allocation of expenditure responsibilities is the so-called Financing Principle (Art. 104a2), which states that if the states are required to act on behalf of the federal government, they must be given the necessary funds. A second major feature is the constitutional provision

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<sup>86</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

for the sharing of tax revenues.

Germany is a centralised federation in which the federal government retains a dominant role in fiscal relations and in which sub-national governments have very little tax-raising powers. Sub-national governments are responsible for 36.3 per cent of total public expenditure, with *Länder* responsible for 22.4 per cent and municipalities for 13.9 per cent, respectively. The fiscal autonomy of sub-national governments is, however, severely limited, as the *Länder* have no independent tax-raising powers and the municipalities can raise only about 20 per cent of their revenue from own tax sources.

### *Länder*

*Länder* governments are financed by shared taxes taxation, central government general, specific and conditional grants, and horizontal equalisation transfers. Shared taxes are the most distinctive feature of German fiscal federalism, constituting 100 per cent of total tax revenue of the *Länder* and 70 per cent of their total revenue. The *Länder* are constitutionally entitled to 42.5 per cent of the revenue raised on personal income tax, 50 per cent of revenue raised on corporation taxes, 49.5 per cent of revenue raised on the turnover tax, and 52 per cent of revenue raised on VAT. Taxes on estate, inheritance, transfers of real property, beer, insurance, betting and gambling, and motor vehicles are reserved exclusively for the *Länder*, but they do not have the right to change the rates. However, the autonomy of *Länder* governments is significantly augmented by the fact that the formula for the allocation of shared taxes cannot be changed without their consent. The federal approval of tax levels for shared taxes requires the concurrence of states through the *Bundesrat*, and thus the levels are not determined by the federal government alone.

### *Municipalities*

Municipalities are regulated by the *Länder* governments and financed principally by the block, specific and conditional grants that they receive from *Länder* governments (34 per cent), by shared taxation revenue (17 per cent) and by their own taxation revenue (20 per cent). Municipalities can set the rate on local business tax (profits and capital), on the personal income tax, and on the tax on immovable property, but this is partly shared with the *Land* and Federal governments. The share of local governments in proceeds from business tax and personal income tax is fixed in special legislation and can only be changed with the consent of the *Länder* governments in the *Bundesrat*.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The *Bundesrat* (Federal Council) has the powers of a second chamber of the federal parliament. Its 69 members are delegates of the 16 *Bundesländer*. The *Länder* each have from three to six votes in the *Bundesrat*, depending on population, and *Bundesrat* members – who are members of the state governments – receive voting instructions from their cabinet. The necessity for *Bundesrat* consent to legislation is limited to bills related to revenue shared by the federal and state governments and those imposing responsibilities on the states, although in practice this means that *Bundesrat* concurrence is very often required.

The 2006 constitutional reform disentangles some federal and *Land* competences. Consequently, the prerogatives of the *Bundesrat* have been curtailed. The proportion of legislation needing *Bundesrat* approval will drop from 60 per cent to around 35-40 per cent. The *Bundesrat* furthermore participates in the adoption of all federal legislation, to which it may propose amendments. When federal legislation in the field of *Bundesrat* consent allows for delegated legislation (*Verordnungen*), this must be agreed upon by the *Bundesrat* before being adopted by the federal government. As a matter of principle, however, the execution of federal legislation is based upon execution by the *Länder*, who are thus competent for adopting the necessary regulatory provisions.

A large number of federal–*Länder* intergovernmental bodies are responsible for the coordination, harmonisation, and formulation of the policies to be implemented by both the federal State and the *Länder*. There are thirteen sectoral ministerial conferences established based on ad hoc agreements.

The *Gemeinschaftsaufgaben* (joint responsibilities) formula provides for shared tasks, including financing and planning. These include higher education, agricultural structure, and regional development.

Coordination among the *Länder* is provided by the Minister-Presidents Conference (*Minister-Präsidenten Konferenz*). There are also thematic conferences on specific issues, including EU affairs. The oldest of such conferences is the Conference of *Länder* Ministers for Culture and Education (*Kultusministerkonferenz*), which meets three or four times a year and is mandated to achieve coordination with each *Land*'s school system. In 2004, the principle of unanimity by which the Conference took its final decisions had to be relaxed.

There are three central associations of local government: the German County Association (*Deutscher Landkreistag*), which includes all 313 *Landkreise*; the German Association of Cities and Towns (*Deutscher Städtetag*); and the German Association of Towns and Municipalities (*Deutscher Städte und Gemeindebund*). The main task of these associations is to promote local government self-administration in accordance with the Basic Law, to facilitate the circulation of best practices, and to represent the common interest of local governmental bodies. The associations have joined to establish the Federal Union of Local Government Central Associations, to enable local authorities to achieve better representation of their interests within the main organs of the federal State (the government and both branches of the Parliament).

*Land* governments are responsible for controlling the legality of county and municipal acts.

Relations between the federal level of government and local authorities associations are managed by the Joint Standing Orders of the Federal Ministries and the Standing Orders of the German Federal Parliament. In both Standing Orders, the representatives of city associations have the ability to get involved and make proposals to the federal government and the committees of the Parliament concerning draft legislation with an impact on local governments.

Local authorities associations also participate in a number of boards and institutions of the Federation and the *Länder*, with either decision-making prerogatives or advisory competence. This participation is partly regulated by law. Particularly important is participation in the Financial Planning Council, the Economic Planning Council, the *Bund-Länder* Council for Educational Planning and Research Support, and the Concerted Action in the Health Service Group. The German County Association has also set up seven special committees to study and evaluate proposals that affect them.

### **Relations with the EU**

The *Länder* have all opened representative offices in Brussels, which cooperate with the observer and the Permanent Representation of Germany to the EU. There has been a joint *Länder* observer since 1957 – based in the German Permanent Representation – who also informs the *Länder* concerning Council consultations.

Since 1992, Article 23 of the Basic Law requires *Bundesrat* approval for treaties that modify the EU by the same majority that is necessary for a constitutional revision of the Basic Law. Article 23 also quotes the principle of subsidiarity and

requests that Germany adhere to a Union that is based on democratic principles, the rule of law, and the respect of fundamental rights as guaranteed by the German domestic legal order.

The terms that regulate the *Bundesrat* and the *Länder*'s participation on EU matters and legislation were spelled out in an ad hoc Act of Cooperation in 1993.

The first stage is to establish the German negotiating position. The government promptly informs the *Bundesrat* of any EU proposals in which the *Länder* could have interests. In case of urgent or confidential matters, the special *Bundesrat* Commission for European Affairs discusses the proposal. The *Bundesrat* issues an opinion, with varying degrees of influence on the federal government's final decisions. If there is an exclusive or concurrent competence of the federal government, the opinion simply needs to be taken into account. If the decision concerns exclusive competences of the *Länder*, or the organisation of *Länder* administrative authorities or administrative procedure, the opinion is binding. In case of disagreement, there is a conciliation procedure; the *Bundesrat* position becomes binding if voted by a two-thirds majority. The federal government can override the *Bundesrat* veto in cases where the general political responsibility of the Federation and its financial interests are at stake.

Representation in the Council of Ministers depends on the issue at stake. On matters of exclusive federal competence, only the federal government participates. On matters of shared competence, the *Länder* may request to participate. On matters of exclusive *Land* competence, the *Bundesrat* nominates a *Land* minister, who leads the delegation, with the federal government also being represented.

Participation of *Länder* representatives in the advisory bodies of the Commission and the Council of Ministers follows similar lines.

Under the federal reform of 2006, the number of issues requiring the consent of the *Länder* has been reduced. Their exclusive right to speak for Germany is now restricted to education, culture, and broadcasting.

EU matters are also discussed by the Conference of *Länder* Ministers of European Affairs and the Heads of the State and Senate Chancelleries, and by the Conference of Minister-Presidents. They also feature in working groups and informal discussions.

## **EU-city relations**

Cities are also active at the EU level. The German Counties Association has set up its own office in Brussels. Among its ad hoc committees, one is devoted to constitutional and EU affairs. Concerning municipalities, the German Association of Cities has a mandate to represent the interests of its associated cities at the EU level, although it has not established an office in Brussels.

## **5. References**

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### **Official Federal Government Website**

<http://www.bund.de>

### **Federal Parliament**

<http://www.bundestag.de/>

### **Constitution (Basic Law)**

[http://www.bundestag.de/htdocs\\_e/parliament/function/legal/germanbasiclaw.pdf](http://www.bundestag.de/htdocs_e/parliament/function/legal/germanbasiclaw.pdf)

### **Bundesrat**

<http://www.bundesrat.de/>

### **CEMR German section (RGRE)**

Web: <http://www.rgre.de>

### **German Association of Cities**

Web: <http://www.staedtetag.de>

### **German Association of Towns and Municipalities**

Web: <http://www.dstgb.de>

### **German Counties Association**

Web: <http://www.landkreistag.de>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**Germany**  
**Inhabitants 82.5 million<sup>87</sup> – 357 046 km<sup>2</sup>**

<b>EU Membership</b>	Founding member 1951 – 24 members of the CoR
<b>State system</b>	Federal Republic, composed of <i>Länder</i> The Federal Council ( <i>Bundesrat</i> ) is composed of members of the <i>Länder</i> governments and takes part in the federal legislative process
<b>Regional level<sup>88</sup></b>	16 states ( <i>Länder</i> ), three of which are also cities Directly elected parliaments ( <i>Landtage</i> ) Government headed by Minister-President, elected by and responsible to regional parliament ( <i>Landesregierung</i> )
<b>Provincial level</b>	439 counties ( <i>Kreise</i> ), of which 323 are rural ( <i>Landkreise</i> ) and 116 are towns, sharing also municipal competences ( <i>Kreisfreie Städte/Stadtkreise</i> ) Status and responsibilities differ among <i>Länder</i> Directly elected county council ( <i>Kreistag</i> ) Executive elected by council or directly elected
<b>Municipal level</b>	12 432 municipalities ( <i>Gemeinde</i> ) including the <i>Kreisfreie Städte/Stadtkreise</i> . 3 cities are also <i>Länder</i> (Berlin, Bremen and Hamburg) Directly elected municipal council ( <i>Gemeinderat</i> ) Executive elected by council or directly elected Status and responsibilities differ among <i>Länder</i>
<b>System of Competences</b>	<i>Länder</i> have legislative and administrative competences The <i>Länder</i> are organs for implementing federal legislation Counties and municipalities have only administrative competences The biggest part of legislative competences are concurrent, implying both a legislative competence of the federation and of the <i>Länder</i>
<b>Intergovernmental relations</b>	The federal council ensures participation of the <i>Länder</i> government in federal legislation Coordinating bodies for vertical (federal- <i>Länder</i> ) and horizontal (between <i>Länder</i> ) coordination A representative of the <i>Länder</i> acts as their observer in the Permanent representation in Brussels, where all <i>Länder</i> also have representative offices, as well as the associations of councils and cities <i>Länder</i> representatives participate in Council meetings dealing in matters within their competence

<sup>87</sup> Eurostat 2006-2007.

<sup>88</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# **GREECE**

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<sup>89</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>90</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Greece is a republic under the Constitution of 1975, which recognises the freedom of local government (Art. 101 and 102). Local government has a longer history but was guaranteed in the Constitution, which specified the municipal level, and, since 2001 the prefectural level. A 1994 law provides for elections at the provincial level (the prefectures). A 1997 law reorganised the regional level (*periferia*) as a tier of deconcentrated state administration. The “Kapodistria Law” (1997) provides for the creation of new municipalities and communities following the compulsory merger of existing ones. Further legislation transferred power to regions and local authorities in 1998-2001. A constitutional amendment of 2001 strengthened the regional level and affirmed the existence of two levels of local government.

Greece has been a member of the European Communities / Union since 1981. Greece appoints twelve members to the Committee of the Regions, representing the municipalities and the prefectures on equal basis.

## **2. System of Government and Electoral System**

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### **State system**

Greece is a regionalised unitary state composed of regions (*periferia*) (pl. *peripheries*), prefectures (*nomoi*), municipalities (*dimoi*), and communities (*koinotites*). It has a Napoleonic tradition of centralised government, but there have been decentralisation reforms over recent years.

### **Regional level<sup>91</sup>**

The thirteen regions (*periphéria*, plural *periferies*) are deconcentrated branches of central government. There is no directly elected body at this level. Regions are run by a secretary-general (*genikos grammateas*), appointed by and responsible to the central government. The secretary-general is the head of all the region’s services and the representative of the central government in the region.

The secretary-general presides over a regional council (*periferiako simvoulío*) composed of the prefects in the region, a representative of each local association of municipalities and communities (*topiki enosi dimon kai koinotiton – TEDK*) for the region, and representatives of the regional branches of various organisations.

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<sup>91</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

## **Provincial level**<sup>92</sup>

There are fifty-four prefectures (*nomoi*), which were previously only a deconcentrated level of state administration. Since 1994 directly elected prefectural administrations (*nomarchiakes aftodioikiseis*) have also been set up. In most cases the territory of the *nomoi* and of the prefectural administrations coincide.

The prefectural council (*nomarchiako simvoulio*), which has between twenty-one and thirty-seven members, is elected every four years by proportional representation from party lists. There is a majority premium, in that three-fifths of the seats are from the leading list and the remaining two-fifths are shared proportionally among the other lists.

The prefect (*nomarchis*) is the head of the winning list and heads the provincial administration.

Prefectural committees (*nomarchiakes epitropes*), which have three or five members, are elected from the council.

## **Municipal level**

Municipalities and communities (*dimos*, pl. *dimoi* and *koinotita* pl. *koinotites*) represent the first level of local government. Under the “Kapodistria reform” that came into force in 1999, the number of local authorities (*dimos*, pl. *dimoi*) was reduced from 5 775 to 1 034.

Municipalities are, as a rule, the chief towns in the prefectures and the most important urban areas. Communities are generally remote villages or islands with less than two thousand inhabitants, with the exception of a handful of communities which have been preserved in urban areas. Municipalities and communities are administered by a municipal or communal council (*dimotiko simvoulio or koinotiko simvoulio*) elected for a four-year term by proportional representation from party lists. There is a majority premium, in that three-fifths of the seats are from the majority list and the remaining two-fifths are shared proportionally among the other lists.

The mayor (*dimarchos*) is the leader of the winning party list. The municipal council elects a president (*proedros*) to chair it. In the rural communities, the chairman of the community (*proedros tis koinotitas*) is the candidate who heads the

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<sup>92</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

winning list, and holds both the offices of mayor and president of the communal council.

In the urban municipalities, the municipal council appoints a municipal committee (*dimarchiaki epitropi*) consisting of the mayor or deputy mayor (*antidimarchos*) and four to eight members, depending on the size of the municipal council.

There are metropolitan governments for the cities of Greater Athens, Greater Piraeus, and Greater Thessaloniki. Greece also has one special-status autonomous community (Kinotita), the Community of the Mount Athos Monasteries.

### **3. Main Competences**

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#### **General principles**

Greece is a centralised country, and limited powers have been devolved. There is no absolutely clear division of competences. Certain responsibilities are divided or shared among the *perifereies*, prefectures, and central administration. For instance, the maintenance of hospitals is the responsibility of the regional administration, while the supervision and monitoring of existing health clinics in the private sector is allocated to the prefectures and the centre. Some of the former responsibilities of the prefectures have been taken up to the regions, and others kept at the prefecture level following decentralisation. In addition, some ministerial responsibilities have been deconcentrated to the regional level.

The Constitution guarantees self-government. It also guarantees the principle of decentralisation and it includes a general presumption of competence for local and regional affairs in favour of local regional and local government agencies (Art. 101 and 102). There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Regional competences<sup>93 94</sup>**

The following ministries have devolved administrative responsibilities to the *periferies*:

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<sup>93</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>94</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- Interior, Public Administration and Decentralisation;
- Development;
- Environment and Public Works;
- Education and Religion;
- Agriculture;
- Labour and Social Security;
- Health and Welfare;
- Culture;
- Commerce and Shipping;
- Transport and Communications.

### **Provincial competences<sup>95 96</sup>**

Prefectoral administrations have administrative responsibilities in the following fields:

- economic development;
- local authorities services management;
- planning and urban development;
- health;
- environment:
  - o green areas;
- education:
  - o school building construction.

### **Municipal competences**

Municipalities and communities have administrative responsibilities in the following fields

- culture;
- public transport;
- social welfare:
  - o social services;
- gas and water supply;
- education:
  - o school building maintenance.

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<sup>95</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>96</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## **Finance**

Greece remains highly centralised in financial terms. Although prefectural administrations, and municipalities and communities are responsible for a wide range of services, including health, education, and welfare, sub-national governments are jointly responsible for only about 8 per cent of total public expenditure and are attributed only about 0.9 per cent of total tax revenue. The fiscal autonomy of sub-national government is also limited, as an average of about 68 per cent of their revenue is derived from central transfers.

### *Regions*

Regions are financed by the regional development fund (RDF), which is financed from the central government public investment budget, other public sector organisations, or EU programmes. There is no provision for autonomous taxation.

### *Prefectoral administrations*

Prefectoral administrations are financed by an annual central government grant, a share of national taxes, credits from the public investment programmes, local rates and duties, revenue from property, and fees charged for specific services. There is no provision for autonomous taxation.

### *Municipalities and communities*

Municipalities and communities are financed by central government transfers, autonomous taxation, other own sources, and loans. The autonomous taxation stems from taxes on specific goods and services, such as a tax on places using electricity, a tax on the acquisition of offices, a 2% tax on hotel accommodation, construction permits, and parking permits, etc..

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The secretary-general of the region is a senior civil servant, appointed in each region by the minister of the interior, who performs every function that has not been devolved to the prefectural administrations, as well as supervising the local authorities' organization. There is no hierarchical relation between municipalities/communities and prefectural administrations. Both levels are supervised by the region's secretary-general who may review their decisions.

### **Relations with the EU**

The Central Union of Municipalities and Communities of Greece (KEDKE) is a

legal entity of private law and constitutes the principal institution representing the first level of local authorities in the country. It also participates in European and international organizations representing local interests. The Union of Prefectoral Administrations of Greece (ENAE) has similar functions for prefectoral administration.

KEDKE has an Office in Brussels.

Several municipalities have their own offices in Brussels.

Municipal and prefectoral authorities participate in the management of Structural Funds through the Regional Council and Regional Monitoring Committees. The Regional Council is described as the '*choro ekfrasis*' (place of expression) of local governments and the representatives of the productive classes, providing an important link in the intergovernmental process.

## **5. References**

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### **Official Government Website**

<http://www.primeminister.gr/>

### **Parliament**

<http://www.parliament.gr>

### **Constitution**

<http://www.parliament.gr/english/politeuma/default.asp>

### **Central Union of Municipalities and Communities**

<http://www.kedke.gr>

### **National Association of Prefectoral Administrations of Greece**

<http://www.enaе.gr/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**Greece**  
**Inhabitants 11.1 million<sup>97</sup> – 131 957 km<sup>2</sup>**

<b>EU Membership</b>	1981 – 12 members of the CoR
<b>State system</b>	Unitary state
<b>Regional level<sup>98</sup></b>	13 regions ( <i>peripheria</i> ) are only deconcentrated territorial divisions of state administration Secretary-general ( <i>genikos grammateas</i> ), appointed by and responsible to the central government Regional council ( <i>periferiako simvoulío</i> ) composed of the provincial prefects in the region
<b>Provincial level</b>	54 prefectures ( <i>nomoi</i> ) and equal number of prefectural administrations ( <i>nomarchiakes aftodioikiseis</i> ) and three extended prefectural administrations ( <i>dievrímenes nomarchiakes aftodioikiseis</i> ) Directly elected prefectural council ( <i>nomarchiako simvoulío</i> ) Prefect ( <i>nomarchis</i> ) (head of the winning list at council elections) heads the local administration
<b>Municipal level</b>	1,034 local authorities : municipalities and communities ( <i>dimos</i> , pl. <i>dimoi</i> and <i>koinotita</i> pl. <i>koinotites</i> ) Directly elected municipal or communal council ( <i>simvoulío</i> ) Mayor or chairman of the community ( <i>dimarchos</i> - or <i>proedros tis koinotitas</i> - head of the winning list at council elections) heads the local administration Municipal committee ( <i>dimarchiaki epitropi</i> ) elected by municipal council in urban municipalities
<b>System of Competences</b>	Regions, prefectures and local authorities have only administrative competences
<b>Intergovernmental relations</b>	Central Union of Municipalities and Communities of Greece (KEDKE) and Association of Prefectural Administrations of Greece (ENAE) act as intergovernmental link. KEDKE has an office in Brussels.

<sup>97</sup> Eurostat 2006-2007.

<sup>98</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# HUNGARY

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<sup>99</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>100</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Hungary is a republic under the Constitution of 1949, as amended at the transition to democracy in 1989. Local government is guaranteed in the Constitution (Art. 44 A), and the local government law can be adopted only by a two-thirds majority in Parliament; the same majority is required for laws that fundamentally limit the rights of local authorities. A law of 1994 provided for the direct election of mayors. A law of 1999 obliges counties to form development regions.

Hungary has been a member of the EU since 2004. It elects twelve members of the Committee of the Regions, chosen by the regional development associations and associations of local governments.

## **2. Systems of Government and Electoral Systems**

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### **State system**

Hungary is a decentralised unitary state. Its main territorial units consist of the capital (which is divided into districts), counties, cities, and communities.

### **Regional level**

Regions were optional from 1996 and obligatory from 1999. There are seven regional development councils, which are not directly elected. Half of the members are appointed by central government. The other half are appointed by local governments in the region. Proposals for direct elections have repeatedly been postponed.

### **Provincial level<sup>101</sup>**

There are nineteen counties (*megyék*, singular: *megye*). The capital city, Budapest, is independent of any county government.

The county council is elected for a four-year term by proportional representation.

The county chairperson is elected for a four-year term by members of the county council.

Towns with populations of more than 50 000 may be granted county status. There are twenty-three of these urban counties, which combine the responsibilities of a

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<sup>101</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

municipality and a county and may create districts.

### **Municipal level**

There are 3 169 municipalities: 233 towns and 2 889 villages. The capital, Budapest, has a special status and is divided into twenty-three districts.

The municipal council is elected for a four-year term under a proportional representation system in municipalities with less than 10 000 inhabitants. In those with more than 10000 inhabitants, half of the candidates are elected in single districts and the rest proportionally.

The mayor is elected for a four-year term by direct vote, in a single-ballot plurality system (first-past-the-post) in municipalities with a population of less than 10 000 and by the municipal council in those with a population of more than 10 000.

## **3. Main Competences**

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### **General principles**

Regional and local authorities have only administrative competences. The Constitution guarantees self-government but gives no indication on competences.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

### **Regional competences** <sup>102 103</sup>

- regional economic development;
- administration of community funds.

### **Provincial (county) competences**

- planning:
  - o spatial planning;
  - o establishment of spatial information systems;
- environment;
- economic development (including promotion of tourism).

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<sup>102</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>103</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

Other tasks can be transferred to counties.

### **Municipal competences<sup>104</sup>**

- registration (public registry office, including land registry);
- public order;
- fire fighting and prevention;
- local economic development;
- public areas (including cemeteries);
- environment:
  - o water and sewage;
  - o refuse collection;
- local planning;
- housing;
- transport:
  - o municipal and urban transport;
- education:
  - o kindergartens and nursery;
  - o primary and secondary level schools;
- health:
  - o primary health centres;
- culture and sport;
- protection of the rights of national and ethnic minorities.

### **Finance**

The fiscal autonomy of local government is stipulated in Article 44A of the Constitution, which states that local government is entitled to its own revenue and shall determine the types and rates of local taxes in accordance with the framework established by law.

Hungary is a highly centralised state in matters of intergovernmental financing. Local government is responsible for about 25 per cent of total public expenditure and is allocated about 6 per cent of total taxation revenue.

