

Multi-level Governance in the EU: Contrasting Structures and Contrasting Results in Cohesion Policy

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1. Introduction

One of the most important innovations introduced through the operationalisation of Cohesion Policy in 1989 was the creation of a multi-level system of governance that was applied to the management of the operational programmes financed by the Structural Funds (European Regional Development Fund-ERDF, and European Social Fund-ESF). The same formal system of governance was put into place in federal states such as Germany, in regionalised states such as Spain, in asymmetric centralised/regionalised states such as Portugal, and in centralised states such as Greece. Two decades later, several issues remain unresolved. Among them are the following: whether the variation in the institutional structures of Member States has produced different approaches to efficiently select the investments to be undertaken; which means of interacting with civil society have been devised; and how effective such means have been in incorporating the views of socio-economic stakeholders. These issues are important to be empirically verified because they underline and suggest different paths to the implementation of Cohesion Policy in different types of Member States. For example, the ultimate decision in the appointment of the Managing Authorities for both national and regional operational programmes in centralised systems of government would appear to remain with the national authorities, while in regional and federal systems that responsibility would appear to lie at the sub-national level for the regional operational programmes.

Accordingly, the two research questions which will be empirically addressed in this paper are:

1. How have the different institutional structures in the Member States impacted on the management function of the Managing Authorities?
2. Which types of partnership establishing links between civil society and institutions have been created?

To address these two questions the paper will draw upon two EU-wide research projects carried out in 2008 (SOCCOH)¹ and 2010-2011 (Cohesion Study)² that were based on significant samples of regional cases that covered the types of Member State institutional structures as well as “new” (CEECs) versus “old” Member States. This latter division is important because the ‘tenure’ in the EU is more than likely to affect choices and performance in programming. The case studies were based on interviews with Structural Funds Managing Authorities and stakeholders in the various regions. The results of the systematic comparison of these two

¹ The SOCCOH project was financed under the Sixth Framework Programme. Robert Leonardi was the Principal Investigator. The Consortium was led by the Esoclab. SOCCOH covered the third and fourth programming cycles of the Structural funds. The members of the Consortium were Warsaw University, Pompeu Frabra-Barcelona, Academy of Social Sciences-Prague, Centre for Liberal Strategies-Sofia, Babes-Bolyai University-Cluj, Darmstadt University of Technology, and Central European University-Budapest.

²The study ‘The impact of the Single Market on Cohesion Policy. Implications for Growth, Competitiveness and Employment’ has been conducted in 2010-2011 for DG Regio at LSE-Enterprise by a Consortium of partners comprising the Esoclab, University of Helsinki, University of Pecs, CASE of Warsaw, and Vienna University of Economics and Business. Robert Leonardi has functioned as the Principal Investigator in the study. The study covers the entire period from the creation of the Cohesion Policy and the Single Market to today. It also takes into account the changes necessary to implement the Europe 2020 programme during the next programming cycle of 2014-2020.

research projects have not yet been published nor presented to previous academic audiences. Therefore, we would like to use this occasion to discuss the results of the two projects within an academic and professional setting. It is our opinion that the discussion will be fruitful in the formulation of the new Cohesion Policy for 2014-2020 given the emphasis on ex-ante and ex-post conditionality in the proposed new regulations.

The ramifications of ex-ante conditionality are particularly relevant to our discussion of upcoming changes, because of two requirements that are to characterise the 2014-2020 cycle of Cohesion Policy³ programming, according to the European Commission's proposal. On the one hand, it will be necessary for Member States to guarantee the existence of the formal institutional and regulatory powers for their regions, so that they can operate in particular policy sectors of Cohesion Policy; and on the other hand, regions in the Member States will be expected to use in an effective and expeditious manner the resources allocated to them or lose them. In fact, the introduction of the ex-post conditionality principle significantly changes the 'rules of the game' implementing Cohesion Policy. This form of conditionality is directly related to the efficiency and effectiveness of performance shown in the administration of the allocated resources, so that their employment achieves the results set out initially in the Operational Programmes. Coherently, the ex-post conditionality benefits the 'virtuous' regions that in the end partake of the new 'performance reserve'. Ultimately, these rule changes imply that in 2014-2020 it will be even more important how the Managing Authorities are capable of effectively interacting with institutions at the different levels as well as with private socio-economic and financial interests in particular at the area-wide level. The aim in the next cycle of programming is to increase the capacity of the Managing Authorities to orientate and oversee an effective participatory process in Cohesion Policy formulation and implementation. In turn, this effective participatory process spawns a multiplier effect built on the significant leveraging of ERDF, ESF and Cohesion Fund expenditure, process that in the end stimulates sustainable economic growth across all EU regions.