#### *Municipalities*

Municipalities are funded from three principal sources: central government grants (45 per cent), shared taxation (40 per cent), autonomous taxation (15 per cent), and other sources of revenue. Shared taxation thus makes up the bulk of taxation

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<sup>104</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

revenue (70 per cent).

The shared revenue from personal income tax (PIT) constitutes the most significant component of shared taxation, 87 per cent. The formula allocating the revenue to local and central government is fixed by Parliament as part of the annual Budget Law. Local government exercises no discretion over the majority of its revenue. Revenue from taxation on property transfers, vehicles, and other transfers, such as inheritance and gifts, are also split between the central and local governments.

Local government is free to set the rate of taxation on a number of sources, principally the local business tax, which makes up 84 per cent of their autonomous taxation revenue. The remainder flows from taxation revenue from construction, housing, payroll, and tourism.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The Minister for the Interior appoints, directs, and supervises the thirty Public Administration Offices (PAO), a deconcentrated branch of central government. The tasks of these offices, set up in 1994, are to:

- a. ensure that the activities of local authorities are in keeping with the law;
- b. supervise local authorities' financial management;
- c. coordinate the activities of other decentralised state administrations;
- d. provide technical support for local authorities.

Two local government associations represent local authorities to the central government:

Hungarian National Association of Local Authorities (TÖOSZ)/ Association of Hungarian Local Governments and Representatives (MÖSZ).

### **Relations with the EU**

Hungarian regions have a representation office in Brussels. Some regions – such as West Transdanubia – also have their own separate representation office. The twelve Hungarian members of the Committee of the Regions are chosen by the regional development associations and associations of local governments.

## **5. References**

### **Official Government Website**

<http://www.magyarorszag.hu/>

## Constitution

<http://net.jogtar.hu/jr/gen/getdoc.cgi?docid=94900020.tv&dbnum=62>

## Hungarian National Association of Local Authorities (TÖOSZ) / Association of Hungarian Local Governments and Representatives (MÖSZ)

<http://www.toosz.hu>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Hungary**  
**Inhabitants 10.1 million<sup>105</sup> – 92 966 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 12 members of the CoR
<b>State system</b>	Decentralised unitary state
<b>Regional level<sup>106</sup></b>	7 regions are only statistical and planning units without elected councils
<b>Provincial level</b>	19 counties ( <i>megyék</i> , singular: <i>megye</i> ) Directly elected county council County chairperson elected by county council
<b>Municipal level</b>	3 169 municipalities: 233 towns (of which 23 are also counties) and 2 889 villages Directly elected municipal council Directly elected mayor
<b>System of Competences</b>	Counties and municipalities have only administrative competences
<b>Intergovernmental relations</b>	Hungarian National Association of Local Authorities (TÖOSZ) and Association of Hungarian Local Governments and Representatives (MÖSZ) represent local authorities to the central government

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<sup>105</sup> Eurostat 2006-2007.

<sup>106</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# **IRELAND**

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<sup>107</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>108</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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The Republic of Ireland became independent in 1921 (originally as the Irish Free State) when twenty-six counties were given Dominion Status within the British Empire, while six counties (Northern Ireland) remained in the United Kingdom. Its Constitution, dating from 1937, is intended to apply to the whole island; but following a referendum in 1998 (in connection with the Northern Ireland Good Friday Peace Agreement), it recognises that unification will happen only with the consent of the population of both parts of the island. The local government system dates from 1898 (when Ireland was part of the United Kingdom). Rural districts were abolished in 1925, and legislation in 1941 and 1946 strengthened central control over local government. Regional Authorities were established in 1994 and Regional Assemblies in 1999. In 1999, the Constitution was altered by referendum to formally recognise local government. A major reform in 2001 replaced urban districts and town commissioners' boards with town councils and provided for directly elected mayors. An act of 2003 repealed the latter provision but ended dual mandates, preventing Members of Parliament from serving as councillors.

Ireland has been a member of the European Communities / Union since 1973. Ireland's nine members of the Committee of the Regions are nominated by the Irish Government taking into account territorial and gender balance, as well as having regard to political balance. All are members of a local authority and full members (but not alternate) automatically become a member of their Regional Authority.

## **2. System of Government and Electoral System**

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### **State system**

Ireland is a unitary state composed of municipalities (towns and boroughs), counties and cities, and regions. The four historic provinces of Leinster, Munster, Connacht and Ulster (six of whose nine counties are in Northern Ireland) are significant only in symbolic, cultural and sporting matters.

### **Regional level**

There are eight regional authorities and two regional assemblies.

The eight regional authorities are composed of nominated members from the county and city councils composing the region. Each regional authority is headed by a chairperson. The regional authority is assisted by an operational committee composed of senior management from the constituent local authorities and other

relevant public sector agencies operating in the region.

The chairperson is elected from among the regional authority.

The Republic of Ireland is also divided into two Regions for EU Structural Funds purposes (NUTS II level): The Border Midland and Western Region (BMW Region) and the Southern and Eastern Region (S&E Region). The regional assembly consists of nominated members from the local authorities who must also be members of their regional authority. Each regional assembly is headed by a chairperson. The regional assembly is also assisted by an operational committee composed of the chief executive officers of public authorities in the region and the Directors and Chairpersons of the Regional Authorities in the region.

The Regional Assemblies also have a Monitoring Committee for the implementation of the Regional Operational Programme in the region.

The chairperson is elected from among the regional assembly and presides over meetings of the regional assembly.

### **Provincial level<sup>109</sup>**

The intermediary level in Ireland is composed of twenty-nine county councils and five city councils (Dublin, Cork, Limerick, Galway and Waterford), which have the authority of county councils. These are the primary units of local government in Ireland, between them covering the entire area and population of the country.

The county and city councils are elected by direct universal suffrage for five years, using proportional representation by single transferable vote. The number of councillors varies and is set by national legislation.

The mayor/chairperson of the council is the ceremonial head of the local authority. (S)he is elected each year by members of the council. The mayor/chairperson chairs meetings of the council and represents the city or county. (S)he is assisted by policy committees for local policies, made up of both local elected members of the council and various local interests, such as business, environmental groups, and the community and voluntary sector.

The county or city manager is a full-time professional official who heads the

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<sup>109</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

administration and has a number of responsibilities related to the internal management of the local authority and implementation of policy. In particular, the manager exercises and oversees executive functions (staff management, public agreements, revenue collection, planning permissions, and housing allocation). The manager is nevertheless a public servant appointed by the Public Appointments Service (formerly the Civil Service and Local Appointments Commission) and is thus answerable to the national government as well as the local council.

Matters deemed as ‘reserved’, including the budget, the development plan and by-laws, are dealt with by the council. All other matters are deemed to be ‘executive’ and are handled by the manager.

Councils operate through Strategic Policy Committees, which include elected members and social partners. These make policy recommendations to the full council.

The County Development Boards, set up in 2001 and composed of local representatives and various local public bodies, develop a social and economic strategy for their area.

### **Municipal level<sup>110</sup>**

There are eighty municipalities (town authorities), consisting of five Borough Councils and seventy-five Town Councils, within the counties. Not all areas are covered by such councils.

The town or borough council is elected by proportional representation (single transferable vote) for a five-year term. The council appoints the mayor and is responsible for making development plans of the municipality.

The town clerk is a full-time appointed official who is the executive head of the council, appointed by the municipal council.

The mayor is elected every year by councillors from among the municipal council. (S)he chairs the council.

Councils operate through Strategic Policy Committees, which include elected members and social partners. These make policy recommendations to the full

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<sup>110</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

council.

### **3. Main Competences**

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#### **General principles**

Irish local government bodies have very limited administrative competences, conferred on them by national laws. There is a low degree of autonomy.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Regional competences<sup>111</sup>**

The regional level has the following general competences:

- planning (coordination of public services at regional level and providing guidelines for spatial planning);
- guaranteeing the communication of programmes and plans of the central government;
- managing regional programmes and reviewing the implementation of other Community programmes at the regional level, in particular the Structural Funds.

The eight Regional Authorities have special competences in:

- planning (reviewing the Development Plans of local authorities in their region and adjoining regions; preparing Regional Planning Guidelines and Regional Economic and Social Strategies);
- coordination of public services and promotion of cooperation and joint actions;
- supervision and monitoring of the European Union Structural Fund implementation.

The two Regional Assemblies have competences in:

- managing and monitoring the regional operational programmes;
- promoting the coordination of public services;
- monitoring the general impact of European Union funds and national programmes on the region;

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<sup>111</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- economic development (advising on regional dimension of national policies; making public bodies aware of the regional implications of their policies and plans).

## **Provincial competences<sup>112 113</sup>**

County and city councils have competences that are defined within eight broad categories. Key functions include the following:

- land use planning;
- transport:
  - o county roads;
- environment:
  - o water supply and treatment;
  - o waste management;
  - o environment conservation;
- housing;
- fire services and civil defence;
- culture, sports and recreation:
  - o libraries;
  - o local arts;
  - o culture and leisure facilities;
- coordination of public services across different agencies operating locally.

## **Municipal competences**

Municipal councils have competences in the following:

- Housing (including building control)
- transport:
  - o local road transport and safety;
- environment:
  - o water, sewerage and drainage;
  - o environmental protection;
  - o refuse disposal;
- local planning;
- health and safety (including street cleaning);
- fire fighting;
- culture (including library service), sports and recreation;

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<sup>112</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

<sup>113</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- public areas (parks and open spaces);
- social welfare:
  - o social services;
  - o community centres;
- education:
  - o education grants
- public health:
- registration (voter and jurors).

## **Finance**

Ireland remains highly centralised in financial terms, with local government subject to strict statutory, administrative, and financial control. Regional and municipal authorities are jointly responsible for about 27 per cent of total public expenditure and are attributed 2 per cent of total tax revenues.

### *Regions*

Funding for regional authorities comes entirely from constituent local government, through general contributions to their net expenses in proportion to their area populations. Regions have no taxation powers.

Source of Revenue	County Councils	City Councils
Local Government Fund	22	14
Other grants	29	15
Local Service Charges	27	36
Local Rates	21	35

Source: PWC (1999)

### *County Councils and City Councils*

The sources of revenue for county councils and city councils are highlighted in the table above. County councils are more reliant than city councils on central government grants. Local service charges are fees for a number of services for refuse collection, planning, and development. The most important source of autonomous taxation for county and city councils are the local commercial property taxes (rates). The rate of taxation is set by the counties and cities, but can be limited by the central government in case of sudden increases in local fiscal pressure.

### *Borough and Town Councils*

Borough and town councils have the same sources of revenue as cities and counties, but rely more heavily on own-source revenue in the form of commercial

rates and charges, which amount to around 70 per cent of their income.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The National Government's Department for the Environment Heritage and Local Government has primary supervisory authority for local and regional authorities. This Department has significant ex-ante responsibility (approval) and ex-post responsibility (monitoring legality) over local, intermediate, and regional authorities.

The County Manager, as well as being manager for the county councils, is also manager for all boroughs and town councils within a county. Town clerks (at the local level) work under the guidance of the county manager (intermediate level).

Each Regional Authority also has a designated County/City Manager, to assist in guiding the work of the authority and ensure better coordination between the local authorities in the region.

### **Relations with the EU**

In 2000, the Irish Regions Office (IRO) was established in Brussels to represent Irish regional interests and support the Irish members of the CoR. The IRO's activities are directed by a sub-committee of the Association of Irish Regions.

Several arrangements have been made to foster cooperation with Northern Ireland. The Good Friday Agreement of 1998 established the North/South Ministerial Council and the British-Irish Council. The former puts together Ministers from the Dail in the Republic and from the Northern Ireland Executive to facilitate consultation and cooperation throughout the territory of Ireland. The latter comprises ministers from the British and Irish Governments and from the devolved administrations in Northern Ireland, Scotland and Wales. Its main responsibilities are the exchange of information and securing agreement on cooperation issues. An international agreement of 2 December 1999 between the Irish and British governments set up six bodies responsible for the implementation of policies as agreed upon by ministers in the North/South Ministerial Council. These bodies are the Foyle, Carlingford and Irish Lights Commission; Inter-Trade Ireland; the North/South Language Body; the Food Safety Promotion Board; the Special European Union Programmes Body (SEUPB); and Waterways Ireland. The SEUPB is also the managing authority for the North/South INTERREG and PEACE

Programmes.

## 5. References

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### Official Government Website

<http://www.irlgov.ie/>

### Constitution

<http://www.taoiseach.gov.ie/index.asp?docID=243>

### Institute of Public Administration

<http://www.ipa.ie/>

### Department of the Environment, Heritage and Local Government

[http://www.viron.ie/](http://www.environ.ie/)

### The Irish Regions Office

<http://www.iro.ie/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Ireland**  
**Inhabitants 4.1 million<sup>114</sup> – 70 273 km<sup>2</sup>**

<b>EU Membership</b>	1973 – 9 members of the CoR
<b>State system</b>	Unitary state
<b>Regional level<sup>115</sup></b>	8 regional authorities composed of nominated members from the county and city councils 2 regional assemblies to implement EU-funded programmes, composed of nominated members from the county and city councils
<b>Provincial level</b>	29 county councils and 5 city councils directly elected County or city manager appointed by the Public Appointments Service and answerable to the national

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<sup>114</sup> Eurostat 2006-2007.

<sup>115</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

	government as well as the local council
<b>Municipal level</b>	80 municipalities: 5 borough councils and 75 town councils. Not all areas are covered by such councils Directly elected borough or town council Town clerk appointed by council
<b>System of Competences</b>	Local governments have only administrative competences
<b>Intergovernmental relations</b>	A National Government Department has significant ex-ante responsibility (approval) and ex-post responsibility (monitoring legality) over local, intermediate, and regional authorities The Irish Regions Office (IRO) in Brussels represents Irish regional interests. Its activities are directed by a sub-committee of the Association of Irish Regions

# ITALY

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<sup>116</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>117</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Under the Constitution of 1948, Italy is a unitary republic, which recognises local autonomy (Art. 5 and 114). Four special status regions were established in 1948 and a fifth in 1963. Ordinary status regions were not established until 1970 and did not receive their competences until 1976. Two laws of 1997 (usually known as the ‘Bassanini’ laws) introduced wide ranging reforms and a devolution of tasks from the central State to the regions and local authorities. Constitutional revisions introduced direct election of regional presidents in 1999 and enhanced the regional legislative powers in 2001. The “Bassanini” laws and 2001 constitutional revision also introduce the principle of subsidiarity, whereby competences are to be exercised at the lowest suitable level.

Italy is a founding member of the European Communities / Union. Italian regional and local governments elect twenty-four members of the Committee of the Regions – fourteen from the regions, and five each from the provinces and municipalities.

## **2. System of Government and Electoral System**

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### **State system**

Italy is a regionalised unitary state, with three levels below the state: the region, the province, and the municipalities and metropolitan cities (Constitution, Art. 114). The regions have acquired new competences in recent years.

### **Regional level**

There are twenty regions (*regioni*) in Italy, recognised in the 1948 Constitution, which states that the Constitution’s role is to recognise, protect, and promote local autonomy, to ensure that services at the state level are as decentralised as possible, and to adapt the principles and laws establishing autonomy and decentralisation (art. 5).

Each region has its own status, and there are thus differences in the organisational setting and the implementation of competences from region to region.

Five regions (Friuli Venezia Giulia, Sardinia, Sicily, Trentino-Alto Adige, and the Aosta Valley) have a special autonomous status, taking into account relevant geographic and/or cultural specific features. The distinction between the ordinary and special status regions is diminishing to some extent.

The regional council (*consiglio regionale*) is composed of about thirty to eighty councillors (the numbers are established in each regional statute) and is elected in accordance with the procedure laid down in the individual regional statutes. 80 per cent of the regional council's members are elected by proportional system from provincial lists of candidates and 20 per cent of the seats are normally given to the list led by the victorious candidate for president. The exception is where this list has already won a majority of seats; in that case, half the additional seats are given to the winning list and the remainder distributed among the opposition parties. If the winning presidential candidate does not have a majority even with the additional seats, additional seats are added to give it 55 per cent of the total. The regional system uses preference voting, in which electors can change the order of candidates in the list. In Val d'Aosta, a 'pure PR' system is used. In Trentino-Alto Adige, the regional assembly is composed of representatives from the two provincial assemblies.

Except where a regional statute provides otherwise, the president (*presidente*) is elected for five years by universal direct suffrage, in a single-ballot system. (S)he designates and dismisses the members of the executive (*giunta*). The president administers regional laws and regulations and performs the administrative functions that the state delegates to the regions and; in the latter, the president must follow the government's directions.

Except where a regional statute provides otherwise, the executive committee (*giunta regionale*) is composed of the president and regional deputies designated by the council or the president. They have a five-year mandate. The *giunta* must resign if it loses the confidence of the council.

## **Provincial level**

The province (*provincia*) is an administrative division of intermediate level between municipality (*comune*) and region (*regione*). In 2008, there were 107 provinces in Italy . New provinces may be established by a national law, and the total number of provinces is therefore evolving.

The provincial council (*consiglio provinciale*) is elected by proportional representation with majoritarian premium (using closed lists) for five years.

The president (*presidente della provincia*) is elected by universal direct suffrage, in a two-ballot system. If no candidate wins 50 per cent of the vote in the first round, there is a second round run-off between the two highest performing candidates. The president is elected for five years.

The executive committee (*giunta provinciale*) is designated by the president of the province. Its members cannot be members of the council.

### **Municipal level**<sup>118</sup>

There are 8 101 municipalities (*comuni*). Communes with more than 100 000 inhabitants must be divided into *circoscrizioni comunali di decentramento*; those with more than 30 000 inhabitants may be divided into *circoscrizioni*, which play an important role in the electoral system.

The local council (*consiglio comunale*) is elected for five years by universal direct suffrage, with a majority system for areas with a population of less than 15 000, otherwise by proportional representation with a majoritarian bonus. It is the main decision-making body and votes on the budget.

The mayor (*sindaco*) is directly elected for five years in a two-ballot system. If no candidate earns 50 per cent of the vote in the first round, a second round of voting decides between the two candidates who received the relative highest rate of votes in the first round. The mayor designates the deputies (*assessori*) who are the members of the executive committee (*giunta comunale*).

The Law 142/90 and Legislative Decree 267/200 regulate the establishment of metropolitan areas (*aree metropolitane*) to improve the administrative coordination between big cities and smaller communes in their hinterland. The law defined nine such areas in ordinary statute regions: Bari, Bologna, Florence, Venice, Rome, Turin, Naples, Milan, and Genoa. There are six metropolitan areas established by special status regions: Palermo, Messina and Catania (in Sicily); Trieste (in Friuli Venezia Giulia); and Sassari and Cagliari (in Sardinia).

## **3. Main Competences**

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### **General Principles**

Regions have legislative and administrative competences, defined by the status which they adopt. The Constitution guarantees regional and local autonomy and the principle of subsidiarity; it gives indications on the allocation of competences between the State and the regions. Conformity of regional status and laws to the

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<sup>118</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

Constitution is reviewed by the constitutional court.

Provinces and municipalities have only administrative competences, which they exercise on the basis of the relevant national and/or regional laws. According to the principle of subsidiarity, administrative competences have to be exercised at the level closest to citizens. The application of this principle is reviewed by administrative courts.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

### **Regional competences<sup>119</sup>**

Ordinary regions have legislative and administrative competence over:

- health;
- labour:
  - o job protection;
  - o health and safety;
- social welfare:
  - o complementary social security;
- education:
  - o training and vocational education;
- planning:
  - o town planning;
  - o land development;
- public housing;
- economic development:
  - o foreign trade;
  - o research and development;
  - o production and delivery of energy;
  - o tourism;
  - o mining;
- culture;
- agriculture and forestry;
- transport:
  - o regional public transport;
  - o civil ports;
  - o local airports;

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<sup>119</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- regional electoral law;
- environment;
- international relations with other regions and with the EU, as well as implementation of EU regulations and policies.

With the Constitutional Law of October 2001 which enhanced regional legislative powers, regional government has gained new powers in such areas as (1) foreign trade, (2) education, and (3) local government. Regional governments intervene in the legislative process of the EU when European laws deal with regional matters.

Article 117 of the Constitution lists a series of matters of concurrent legislation, for which the state shall set fundamental principles. These matters are:

- regions' international relations and relations with the EU;
- economic development:
  - o foreign trade;
  - o scientific and technological research and support to the innovation of productive sectors;
  - o mutual savings bank, rural banks, loan companies with a regional character (including land societies and institutions for rural loans);
- education (respecting the autonomy of school institutions and with the exclusion of professional education and training);
- work safety and protection;
- health protection (including nutrition);
- sport regulation;
- civil protection;
- land use regulations and planning;
- transport:
  - o navigation networks;
  - o civil ports;
  - o airports;
- communication regulation;
- energy production and distribution;
- social welfare:
  - o complementary and integrative pension systems;
- harmonisation of public budgets and coordination of public finance and tax system;
- culture.

## **Provincial competences<sup>120</sup>**

The provinces may adopt their own statute. The provinces are mainly responsible for decentralised implementation of state responsibilities, but also see to local government needs for municipalities regarding questions beyond their powers. The main competences are:

- planning:
  - o spatial planning;
  - o social and land-use planning;
- environment:
  - o environmental protection (protection of flora and fauna);
  - o natural reserves and parks;
  - o water;
  - o waste collection;
- police:
  - o civil protection;
- culture:
  - o protection of cultural heritage;
- transport:
  - o provincial highways and public transport;
- agriculture and fishing:
  - o inland-waters, hunting and fishing;
- labour market;
- education:
  - o school education;
- data:
  - o compiling public data;
- technical and administrative assistance for municipalities;
- economic development:
  - o local economic development;
  - o energy resources.

The autonomous provinces of Trento and Bolzano exercise a number of regional competences.

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<sup>120</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## **Municipal competences**<sup>121 122</sup>

Municipal governments have administrative responsibilities for:

- social welfare:
  - o personal social services and community assistance;
- education:
  - o school-related services (canteens, school buses, assistance for the disabled);
  - o pre-school child care, nursery schools;
- culture and recreation (museums, exhibition halls, cultural activities, theatre);
- planning:
  - o town planning;
  - o housing and land registry;
- transport:
  - o running of local transport;
  - o upkeep of local roads;
- economic development:
  - o drafting of plans for trade;
  - o planning, programming and regulation of commercial activities;
  - o establishment and management of industrial and trade zones;
- environment (including waste management);
- police:
  - o local police.

Upland communities (*Comunità Montane*) have special competences in the following fields:

- planning (enhancement of upland areas);
- joint discharge of municipal responsibilities;
- tasks conferred on them by the EU or state or regional laws and policies;
- economic development:
  - o multi-annual work and operation plans;
  - o instruments for pursuing socio-economic development objectives, including those laid down by the EU, the state, or a region.

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<sup>121</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>122</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## Finance

Italian regions have obtained a significant degree of legislative, regulatory, and fiscal autonomy. The principles of fiscal responsibility were established with the Constitutional Reform of October 2001. Article 119 of the Constitution implies complete autonomy for lower levels to finance their activities. The Constitution does not set very precise parameters on the model of financing that should be chosen.

Italy is a unitary state that is moderately decentralised in financial terms. Ordinary regions enjoy a wide range of competences and therefore have been allocated an important degree of fiscal autonomy. Regional, provincial, and municipal authorities are jointly responsible for 30 per cent of total public expenditure and are attributed 16 per cent of tax revenues. The fiscal autonomy of sub-national government is important, as about 53 per cent of sub-national revenue is derived from autonomous taxation.

	Municipalities	Provinces	Regions
Autonomous taxation	52	63	45
Central govnt transfers	29	21	44
Other own resources	12	12	3
Loans	7	4	4

Source: (DEXIA 2002)

Although sub-national governments do enjoy a considerable share of autonomous taxation, the base and rate of these taxes is in a majority of cases regulated by the central government.

### *Municipalities*

The autonomous taxation of municipalities derives from additional taxation on personal income (IRPEF), the rate of which is fixed by the central government from taxation on property, buildings and undeveloped land, from taxation on publicity, from an additional tax on the consumption of electricity, and from taxation on the occupation of public spaces and on garbage collection, for all which the rate is fixed by the central government.

### *Provinces*

The autonomous taxation of provinces derives from additional taxation on personal

income (IRPEF – the rate of which is fixed by the central government), taxation on automobile insurance, taxation on the purchase of automobiles, and taxation on the occupation of public space (for all of which the rate is fixed by the central government).

### *Regions*

The autonomous taxation of region derives principally from the additional taxation on personal income (IRPEF), of which regions can alter the basic rate by a margin of 1 to 1.4 per cent, and from the taxation on production (IRAP). Since 2001, regions can alter the basic rate of IRAP by 1 percent and apply differentiated rates to different categories of firms.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The Constitutional Court has the final say on state-region conflicts of competence. In recent years, the Court has seen an extraordinary increase of such cases, testifying to a high degree of attrition and lack of clarity in the distribution of competences.

The prefecture (*prefettura*) is the provincial office of national government. The prefect represents the government in a province, is responsible for law and order and urgent measures, and is the state's representative in relations with local authorities. In the Valle d'Aosta, the prefect's duties are discharged by the president of the regional cabinet. The prefects who operate in regional capitals are called 'regional prefects' (*prefetti regionali*). The role of the prefects – and especially that of regional prefects – has tended to change parallel to the process of devolution of powers to the regional and communal levels, moving from a traditional role of executor of state decisions and supervisor of regional and local acts to that of liaison between the state, the regions, the provinces, and the communes, with a mandate to improve communication and coordination among them.

The Conference of the Regions and the Autonomous Provinces (*Conferenza delle regioni e delle province autonome: CRPA*) – formerly known as Conference of the Presidents of the Regions (*Conferenza dei Presidenti Regionali*) – is political coordination body between the presidents of the regions and of the autonomous provinces. At the provincial level, this function of coordination is carried out by the Union of Italian Provinces (*Unione delle province d'Italiae: UPI*). The National

Association of Italian Communes (*Associazione nazionale comuni italiani: ANCI*) represents about seven thousand communes. There is also a National Union of Communes of Upland Communities (*Unione nazionale comuni comunità enti montani: UNCEM*).

The State-Regions Conference (*Conferenza stato-regioni*) dates from 1983. It coordinates policy with the state and conveys the views of the Conference of the Regions and the Autonomous Provinces. It also negotiates on devolution of competences.

The State-Cities and Local Autonomies Conference (*Conferenza stato-città e autonomie locali*), established in 1996, has consultative, decisional, and coordination powers on matters of common interests to the state and the local authorities (communes and provinces).

There is also a Joint Conference that puts together the four levels of governments, established in 1997. It is competent in all cases in which the two separate conferences are called to express themselves on the same issue. The Joint Conference also implements the inter-institutional agreements between the state, the regions, and the local authorities concerning the realisation of the reform of the Constitution.

These conferences do not represent all of the channels of communication between the state and its territorial counterparts, and ultimately it is not even the most effective one from the viewpoint of territorial actors. For example, the CRPA has become more influential on the government through informal meetings than through the State-Regions and Joint Conferences, which meet rarely, have their agenda set by the national government, and are purely consultative.

## **Relations with the EU**

A presidential decree of 1994 covers guidance and coordination of overseas activities by the autonomous provinces and regions. A law of 1996 grants regions the right to open liaison offices in Brussels for relations with the Community institutions. All regions have set up offices in Brussels.

Under a law of 2003, the regions can participate in the work of the EU's Council of Ministers and in the committees and working groups of the Council and the Commission. The national delegations to the Council may be chaired by regional representatives.

ANCI is represented in Brussels by the Ideali foundation – whose main task is to inform communes about developments of EU legislation, with a particular focus on the activities of the Committee of the Regions, and UPI by Tecla.

At the request of the autonomous regions and provinces, and within their remit, the government is obliged to appeal to the European Court of Justice against EU decisions if the State-Regions Conference demands it with an absolute majority of the autonomous regions and provinces (Article 5, Law 131/2003).

A law of 2005 on the general norms for Italian participation in the EU normative process and the procedures of implementation of EU obligations established a new procedure for incorporating the interests and positions of regions and local authorities in the Italian position on EU legislation. It set up the Inter-Ministerial Committee for Common European Affairs (*Comitato Interministeriale per gli affari comunitari europei: CIACE*). The president of the CRPA, or somebody delegated by her/him, can ask to participate in CIACE meetings when it discusses EU legislation of regional interest. The same request can be made by the presidents of associations of local authorities when the issue at stake concerns them. The CIACE has a permanent technical committee (*Comitato tecnico permanente: CTP*) with which the competent regional councillors are associated (the meeting, in that case, is chaired by the Minister of EU Affairs in agreement with the Minister for Regional Affairs). EU draft legislation related to regions and local authorities is transmitted to the competent territorial associations for comment.

In the case of matters concerning regions and autonomous provinces, the procedure is particularly inclusive. Upon reception, the relevant EU draft legislation is forwarded by the CRPA and the Conference of the Presidents of the Assembly of Regional Councils and of Autonomous Provinces to the presidents of the regional executive committees and of the regional councils, which have twenty days to submit their comments to the government. In cases of EU legislation of importance for the regions and the autonomous provinces, or at the request of one or more regions or autonomous provinces, the government convenes the Permanent Conference for the Relations between the State, the Region and the Autonomous Communities (*Conferenza permanente per le relazioni tra lo stato, le regioni e le province autonome*) to reach a common position within twenty days (after which – or in case of urgency – the government can proceed). If the Permanent Conference so requests, the government puts a ‘reservation of examination’ (*riserva di esame*) in the EU Council of Ministers (again, the Permanent Conference must provide an opinion within twenty days, after which the government proceeds with the activities related to the formation of the EU acts in question). Regions and

Autonomous Provinces are also associated in the process of verification of the implementation of EU legislation.

When the EU draft act concerns issues relevant for local authorities, the government passes the proposals to the State-Cities and Local Autonomies Conference, which transmits them to local authorities associations (ANCI and UPI) for comment. Through the Conference, the associations can transmit their comments to the government by a date indicated in the act of transmission of the documents by the government, or not later than one day before the proposal is scheduled for discussion at EU level.

## **5. References**

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### **Government Website**

<http://www.governo.it/>

### **Constitution**

<http://www.cortecostituzionale.it/eng/testinormativi/costituzionedellarepubblica/costituzione.asp>

### **Ministry of the Interior**

[www.interno.it/](http://www.interno.it/)

### **Conference of Regions and Autonomous Provinces**

[www.regioni.it/](http://www.regioni.it/)

### **Union of Italian Provinces**

<http://upinet.hostmap.eu/><sup>123</sup>

### **National Association of Italian Communes**

[www.anci.it/](http://www.anci.it/)

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

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<sup>123</sup> If the page does not open, try Unione Province Italia on your search engine.

## 6. Synopsis

**Italy**  
**Inhabitants 58.5 million<sup>124</sup> – 301 323 km<sup>2</sup>**

<b>EU Membership</b>	Founding member 1951 – 24 members of the CoR
<b>State system</b>	Unitary regionalised Republic
<b>Regional level<sup>125</sup></b>	20 regions ( <i>regioni</i> ), 5 of which have a special status or autonomy Directly elected regional council ( <i>consiglio regionale</i> ) Directly elected president ( <i>presidente</i> ) who chairs the executive committee ( <i>giunta regionale</i> )
<b>Provincial level</b>	110 provinces ( <i>province</i> ) Status and responsibilities differ among regions Directly elected provincial council ( <i>consiglio provinciale</i> ) Directly elected president ( <i>presidente</i> ) who chairs the executive committee ( <i>giunta provinciale</i> )
<b>Municipal level</b>	8 101 municipalities ( <i>comuni</i> ) Directly elected municipal council ( <i>consiglio comunale</i> ) Directly elected mayor ( <i>sindaco</i> ) who chairs the executive committee ( <i>giunta comunale</i> )
<b>System of Competences</b>	Regions have legislative and administrative competences Provinces and municipalities have only administrative competences According to the principle of subsidiarity, administrative competences have to be exercised at the level closest to citizens
<b>Intergovernmental relations</b>	State-Regions, state-province and state-local government conferences are in charge of vertical coordination. Representatives of the regions participate in EU Council meetings if relevant. The permanent conference for relations between the state, the regions and the autonomous provinces enables regions to participate in the preparation of EU decision-making. The National Association of Italian Communes has an office in Brussels

<sup>124</sup> Eurostat 2006-2007.

<sup>125</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# LATVIA

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<sup>126</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>127</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Latvia is a parliamentary republic under the Constitution of 1922, which was reinstated on independence from the Soviet Union in 1990 and revised several times since 1993. It does not explicitly guarantee local self-government. The law on local self-government dates from 1994. Laws on territorial finance were passed in 1995 and 1998. A 1998 law on Territorial Administrative Reform provided for the amalgamation of municipalities. In 1998 local governments voluntarily established planning regions, and the Regional Development Law of 2002 provided for the legal status of the planning regions.

A local and regional reform was started in 1998, based on cooperation and amalgamation. Objectives and content of the reform were changed several times. The first stage – local reform - is planned to be completed with the local government elections in 2009 and by abolishing provincial governments. The issue of introducing regional governments remains open. At mid-2008, the creation of 102 local governments instead of the existing system was being discussed in Parliament.

Latvia has been a member of the European Union since 2004. Latvian local governments elect seven members of the Committee of the Regions.

## **2. System of Government and Electoral Systems**

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### **State system**

Latvia is a unitary state composed of local governments (*vieteja pasvaldiba*) and districts (*rajoni*).

### **Regional level**

There are no elected regional governments in Latvia, but there are five planning regions – Latgale, Vidzeme, Zemgale, Kurzeme and the Riga Region. These are formed by cooperation among local governments.

### **Provincial level<sup>128</sup>**

There are twenty-six districts (*rajoni*). District councils are not elected directly, but formed by the chairpersons of local governments. The council may review any

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<sup>128</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

issue that is within the competence of the district government. The chairperson of the council is elected by secret ballot from among its members. There is no general deconcentrated central government administration at this level.

### **Municipal level**

The 525 local governments consist of 430 rural municipalities (*pagasti*), 52 towns (*pilsetas*), 7 cities (*republikas pilsetas* or republican town) serving as local and district government, and, since 1998, 36 amalgamated municipalities (*novadi*).

The local council (*dome*) is elected by universal direct suffrage for four years by proportional representation from party lists. Voters may change the order of names in the party lists. Lists earning less than five per cent of the vote are not eligible for seats. The council elects the chairperson from among the councillors and the standing committees.

The committees prepare draft decisions for the council.

The chairperson/mayor (*priekssedetajs*) is elected by the council for four years. (S)he chairs the local council and the finance committee.

## **3. Main Competences**

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### **General Principles**

Competences are allocated by national laws. Sub-national governments have administrative and regulatory competences. The Constitution guarantees self-government but gives no indication on competences.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

### **Regional competences**

Planning regions prepare regional development plans and strategies, as well as activity programmes, and have to establish regional development administrations, including regional development agencies and optionally other institutions.

## **Provincial competences<sup>129 130</sup>**

Districts have competences in:

- civil defence measures;
- public transport services;
- teacher training;
- representation of local governments in regional health insurance funds / institutions.

Both local and regional governments have a number of voluntary functions. The seven cities with special status exercise powers at both the regional and the local levels.

## **Municipal competences<sup>131</sup>**

- registration:
  - o birth, marriage, death, issuing administrative documents;
  - o adoption matters and trusteeship;
  - o cadastral register;
- local planning;
- police:
  - o public order and civil defence / civil protection;
- environment:
  - o water;
  - o waste management (including household waste);
- provision of utilities:
  - o water;
  - o heating supply and treatment;
  - o waste management / household waste;
- upkeep of public areas;
- education:
  - o pre-school;
  - o primary education;
  - o secondary education;

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<sup>129</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>130</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

<sup>131</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- organisation of continuing education for teaching staff;
- culture;
- health:
  - hospitals;
  - health care (including availability of health care);
- social welfare:
  - personal social services;
  - child protection;
- housing;
- economic development (facilitation of economic activity);
- transport:
  - public transport;
  - local roads.

## **Finance**

Districts depend largely on grants and are not assigned any tax revenue, due partly to the fact that their functions were substantially reduced and shifted to local government in 1998. This section reports only on data pertaining to local government and to municipalities and towns.

Latvia is a moderately centralised state in matters of intergovernmental fiscal relations. Sub-national authorities are responsible for 24 per cent of total public expenditure and command 26 per cent of consolidated public budget revenue

### *Local government*

The composition of the revenue of rural municipalities, towns, cities and amalgamated municipalities is similar. The Latvian system of local government financing focuses predominantly on central government transfers in the form of grants and on shared taxation: 55 per cent of their revenue is made up of taxation revenue, 34 per cent of central government grants, and 11 percent is constituted by non-tax revenue (data from 2006).

The entirety of taxation revenue is shared with the central government: 80 per cent derives from taxes on personal income, profits and capital gains. The remainder is from taxation on property, and minor environmental and gambling taxes. The tax shares between the state and local governments are defined by laws on taxes.

## **4. Intergovernmental Relations and Participation in the EU**

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### **Intergovernmental relations**

Municipal governments can form voluntary cooperation arrangements. There is also provision for compulsory cooperation where a local government lacks the resources to undertake tasks.

The Latvian Association of Local and Regional Governments (LALRG) by law represents self-governments in negotiations with the state. A protocol is formulated annually on basis of negotiations among groups formed by the LALRG and representatives of all ministries.

### **Relations with the EU**

The Latvian Association of Local and Regional Governments is also represented in Brussels and thus represents and protects local government interests at EU level via a variety of lobby channels which among others include the LALRG umbrella organisation- CEMR (European Council of Municipalities and Regions) and the EU's Committee of the Regions, as well as informal networks. LALRG also participates in the process of formulation of national positions on EU initiatives through ministerial working groups.

## **5. References**

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### **Official Website on Latvia**

<http://www.latvia.lv/>

### **Constitution**

[http://www.saeima.lv/LapasEnglish/Constitution\\_Visa.htm](http://www.saeima.lv/LapasEnglish/Constitution_Visa.htm)

### **Association of Rural Municipalities of Latvia**

[http://www.lgassociations.info/view\\_organizations.lga?org=102](http://www.lgassociations.info/view_organizations.lga?org=102)

### **Association of Local and Regional Governments of Latvia**

[www.lps.lv](http://www.lps.lv)

<http://www.lps.lv/jaunumi.php?lang=en>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**Latvia**  
**Inhabitants 2.3 million<sup>132</sup> – 64 856 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 7 members of the CoR
<b>State system</b>	Unitary state
<b>Regional level<sup>133</sup></b>	No regional level
<b>Provincial level</b>	26 districts ( <i>rajoni</i> ) District councils are not elected directly, but formed by the chairpersons of local governments
<b>Municipal level</b>	525 local governments: 430 rural municipalities ( <i>pagasti</i> ), 52 towns ( <i>pilsetas</i> ), 7 cities ( <i>republikas pilsetas</i> or republican towns) serving as local and district government, and 36 amalgamated municipalities ( <i>novadi</i> ) Directly elected local council ( <i>dome</i> ) Chairperson/mayor ( <i>priekssedetajs/ mers</i> )) elected by the council
<b>System of Competences</b>	Districts and local governments have only administrative competences
<b>Intergovernmental relations</b>	Latvian Association of Local and Regional Governments (LALRG) represents self-governments in negotiations with the state and is represented in Brussels

<sup>132</sup> Eurostat 2006-2007.

<sup>133</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# LITHUANIA

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<sup>134</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>135</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Lithuania resumed its independence in 1990, and the Constitution of 1992 provides for local self-government (Art. 119-124). Local government is based on the 1994 Law on Local Self Government, the 1995 Law on Territorial Administrative Units and their Boundaries and the 1994 Law on Governing the County (several times revised).

Lithuania has been a member of the European Union since 2004. Lithuanian local governments elect nine members of the Committee of the Regions.

## **2. System of Government and Electoral System**

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### **State system**

Lithuania is a decentralised unitary state. There are ten counties (sing.: *apskritis*, pl.: *apskritys*) that are further subdivided into sixty municipalities (sing.: *savivaldybė*, pl.: *savivaldybės*), which consist of over five hundred wards (sing.: *seniunija*, pl.: *seniunijos*).

Only municipalities are genuine self-governing local authorities.

### **Provincial level<sup>136</sup>**

The ten counties are each named after their principal city. These are not self-governing units, but a deconcentrated level of central government administration. Counties are administered by county governors (*apskritis virsininkas*) appointed by the central government.

There are ten regional development councils corresponding to the territories of the counties. These consist of the county governor, mayors of the county municipalities, municipal council members, and the representative of the territorial labour exchange.

### **Municipal level**

There are 60 municipalities.

Municipal councils are directly elected every four years by proportional

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<sup>136</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

representation from party lists. The council elects the mayor (*meras*). Municipal administration is headed by the director of administration, appointed by the municipal council under the recommendation of the mayor. The director is directly and personally responsible for the implementation of laws as well as government and municipal council decisions in the municipality.

At the ward level, the *Seniunija* (ward in English) is the smallest administrative division of Lithuania. A ward can be a very small area consisting of a few villages, one single town, or part of a big city. Wards vary in size and population depending on their place and nature. Wardens are civil servants.

There are ongoing discussions on reforms to the overall system of government. There are also proposals for the direct election of mayors and wardens. Such a reform, however, would require an amendment to the Constitution.

### **3. Main Competences**

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#### **General principles**

Competences are decided by law. The Constitution guarantees self-government but gives no indication on competences.

Provincial governments – counties - do not have their own competences but carry out state responsibilities. Municipalities have administrative competences but little policy discretion. Policy lines in education, health, and social security and culture are set by central government after consultation with local government. National guidelines are also important in local planning.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Provincial competences<sup>137 138</sup>**

County governors carry out state administration in the following fields:

- implementation of state policies at the regional level;
- planning (including land use and protection);

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<sup>137</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>138</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- economic development (setting out general development guidelines);
- social welfare:
  - o social security;
- education:
  - o vocational and teaching training;
- culture (including protection and maintenance of monuments);
- health;
- administration of national and inter-regional programmes;
- police:
  - o civil defence.

### **Municipal competences**

- economic development (including tourism);
- local planning;
- environment:
  - o environmental protection;
- housing;
- transport:
  - o local public transport;
  - o maintenance of local highways and public areas;
- environment (incl. household waste);
- education:
  - o pre-school;
  - o primary school;
  - o secondary school;
  - o vocational training;
- health:
  - o local health centres and hospitals;
- culture and recreation (including libraries);
- social welfare:
  - o social assistance;
- public safety;
- fire fighting and fire prevention;
- registration (civil);
- agriculture.

### *Wards*

Wards manage small scale local matters, such as repairing pavements / dirt roads (transport) and declaration of the place of residence. They are most active in the social sector: they identify needy individuals or families and distribute welfare or

organise other forms of relief (social welfare).

## **Finance**

The Constitution gives local governments the right to draft and approve their own budgets and to establish local dues, within the limits and according to the procedure provided by the law. The most significant reform is the Law on Local Self-government of October 2000, which establishes and clarifies the procedures regulating the organisation, functions, and activities of municipal governments.

Lithuania is a moderately centralised state in matters of intergovernmental fiscal relations, but municipal budgets nevertheless play a significant role in the public sector. Municipalities are competent in certain key public services such as education and public utilities; they are responsible for approximately 22 per cent of total public expenditure and command 23 per cent of consolidated national government revenue.

The Lithuanian system of local government financing focuses on the elaboration of municipal budgets, which rely predominantly on shared taxation. The composition of their revenues is approximately as follows: 91 per cent from overall taxation revenue, 4.8 percent from non-tax revenue, and 4.1 per cent from central grants, 1.9 percent of which is earmarked.

The entirety of the overall taxation revenue is shared with the central government: approximately 91.3 per cent derives from taxes on income, profits, and capital gains, and 8.7 per cent comes from taxation on property. The procedure for determining the composition and share of municipal budgets is based on the principle of budgetary cooperation. One of the main principles is that the main financial indicators should be established through negotiations between central government and the municipalities.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

State representatives at the county ensure that the municipalities obey the law and the Constitution.

### **Relations with the EU**

Interests of the municipalities are presented by the Association of Local Authorities

in Lithuania (ALAL).<sup>139</sup>

ALAL represents interests of local authorities in the international organisations and EU institutions. ALAL has an office in Brussels.

## 5. References

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### Official Website

<http://neris.mii.lt>

### Law on Local Self-Government

[http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc\\_1?p\\_id=316457](http://www3.lrs.lt/pls/inter3/dokpaieska.showdoc_1?p_id=316457)

### Constitution of the Republic of Lithuania

[http://www3.lrs.lt/pls/inter2/dokpaieska.showdoc\\_1?p\\_id=239805](http://www3.lrs.lt/pls/inter2/dokpaieska.showdoc_1?p_id=239805)

### Association of Local Authorities in Lithuania (ALAL)

<http://www.lsa.lt>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Lithuania**  
**Inhabitants 3.4 million<sup>140</sup> – 65 300 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 9 members of the CoR
<b>State system</b>	Unitary state
<b>Regional level<sup>141</sup></b>	No regional level
<b>Provincial level</b>	10 counties (sing.: <i>apskritis</i> , pl.: <i>apskritys</i> ) deconcentrated level of central government administration
<b>Municipal level</b>	60 municipalities (sing.: <i>savivaldybė</i> , pl.: <i>savivaldybės</i> ) 44 district municipalities ( <i>rajono savivaldybes</i> ) 8 city municipalities ( <i>miesto savivaldybes</i> )

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<sup>139</sup> For information, visit the Lithuanian delegation website: <http://regionai.lsa.lt/>.

<sup>140</sup> Eurostat 2006-2007.

<sup>141</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

	Directly elected municipal council Mayor ( <i>meras</i> ) elected by the council
<b>System of Competences</b>	Municipalities have only administrative competences
<b>Intergovernmental relations</b>	Interests of the municipalities are represented by the Association of Local Authorities in Lithuania (ALAL), which is represented in Brussels



# LUXEMBOURG

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<sup>142</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>143</sup> References to publications are to be found in Chapter 1 when available in English language and not at risk of being too quickly outdated.

## **1. Introduction**

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Luxembourg is a constitutional monarchy under the Constitution of 1868, which recognises the right to local self-government (Art. 107). A Law on Municipal Organisation (*Loi Communale*) of 1988 extended local autonomy.

Luxembourg is a founding member of the European Communities / Union. Luxembourg local governments elect six members of the Committee of the Regions.

## **2. System of Government and Electoral System**

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### **State system**

Luxembourg is a unitary state with a municipal level of decentralisation. There are three districts and twelve cantons used for statistical and some administrative purposes, but these are not levels of government.

### **Provincial level<sup>144</sup>**

The district is a deconcentrated level of state administration.

The district commissioner is a state official responsible to the Minister of the Interior.

### **Municipal level**

Luxembourg is composed of 116 communes.

In municipalities with less than 3 000 inhabitants, the communal council is elected for six years by a non-proportional single-ballot plurality system. In those with more than 3 000, councillors are elected through proportional representation on party lists. The communal council is chaired by the mayor.

The mayor is appointed by the Grand Duke from the members of the communal councils. The mayor must be of Luxembourg nationality and is appointed for six years. (S)he chairs both the board of the mayor and aldermen, and the council. The mayor is both a representative of the commune and a body of the State. (S)he is in charge of implementing laws and police regulations, in addition to other authorities

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<sup>144</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

and state administration.

The board / college of the mayor and aldermen are composed of the mayor and the aldermen. Aldermen in cities are designated by the Grand Duke, while their counterparts in the other municipalities are designated by the minister of the interior. In reality, the majority within the council puts forward names for the functions of mayor and aldermen, and the designating authorities follow their proposals.

The board is both a local body (managing the local administration) and a state body, implementing laws, regulations, and decrees from the Grand Duke and the ministers, with the exception of police matters, which are reserved to the mayor.

### **3. Main Competences**

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#### **General principles**

Cantons are a level of state administration, without their own competences.

Municipal competences are administrative and are divided into mandatory and optional functions.

The Constitution guarantees self-government but gives no indication on competences. There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Municipal competences<sup>145</sup>**

Mandatory functions:

- transport:
  - o municipal roads;
  - o traffic management;
- local planning;
- environment (including water distribution and waste water management);
- emergency services;
- public safety (only police matters, jointly with the state);
- health:

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<sup>145</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- public health (only police matters, jointly with the state);
- registration (registry office);
- education (buildings, school organisation, but not the curricula and pedagogical matters):
  - pre-school education;
  - primary education;
- social welfare:
  - supplementary benefits and personal social services offices.

#### Optional functions:

- health:
  - hospitals, care homes;
- social welfare:
  - crèches;
  - child reception facilities;
  - welfare activities;
  - care of the elderly;
- cultural and sporting activities;
- transport:
  - public transport;
- economic development:
  - creation of industrial, commercial and craft areas;
  - tourism.

## **Finance**

Luxembourg is a fiscally highly centralised country. Communes are responsible for 14 per cent of total public expenditure and are allocated about 4.9 per cent of total tax revenues.

### *Communes*

Communes are financed by central government transfers (1/3), autonomous taxation (1/3), other own financial resources and loans (1/3). The autonomous taxation of communes is derived principally from the commercial tax, which represents about 91 per cent of their autonomous taxation revenue. Communes are free to set the rate of this tax but do not benefit from the whole of the revenue, as a share of it is destined for the equalisation fund. The other principal source is the tax on land, which represents about 5 per cent of their autonomous taxation revenue. Communes are free to set the rate of this tax. Various other taxes such as on secondary residences, and infrastructure constitute the remainder of their taxation revenue, but can only be used to finance general budget expenditure and must be

approved by the Grand Duke.

## **4. Intergovernmental Relations and Participation in the EU**

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### **Intergovernmental relations**

The district commissioner is a state official responsible to the minister of interior, who participates in the exercise of administrative supervision; (s)he is appointed by the Grand Duke for each of three districts. (S)he has the power of general supervision of municipal authorities and all official accounts. Most of the decisions taken by the municipalities are subject to the Grand Duke's or the government's approval. These authorities do perform a legal control of the local acts and decisions. Acts contrary to law, regulations or the public interest may not be approved.

(S)he reports to the minister of the interior on problems encountered in the management of municipalities.

The mayor represents both the state and the municipality and is empowered to enforce the law and police regulations, besides other authorities, administrations and services of the state.

Municipalities are all members of the Towns and Municipalities Association. SYVICOL (*Syndicat des Villes et Communes Luxembourgeoises*) is recognised by central government as the representative of local government and negotiates on matters of common interest.

### **Relations with the EU**

EU matters are dealt with through the same channels.

## **5. References**

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### **Government Website**

<http://www.gouvernement.lu/>

### **The Constitution of Luxembourg**

A link to the official text in French will be found on the government website:

<http://www.gouvernement.lu/gouvernement/index.html>

No official English translation is provided. A non-official translation is available at [http://www.servat.unibe.ch/law/icl/lu00000\\_.html](http://www.servat.unibe.ch/law/icl/lu00000_.html)

### **Association of Luxembourg Towns and Municipalities**

<http://www.syvicol.lu/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Luxembourg**  
**Inhabitants 0.5 million<sup>146</sup> – 2 586 km<sup>2</sup>**

<b>EU Membership</b>	Founding member 1951 – 6 members of the CoR
<b>State system</b>	Unitary monarchy
<b>Regional level<sup>147</sup></b>	No regional level
<b>Provincial level</b>	The canton is a deconcentrated level of state administration
<b>Municipal level</b>	116 municipalities ( <i>communes-Gemeinde</i> ) Directly elected municipal council Mayor appointed by the Grand Duke from the members of the communal council
<b>System of Competences</b>	Communes have only administrative competences
<b>Intergovernmental relations</b>	Most of the decisions taken by the communes are subject to the Grand Duke's or the government's approval. These authorities do perform a legal control of the local acts and decisions. Acts contrary to law, regulations or public interest may not be approved. Municipalities are all members of the Towns and Municipalities Association. SYVICOL is recognised by central government as the representative of local government and negotiates on matters of common interest.

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<sup>146</sup> Eurostat 2006-2007.

<sup>147</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# **Former Yugoslav Republic of Macedonia**

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<sup>148</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>149</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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The Former Yugoslav Republic of Macedonia (F.Y.R.O.M.) is a republic, which became independent in 1991 with a Constitution of the same year. The Constitution guarantees local self-government (Art. 114-117). The law on self-government must be approved by a two-thirds majority in parliament, including majorities of deputies representing the national minorities. There is a special status for the city of Skopje.

In the Yugoslav period, F.Y.R.O.M. was highly decentralised, giving rise to problems of disparity between urban and rural areas, lack of administrative capacity, and lack of co-ordination. After independence, the number of local governments increased from 34 to 124 (Law on Territorial Division of 1996), and their competences were reduced. A Local Government Act was adopted in 1995, and a Law on Local Self-Government of 2002 provided for the definition of competences. In 2004, the number of municipalities was reduced to eighty-five. The Ohrid Agreement of 2002 provides for power sharing at all levels among the national communities (principally citizens of the F.Y.R.O.M. and Albanians).

F.Y.R.O.M. applied for membership of the European Union in 2004 and was granted candidate status in 2005.

## **2. System of Government and Electoral System**

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### **State system**

F.Y.R.O.M. is a decentralised unitary state with one level of local self-government. There are eighty-four municipalities, and the city of Skopje, as a special unit of local self-government comprising 10 municipalities.

### **Regional level**

There are eight statistical regions. Eight Councils for Development of the Planning Region have also been established, responsible for the implementation of regional development policy.

### **Municipal level<sup>150</sup>**

F.Y.R.O.M. is composed of eighty-four units of local self-government (*opštini* -

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<sup>150</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

municipalities), and the City of Skopje, as a particular unit of local self-government comprising ten municipalities.

The municipal council is directly elected for four years by proportional election from party lists. The number of municipal councillors depends on the number of citizens in the municipality.

The mayor is directly elected for a four-year mandate. If half of the electorate votes in the election, the highest placed candidate is elected, effectively producing a plurality system. If less than half of the electorate votes, then a second round is held in which all candidates earning 10 per cent of the first-round vote can stand. The mayor represents the municipality and acts on its behalf. (S)he is responsible for the work of municipal administration and acts as municipal executive organ.

The capital city, Skopje, is a special unit of local self-government composed of ten municipalities. The competences are strictly defined by a special law.

Within municipalities forms of neighbourhood communities may also be established.

### **3. Main Competences**

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#### **General principles**

Local governments have administrative responsibilities in 13 fields. Central government ministries may also entrust the administration of some of their responsibilities to municipalities, under central supervision.

The Constitution guarantees self-government but gives no indication on competences.

The Law on Local Self-Government broadly defines the competences of the municipalities. It distinguishes between the general competency to perform activities of local importance and a list of specific competencies assigned to municipalities.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

## **Municipal competences<sup>151</sup>**

- local planning;
- environment;
- environmental protection;
- water supply and sewerage;
- local economic development;
- transport (roads);
- culture;
- sport and recreation;
- social welfare and health protection (including child care);
- education (elementary and secondary education);
- civil protection;
- fire fighting.

## **Finance**

On the basis of the Law on Financing of Local Self-Government Units, municipalities have their own revenue sources, including: local taxes, fees, charges and fines determined by law; revenues from ownership and donations; revenues from self-contribution; and other revenues determined by law.

Besides, since 1 July 2005 municipalities receive 3% of the Personal Income Tax (PIT). Local self-government units are granted a sum equal to 3% of the VAT collected in the previous fiscal year. It is foreseen to abolish tax exemption for business buildings and premises. The application of these changes as of 1 January 2008 is expected to lead to a more significant increase in the revenues of the local self-government units. Since 2007 the local self-government units were allocated 40% of the fee for exploitation of mineral raw materials. Besides their own sources of finance, local self-government units are financed through different grants (subsidies) from the central budget.

The total revenues of the municipalities in 2006 can be broken down by source as follows: local tax/fees income: 45%; non-tax/fees income: 16%; capital income: 1%; transfers and donations: 20%; earmarked grants: 18%.

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<sup>151</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

Local governments work under the close supervision of central ministries and their local offices.

Local governments have the right to appeal to the Constitutional Court if their prerogatives are being overridden by the central government or parliament.

The Association of the Units of Local Self-Government (ZELS) was formed in 1972 but was reconstituted when the new Law on Local Self Government was enacted in 1996. During the period between 1990-1996, when there was no overall law on local government, ZELS was very active on behalf of the municipalities. The Association produced and disseminated model ordinances for its members. It also provided a forum to debate these various models and participated in drafting the new local government law. Under the present governing charter, membership for the municipalities is obligatory. The Association is involved in the process of monitoring the legal and administrative framework for local taxation and grants.

Generally, cooperation between the Government of the F.Y.R.O.M. and local authorities, represented through its association, is determined in the Law on Local Self-Government. The institutional dialogue between the Government of F.Y.R.O.M. and municipalities is based on a Memorandum of Understanding co-signed in 2003 by the Ministry of Local Self- government (on behalf of the Government) and ZELS.

### **Relations with the EU**

F.Y.R.O.M. is not a member of the European Union.

## **5. References**

### **Official Website**

<http://www.macedonia.org/>

### **Constitution**

<http://faq.macedonia.org/politics/>

### **Association of the units of local self-government of F.Y.R.O.M. (ZELS)**

<http://www.zels.org.mk/>

## Laws on Local Self-Government and Amendments

[http://www.zels.org.mk/eng\\_index.htm](http://www.zels.org.mk/eng_index.htm)

References to publications are to be found in Chapter 1 if available in English language and not at risk of being too quickly outdated.

## 6. Synopsis

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**F.Y.R.O.M.**  
**Inhabitants 2.0 million<sup>152</sup> – 25 710 km<sup>2</sup>**

<b>EU Membership</b>	Candidate for membership
<b>State system</b>	Unitary republic
<b>Regional level<sup>153</sup></b>	No regional level
<b>Provincial level</b>	No provincial level
<b>Municipal level</b>	84 municipalities ( <i>oštini</i> ) – and the capital, Skopje, a special unit of local government composed of 10 municipalities Directly elected municipal council Directly elected mayor
<b>System of Competences</b>	Municipalities have only administrative competences
<b>Intergovernmental relations</b>	Association of the Units of Local Self-Government (ZELS) has lobbying functions, internally and internationally

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<sup>152</sup> World Bank Country briefs 2007

<sup>153</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

# MALTA

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<sup>154</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>155</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

## **1. Introduction**

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Malta became independent in 1964 with a Constitution from that year. In 1974, it became a republic. Local government was first established by the Local Councils Act of 1993, revised in 1999. In 2001, local government was entrenched in the Constitution (Art. 115a).

Malta became a member of the European Union in 2004. Malta's delegation to the Committee of the Regions is composed of five members.

## **2. System of Government and Electoral System**

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### **State system**

Malta is a decentralised unitary state.

### **Regional level**

There are no elected governments at this level, but three regions do exist as administrative territorial entities grouping local districts.

### **Municipal level<sup>156</sup>**

Malta is composed of sixty-eight local councils – fifty-four in Malta (the main island) and fourteen in Gozo.

The local council is directly elected by proportional representation (single transferable vote). Councils are elected for a three-year term, with a third of the councils being elected each year.

An executive secretary (with executive, administrative, and financial powers) is appointed for three years by the council after consulting the minister responsible for local councils. (S)he is the executive, administrative, and financial head of the municipality. In 2008, the government decided that executive secretaries and employees contracts of employment shall be made indefinite in accordance with EU legislation.

The mayor and deputy mayor are elected by and from the members of the council at its first session. The mayor and deputy mayor are appointed by the council from

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<sup>156</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

amongst the political party with a clear majority of councillors, and on the basis of the highest number of votes.

### **3. Main Competences**

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#### **General principles**

Maltese local governments have administrative responsibilities with little policy discretion.

The Constitution guarantees self-government but gives no indication on competences. There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Municipal competences<sup>157 158</sup>**

- environment
  - o garbage collection, street cleaning, separation of waste
- public areas (including parks, gardens, streetlights, public property, and bus shelters);
- culture, sports, and recreation:
  - o sports centres;
  - o cultural and other leisure centres;
  - o local and regional public libraries;
- transport:
  - o maintenance of local roads;
- education:
  - o maintenance of educational buildings;
- health:
  - o maintenance of health and rehabilitation centres;
- public order:
  - o local tribunals;
- registration (including administration of commerce licenses and permits).

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<sup>157</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>158</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## **Finance**

Malta is highly centralised in matters of intergovernmental fiscal relations. Sub-national authorities are responsible for 1.7 per cent of total public sector expenditure, the lowest in Europe.

### *Local government*

Local councils are entirely financed by central government transfers and are not entitled to collect their own taxes. The Local Councils Act provides, however, that a local council raise funds by means of any scheme designed to provide additional funds, provided that such a scheme has been instituted by by-laws. Malta is the only country where municipalities do not levy any tax on property, the most common source of autonomous municipal taxation. Both main political parties agree that municipalities should not be allowed to raise local taxation.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The Local Councils Association was established in 1994 through the issue of specific Local Councils (Association) Regulations. Since then, these regulations have been amended and enhanced.

### **Relations with the EU**

There are no separate mechanisms for dealing with EU affairs.

## **5. References**

### **Official Government Website**

<http://www.gov.mt/>

### **Constitution**

<http://www.legal-malta.com/law/constitution.htm>

### **Maltese Local Government Page**

<http://mjha.gov.mt/>

### **Ministry for Justice and Home Affairs: Local Government**

<http://www.mjha.gov.mt/ministry/localgovt.html>

## Local Councils Association

<http://www.lca.org.mt/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Malta**  
**Inhabitants 0.4 million<sup>159</sup> – 316 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 5 members of the CoR
<b>State system</b>	Unitary republic
<b>Regional level<sup>160</sup></b>	No regional level
<b>Provincial level</b>	No provincial level
<b>Municipal level</b>	68 municipalities (local councils) Directly elected municipal council Executive secretary appointed by the council after consulting the minister responsible for local councils
<b>System of Competences</b>	Municipalities have only administrative competences
<b>Intergovernmental relations</b>	Local councils association

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<sup>159</sup> Eurostat 2006-2007.

<sup>160</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# **THE NETHERLANDS**

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<sup>161</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>162</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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The Netherlands is a constitutional monarchy under the Constitution (*Grondwet* – basic law) of 1815, completely revised in 1983. Local self-government is entrenched in the Constitution (Art. 124). In 1994, there was a major revision of the local government law. In 2002 and 2003 the law was again revised to separate the executive and deliberative branches of local and provincial government. There has been a movement over time to reduce the number of municipalities, as well as many proposals to strengthen the provinces or to introduce a regional level.

The Netherlands is a founding member of the European Communities / Union. It elects twelve members to the Committee of the Regions – six each from provinces and municipalities.

## **2. System of Government and Electoral System**

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### **State system**

The Netherlands is a parliamentary constitutional monarchy that operates as a decentralized unitary state composed of municipalities and provinces.

### **Provincial level**

There are twelve provinces (*provincies*).

The provincial assemblies (*provinciale staten*) are elected by universal direct suffrage through proportional representation for a four-year mandate. They consist of 39 to 55 members. The provincial states have the power to pass by-laws. They elect the members of the national parliament's upper house (Eerste Kamer). They are chaired by the Queen's Commissioner (who cannot take part in a vote). They are divided into standing committees, on which non-elected members may sit.

The provincial executive councils (*gedeputeerde staten*) consist of three to nine members (deputies) elected by the provincial assemblies, chaired by the Queen's Commissioner. Each deputy has a portfolio.

The Queen's Commissioner (*commissaris van de Koningin*) is appointed by the government for a six-year, renewable term of office, on binding advice from the provincial assemblies. The commissioner has powers in the areas of public order and safety. (S)he chairs the executive and can have a decisive vote. The commissioner is also part of central government, reporting to the Minister for

Internal Affairs, with powers in the area of civil defence and the appointment of mayors.

### **Municipal level**<sup>163</sup>

The Netherlands is composed of 443 municipalities (*gemeenten*). The number of municipalities has decreased from 1 014 in 1948 to 840 in 1976 and 443 in 2008.

The municipal council (*gemeenteraad*) is elected for four years by proportional representation. It has between 9 and 45 members. It elects the aldermen from its members or nominates them from outside. The council takes the main decisions in the municipality and has the power to pass by-laws. The council is chaired by the mayor (who does not have a vote). It is divided into standing committees in which non-elected members can sit.

The college of mayor and aldermen (*burgemeester en wethouders*) is the executive body. The college has a four-year mandate. Its number of members depends on the size of the municipality. The college has the duty to brief the council fully and to take responsibility for its own proceedings.

The mayor (*burgemeester*) is the chair of the college. His/her vote can be decisive in the executive. (S)he is appointed by the government on a proposal from the Queen's Commissioner after a politically binding consultation of the council and/or a local consultative referendum.

The mayor has a six-year renewable mandate. (S)he represents the municipality and is responsible for implementing municipal public order and safety provisions.

Recently, laws have been passed on the 'dualisation' of municipal (2002) and provincial (2003) government. These laws establish the split of competences between the municipal council and the municipal executive (the college), as well as between the provincial assembly and the provincial executive. They also introduce the incompatibility of membership of the municipal and provincial councils and the membership of the elected executive committees/councils.

There has been a long debate on the government of metropolitan areas. Between 1965 and 1985 there was a directly elected metropolitan authority for the Rijnmond, around Rotterdam. Since its abolition, there have been many proposals

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<sup>163</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

for a new supra-municipal level or a strengthened provincial level, including city-regions.

### **3. Main Competences**

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#### **General principles**

The provinces and municipalities may issue provincial and municipal regulations, as long as they are in compliance with national law. Both provinces and municipalities have the autonomy to develop policy that is not in conflict with national legislation.

The Constitution guarantees self-government (Art. 124) but gives no indication on competences.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Provincial Competences<sup>164</sup>**

- culture and recreation;
- planning:
  - o spatial-planning;
- social welfare:
  - o welfare homes;
  - o allocating quotas and grants with regard to social housing;
  - o youth care;
- police, public order, and safety:
  - o the Queen's Commissioner is responsible for district coordination between police forces;
- transport:
  - o provincial roads;
- environment;
- economic development:
  - o investment boards;
  - o energy;
  - o tourism.

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<sup>164</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## **Municipal competences**<sup>165 166</sup>

- planning:
  - o local planning;
  - o urban development;
- housing;
- culture, sports, and recreation;
- transport:
  - o local roads;
  - o public transport;
- health:
  - o public health;
- economic development (including tourism);
- education:
  - o management of public primary schools;
  - o financing of private primary schools;
- social services (including youth care and employment);
- environment;
- safety policy, public order, and local police.

## **Finance**

The Netherlands was originally a highly centralised country from a financial perspective; but a gradual process of decentralisation of revenues has taken place, allowing sub-national governments to rely less on central government transfers and to generate autonomous revenue. Article 132.6 of the Constitution offers a vague framework for financial arrangements, stating that ‘the taxes which may be levied by the administrative organs may be required by or pursuant to law to provide regulation and administration’.

The Law on Financial Relations (*Financiële Verhoudingswet*) lays down that the provinces and the municipalities should receive payments from the funds for provincial and municipal funding, which are a separate heading of the national budget. Moreover, the provinces and municipalities have limited own resources, divided between those derived from taxes and duties and those derived from other forms of taxation. Apart from the taxes listed by the Provinces Act and the

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<sup>165</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

<sup>166</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country’s constitution and laws.

Municipalities Act, local authorities cannot impose any others, unless other laws specifically provide for this.

Nowadays, the autonomous taxation by provinces is mainly composed of additional taxation on motor vehicles. Provinces are free to set the rate of the surcharge, subject to a ceiling imposed by the central government. The autonomous taxation by municipalities consists mainly of a tax on property and real estate (95 per cent), on which it is free to set the rate, within certain limits. In addition, the municipality can collect taxes on non-residents, tourists and dogs. In relation to total annual tax revenue, the share of the provinces and municipalities is quite limited, not even 4% of total tax revenue.

In 2002, 37% of the revenue of municipal authorities was derived from payments made from state funds, 46% from other forms of payment, and the remaining 17% of local taxes. For the provincial level the distribution of the various types of funding is 35% from provincial funds, 38% from specific payments and 27% from local taxes<sup>167</sup>.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

Members of the Upper Chamber of Parliament, the First Chamber (*Eerste Kamer*), are elected by the members of the provincial councils. The Minister of the Interior appoints and dismisses the Queen's Commissioner. (S)he also has the power to substitute a provincial administration in case it fails to take mandatory decisions.

The national government has supervisory prerogatives over the provinces: in cases where administrative decisions taken at the provincial level conflict with national law, these decisions may be repealed by royal decree.

Dutch law does not distinguish between small and large municipalities. The state exercises control over municipalities in various ways. First, the Minister of the Interior appoints and dismisses mayors of municipalities. Second, the national government has supervisory powers on illegal administrative decisions taken by local governments, which it may repeal by royal decree. The Queen's Commissioner advises the mayor and may exercise powers of substitution.

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<sup>167</sup> Committee of the Regions, *Strengthening regional and local democracy in the European Union*, volume II (2004), 203.

Provinces also have some control over municipalities. Provincial councils have supervisory powers with respect to the establishment of inter-municipal bodies. Provincial executives have the power both of substitution over the decisions of municipal councils, and of administrative supervision of municipalities with structural budget deficits. The principle of co-administration and co-governance is explicitly included in the Provincial and Municipal Government Acts. These concepts refer to the provinces' and municipalities' duties to implement regulations issued by a higher government level. While in some policy areas the state government issues strict guidelines, in others the approach is less tight and the focus is on negotiation. Both the IPO and the VNG (see below) are involved in the state policy-making process on a regular basis.

The Association of the Provinces of the Netherlands (*Interprovinciale Overleg, IPO*) represents the provinces vis-à-vis other levels of government. The Association of Netherlands Municipalities (*Vereniging van Nederlandse Gemeenten, VNG*) represents municipalities, supplies services and information to its members, and facilitates the exchange of best practices. Since the 1980s, policy or administrative agreements (*covenanten*) have been signed by the state on one side and by local authorities on the other – including their representatives, the IPO and the VNG.

### **Relations with the EU**

The VNG and the IPO represent in the same way as they do on the national level the interests on the European level. They are represented on many areas in interdepartmental working groups of the national government, preparing the Dutch position for the Council of Ministers. There is a monthly meeting with the ministries of the interior and foreign affairs and on a regular base there are meetings on a political level with the Minister for European Affairs. In The Netherlands there is a strong preference for the multi-level approach, formalised in the Code of Inter-administrative Relations. Both associations form the secretariat of the Dutch delegation in the Committee of the Regions. In Brussels they have contacts with representatives of the European Commission, the European Parliament and other institutions and are active in the Council of European Municipalities and Regions. The VNG is member of the CEEP (European Centre of Enterprises with Public Participation and of Enterprises of General Economic Interest). The VNG has had an office in Brussels since 1992.

In 2000, the IPO and the twelve Dutch provinces set up the House of the Dutch Provinces (*Huis van de Nederlandse Provinces, HNP*) in Brussels. This is organised into four regional offices (grouping provinces) and an IPO office. The

HNP represents the individual and collective interests of the provinces by maintaining contacts with EU institutions, the Dutch permanent representatives in the EU, and other regional offices located in Brussels. It also functions as a channel of information between contacts of the HNP in Brussels towards the Netherlands and the provinces. At the same time, it passes on information collected in Brussels to the provinces.

The G-4 framework, representing the four biggest cities in the Netherlands (Amsterdam, Rotterdam, Den Haag, and Utrecht), opened its own representation office in Brussels in 2003.

## **5. References**

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### **Official Government Websites**

<http://www.government.nl/> (English) or <http://www.regering.nl/> (Dutch)  
<http://www.overheid.nl/english/>  
<http://www.provincies.nl/>

### **Ministry of the Interior and Kingdom Relations**

<http://www.minbzk.nl/bzk2006uk/>

### **Constitution**

An official translation is available on the website of the Ministry of the Interior and Kingdom Relations

[http://www.minbzk.nl/bzk2006uk/subjects/constitution-and/4800/the\\_constitution\\_of](http://www.minbzk.nl/bzk2006uk/subjects/constitution-and/4800/the_constitution_of)

### **Association of Provincial Authorities (IPO)**

<http://www.iponl.nl/>

### **Association of Netherlands Municipalities (VNG)**

<http://www.vng.nl/>

### **House of Dutch Provinces**

[www.nl-prov.be/](http://www.nl-prov.be/)

### **G-4 Brussels representation office**

<http://www.grotevier.nl/g4/g4europa/index.html>

References to publications are to be found in Chapter 1 if available in English and

not at risk of being too quickly outdated.

## 6. Synopsis

**Netherlands**  
**Inhabitants 16.3 million<sup>168</sup> – 41 528 km<sup>2</sup>**

<b>EU Membership</b>	Founding member 1951 – 12 members of the CoR
<b>State system</b>	Unitary monarchy Members of the First Chamber of Parliament are elected by the members of the provincial assemblies
<b>Regional level<sup>169</sup></b>	No regional level
<b>Provincial level</b>	12 provinces ( <i>provincie</i> , pl. <i>provincies</i> ) Directly elected provincial assemblies ( <i>provinciale staten</i> ) Executive council ( <i>gedeputeerde staten</i> ) elected by assemblies Queen's Commissioner ( <i>commissaris van de Koningin</i> ) appointed by the government on binding advice from the provincial assemblies
<b>Municipal level</b>	443 municipalities ( <i>gemeente</i> , pl. <i>gemeenten</i> ) Directly elected municipal council ( <i>gemeenteraad</i> ) Aldermen ( <i>wethouders</i> ) elected by council, form the executive together with the mayor Mayor ( <i>burgemeester</i> ) appointed by government on advice from the provincial assemblies and/or direct election
<b>System of Competences</b>	Provinces and municipalities have only administrative competences
<b>Intergovernmental relations</b>	( <i>Interprovinciaal Overleg, IPO</i> ): Association of the Provincial Authorities. ( <i>Vereniging van Nederlandse Gemeenten, VNG</i> ): Association of Netherlands Municipalities.

<sup>168</sup> Eurostat 2006-2007.

<sup>169</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# **POLAND**

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<sup>170</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>171</sup> References to publications are to be found in Chapter 1 when available in English language and not at risk of being too quickly outdated.

## 1. Introduction

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Poland is a republic under the Constitution of 1997, replacing the interim constitution of 1992. Local self-government is embedded in the Constitution (Art. 163-172). A reform of 1989 introduced municipal self-government. Another reform of 1998 reduced the intermediate tier from forty-nine to sixteen units (voivodeships-regions) and introduced two new levels of self-government: county (*powiat*) and region. A law of 2002 provided for the direct election of mayors.

Poland has been a member of the European Union since 2004. It elects twenty-one members to the Committee of the Regions, ten from the regions, three from the counties and eight from the municipalities.

## 2. System of Government and Electoral System

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### State system

Poland is a regionalised unitary state, with three levels of sub-national government:

- 16 voivodeships (singular *województwo* – regions);
- 314 *powiaty* (singular *powiat* – upper tier local government – counties);
- 2478 municipalities (singular *gmina*, upper tier/ lower tier).

### Regional level<sup>172</sup>

Regions (voivodeships – plural *województwa*) have parliaments (*sejmik*), directly elected for four years. They are elected by proportional representation on party lists, with a 5 per cent threshold for representation.

The executive is led by a marshal (*marszałek*), elected by the regional parliament by absolute majority. The executive is made up of five members elected by the *sejmik* (but whose members may be drawn from outside the *sejmik*). The *sejmik* appoints members of commissions from among the councillors. These commissions are responsible for the preparation of decisions taken by the *sejmik* and for the supervision of its execution

Each voivodeship also has a centrally appointed *voivode* (*wojewoda*), a representative of the Prime Minister who oversees the work of the all the three

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<sup>172</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

levels of self-government in terms of compliance with the law and ensures compliance with national policy priorities.

### **Provincial level**

The county council (*rada powiatu*) is composed of members directly elected for a four-year term by proportional representation on party lists, with a 5 per cent threshold for representation.

The executive board (*zarząd powiatu*) is composed of the president (*starosta*) and her/his deputies elected by and among the council for four years. This body is in charge of implementing the council's decisions.

The president / head of the county (*starosta*) is elected for a four-year term by the council.

### **Municipal level**

The municipal council (*rada gminy*) is directly elected for a four-year term. In those municipalities with a population under 20 000, a plurality (first-past-the-post) system is used to elect members in districts, usually with one member per district. In larger municipalities, proportional representation by party list is used. The council appoints members of commissions from among the councillors. These commissions are responsible for the preparation of decisions taken by the council and for the supervision of its execution.

The executive board (*zarząd gminy*) is composed of the mayor and deputies. It implements the decisions taken by the council.

The mayor (*wójt* in rural municipalities, *burmistrz* in urban municipalities, and *prezydent miasta* in towns of more than 100 000 inhabitants) is directly elected for a four-year term in a two-ballot system. If no candidate wins more than 50 per cent of the vote at the first ballot, a run-off is held between the two top candidates.

The head of the municipal administration (*sekretarz gminy*) is appointed by the council, upon proposal of the mayor.

Note: The capital city, Warsaw, is also a county and is divided into districts. Warsaw has an assembly (*rada miasta stołecznego Warszawy*) and a mayor (*prezydent miasta stołecznego Warszawy*) representing the executive body of the city. The mayor is directly elected in a two-ballot system. Several other cities are also counties.

### 3. Main Competences

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#### General principles

Poland is a unitary state, and there is no constitutional division of competences among the levels. This is regulated by ordinary laws.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### Regional competences<sup>173 174</sup>

Regional councils have administrative, but no legislative powers over the following policy domains:

- economic development;
- employment and labour market policy;
- management of the EU Structural Funds;
- planning;
- transport:
  - o regional roads management;
- health:
  - o promotion and health care planning;
- social welfare;
- education:
  - o higher education;
- environmental protection.

In addition, the *voivode* performs the following functions for central government:

- Representing the Government in the voivodeship;
- Supervising government administration at the voivodeship level and in *powiats* (mainly police, social care, inspections of environmental protection);
- Supervising local self-government in terms of their compliance with law.

#### Provincial competences

The counties are responsible for the following competences:

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<sup>173</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>174</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- transport:
  - o road building and maintenance;
- education:
  - o secondary education;
- police:
  - o civil protection;
- environmental protection;
- health:
  - o general hospitals;
- fire protection;
- consumer protection;
- social welfare;
- employment (*powiat* labour office).

### **Municipal competences<sup>175</sup>**

Municipal councils have competence in the residual administrative competences that have not been assigned to other levels of government. These include:

- local planning;
- real estate management;
- public areas (including cemeteries);
- transport:
  - o local public transport;
  - o local roads;
- social welfare:
  - o social services;
- housing;
- environment:
  - o environmental protection;
  - o water supply and sewage treatment;
  - o maintenance of landfills;
- electricity, gas and heat supply;
- culture;
- health:
  - o healthcare services;
- education:
  - o public pre-primary education;

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<sup>175</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- public primary education.

64 larger urban municipalities in Poland have a special status with powers normally allocated to counties (*powiat*).

## **Finance**

Poland is a moderately centralised state in matters of intergovernmental fiscal relations. Sub-national governments are responsible for about 25 per cent of total public expenditure. While there are three tiers of sub-national government, the fact that counties and regions were created relatively recently means that there is a dearth of data on the structure of their revenue. Moreover, they are financed almost entirely by block grants and have no tax-raising capacity. The following presents data on the financial arrangements for municipalities.

### *Local government*

Local government is funded from three sources: central government grants (about half of the total), taxation revenue (about one quarter) comprising shared and autonomous taxes, and non-tax revenue (about one quarter) from services rendered by the units of local government.

Shared taxation comprises about 60 per cent of total taxation revenue and derives from taxes on personal income and corporate income. Sub-national governments receive about 30 per cent of personal income and about 5 per cent of corporate income tax. Sub-national governments have little influence over the development of their revenues from central tax-sharing. The formula for allocating taxation revenue is discussed in the Joint Commission of Central and Local Government, but the central level decides.

Autonomous taxation comprises about 40 per cent of local taxation revenue. Municipalities have the right to set the rate of taxation on real estate, agriculture, and transport. Real estate taxation constitutes about 70 per cent of autonomous taxation. In all these cases, however, rates cannot exceed an upper limit decided by parliament. Municipalities also have the right to decide about certain tax exemptions and deferrals.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The regions have a dual governmental structure consisting of the regional self-government (regional council headed by the presidium and its chair, with a marshal – head of the executive (*zarząd*) as the head of the region, and a *voivode* as the representatives of the central administration [Council of Ministers]. The *voivode* is an important link between the central and regional levels.

The *voivode* can annul decisions made by self-government bodies should they be inconsistent with the law. Such an annulment may be appealed to the Administration Court by the affected local or regional government.

*Voivodes* are responsible for all services relating to law enforcement and public security. In this respect, they cooperate with district administrations, which are also responsible for public order and security in their local constituencies.

There are several local government associations.

- The Union of the Voivodeships of the Republic of Poland;
- The Association of Polish Counties (ZPP);
- The Association of Polish Cities (ZMP);
- The Union of Polish Metropolises;
- The Union of Polish Towns;
- The Union of Rural Communes of the Republic of Poland.

There is also an informal but powerful ‘Convention of Marshals of the Polish Voivodeships’ which is a gathering of the 16 marshals.

The Joint Commission of Central and Local Government was established by a law of May 2005. It is a forum where joint opinions of the central government and territorial self-governments are prepared. All the six associations have representation in it.

These associations may express opinions to the national institutions of the Polish Republic (the Sejm, the Senate, and the Government) in matters important for sub-national self-government bodies.

### **Relations with the EU**

All of the sixteen regions of Poland have opened an office in Brussels. The cities of Łódź and Kraków also have representatives, who are located in the same office as

the region of the city. Neither the ZMP nor the ZPP has opened its own office in Brussels. Pomorskie and Dolnośląskie regions have offices in Brussels in the form of an association which gathers regional and local governments, regional development agencies, universities, NGOs, etc. None of the self-government associations has an office in Brussels yet.

Consultation of local authorities on European matters is mainly done in the Joint Commission of Central and Local Government, and for the regions also in Convention of Marshals, which is a very important partner of the Polish Government in this respect.

## **5. References**

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### **Government Website**

<http://www.poland.gov.pl/>

### **Constitution**

[http://www.poland.pl/info/information\\_about\\_poland/constitution.htm](http://www.poland.pl/info/information_about_poland/constitution.htm)

### **Union of the Voivodeships of the Republic of Poland**

[www.zwrp.pl](http://www.zwrp.pl)

### **Association of Polish Counties**

<http://www.zpp.pl/>

### **Association of Polish Cities**

<http://www.zmp.poznan.pl/>

### **Union of Polish Metropolises**

[www.selfgov.gov.pl](http://www.selfgov.gov.pl)

### **Union of Polish Towns**

[www.ump.metronet.pl](http://www.ump.metronet.pl)

### **Union of Rural Communes of the Republic of Poland**

[www.zgwrp.org.pl](http://www.zgwrp.org.pl)

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**Poland**  
**Inhabitants 38.2 million<sup>176</sup> – 312 685 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 21 members of the CoR
<b>State system</b>	Unitary republic
<b>Regional level<sup>177</sup></b>	16 voivodeships directly elected parliaments ( <i>sejmiks</i> ) executive of five members elected by the <i>sejmik</i> , led by marshal who is the head of the region
<b>Provincial level</b>	373 counties ( <i>powiaty</i> ) Directly elected county council ( <i>rada powiatu</i> ) executive board ( <i>zarząd powiatu</i> ), led by <i>starosta</i>
<b>Municipal level</b>	2,500 municipalities ( <i>gmina</i> ) Directly elected municipal council ( <i>rada gminy</i> ) Executive board ( <i>zarząd gminy</i> ) is composed of the mayor and deputies ( the latter elected by the council) Directly elected mayor ( <i>wójt</i> in rural municipalities, <i>burmistrz</i> in urban municipalities, and <i>prezydent miasta</i> in towns of more than 100 000 inhabitants)
<b>System of Competences</b>	Regions, counties and municipalities have only administrative competences
<b>Intergovernmental relations</b>	The <i>voivode</i> is an important link between the central and regional levels; he/she may annul decisions made by self-government bodies should they be inconsistent with the law Six local government associations and the Convention of Marshals The Joint Commission of Central and Local Government is an important forum of opinion exchange and decision-making The 16 regions have offices in Brussels

<sup>176</sup> Eurostat 2006-2007.

<sup>177</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# PORTUGAL

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<sup>178</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>179</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Portugal is a republic under the Constitution of 1976, which provides for regional and local self-government (Art. 235-243). It has traditionally been a centralized country. The Constitution was revised in 1989 to provide that, pending the establishment of regions, the highest level of administrative deconcentration would be the district. There are however two autonomous regions: the Azores and Madeira (art. 225-234 of the Constitution).

Portugal has been a member of the European Communities / Union since 1986. Portugal elects twelve members to the Committee of the Regions, one each from the Azores and Madeira and the remainder from the municipalities.

## **2. System of Government and Electoral System**

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### **State system**

Portugal is a unitary state. According to its Constitution, the political subdivisions of the Portuguese territory are the regions (*regiões*, sing.: *região*), the municipalities (*municípios*, sing.: *município*), and the civil parishes (*freguesias*, sing.: *freguesia*). Proposals to set up regions, however, were defeated in a referendum in 1998.

### **Regional level**

In mainland Portugal, there are five Regional Coordination Commissions (RCCs): North, Centre, Lisbon and Tagus Valley, Algarve, and Alentejo. These are appointed by the central government. These regions are subdivided into thirty subregions (*subregiões*, sing.: *subregião*).

The archipelagos of Madeira and Azores have a special status regional autonomy. They have the EU law status of outermost regions.

The Azores and Madeira have a Legislative Assembly (*Assembleia Legislativa*) elected by representation by party list. The assemblies choose the Regional President (*Presidente do Governo Regional*) and Regional Secretaries (*Secretários Regionais*), who form the government.

## **Provincial level**<sup>180</sup>

There are eighteen districts (*distritos*, sing.: *distrito*). The District Assembly is indirectly elected from the Municipal Councils, the chairmen of the Municipal Assemblies and one Parish Council chairman elected from each Municipal Assembly.

The Advisory Council comprises the civil governor, four members elected by the Assembly (from amongst its members), and four members of the public with specialist skills in given fields (appointed by the government on a proposal from the governor). The advisory council issues opinions.

The civil governor (*governador civil*) heads the district. (S)he is appointed by the central government. The governor represents the government in the district and acts as state watchdog. Her/his competences are delegated from the Ministry of the Interior.

## **Municipal level**

There are 308 municipalities (*municípios*). The municipal assembly (*assembleia municipal*) is elected by proportional representation by party list for a four-year term. In some cases, the municipal assemblies also include the presidents of the parish assemblies.

The executive council (*câmara municipal*) is a collegial body composed of members elected by direct universal suffrage by proportional representation by party list for four years. Members of the executive can intervene in the Municipal Assembly, where they also vote. This executive board has competences in the organisation and functioning of services, more specifically in town planning and public works.

The mayor is the candidate heading the list with the most votes, at the time of the assembly election. (S)he is elected for four years.

### *Parish level*

There are 4 261 parishes (*freguesias*). The parish assembly (*assembleia de freguesia*) is elected by proportional system for a four-year term. In parishes of less than two hundred inhabitants, the entire adult population forms the assembly.

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<sup>180</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

The executive committee (*junta de freguesia*) is the executive body of the parish. Members are elected by and within the assembly.

The president is the candidate heading the list with the most votes. (S)he is elected for four years.

### *Metropolitan level*

There are metropolitan governments in Lisbon and Porto, to which a 2003 law gave greater autonomy. New metropolitan areas are required to include at least nine municipalities with at least 350 000 inhabitants.

Municipalities can organise themselves into inter-municipal communities (*comunidades intermunicipais*, sing.: *comunidade intermunicipal*) that can be of general or specific purposes; and metropolitan areas (*áreas metropolitanas*, sing.: *área metropolitana*) that can be of two types: great metropolitan areas (*grandes áreas metropolitanas*, sing.: *grande área metropolitana*) and urban communities (*comunidades urbanas*, sing.: *comunidade urbana*). The existence of the political subdivision of ‘district’ is now disappearing.

The Metropolitan Assembly is indirectly elected by the Municipal Assemblies concerned on the basis of proportional representation.

The Metropolitan Council is an advisory body and comprises Committee members, the Chairman of the Regional Coordination and Development Commission, and representatives of public services and bodies whose activities fall within the remit of the regional authority’s power.

The Metropolitan Committee is an executive body comprising the city council Chairpersons from each of the municipalities concerned, who then elect from amongst their members a Chairperson and two-Vice-Chairpersons.

## **3. Main Competences**

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### **General principles**

The powers of the regions are specified in very general terms in the Constitution, but the regions have not been established in mainland Portugal. The Constitution guarantees self-government but gives no indication on competences. The powers at the provincial and municipal level are provided by law.

There is no direct correspondence between the fields of CoR competences and the

fields of competences enumerated in legislation, even if the vocabulary is the same.

### **Regional competences<sup>181</sup>**

The ordinary status regions, when set up, would have powers to:

- pursue their own specific interests;
- participate in national policy-making;
- defend their autonomous status at the Constitutional Court.

The Regional Coordination Commissions have competences over the:

- Coordination of technical, financial and administrative support for local authorities;
- Implementation of regional development measures.

The autonomous regions of the Azores and Madeira have a general competence over matters that are not expressly reserved to the central government.

### **Provincial competences<sup>182 183</sup>**

The districts have the following competences:

- coordination of administrative instruments and organisation of district services;
- education:
  - o coordination of municipal policy on educational facilities;
- culture:
  - o establishment and upkeep of museums;
  - o safeguarding and promotion of local cultural values;
- data (requests for information from the Civil Governor).

### **Municipal competences<sup>184</sup>**

The municipalities are responsible for:

- health;

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<sup>181</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

<sup>182</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>183</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

<sup>184</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- environment;
- local planning;
- culture;
- education;
- energy;
- local transport;
- powers shared with parishes.

### *Metropolitan Areas*

The metropolitan areas are responsible for:

- ensuring consistency between supra-municipal services;
- expressing an opinion on investment received from central government and the EU;
- managing their own technical services.

### *Parishes*

The parishes share power with the municipalities concerning:

- economic development;
- environmental protection;
- public health;
- social welfare:
  - o protection of children and elderly.

The parishes have sole responsibility concerning:

- administration of parish property;
- registration (electoral register);
- transport:
  - o upkeep of local highways.

## **Finance**

Portugal remains a highly centralised country in financial terms, and the modest responsibilities of local governments are reflected in their modest financial resources and degree of fiscal autonomy. Sub-national governments are responsible for 13.4 per cent of total public expenditure and are allocated 6.6 per cent of total government revenue.

### *Municipalities*

Municipalities are financed by central government grants (45 per cent), taxation revenue (32 per cent), other own sources, such as rates and charges for communal services (16 per cent) and loans (7 per cent). The taxation revenue of municipalities

consists of autonomous taxation, additional taxation, and shared taxation. Autonomous taxes are composed of taxation on property, the transfer of property (SISA), and taxation on motor vehicles. The municipalities are free to set the rate on the property tax, but the rate of the other two taxes is set by the central government. Municipalities can levy an additional tax on corporate income, for which it is free to set the rate, limited by a ceiling of ten per cent. Municipalities also benefit from a share of the VAT tax on tourism within its territory (37.5 per cent, which increases to 50 per cent if it has invested in tourist infrastructure), but it has no power to change the proportion of the tax that is shared.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The civil governor in each district is appointed by the central government, represents government, and exercises the powers delegated by the Ministry of the Interior. The civil governor also checks a posteriori on the activity of district administration.

In the autonomous regions of Madeira and the Azores, a representative of the Republic represents the State, signs the decrees of the Regional Legislative Assembly and Regional Government, has the right to veto decrees of the Regional Legislative Assembly, and can ask the Constitutional Court to examine the constitutionality of laws.

### **Relations with the EU**

The National Association of Portuguese Municipalities (ANMP) does not have an office in Brussels. A sub-commission for EC funds operates within the ANMP's Commission on Regional Questions and Communal Funds. It is a member of the the European Council of Municipalities and Regions (ECMR).

The executives of the Azores and Madeira participate in meetings of the outermost regions and have relations with the European Commission to that effect.

## **5. References**

### **Government Website**

<http://www.portugal.gov.pt/Portal/EN/>

### **Constitution**

[http://www.portugal.gov.pt/Portal/EN/Portugal/Sistema\\_Politico/Constituicao/](http://www.portugal.gov.pt/Portal/EN/Portugal/Sistema_Politico/Constituicao/)

**Ministry of Internal Administration of Portugal**

<http://www.mai.gov.pt/>

**National Association of Portuguese Municipalities**

<http://www.anmp.pt/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**Portugal**  
**Inhabitants 10.5 million<sup>185</sup> – 88 797 km<sup>2186</sup>**

<b>EU Membership</b>	1986 – 12 members of the CoR
<b>State system</b>	Unitary republic 2 autonomous regions: Azores and Madeira
<b>Regional level<sup>187</sup></b>	Regions to be established if approved by referendum for mainland Portugal 2 autonomous regions: Azores and Madeira have directly elected parliaments ( <i>Assembleia Legislativa</i> ) which elect the Regional President ( <i>Presidente do Governo Regional</i> ) and Regional Secretaries ( <i>Secretários Regionais</i> ), who form the government.
<b>Provincial level</b>	18 districts ( <i>distritos</i> , sing.: <i>distrito</i> ) District Assembly indirectly elected from the Municipal Councils, the chairmen of the Municipal Assemblies and one Parish Council chairman elected from each Municipal Assembly
<b>Municipal level</b>	308 municipalities ( <i>municípios</i> ) Directly elected municipal assembly ( <i>assembleia municipal</i> ) Directly elected executive council ( <i>câmara municipal</i> ) 4 261 parishes ( <i>freguesias</i> ) with directly elected assemblies who elect executive committees ( <i>junta de freguesia</i> )
<b>System of Competences</b>	Autonomous regions have broad legislative and administrative competences Districts, municipalities and parishes have only administrative competences
<b>Intergovernmental relations</b>	National Association of Portuguese Municipalities ANMP does not have an office in Brussels but a sub-commission for EC funds The executives of the Azores and Madeira participate in meetings of the outermost regions

<sup>185</sup> Eurostat 2006-2007.

<sup>186</sup> Azores and Madeira not included.

<sup>187</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# ROMANIA

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<sup>188</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>189</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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Romania is a republic under the Constitution of 1991, revised in 2003, which provides for local self-government (Art. 119). Local government was first introduced when Romania became independent in 1877. Presently, the system is regulated by the Law of Local Public Administration and the Law on Local Elections of 1991. In 1999, the prefects' control over local government acts was relaxed.

Romania has been a member of the European Union since 2007. Romanian local governments elect fifteen members to the Committee of the Regions.

## 2. System of Government and Electoral System

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### State system

Romania is a decentralised unitary state. There is a parallel system of local self-government and deconcentrated state administration.

### Regional level

There is no elected regional government. There are eight development regions, with regional development councils constituted by associations of neighbouring counties.

The regional development process is coordinated by the national council for regional development (*Consiliul National de Dezvoltare Regionala*) and implemented through the regional development agencies (*Agentii de Dezvoltare Regionala*). The president and vice-president are elected for one year by the regional development council.

### Provincial level<sup>190</sup>

There are forty-one counties (*Judete*). The county council (*consiliul judetean*) is directly elected for a four year term by proportional representation from party lists.

The president (*presedinte*) of the county council is appointed by the elected members of the council. The president can delegate responsibilities to the two vice-presidents, who are appointed by the members of the county council.

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<sup>190</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

There is a level of deconcentrated state administration headed by a centrally-appointed prefect.

### **Municipal level**

There are 2 825 rural localities (*comune*), 208 towns (*orase*), and 103 municipalities (*municipii*).

The local council (*consiliul local*) is elected for a four-year term by proportional representation by party list.

The mayor (*primarul*) is directly elected for a four-year term in a two-ballot system. If no candidate wins more than 50 per cent of the vote at the first ballot, the two best placed candidates proceed to the second round. The mayor is an executive leader, heading the local administration.

## **3. Main Competences**

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### **General principles**

Competences are shared between deconcentrated state administration and elected local governments.

The Constitution guarantees self-government but gives no indication on competences. There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

### **Regional competences<sup>191</sup>**

The regions are responsible for:

- economic development;
- drafting development strategies and programs;
- submitting proposals to the Ministry of European Integration to finance development projects;
- acting to attract financial contributions to the Regional Development Fund;
- implementing the regional development programmes and managing funds.

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<sup>191</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## **Provincial competences<sup>192 193</sup>**

Romanian counties are responsible for:

- economic development;
- local planning;
- environment (including water supply and sewage);
- transport:
  - o public transport and roads;
- social welfare:
  - o social assistance to children;
- education.

## **Municipal competences<sup>194 195</sup>**

The municipal level is responsible for:

- registration (birth, marriages, and deaths);
- police (law and order);
- environment;
- water resources and sewage;
- waste disposal;
- environmental protection;
- urban heating schemes;
- transport;
- urban transport and roads;
- public areas (including cemeteries);
- housing;
- economic development (including energy);
- education;
- health (including hospitals);
- social welfare;
- social assistance;
- social services;

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<sup>192</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>193</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

<sup>194</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>195</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- culture;
- local planning.

## **Finance**

The Law on Local Taxes and Fees of 1994 regulates local finances.

Romania is a centralised state in matters of intergovernmental fiscal relations. Sub-national governments are responsible for 10.2 per cent of total public sector expenditure and they command 12.9 per cent of total consolidated government revenue.

### *Local Government*

Local government in Romania is funded through three main sources: 16.5 per cent from central government grants, 69.7 per cent from taxation revenue, and 13.8 percent from non-tax revenue.

Taxation revenue comprises taxation on income, profits, and capital gains (77.8 per cent), taxation on property (16.5 per cent), and taxation on goods and services (2.4 per cent). The bulk of taxation revenue is constituted of shared taxation (75 per cent) over income, profits, and capital gains. The formula allocating revenue shares among tiers of government is set annually by the central government as part of the budget. The central government is also responsible for setting the rate and base of taxation of 18.4 per cent of sub-national government taxes. Municipalities exercise little discretion and are responsible for setting the tax rate on about 6 per cent of their taxation revenue. Municipalities can decide on the tax rate on local taxes and fees, but they are constrained by upper and lower limits for some local taxes.

## **4. Intergovernmental Relations and Participation in the EU**

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### **Intergovernmental relations**

The prefect (*prefect*) is appointed by the government. The prefect controls the legality of the administrative acts adopted or issued by local and county public administration authorities as well as by the president of the county council. (S)he ensures the implementation of the governmental strategy and programmes in these territories and represents the government in each county and in the Bucharest municipality.

The Association of Municipalities of Romania (AMR) comprises 101 member municipalities and the six sectors of the Bucharest Municipality. It represents local

government interests to the central government. The National Union of Romanian Counties plays a similar role for counties.

### **Relations with the EU**

As of 2007, the Romanian Association of Municipalities and the National Union of Romanian Counties have representation offices in Brussels.

## **5. References**

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### **Government of Romania**

<http://www.gov.ro/engleza/index.php>

### **Constitution**

<http://www.romania.org/romania/constitution.html>

### **Romanian Federation of Local Authorities (News and Update)**

<http://www.falr.ro/?l=en>

### **Romanian Municipalities Association**

<http://www.amr.ro/>

### **National Union of County Councils of Romania**

<http://www.uncjr.ro/>

### **Association of Romanian Communes**

<http://www.acor.ro/>

### **Association of Romanian Towns**

<http://www.aor.ro/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**Romania**  
**Inhabitants 21.7 million<sup>196</sup> – 238 391 km<sup>2</sup>**

<b>EU Membership</b>	2007 – 15 members of CoR
<b>State system</b>	Unitary republic
<b>Regional level<sup>197</sup></b>	8 development regions, with regional development councils constituted by counties
<b>Provincial level</b>	41 counties ( <i>Judete</i> ) + Bucharest Directly elected county council ( <i>consiliul judetean</i> ) The president ( <i>presedinte</i> ) is appointed by council
<b>Municipal level</b>	2,825 rural localities ( <i>comune</i> ), 208 towns ( <i>orase</i> ), and 103 municipalities ( <i>municipii</i> ) Directly elected local council ( <i>consiliul local</i> ) Directly elected mayor ( <i>primarul</i> )
<b>System of Competences</b>	Counties and local government have only administrative competences
<b>Intergovernmental relations</b>	Prefect ( <i>prefect</i> ) appointed by central government controls the legality of local and county decisions Romanian Association of Municipalities and the National Union of Romanian Counties have offices of representation in Brussels

<sup>196</sup> Eurostat 2006-2007.

<sup>197</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# **SLOVAKIA**

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<sup>198</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>199</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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Slovakia is a republic under the Constitution of 1992, which provides for municipal self-government (Art. 64 and 67) and allows for the establishment of regions (Art. 4). The law on the Territorial and Administrative Division of the Slovak Republic was passed in 1990, and the Local Government Act of 1996 modified the system. In 1998 and 1999 constitutional amendments replaced communities with municipalities as the basic unit of local administration. Three laws in 2001 provided for the creation of regions, their election, and the transfer of competences to them. There is a dual system of state administrative deconcentration and autonomous local and regional government. Between 1996 and 2004, the system of deconcentrated state administration was reduced and powers handed over to deconcentrated regional and district offices and autonomous governments.

Slovakia has been a member of the European Union since 2004. Slovakia elects nine members to the Committee of the Regions – six from the regions and three from the municipalities.

## 2. System of Government and Electoral System

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### State system

Slovakia is a regionalised unitary state, with regional and municipal governments. There is a distinction between local self-government and territorial state administration.

### Regional level<sup>200</sup>

Slovakia is divided into eight Autonomous Regions (*samosprávne kraje*), which are called by the Constitution ‘Higher Territorial Units’ (*vyššie územné celky – VÚC*).

The corporation members (*zastupiteľstvo*) are elected for four years in a two-ballot system.

The chairperson (*predseda*) is directly elected for a four-year term on the plurality (first-past-the-post) system. (S)he represents the region and is assisted by an office responsible for the management of administrative services and the organisation of the region.

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<sup>200</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

The commission (*komisia*) may be established by the corporation members from the representative members of the region and from other persons voted by corporation members. The commission is an initiating, executive, and control body.

### **Provincial level<sup>201</sup>**

Slovakia currently has seventy-nine districts (sing. *okres*). The capital of Bratislava is divided into five districts and the city of Košice into four districts. The districts are named after the largest town in the district (formerly known as the district towns).

The districts are little more than statistical units. Each district used to have its own District Office (*Okresny úrad*), representing the State in the district, but as of 1 January 2004 these offices have been abolished and replaced by Circuit Offices (*Obvodny úrad*), which are usually responsible for several districts (except for the Nové Zámky District, which is one district with two Circuit Offices). Districts have few responsibilities.

### **Municipal level**

There are 2 887 municipalities in Slovakia. The municipal corporation (*obecné zastupiteľstvo*) is elected for four years in a two-ballot system.

The mayor (*starosta/primátor*) is elected for four years in a two-ballot system. The mayor chairs the municipal corporation and municipal council, and holds the main executive power.

The municipal council (*obecná rada*) may be established by the municipality corporation. The municipal council is the executive body and is elected by and from the municipal corporation for the whole term.

Note: the cities of Bratislava and Košice have decentralisation down to municipal wards.

## **3. Main Competences**

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### **General principles**

Slovakia is a unitary state, and decentralised institutions have only administrative competences.

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<sup>201</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

The Constitution guarantees self-government but gives no indication on competences. There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

## **Regional competences**<sup>202 203</sup>

Slovakian regions have competences over:

- international and trans-regional cooperation;
- economic development including structural fund projects;
- culture;
- social welfare (including retirement homes);
- education:
  - o secondary education;
- civil defence (in cooperation with state bodies);
- health care;
- transport (including management of road infrastructure);
- regional planning.

## **Municipal competences**

Slovakian municipalities have competences over:

- local planning;
- economic development:
  - o enterprise start-ups;
  - o tourism;
- transport:
  - o local roads;
  - o local public transport;
- public areas (including markets and cemeteries);
- environment:
  - o protection of nature;
  - o water and waste management;
- housing;
- police:

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<sup>202</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

<sup>203</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

- local police and civil defence;
- fire fighting and fire prevention;
- health:
  - local health centres;
- sport and culture;
- education (primary education and kindergartens).

## **Finance**

Slovakia remains a strongly centralised state in terms of intergovernmental fiscal relations. The significant growth in the responsibilities of municipalities and regions in 2001 in costly matters such as education, health care, social assistance, transportation, and territorial planning entailed a corresponding increase in the share of public resources. Sub-national governments are responsible for about 7.3 per cent of total public expenditure, but their fiscal autonomy remains narrow, as they raise about 5.6 per cent of total tax revenue.

### *Local government*

Sub-national governments in Slovakia are funded by three main sources: 12.0 per cent comes from central government grants, 67.1 per cent from taxation revenue, and 20.9 per cent from non-tax revenue.

Taxation revenue comprises taxation on incomes, profits, and capital gains (59.9 per cent), taxes on property (28.2 per cent), and taxes on goods and services (11.8 per cent).

The bulk of taxation revenue derives from shared taxation (64.8 per cent of total taxation revenue) on income, profits, and capital gains. The formula allocating revenue between the central and local governments is set annually by the central government as part of the budgetary process.

Municipalities are authorised to define tax rates only with respect to taxation on real estate. This constitutes 21.1 per cent of their total revenue. These powers are limited by provisions in the Real Estate Tax Act, defining the basic rates that may be applied by the municipality with a certain amount of increase or decrease, depending on local conditions.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

District and regional offices of the central government are responsible for state

administration and liaising with local and regional governments. They approve local plans, coordinate local activities, and assist local governments. The heads of these deconcentrated offices have power over the various sectoral branches of state administration. Local and regional governments are relatively weak and depend on this advice and help.

The Association of Towns and Communities of Slovakia is responsible for relations between municipalities and the central government.

### **Relations with the EU**

EU matters are dealt with by the same intergovernmental mechanisms.

## **5. References**

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### **Government Website**

<http://www-8.vlada.gov.sk/>

### **Constitution**

<http://www-8.vlada.gov.sk/index.php?ID=1376>

### **Association of Towns and Communities of Slovakia**

<http://www.zmos.sk>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Slovakia**  
**Inhabitants 5.4 million<sup>204</sup> – 49 034 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 9 members of the CoR
<b>State system</b>	Unitary republic
<b>Regional level<sup>205</sup></b>	8 autonomous regions ( <i>samosprávne kraje</i> ) Directly elected corporation members ( <i>zastupitel'stvo</i> ) Directly elected chairperson ( <i>predseda</i> )
<b>Provincial level</b>	75 districts are territorial units of central government
<b>Municipal level</b>	2 887 municipalities ( <i>obci</i> ) Directly elected municipal corporation ( <i>obecné zastupiteľstvo</i> ) Directly elected mayor ( <i>starosta/primátor</i> ) Executive municipal council ( <i>obecná rada</i> ) may be established by the municipality corporation
<b>System of Competences</b>	Regions and municipalities have only administrative competences
<b>Intergovernmental relations</b>	Local and regional governments are relatively weak and depend on the advice of district and regional offices of the central government

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<sup>204</sup> Eurostat 2006-2007.

<sup>205</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



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<sup>206</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>207</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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Slovenia is a republic under the Constitution of 1991, which guarantees local self-government (Art. 9 and 138 to 144). The Local Self-Government Act was adopted in 1993. This provided for new municipalities to replace the former communes.

In 2005, moves toward regionalisation started with twelve statistical regions. In 2007, the government released a proposal for up to fourteen administrative regions as a second level of local self-government.

Slovenia has been a member of the European Union since 2004. Slovenian municipalities elect seven members to the Committee of the Regions.

## 2. System of Government and Electoral System

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### State system

Slovenia is a decentralised unitary state, with 210 municipalities.

### Regional level<sup>208</sup>

The Constitution was amended in June 2006 in order to enable the establishment of regions as self-governing local communities. This change provides the legal framework for the establishment of regions in 2008.

### Provincial level

There is no elected government at this level, but fifty-eight deconcentrated state administrative units, as a general level of deconcentrated state administration.

### Municipal level

There are 199 municipalities (*obcine*, sing.: *obcina*) and 11 urban municipalities (sing.: *mestna občina*). An urban municipality is defined as a municipality with more than 20 000 inhabitants.

The municipal council is elected for a four-year term by proportional representation from party lists and with seven to forty-five members elected, depending on the size of the municipality.

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<sup>208</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

The mayor is directly elected for a four-year term and is both the head of the municipal administration and chair of the municipal council.

Municipal committees (consultative bodies of the municipal council) are appointed by the municipal council.

### **3. Main Competences**

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#### **General principles**

The regional and provincial levels do not have their own governments and hence do not have their own competences. Competences are transferred to the municipalities from the State over time.

The Constitution guarantees self-government but gives no indication on competences. There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Municipal competences<sup>209</sup>**

Slovenian municipalities have competences over:

- fire fighting and fire prevention;
- police and civil protection;
- education:
  - o pre-school, primary;
  - o vocational training;
- social welfare:
  - o personal social services;
  - o childcare facilities;
  - o family and youth assistance;
  - o rest homes;
- culture, sports, and recreation;
- health:
  - o primary health care;
- housing;
- local planning;
- environment:

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<sup>209</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- water and sewage;
- household refuse;
- environmental protection;
- public areas (including cemeteries);
- economic development:
  - gas supplies;
  - tourism;
- transport:
  - urban transport.

## **Finance**

Slovenia is a centralised state in matters of intergovernmental fiscal relations. Sub-national governments are responsible for 12.2 per cent of total public sector expenditure.

### *Local government*

For local government, 1.2 per cent of revenues come from central government grants, 87.6 per cent from taxation revenue, and 11.2 per cent from non-tax revenue.

Revenues of Slovenian municipalities are divided in two: revenues for obligatory tasks (89 %) and non-obligatory tasks (11 %). For obligatory tasks performed according to law, municipalities get 1.2 % their revenues from state budget (financial equalisation), 87.5 % from personal tax and 11.2 % from property tax and other taxes. For non-obligatory tasks performed by choice of each municipality, the revenues for 2008 of Slovenian municipalities were EUR 13 million: 59 % from property tax, 9.5 % from other taxes and 31.5 % from other non-tax revenues.

## **4. Intergovernmental Relations and Participation in the EU**

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### **Intergovernmental relations**

There are fifty-eight deconcentrated state administrative units which liaise with local government. There are special joint councils for this purpose.

The Association of Municipalities and Towns of Slovenia and the Association of Municipalities of Slovenia represent local governments to central government.

## Relations with the EU

The Association of Municipalities and Towns of Slovenia has a committee on European affairs.

## 5. References

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### Official State portal

<http://e-uprava.gov.si/e-uprava/en/portal.euprava>

### Government Website

<http://www.vlada.si>

### Constitution

<http://www.dz-rs.si/index.php?id=351>

### Association of Municipalities and Towns of Slovenia

<http://www.skupnostobcin.si/>

### Association of Municipalities of Slovenia

<http://www.zdruzenjeobcin.si/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Slovenia**  
**Inhabitants 2.0 million<sup>210</sup> – 20 273 km<sup>2</sup>**

<b>EU Membership</b>	2004 – 7 members of the CoR
<b>State system</b>	Unitary republic
<b>Regional level<sup>211</sup></b>	Regional level to be established in 2008
<b>Provincial level</b>	58 state administrative units
<b>Municipal level</b>	199 municipalities ( <i>obcine</i> , sing.: <i>obcina</i> ) and 11 urban municipalities (sing.: <i>mestna obcina</i> )

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<sup>210</sup> Eurostat 2006-2007.

<sup>211</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

	Directly elected municipal council Directly elected mayors
<b>System of Competences</b>	Municipalities have only administrative competences
<b>Intergovernmental relations</b>	Association of Municipalities and Towns of Slovenia and the Association of Municipalities of Slovenia represent local governments to central government

# **SPAIN**

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<sup>212</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>213</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Spain is a constitutional monarchy under the Constitution of 1978. It is often regarded as a multinational state, with three historic nationalities, of Catalonia, the Basque Country and Galicia. Traditionally, Spain has been very centralised, apart from experiments in regional autonomy under the First (1873) and Second (1931-6) Republics. In 1870, provision was made for the election of municipal councils, but progress was interrupted by periods of absolute rule and dictatorship. After the transition to democracy and the adoption of the Constitution of 1978, all regions of Spain opted to assume regional autonomy, creating a regionalised state, also known as the *Estado de las autonomías*. Regional autonomy is guaranteed by Art. 2 of the Constitution, and more generally, regional and local autonomy by Art. 137.

Municipal government in Spain dates from the Middle Ages and was democratised after the transition to democracy in 1975. Provinces were established in 1835 as part of the modernisation of Spain on French lines. After the transition, democratic local elections were held in 1979 following Franco's demise. Municipal self-government is embedded in the Constitution (Art. 140)

Spain has been a member of the European Communities / Union since 1986. Spain elects twenty-one members to the Committee of the Regions. Each autonomous community has one seat, and the rest are held by representatives of municipalities.

The main laws on decentralisation are the statutes of autonomy of the seventeen autonomous communities, the outlines of which are given in the Constitution. The Basic Law on Local Government dates from 1985.

## **2. System of Government and Electoral System**

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### **State system**

The 1978 Constitution recognises the indissoluble unity of the Spanish Nation but also the right to self-government of the nationalities and regions, as well as the principle of solidarity among them. There is no definition of what is a region and what is a nationality. All regions can apply for autonomous status under two procedures. Under Article 143, autonomous communities can be set up and acquire competences over five years. Article 151, allowing a faster route to autonomy, was used by Catalonia, the Basque Country, Galicia, and Andalucía and requires a referendum. In Navarre, the existing regional institutions were modernised and democratised. The rest of the country was rapidly regionalised into autonomous

communities using Article 143. Some observers have claimed that Spain is now a quasi-federal system. The system is largely symmetrical, but the Basque provinces have a special fiscal arrangement, and other regions have acquired powers at different paces.

Autonomous communities can take the initiative to amend their statutes of autonomy. If they have proceeded under Article 151, a referendum is required. The new statute must then be approved by the national parliament. A round of amendments started in 2004 and is still underway.

There are also municipalities (*municípios*), provinces (*provincias*) and autonomous communities (*comunidades autónomas*). There are 17 autonomous communities, 50 provinces, and over 8 109 municipalities, along with the autonomous cities of Ceuta and Melilla, which are on the African continent.

### **Regional level**<sup>214</sup>

The seventeen Spanish autonomous communities are self-governing units.

The autonomous community's assembly has a variety of names (*Parlamento, Juntas, Cortes, Asamblea regional, Parlament, Procuradores*) and is elected by proportional representation. Although autonomous communities can change their electoral systems, they have mostly retained the national system, which provides for proportional representation by party lists in constituencies corresponding to the provinces. In the Basque Country, the three provinces (known there as historic territories) elect equal numbers of deputies to the assembly, despite population differences.

The regional executive (also with a variety of names: *Consejo de Gobierno, Junta, Xunta, Govern*) is the executive body of the Community. It is headed by the president who appoints its members.

The president is elected by the assembly to head the government.

### **Provincial level**

The provincial government is known as the *Diputación Provincial*. The council (*corporación provincial*) consists of deputies (*diputados*) indirectly elected from the municipal councils, except in the Basque Country. Six autonomous

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<sup>214</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

communities consist of a single province each, so that the autonomous community institutions also fulfil the provincial role.

There is a president elected by the provincial council, and other members may be given executive responsibilities.

In the three Basque provinces (also known as historic territories) of Vizcaya, Guipuzcoa, and Alava, there is an assembly (*Juntas Generales*) directly elected by proportional representation, and an executive (*Diputación*) elected by the assembly, which also elects a president (*Diputado*).

### **Municipal level**

There are 8 109 municipalities (*municipios*). The municipal council is directly elected for a four-year term by proportional representation from party lists except in municipalities of less than 100, where a single block of candidates takes all the seats. In municipalities of under fifty inhabitants, there is no elected council, but an assembly of all citizens and an elected mayor.

The government executive (*junta de gobierno local*) is the main executive body. It is composed of elected municipal councillors appointed by the mayor. Their main duties are to assist the mayor but include some executive functions as well.

The mayor (*alcalde*) is appointed by and among the councillors. The mayor chairs the municipal council. In practice, the mayor is the leader of the winning party list and commands a personal vote.

In the island autonomous communities, there is an insular level of government. In the Balearic Islands these are the three *Consells*, composed of the members of the regional parliament elected in each island. In the Canary Islands, there are *Cabildos* for each island, directly elected by proportional representation.

In some autonomous communities, *comarcas* are established for inter-municipal cooperation. The 2006 Statute of Autonomy for Catalonia also provides for *veguerías* as administrative units for the services of the autonomous government and, eventually, to supersede the provinces.

### **3. Main Competences**

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#### **General principles**

The Constitution divides competences between the State and the autonomous communities. It lists three sets of competences: those that are devolved to all autonomous communities; those that may be devolved by individual statutes; and those that belong to central government. Competences in the last category can, however, be devolved by agreement. Autonomous communities have legislative competence within their fields but are subject to national framework laws. Over time, all of the autonomous communities have been allowed to acquire much the same range of competences, although the ‘historic nationalities’ of Catalonia and the Basque Country have consistently pressed for a higher level of autonomy.

The Constitution guarantees self-government of autonomous communities and local government and gives indications on the allocation of competences between the State and autonomous communities, allowing for a progressive transfer of competences.

The provinces have lost competences over time and exist mainly as a level of coordination for municipal governments.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Regional competences<sup>215 216</sup>**

Autonomous communities have legislative and administrative competence over:

- urban and regional spatial planning;
- organisation of the institutions of autonomous government;
- economic development;
- transport:
  - o roads;
  - o waterways;
  - o local railways;
- agriculture, forestry and fisheries;

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<sup>215</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country’s language, which are indicated in each report.

<sup>216</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country’s constitution and laws.

- culture (including museums, libraries and monuments);
- social welfare and social services;
- environment;
- health;
- education.

Note: The autonomous communities can create their own police, but only the Basque Country and Catalonia have done so.

The two autonomous cities (Ceuta and Melilla) are special administrative units, halfway between a municipality and an autonomous community. Unlike the autonomous communities, they do not have their own legislative assemblies.

### **Provincial competences<sup>217</sup>**

The provinces have competence over:

- coordination of municipal services;
- assistance and legal, economic, and technical cooperation with the local authorities;
- provision of supra-municipal services;
- development and administration of the specific interests of the province.

Provinces also share a number of competences with the municipal level. These competencies (as well as the legal status of these levels of government) are still developing. The key functions shared between the different tiers are the following:

- education:
  - o primary education;
  - o secondary education;
- health (health care);
- social welfare:
  - o personal social services;
- transport;
- culture and recreation;
- environment (including water supply);
- fire fighting and fire prevention;
- electricity.

Provinces generally provide public services that transcend municipal boundaries

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<sup>217</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

and offer technical, economic, and legal aid, especially to smaller and poorer municipalities. Their role has generally been reduced except in the Basque Country and Navarre.

## **Municipal competences<sup>218</sup>**

Mandatory services for municipalities include, for every municipality:

- environment:
  - o household refuse;
  - o water supply;
  - o sewer system;
- health:
  - o public health standards;
  - o food and drinks control;
- street lighting;
- transport:
  - o urban traffic control;
- public areas (including cemeteries, street cleaning and paving).

Other services such as parks, libraries, sports facilities, or public transport may be obligatory depending on the size of the municipality. Municipalities of over 5 000 inhabitants have additional responsibility for:

- culture and recreation (public libraries);
- environment (including green areas, household refuse and markets);
- local police.

Municipalities of over 20 000 inhabitants, in addition to the above-mentioned, are responsible for:

- social welfare:
  - o personal social services;
- fire-fighting and fire prevention;
- sports (facilities).

Finally, municipalities of over 50 000 inhabitants, in addition to the above-mentioned, are responsible for:

- public transport;
- environmental protection.

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<sup>218</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

Island councils have competences delegated by the government of the autonomous community or specified in the statute of autonomy. The most important of these are:

- culture (archaeological, historical, and artistic heritage);
- sports and recreation (promotion);
- welfare and social services;
- environmental protection;
- urban policy and spatial planning;
- transport:
  - o roads;
  - o public transport;
- tourism;
- fixing dates of Island public holidays.

## **Finance**

Article 142 of the Spanish Constitution stipulates that 'local governments must be provided with sufficient funds to perform the functions assigned to them by law, and shall mainly be financed by their own taxation as well as by their share of state taxes and those of autonomous communities'. Furthermore, Article 157(1) lists the resources that will constitute the income of autonomous communities (ACs), including ceded taxes, surtaxes, own taxes, public debt, and transfers.

The Spanish Constitution also establishes a de jure asymmetry between the foral and common system tax regimes. While common system ACs may establish genuine regional taxes and surcharges, there are strict bounds to this power, as Article 157 prevents the ACs from imposing taxes on a base that is already taxed by the central government. Foral system ACs enjoy extensive fiscal autonomy. Following the reform of financial arrangements in 2002, the common system ACs have increased their degree of fiscal autonomy.

Spain is now one of the most decentralised states in Europe, as autonomous communities have recently gained the resources necessary for funding the extensive scope of their competences. The distribution of public expenditure between the different administrative levels is as follows (central administration expenditure includes social security):

Central administration	57.89 %
Autonomous communities	30.06 %
Local government	12.05 %

### *Common System of Autonomous Communities*

The funding for the Common System Autonomous Communities stems from three main sources: regional taxes, national grants and subsidies, and allocations from the inter-territorial equalisation fund. Following the 2002 reform, shared and autonomous taxes constitute about 53 per cent of their total revenue, indicating a reduction of the financial dependence of ACs on central transfers. The main thrust of the reform was to substitute central government grants for tax resources. The tax on personal income and corporate income constitutes the main source of tax revenue over which the ACs are free to set the rate. The ACs also obtain revenue from a shared VAT (35 per cent of the yield collected in the region) and on a number of other general taxes such as taxes on wealth, death, and gift taxes and gambling taxes, over which they can set the rates. The main sources of revenue currently are: transferred taxes: 11.5 %; charges on normative collection: 1.0 %; income tax: 19.2 %; VAT: 19.4 %; special taxes: 13.0 %; hydrocarbon retail sales tax: 1.1 %; equalisation fund : 34.2 %.

### *Foral Regime Autonomous Communities*

The Navarre AC and the provinces of the Basque AC are governed by the Foral Regime, an economic agreement with the central government called *convenio económico* and *concierto económico*. These ACs are responsible for all taxes other than custom duties and revenue from the personal income tax of non-residents. This entails the full possible degree of fiscal autonomy as the ACs have control over the base and rate of all main taxes, making transfers (the *cupo*) to the central government for the services which it provides.

### *Municipalities*

Local authorities are responsible for about 12 per cent of total public expenditure. They can only impose taxes provided for by central government legislation.

The main sources of municipal funding are: transfers from the state administration: 16.7 %; property tax: 15.1 %; patrimonial income: 8.8 %; rates: 8.6 %; capital transfers: 7.7 %; financial income: 7.5 %; transfers from autonomous communities: 5.7 %; motor vehicle tax: 4.6 %.

## **4. Intergovernmental Relations and Participation in the EU**

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### **Intergovernmental relations**

The Senate, the second chamber of parliament, is partly a chamber of territorial representation. Of its members, 208 are directly elected by universal suffrage for four-year terms on a provincial basis (four members per province). Each

autonomous community then appoints one senator, plus one additional senator per one million inhabitants (presently, there are fifty-one Senators elected in this way). There is a long-standing debate on reform of the Senate to make it a full chamber of territorial representation, but so far there has not been agreement. At present, it does not play a major role in intergovernmental relations.

The Constitutional Court (*Tribunal Constitucional*) rules on conflicts of competence between the State and the autonomous communities. Its jurisprudence was very important in establishing the boundaries of the autonomous system, especially in the 1980s and early 1990s when there were many challenges from Catalonia and the Basque Country. Since then, there has been a greater tendency to resolve disputes politically.

There is a dense network of bilateral and multilateral forums for negotiation between the State and the autonomous communities. The Bilateral Commissions of Cooperation (*Comisiones Bilaterales de Cooperación*) were the first form. Later, sectoral conferences (*Conferencias Sectoriales*) between the central state and the autonomous communities were established. The *Ley de Regimen Juridico de las Administraciones Publicas* defines them as bodies of multilateral cooperation between the state and the communities in specific policy areas. In 2007, there are twenty-nine such conferences. They are essentially consultative, although they may be invested with coordination and cooperation tasks. Most meet irregularly at the discretion of the ministers. The Commission of Fiscal and Financial Policy (*Comisión de Política Fiscal y Financiera*) meets on a regular basis.

Since 2004, there is a conference of the presidents (*conferencias de los presidentes*), in which the head of government, the presidents of the seventeen communities and the cities of Ceuta and Melilla meet to discuss and negotiate policies.

A government delegate directs the administration of the state in the autonomous community and ensures co-ordination with the autonomous government.

Provisions for horizontal cooperation among the autonomous communities are very weak.

The Law on the Bases of Local Regimes (*Ley de Bases de Regime Local: LBRL*) of 1985 regulates the relationship between local authorities and the State. It relies on the principles of administrative, economic, and technical coordination and cooperation, and that of communication between these different levels of

government. The State or an autonomous community can set up consultative bodies within the territory of an entire community or province. Their aim is the coordination of general or sectoral policy, while recognising the hierarchy of tiers of administration. To balance these top-down forms of cooperation, the law tries to safeguard the principle of local autonomy by providing that any measure concerning obligatory coordination must be justified and regulated through a law.

The main institutional site for the relations between local authorities and the State is the National Commission of Local Administration (Comisión Nacional de Administración Local: CNAL), which in 1985 succeeded a Commission of Collaboration (Comisión de Colaboración).

The main institutional representative of local interest in the CNAL is the Spanish Federation of Municipalities and Provinces (Federación Española de Municipios y Provincias: FEMP), established in 1981. The FEMP includes 7 204 municipalities and provinces. It has contributed to the work of the CNAL through the activities of sub-committees and working groups on specific issues.

Outside the CNAL, the FEMP has established direct contacts and working relations with ministries and branches of the state administration on specific sectoral issues, often negotiating informally with officials and politicians at the highest level. It is also represented in many commissions of coordination in selected policy areas. FEMP-affiliated coalitions of cities have also been established at the level of the autonomous communities.

## **Relations with the EU**

Each of the seventeen autonomous communities has opened an office in Brussels. The Constitutional Court held that these do not violate the Constitution provided that they and other external initiatives of the autonomous communities (trans-regional agreements and agreements with other European regions) do not lead to acts subject to international law and therefore raise the responsibility of the Spanish State. Although this allows autonomous communities to be represented directly, Catalonia has opted to continue with a public-private partnership, the Patronat Català per Europa.

EU matters within the respective policy fields are handled by the Sectoral Conferences. There is also a general Conference on Affairs Related to the European Communities (Conferencia para Asuntos Relacionados con la Comunidades Europeas: CARCE). A Council for Affairs of the Autonomous Communities (Consejería para Asuntos Autonómicos) within the Permanent Representation of

Spain in the EU (Representación Permanente de España en la UE: REPER) channels communication from the EU towards the autonomous communities and liaises with the autonomous communities' offices in Brussels, although these also deal with other parts of REPER.

In December 2004, CARCE reached an agreement on the participation of the autonomous communities in the Council of Ministers in four configurations: Employment, Social Policy, Health and Consumer Affairs; Agriculture and Fisheries; Environment; and Education, Youth and Culture. The relevant sectoral conference designates one autonomous community to represent all in the forthcoming period. This autonomous community then seeks agreement of the others on the common position and with the delegation of Spain, and attends the Council. The position of the autonomous communities is taken into account insofar as is it consistent with the Spanish one, a weaker arrangement than that in Germany and Belgium.

The 2004 agreement also provided that two places in the Council for the Affairs of the Autonomous Communities in the REPER will be occupied by officials proposed by the autonomous communities. These officials stay in place for three years, participating in meetings of both the COREPER and the Working Groups within the EU Council of Ministers.

## **5. References**

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### **Government Website**

<http://www.la-moncloa.es/>

### **Senate**

<http://www.senado.es/>

### **Constitution**

[http://www.senado.es/constitu\\_i/index.html](http://www.senado.es/constitu_i/index.html)

### **Autonomous Communities**

Each Autonomous Community has its own website. The list of Autonomous Communities and links to specific web-sites are available on <http://www.admiweb.org/> in Spanish.

### **Spanish Federation of Municipalities and Provinces**

<http://www.femp.es/>

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**Spain**  
**Inhabitants 43.0 million<sup>219</sup> – 498 757 km<sup>220</sup>**

<b>EU Membership</b>	1986 – 21 members of the CoR
<b>State system</b>	Regionalised state ( <i>Estado de las autonomías</i> )
<b>Regional level<sup>221</sup></b>	17 autonomous communities ( <i>comunidades autónomas</i> ) Directly elected assembly ( <i>Parlamento, Juntas, Cortes, Asamblea regional, Parlament, Procuradores</i> ) Executive elected by and responsible to the assembly, headed by President
<b>Provincial level</b>	50 provinces ( <i>diputación Provincial</i> ). Indirectly elected council ( <i>corporación provincial</i> ) consisting of deputies ( <i>diputados</i> ) from the municipal councils, except in the Basque Country (direct election). Six autonomous communities consist of a single province, where autonomous community institutions fulfil the provincial role.
<b>Municipal level</b>	8 109 municipalities ( <i>municipios</i> ) Directly elected municipal council Local executive ( <i>junta de gobierno local</i> ) and mayor ( <i>alcalde</i> ) elected by council.
<b>System of Competences</b>	Autonomous communities have legislative and administrative competences. Provinces and municipalities have only administrative competences.
<b>Intergovernmental relations</b>	Dense network of bilateral and multilateral forums for negotiation between the State and the autonomous communities. Conference of the presidents ( <i>conferencias de los presidentes</i> ), in which the presidents of the seventeen

<sup>219</sup> Eurostat 2006-2007.

<sup>220</sup> Canary Islands not included.

<sup>221</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

	<p>communities and the autonomous cities of Ceuta and Melilla meet to discuss and negotiate policies. Representatives of autonomous communities participate in EU Council meetings.</p>
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# SWEDEN

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<sup>222</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>223</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## 1. Introduction

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Sweden is a constitutional monarchy. Local self-government is embedded in the Constitution (latest general revision 1974 – art. I-1), which recognises municipal and county councils (Art. I-7). It has a strong tradition of decentralisation. In 1991, the New Local Government Act provided greater freedom for municipalities to organise themselves. In 1997, a law provided for regionalisation, as did a further law of 2001. Four pilot regions were established, for Skåne, Västra Götaland, Kalmar and Gotland.

Sweden has been a member of the European Union since 1995. It elects twelve members to the Committee of the Regions – four from the counties and eight from the municipalities.

## 2. System of Government and Electoral system

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### State system

Sweden is a decentralised unitary state composed of municipalities and counties. It has a strong tier of local self-government in the form of 290 municipalities.

### Regional level<sup>224</sup>

There are eight National Areas (*Riksområden*) for statistical purposes and to make up the NUTS 2 statistical level. These do not have their own institutions.

### Provincial level<sup>225</sup>

The provincial level is composed of eighteen counties (*landsting*) and two regions (Skåne and Västra Götaland). Until 1970, the counties were represented in a separate chamber of Parliament. Since then, the counties have lost many of their original powers and functions, and their abolition is a subject of discussion.

The county council (*landstingsfullmäktige* / *regionfullmäktige*) is directly elected by proportional representation for a four-year term. Elections are by party list, but voters can indicate preferred candidates within the list (preference vote). This assembly approves the budget and tax rates and can delegate important decision-making power to its executive committee and to other committees.

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<sup>224</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>225</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

The executive committee of the county council (*landstingsstyrelsen / regionstyrelsen*) is elected by the county council. It has executive and coordinating functions and monitors the activities of the other committees. It drafts the budget of the county council. The executive committee prepares and implements decisions taken by the council. It is chaired by the leader of the majority party.

The specialised committees (*nämnd*) are elected by the county council. The committees are responsible for preparing items for final decision by the council, and for the administration and implementation.

Different arrangements are in place for the two regions of Skåne and Västra Götaland. These two pilot regions have a regional council which acts as a decision-making body, levies taxes and elects its executive committee members. Members of these two regional councils are directly elected by proportional representation for a four-year term.

The regional executive commissions (*Regionstyrelse*) are chaired by the leader of majority party. They prepare the council's work and have general responsibility for all regional government activities.

## **Municipal level**

There are 290 municipal authorities (*kommuner*).

The municipal council (*kommunfullmäktige*) is elected by proportional representation for a four-year term. Elections are by party list, but voters can indicate preferred candidates within the list (preference vote). The council can delegate important decision-making powers to its executive committee and to other committees. It elects the members of the Municipal Executive Committee.

The municipal executive committee (*kommunstyrelsen*) prepares and implements decisions taken by the council. It has executive and coordinating functions and monitors the activities of the other committees. It drafts the budget of the municipality. It is chaired by the leader of the majority party, has general responsibility for local government activities, and prepares the council's work.

The specialised committees (*nämnd*) are elected by the council. They are appointed based on the political composition of the council, but are not necessarily elected councillors themselves. The committees are responsible for preparing items for final decision by the council and for the administration and implementation of

decisions.

The municipality of Gotland has county status. Its municipal council fulfils the role of county council.

### **3. Main Competences**

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#### **General principles**

Swedish local governments have extensive competences in policy implementation and regulation. They do not have legislative competences, but enjoy important taxing competences.

The Constitution guarantees self-government but gives no indication on competences. There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Provincial competences<sup>226</sup>**

The main responsibility of counties is the management of the national health care system. Their full list of competences is:

- health;
- regional development strategy (including tourism);
- transport:
  - o planning of regional public transport;
- regional economic support;
- culture.

#### **Municipal competences**

Municipalities have administrative powers over:

- culture and recreation;
- transport:
  - o local roads;
  - o public transport;
- public areas (including public parks);
- economic development (including energy supply);
- social welfare:
  - o care for the elderly and disabled;

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<sup>226</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

- social services (including employment related);
- education:
  - schools;
  - child care;
- local planning;
- housing;
- emergency and rescue services;
- health:
  - environmental health;
- environment:
  - refuse and waste management;
  - water and sewage;
- police:
  - public order and safety.

## **Finance**

The right for municipalities and county councils to impose taxes is laid down in the Constitution (Art. VIII-5 and VIII-9).

While the central government establishes the framework for the competences and resources of localities, both councils and municipalities enjoy general competences for matters within their territory and benefit from the resources that these responsibilities entail. Municipal and county authorities are jointly responsible for about 44.3 per cent of total public expenditure and are attributed 32 per cent of total tax revenue. The fiscal autonomy of sub-state entities is very high, as tax revenues amount to 71 per cent of total receipts of sub-central governments, whereas grants constitute 19 per cent. Central government grants take the form of general grants, distributed on a per capita basis, and specific grants for particular services. There is also a system of fiscal equalisation.

### *Counties*

The sources of revenue for counties are taxes (68 per cent), general grants (7 per cent), and specific grants, fees, and charges (25 per cent). The tax revenue of counties derives entirely from the personal income tax, over which they have the freedom to set the rate.

### *Municipalities*

The sources of revenue for municipalities are taxes (60 per cent), general grants (14 per cent), specific grants, fees, and charges (23 per cent). The tax revenue of municipalities derives almost entirely (99.5 per cent) from personal income tax,

over which municipalities can set the rate. The remainder of their tax revenues (0.5 per cent) is derived from taxes on sales and goods.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

Sweden is characterised by a prefecture-type system of state administrative boards in each county, the governor of which is appointed by the national government, with other members appointed by the county council from amongst its members.

The Swedish Association of Local Authorities and Regions (SALAR-SKL) represents local governments to central government.

### **Relations with the EU**

SKL opened an office of representation in Brussels in 1993, with the objective of supporting the association's activities in EU-related matters by developing relations with EU institutions and giving information to SKL at an early stage of the EU decision-making process. Each SKL division is responsible for the monitoring of issues and policies within its respective domain under the leadership of an EU Co-ordinator. There is also an International Unit responsible for international and EU affairs, including the Brussels Office.

## **5. References**

### **Government Website**

<http://www.sweden.gov.se/>

### **Constitution**

<http://www.sweden.gov.se/sb/d/3288/a/19560>

### **Swedish Association of Local Authorities and Regions (SALAR-SKL)**

[www.skl.se](http://www.skl.se)

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

**Sweden**  
**Inhabitants 9.1 million<sup>227</sup> – 449 963 km<sup>2</sup>**

<b>EU Membership</b>	1995 – 12 members of the CoR
<b>State system</b>	Unitary state
<b>Regional level<sup>228</sup></b>	No regional institutions
<b>Provincial level</b>	18 counties ( <i>landsting</i> ) and two regions (Skåne et Västra Götaland) Directly elected county council ( <i>landstingsfullmäktige / regionfullmäktige</i> ) Executive committee ( <i>landstingsstyrelsen / regionstyrelsen</i> ) elected by council
<b>Municipal level</b>	290 municipal authorities ( <i>kommuner</i> ) Directly elected municipal council ( <i>kommunfullmäktige</i> ) municipal executive committee ( <i>kommunstyrelsen</i> ) elected by municipal council
<b>System of Competences</b>	Counties and communes have only administrative competences
<b>Intergovernmental relations</b>	Swedish Association of Local Authorities and Regions (SKL) represents local governments to central government and has an office in Brussels

<sup>227</sup> Eurostat 2006-2007.

<sup>228</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# **TURKEY**

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<sup>229</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>230</sup> References to publications are to be found in Chapter 1 when available in English and not at risk of being too quickly outdated.

## **1. Introduction**

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Turkey is a republic established in 1923. The present Constitution dates from 1961 and incorporates the principle of decentralisation and the existence of provinces, municipalities, and villages (Art. 123 and 127). The Municipality Act of 1930 governed municipal organization until 2005. An Act of 1984 established the system of government for major cities. The present legal basis is provided by the Municipal Act and the Special Provincial Administration Act, both from 2005. There is currently a debate about regionalisation. There is a dual system of deconcentrated state administration and elected local government. Turkey has a strong tradition of centralization.

Turkey is a candidate for membership of the European Union.

## **2. System of Government and Electoral System**

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### **State system**

Turkey is a decentralised unitary state, with provinces and municipalities. It is organised along Napoleonic lines. Local government does not yet exist in all parts of the country but is gradually being extended.

### **Regional level**

Seven regions (*bölge*) exist for statistical purposes, but do not have their own institutions.

### **Provincial level**<sup>231</sup>

There are eighty-one provinces (*il*, plural *iller*), which serve both as a deconcentrated level of the central State and as a level of elected autonomous government. The Provincial Council is directly elected for a five-year term by proportional representation. Only parties gaining more than 10 per cent of the vote are eligible for seats.

The governor is appointed by the Council of Ministers. (S)he represents the State at the regional level and is also the head of the provincial administration.

The Standing Provincial Council is composed of councillors elected by the provincial council and chaired by the governor.

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<sup>231</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

Districts are deconcentrated state administrations. District officers are appointed by the Minister of the Interior. Each province also has a central district (*merkez ilçe*). The central district is administered by an appointed vice-governor and other districts by a sub-governor (*kaymakam*). Each municipality in the urban zone (*belde*) of a district is an administrative division subject to elections depending on the province.

### **Municipal level**

All district centres have municipalities (*belediye*), headed by an elected mayor who administers a defined municipal area for defined municipal matters. A growing number of settlements outside of district centres have municipalities as well. These are also called *belde*. A *belde* has a mayor (responsible for its municipal zone) and depends administratively on the centre of the district within whose boundaries it is situated.

There are 3 216 municipalities. The number has increased from 1 303 in 1970 as more communities have been incorporated. The minimum population to become a new municipality under the 2005 Municipal Act is five thousand, although about half of the existing municipalities have a population smaller than this. The Municipal Council (or Assembly) (*belediye meclisi*) is directly elected for a five-year term by proportional representation from party lists. The mayor (*belediye başkanı*) is directly elected for a five-year term in a single-ballot plurality system (first-past-the-post). The executive committee (*belediye encümeni*) consists of heads of departments and members elected from the municipal council. It is chaired by the mayor.

Greater municipalities (*büyükşehir belediyesi*) have been created for metropolises like Istanbul or Izmir. There are sixteen metropolitan municipalities covering several constituent municipalities. The metropolitan councils are an extra administrative layer and comprise the mayor of the metropolitan council, the mayors of the constituent municipalities, and one-fifth of municipal councillors. The mayor of the metropolitan municipality is elected for a five-year term by direct suffrage. His main role is to coordinate among the district municipalities. The metropolitan executive committee is an administrative body. It comprises the secretary general and the heads of service, chaired by the mayor of the metropolitan municipality

There also are 35 128 villages or rural municipalities (*köy*). Residents of villages elect headmen (*muhtars*) for a five-year term. The headmen take care of specific

administrative matters such as residence registration. The Council of Elders is elected by the villagers for five years and is the executive committee of the village. The village board consists of all the inhabitants of the village with the right to vote.

Furthermore, each quarter (*mahalle*) of a district centre and *belde* has a *muhtar* as well, also for specific administrative questions. The terminology slightly differs (*köy muhtarı* for villages, *muhtar* or *mahalle muhtarı* for quarters) as do the competences and prerogatives, which are a function of the locality in question.

### **3. Main Competences**

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#### **General principles**

Competences are devolved according to laws. Local autonomy in Turkey is still weak: the Constitution does not guarantee self-government; it gives no indication on competences.

NB: There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

#### **Provincial competences<sup>232 233</sup>**

Provincial powers are largely in the hands of the governor, who generally acts on the advice of the provincial general assembly. The main competences exercised at this level are:

- police and maintenance of public order;
- environment and water management and treatment;
- transport:
  - o roads;
- economic development;
- health (including hospitals);
- culture.

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<sup>232</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>233</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

## **Municipal competences**<sup>234</sup>

Municipalities, where they exist, have the following competences, exercised under central supervision:

- registration:
  - o birth, marriages and deaths;
  - o administrative documents;
  - o cadastral register;
- police:
  - o local law and order;
- environment:
  - o waste management;
  - o water management and treatment;
- heating;
- lighting;
- transport:
  - o roads;
  - o urban transport;
- public areas (including cemeteries);
- housing;
- economic development;
- local planning;
- education;
- health;
- social welfare;
- culture.

## **Finance**

Turkey is a highly centralised state in matters of centre-local financial arrangements. Turkish municipalities are responsible for about 11 per cent of total public expenditure and command 7 per cent of total consolidated tax revenue.

### *Local government*

The fiscal autonomy of municipalities is tightly circumscribed. Turkey took significant measures in 1984 to increase municipal revenues in both absolute terms and as a share of the national budget. This broadened their tax base, but real local decision-making authority still remains rather limited.

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<sup>234</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

Municipalities are financed by three principal sources: 42.9 per cent of their revenue comes from shared taxation, 6.8 per cent is from taxation on public utilities, 35.5 per cent is non-tax revenue, and 10 per cent is autonomous tax revenue. The main source of revenue is therefore shared taxation. The central government collects revenue, principally from taxation on personal income, corporation income and profits, and VAT. Municipalities are allotted 9.25 per cent of this revenue, while special provincial administrations receive about 1.25 per cent (World Bank 2004). The formula for allocating shared revenue is determined by the central government based on population criteria.

The revenue from the autonomous taxation of municipalities is constituted mainly by taxation on real estate (54.9 per cent of autonomous taxation revenue). However, the rate of the tax is determined by the central government. In addition, municipalities collect taxes on the use of certain goods and services: advertisements, entertainment, communication, gas and electricity consumption, fire insurance, and environmental sanitation. The rates for these taxes are also set by the central government.

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The governor of the province represents the State at regional level. (S)he is the head of the provincial local administration and supervises the work of local government.

Districts are devolved state administrations run by district officers appointed by the Minister of the Interior.

### **Relations with the EU**

Turkey is not a member of the European Union.

## **5. References**

### **Prime Minister's Office**

<http://www.byegm.gov.tr/>

### **Constitution**

<http://www.byegm.gov.tr/mevzuat/anayasa/anayasa-ing.htm>

### **Interactive WEB Portal for Turkish Local Governments**

[http://www.yerelnet.org.tr/yyaem/about\\_us.php](http://www.yerelnet.org.tr/yyaem/about_us.php)

References to publications are to be found in Chapter 1 if available in English and not at risk of being too quickly outdated.

## 6. Synopsis

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**Turkey**  
**Inhabitants 71.6 million<sup>235</sup> – 773 473 km<sup>2</sup>**

<b>EU Membership</b>	Candidate
<b>State system</b>	Unitary republic
<b>Regional level<sup>236</sup></b>	No regional level
<b>Provincial level</b>	801 provinces ( <i>iller</i> ) Directly elected provincial council Governor appointed by national government.
<b>Municipal level</b>	3 216 municipalities ( <i>belediye</i> ) Directly elected municipal assembly Directly elected mayor 35 128 villages or rural municipalities who elect a headman ( <i>muhtar</i> )
<b>System of Competences</b>	Provinces and municipalities have only administrative competences
<b>Intergovernmental relations</b>	Governors represent the State in the province and are head of the provincial administration, and supervise local administration.

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<sup>235</sup> Eurostat 2006-2007.

<sup>236</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.



# **THE UNITED KINGDOM**

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<sup>237</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>238</sup> References to publications are to be found in Chapter 1 when and not at risk of being too quickly outdated.

## 1. Introduction

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The United Kingdom is a constitutional monarchy without a codified constitution. It is a multinational state consisting of England, Scotland, Wales, and Northern Ireland. The union of England, Scotland, and Wales is known as Great Britain. The union of Wales and England dates back to 1536, that of Scotland and England to 1707. The Union with Ireland dates from 1801 but was partially reversed with the independence of the southern part of Ireland in 1922. Between 1922 and 1972, Northern Ireland had a devolved parliament and government (known as the Stormont regime). In 1885, a Secretary of State for Scotland was appointed and in 1965 a Secretary of State for Wales, to administer much of domestic policy in those two nations. A Secretary of State for Northern Ireland was appointed in 1972.

The United Kingdom has been a member of the European Communities / Union since 1973. It elects twenty-four members to the Committee of the Regions – sixteen by local governments and regional assemblies in England, four by the Scottish Parliament, and two each by the National Assembly for Wales and the Northern Ireland Assembly; the devolved territories divide the seats among members of the devolved assemblies and municipal representatives.

Municipal local government in England, Scotland, Wales, and Ireland dates from the Middle Ages. County councils were established in the nineteenth century. There were separate reforms of local government in England, Wales, and Scotland in 1974-5, establishing a two-tier system of local government. Most of these reforms were reversed in the 1980s and 1990s, and there has been a gradual move back to single-tier local government.

The main laws affecting the UK system of government since 1997 are the following:

- Scotland Act (1998) establishing the Scottish Parliament;
- Government of Wales Act (1998) establishing the National Assembly for Wales;
- Northern Ireland Act (1998) establishing the Northern Ireland Assembly;
- Greater London Authority Act (1999) establishing the Greater London Authority and providing for the direct election of the Mayor of London;
- Regional Development Agencies Act (1998) establishing Regional Development Agencies and Assemblies;
- Local Government Act (2000) applying to England and Wales. It provides for a stronger executive authority and gives local authorities a power to promote well-being;

- The Governance of Wales Act 2006 extending the power of the National Assembly for Wales and giving it some legislative competences.

## **2. System of Government and Electoral System**

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### **State system**

The United Kingdom is a hybrid form. For England, it works as a unitary state, but in relation to Scotland, Wales, and Northern Ireland it has the characteristics of an asymmetrical federation or regionalised state. Scotland, Wales and Northern Ireland are governed by a system of devolution that, in theory, allows the central government to intervene in all areas and even abolish the devolved institutions. This is the consequence of the lack of a codified constitution or separate category of constitutional law. Constitutional convention, however, is powerful, and it is highly unlikely that the central government would attempt unilaterally to abolish the devolved institutions.

### **Regional level<sup>239</sup>**

The UK is composed of three nations:

- Wales;
- Scotland;
- Northern Ireland;

And nine English regions:

- The Greater London Authority and its mayor;
- Eight English regions (North East, North West, Yorkshire and the Humber, West Midlands, East Midlands, East of England, South East, South West).

### *Scotland*

A Scottish Parliament has existed since 1999.

The Scottish Parliament is elected by a mixed-member proportional representation system. Seventy-three members are elected in constituencies by the first-past-the post system. A further fifty-six members are elected by proportional representation on closed party lists in eight regional constituencies (although individual candidates can also stand in this section). The distribution of list seats takes into account the seats already won by parties in the constituencies.

The First Minister is elected by the Parliament and heads a Scottish Executive of

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<sup>239</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

ministers. All must be members of the Parliament. Since 2007, the Scottish Executive refers to itself as the Scottish Government, although the official title has not changed.

### *Wales*

The National Assembly for Wales has existed since 1999. It is elected by a mixed-proportional system. Forty members are elected in constituencies by the first-past-the post system. Twenty members are elected by proportional representation in closed party lists in regional constituencies. The distribution formula is the same as in Scotland. In Wales, it is not possible to be a candidate for both a constituency and a list.

The First Minister is elected by the Assembly and heads the Welsh Assembly Government, chosen by the First Minister among members of the Assembly.

### *Northern Ireland*

The Northern Ireland Assembly came fully into being in 1999 but was suspended several times until 2007. There are 108 members elected by proportional representation by single transferable vote. Members may designate themselves as unionists, nationalists or other. Certain matters require the consent of majorities in both groups.

The Northern Ireland Executive is elected by the Assembly by proportional representation and includes all the main parties. It is headed by a First Minister and a Deputy First Minister drawn from the largest and second largest parties, respectively.

### *England*

England is divided into nine regions. These have indirectly elected Regional Assemblies, drawn from local government and the social partners. There is provision in the law to proceed to elected assemblies following a referendum but, following a failed referendum in North East England in 2004, the process has been halted. In 2007, the government announced its intention to abolish the Regional Assemblies.

There are Regional Development Agencies responsible to central government but monitored by the Regional Assemblies.

In each region a Government Office for the Region (GoR) coordinates the work of central government departments.

In London there is a Greater London Authority, with an assembly of twenty-five elected members elected by a mixed-member proportional representation system. Fourteen are elected in constituencies by first-past-the-post and eleven by proportional representation across the whole of London on party lists. The Mayor of London is directly elected on the alternative vote system.

Administration of the police, fire service and transport is in the hands of boards appointed partly by the mayor, the boroughs, and the central government. The London Development Agency, with similar responsibilities to the Regional Development Agencies, is appointed by the mayor.

### **Provincial and municipal levels<sup>240</sup>**

Systems of local government differ in the four nations of the United Kingdom.

#### *England*

There are thirty-four shire counties in England, divided into districts. In the large urban areas there are Metropolitan Boroughs. Metropolitan Counties in these areas were abolished in 1986. Elsewhere, there are Unitary Authorities. London is divided into thirty-two London Boroughs and the City of London. Councils in shire counties may ask to be made unitary authorities, and several of these are under consideration.

Local authorities in England can opt for one of four models of management: a mayor and cabinet; a council leader and cabinet; a mayor and council manager; or (in small districts) the traditional committee-based system. After approval in a referendum, they may opt for a directly-elected mayor, although only twelve have done so. Unitary authorities and districts may have the formal title of borough or city, and a mayor who is chosen from the council and has a purely formal civic role.

All councils apart from the London Assembly are elected in single-member districts, by first-past-the-post. Councillors are elected for four years. In some councils, the whole council is renewed every four years. In others, a third is elected over three years, with the fourth year of the cycle having no elections.

#### *Wales*

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<sup>240</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

In Wales, there are twenty-two unitary authorities, elected every four years in wards by the first-past-the-post system.

### *Scotland*

In Scotland, responsibility for the organization of local government rests with the Scottish Parliament. There are thirty-two unitary authorities, elected every four years by proportional representation according to the single transferable vote.

Executive power is in the hands of a council leader, who may work with a cabinet or the traditional committee system. The Provost (Lord Provost in the large cities) is elected by the council for four years and has a formal, civic role.

At the parish or neighbourhood level, there are Community Councils, elected at large by all residents over sixteen years of age.

Each authority has a chief executive who is an appointed professional official.

### *Northern Ireland*

Local government organization is the responsibility of the Northern Ireland Assembly. There are twenty-six district councils elected by proportional representation by single transferable vote. Their competences are more limited than elsewhere in the UK. Most administration is undertaken by boards, notably the health and social services and education and library boards currently appointed by the Northern Ireland Executive with representatives from local government.

In Northern Ireland, local elections use a single transferable vote (STV), with several multi-member electoral areas in each district. Elections take place for the whole council every four years. There are proposals to reduce the number of councils and to increase their powers.

## **3. Main Competences**

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### **General principles**

Scotland and Northern Ireland have primary legislative powers and are able to make, repeal, and modify all laws in their own sphere, while Wales has only administrative and secondary legislative powers. In Scotland and Northern Ireland, only the powers reserved to the centre are specified, while in Wales the devolved powers are specified. The UK Parliament reserves the right to legislate in devolved matters, although there are conventions governing this, by which it is only done with the consent of the devolved assemblies. UK ministers cannot act in the

devolved territories unless the matter is expressly reserved under the relevant devolution law.

Local government has only administrative competences. These are regulated by the UK Parliament for England and Wales and by the Scottish Parliament and Northern Ireland Assemblies for their territories.

There is no direct correspondence between the fields of CoR competences and the fields of competences enumerated in legislation, even if the vocabulary is the same.

### **Regional competences**<sup>241 242</sup>

The Scottish Parliament has exclusive legislative and administrative competence in all matters not expressly reserved to the UK government. Its main competences are:

- health;
- education:
  - o primary;
  - o secondary;
  - o higher;
  - o training;
- local government organisation, finance, and supervision;
- housing;
- local and regional planning;
- economic development (including tourism);
- transport (except for air travel);
- police and public order:
  - o criminal law (with some exceptions);
  - o police and prisons;
- environment (including natural and built heritage);
- agriculture, forestry, and fisheries;
- civil law;
- culture, sports, and recreation (including the Gaelic language).

The National Assembly for Wales has no primary legislative powers, but it can pass secondary legislation and has administrative responsibility in matters expressly devolved to it. The main ones are:

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<sup>241</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>242</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- health;
- education:
  - o primary;
  - o secondary;
  - o higher;
  - o training;
- housing;
- local and regional planning;
- economic development (including tourism);
- transport;
- environment (including natural and built heritage);
- agriculture, forestry, and fisheries;
- sports and culture, including the Welsh language.

The Governance of Wales Act 2006 further increases the legislative powers of the Welsh Assembly and government by allowing them to request permission from the UK Parliament to pass primary legislation in specific areas. After a referendum, the Assembly would be able to acquire broader legislative powers.

The Northern Ireland Assembly has primary legislative powers in all areas that are not expressly excepted or reserved in the legislation. In reserved matters, power can be transferred at the request of the Assembly with the agreement of a majority of both unionist and nationalist members.

The main competences thus devolved are:

- health;
- education:
  - o primary;
  - o secondary;
  - o higher;
  - o training;
- local government;
- housing;
- local and regional planning;
- economic development (including tourism);
- transport (except for air travel);
- environment (including natural and built heritage);
- agriculture, forestry, and fisheries;
- sports and culture, including the Irish and Ulster Scots languages.

The Secretary of State for Northern Ireland retains the reserved powers pending further devolution. The most important of these concern policing and security.

The main areas of responsibilities of Greater London Authority are as follows:

- planning:
  - o strategic planning;
- economic development;
- transport;
- fire and civil protection services and emergency planning;
- police;
- environment (including sustainable development);
- culture;
- health:
  - o public health.

The Assembly also has the power to consider other issues of key importance to the population of London and to submit proposals to the mayor.

## **Provincial and local competences<sup>243 244</sup>**

### *England*

English County Councils are responsible for:

- education:
  - o primary;
  - o secondary;
- transport:
  - o traffic;
  - o public transport;
  - o highways;
- social welfare:
  - o personal social services;
- environment:
  - o refuse disposal;
- culture and recreation:
  - o libraries;
  - o museums;

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<sup>243</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

<sup>244</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these competences in the country's constitution and laws.

- parks and recreation facilities;\*
- consumer protection;
- fire services and emergency planning;
- planning:
  - local planning;\*
  - determination of planning applications;
- police.

District Councils are responsible for:

- housing;
- environment:
  - environmental health;
  - measures to combat pollution;
  - refuse collection;
- housing and building regulations;
- local planning;\*
- culture and recreation:
  - museums;
  - parks and recreation facilities;\*
- electoral registration.

\*shared responsibilities

Unitary authorities combine the competences of county and district councils. Metropolitan boroughs combine most of these responsibilities, but fire services and police are organised in joint boards.

### *Scotland*

Unitary authorities are responsible for:

- education:
  - primary;
  - secondary;
- transport:
  - traffic;
  - public transport;
  - highways;
- social welfare:
  - personal social services;
- environment (refuse disposal);
- culture and recreation:

- libraries;
- museums;
- cultural promotion;
- parks and recreation;
- consumer protection;
- fire services and emergency planning;
- local planning;
- housing;
- police (through joint boards);
- registration (electoral registration).

### *Northern Ireland*

Council are currently responsible for:

- environment:
  - refuse collection and disposal;
- public areas:
  - street cleansing;
  - parks and cemeteries;
- health and safety;
- local planning and building control;
- licensing;
- sports and recreation;
- community centres;
- culture:
  - arts, heritage and cultural facilities;
- registration (births, marriages and deaths).

They may be consulted on:

- education;
- social welfare:
  - personal social services;
- transport:
  - roads;
  - public transport;
- housing;
- fire service;
- police;
- environment including sewage;
- culture:
  - libraries;

- planning;
- street lighting.

### *Parish or Neighbourhood Level*

Community Councils in Scotland have a broad consultative role.

Parish Councils (England) and Community Councils (Wales) are responsible for:

- consultation on planning;
- small-scale recreation facilities, cemeteries, car parks, lighting, and pavement maintenance by agreement with district or unitary councils.

## **Finance**

The United Kingdom has a high level of fiscal centralisation. About 85 per cent of all taxation is levied by central government.

### *Local councils*

Since the Local Government Finance Act (1992), local governments impose a council tax on owners and occupants of residential property. Business property taxation (rates) are set by the central government in England and the devolved Scottish, Welsh, and Northern Ireland governments. The proceeds are distributed to local councils in the respective jurisdictions on a per capita basis. Local councils also receive funding from the central government (in England) and the devolved authorities, adjusted to equalise for needs and resources.

### *Greater London Authority*

The Greater London Authority Act (1999) does not confer any taxation powers on the GLA. Its revenues are derived from a general central government grant and a certain share of council taxes (a precept) generated by London boroughs.

### *Scottish Parliament*

The Scottish Parliament can vary the standard rate of income tax by three pence on the pound, but it has not exercised this power. In addition, it has control over the form and level of local government taxation. The Scottish Parliament does not have borrowing powers.

The revenue of the Scottish Parliament is derived almost entirely from central transfers. These are governed by the non-statutory Barnett Formula, according to which every pound of expenditure in England generates a population-based equivalent for Scotland.

### *Welsh Assembly*

The Welsh Assembly does not enjoy any taxation autonomy and depends entirely on central government block grants for financing its public expenditure. Block grant is determined by the Barnett Formula.

### *Northern Irish Assembly*

The Northern Irish Assembly does not enjoy any taxation autonomy and depends entirely on central government block grants for financing its public expenditure. Block grant is determined by the Barnett Formula.

### *English Regional Assemblies*

The English Regional Assemblies, to be established by referendum, would be funded primarily by central government grant, but would be given the power to raise additional funds from a precept on the council tax

## **4. Intergovernmental Relations and Participation in the EU**

### **Intergovernmental relations**

The Secretaries of State for Scotland, Wales and Northern Ireland are members of the UK Cabinet and may combine this with another portfolio. They are responsible for liaising with the devolved administrations. The Secretary of State for Wales also deals with Welsh legislation needing to be passed in the central Westminster Parliament. The Secretary of State for Northern Ireland retains some administrative responsibilities that have not yet been devolved.

Relations with the devolved administrations are governed by a Memorandum of Understanding and Concordats in policy fields. In practice, these have been little used, and relations up until 2007 have been informal.

Joint Ministerial Committees (JMCS) can be appointed to discuss matters and resolve disputes among devolved and central governments. There is no clear distinction between formal JMCs and other inter-ministerial meetings. They have not been important except in relation to European matters.

In 2007, Regional Ministers were appointed for England. These are ministers with other portfolios and do not have any administrative role in the region. Rather, the idea seems to be to provide a regional voice in government.

Laws and administrative acts of the devolved institutions in Scotland, Wales, and Northern Ireland can be struck down by the courts if they violate the devolution

legislation, EU law, or the European Convention for the Protection of Human Rights and Fundamental Freedoms. The highest court of appeal on these issues is the Judicial Committee of the Privy Council (JCPC) for the devolution act and the European Court of Justice and the European Court of Human Rights as appropriate. UK ministers may also refer acts of the devolved institutions to the JCPC, but as of 2007 they had never done so.

The Local Government Association for England and Wales negotiates with the British Government and the Welsh Assembly Government on local matters. The Welsh Local Government Association (WLGA) is a constituent part of the LGA but retains full autonomy in dealing with Welsh affairs.

The Convention of Scottish Local Authorities deals similarly with the Scottish Executive. There are no formal links between Scottish local government and the UK Government.

The Northern Ireland Local Government Association deals with the Northern Ireland Executive and the Secretary of State for Northern Ireland.

## **Relations with the EU**

Scotland, Wales, and Northern Ireland have offices in Brussels. Scotland has two linked offices: Scotland Europa, which provides a platform for Scottish interests including the Scottish Parliament, local authorities, and private bodies; and the Scottish Executive's office, which represents the government. Wales has two linked offices, representing the Assembly and the Assembly government. All work closely with the UK Permanent Representation and have official status as part of this.

There are twenty offices representing regional consortia of English, Scottish, and Welsh local governments.

The role of devolved administrations in EU matters is governed by a Concordat. There is consultation where devolved matters are on the agenda of the Council of Ministers. Officials from devolved administrations may participate in working groups preparing the UK position on new proposals.

Ministers from the devolved administrations may attend the Council of Ministers by agreement with the UK government. The negotiating position is discussed at the Joint Ministerial Committee (JMC) on Europe (whose membership varies according to the matter under discussion), but the UK government determines the

final position. The most important JMC (Europe) has been that on agriculture. The delegation consists of UK and devolved ministers, depending on the issue in question. It is in principle possible for a minister from a devolved government to lead the UK delegation, but this has not happened in practice. While the Labour Party was the governing party in Scotland and Wales as well as at the UK level, many issues were resolved by informal channels.

Devolved administrations are responsible for implementing European laws and directives within their areas of competence, and for managing Structural Funds. In case of non-implementation, the UK government reserves the right to intervene. If the UK government were to be fined for non-compliance with European directives, it would deduct the money from the block grant payable to the devolved administration.

## **5. References**

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### **UK Government Website**

<http://www.direct.gov.uk/en/index.htm>

more specific information on:

<http://www.direct.gov.uk/en/Gtg11/GuideToGovernment/index.htm>

### **Scottish Parliament**

<http://www.scottish.parliament.uk>

### **National Assembly for Wales**

<http://www.assemblywales.org/>

### **Northern Ireland Assembly**

<http://www.niassembly.gov.uk/>

### **Local Government Association for England and Wales**

<http://www.lga.gov.uk/>

### **Convention of Scottish Local Authorities**

<http://www.cosla.gov.uk/>

### **Local Government Information Unit**

<http://www.lgiu.gov.uk/index.jsp>

### **Greater London Authority**

<http://www.london.gov.uk/gla/index.jsp>

References to publications are to be found in Chapter 1 if not at risk of being too quickly outdated.

## 6. Synopsis

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**United Kingdom**  
**Inhabitants 60 million<sup>245</sup> – 243 820 km<sup>2</sup>**

<b>EU Membership</b>	1973 – 24 members of the CoR
<b>State system</b>	Unitary for England – regionalised for Scotland, Wales and Northern Ireland
<b>Regional level<sup>246</sup></b>	3 nations with their own institutions and legislative and administrative competences: Scotland, Wales and Northern Ireland Nine English regions. Only the Greater London Authority and the Mayor of London are directly elected. In 2007, the government announced its intention to abolish the other – indirectly elected – Regional Assemblies Regions have only administrative competences.
<b>Provincial level and Municipal level</b>	England: 34 shire counties, divided into districts. Councils are directly elected. Local authorities in England can opt for one of four models of management: a mayor and cabinet; a council leader and cabinet; a mayor and council manager; or (in small districts) the traditional committee-based system. Wales: 22 directly elected unitary authorities, every four years Scotland : 32 unitary authorities Northern Ireland: 26 district councils
<b>System of Competences</b>	Scotland and Northern Ireland have primary legislative powers; Wales has only administrative and secondary legislative powers. Local government has only administrative competences
<b>Intergovernmental relations</b>	Relations with the devolved administrations are governed by a Memorandum of Understanding and Concordats in policy fields. Local Government Association for England and Wales

<sup>245</sup> Eurostat 2006-2007.

<sup>246</sup> Please note that the standardised English language vocabulary which is used in the reports in order to allow comparison does not necessarily correspond to the denominations of these levels of government in the country's language, which are indicated in each report.

	<p>negotiates with the British Government and the Welsh Assembly Government on local matters.</p> <p>Convention of Scottish Local Authorities deals similarly with the Scottish Executive.</p> <p>Northern Ireland Local Government Association deals with the Northern Ireland Executive and the Secretary of State for Northern Ireland.</p> <p>Scotland, Wales, and Northern Ireland have offices in Brussels. The role of devolved administrations in EU matters is governed by a Concordat. Ministers from the devolved administrations may attend the Council of Ministers.</p>
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