Following the introduction the paper is organised into three sections. In section 2 the paper begins with a keen reflection on selected works of scholarly literature that are focused upon because they make a synergic contribution to multi-level governance in Cohesion Policy. On this basis, the paper moves to develop a conceptual framework of contrasting institutional structures in the management of and partnership definition for Cohesion Policy programmes. In section 3 findings from two empirical studies of Cohesion Policy implementation that were carried out at the national and regional levels in the EU are presented and discussed against the 'should be' scenario of the conceptual framework. Finally, in section 4 of the paper conclusions are drawn that assess the results that contrasting institutional structures across Member States have achieved in terms of efficiency in the management of programmes as well as effectiveness of the partnership models adopted

2. Multi-level governance, citizen participation and social capital and institutional performance: reflections on the literature

³ See Isabelle Smets, "Conditionality: Carrot and Stick" in *EuroPolitics: Structural funds 2014-2020, New Rules*, 7 October 2011, Supplement to No. 4289, pp. 18-19

Our revisitation of the relationship between multi-level governance and the contents and preliminary results of the current 2007-2013 cycle of Cohesion Policy programming, begins with the first step of a fresh reflection on the pertinent literature. To this end, we draw upon three bodies of scholarly works, respectively on: multi-level governance, citizen participation, and social capital and institutional performance.

2.1 Multi-level governance literature revisited

Relatively little empirical research is available. A first reflection we make is that the concept of multi-level governance by now has generated a considerable amount of discussion in terms of conceptual frameworks and theory (Paraskevopoulos and Leonardi, 2005) but considerably less empirical research. The main reason for this shortcoming is the methodological and resource difficulties associated with the task. Empirical studies of multi-level governance require interdisciplinary teams of researchers and for them to interact over a period of time with a variety of institutional, economic and social actors. Moreover, it is essential that researchers succeed in having such actors share information that in part is longitudinal in nature.

Concept complexity remains a challenge. A second reflection regards the operational complexity of the concept of multi-level governance that encompasses a strong territorial dimension. The way the concept of multi-level governance is operationalised entails not only taking into account the relationships among national, regional and local actors but also how these three levels interact with the European level institutions. Jerome Vignon in the introduction to a volume published by the European Commission (2001) expressed this conceptual and empirical challenge. He argued that the system of governance operating within the European Union to be effective and convincing has to be able to take into account the views of institutions at the European and national levels but also incorporate what are the objectives of territorial institutions as well as of interest groups and associations operating at different levels of society: "It is not by accident that the territorial dimension, which is inter-sectoral by nature and conducive to participation, is imposing itself upon the new European governance". (2001, p. 4). In this regard, as Fabrizio Barca stated in his 2009 report, territory matters in the European Union and it matters especially in the implementation of Cohesion Policy. Thus, in the EU's governance model for Cohesion Policy based on a shared system of responsibility, multi-level governance represents a fundamental aspect of the policy in both the dimensions of policy formulation as well as policy implementation.

Comparative approach is required. A third and corollary reflection is that to empirically investigate multi-level governance in Cohesion Policy means necessarily to undertake comparative research because one model 'does not fit all', and thus also to account for the fact that a good deal of multi-level governance setting is of an experimental nature, or 'learning by doing' across Member States. The type of multi-level governance found in the management of Cohesion Policy was defined by Hooghe and Marks (2003) as "task specific", whereby equating Cohesion Policy to the implementation of only one of element. Instead, in the case of the EU Cohesion Policy its specific tasks cover a wide variety of territories--encompassing practically all of Europe's 271 regions--and involve a range of economic and social policy sectors. Therefore, the EU Cohesion Policy covers more than the authors' examples of type II systems of multi-level governance; for example, territorially specific sectoral authorities. At the same time,

it does not fully match their type I multi-level governance system which is federal in nature. What makes the classification of the EU system of multi-level governance difficult is that it applies to all types of constitutional-institutional systems. Therefore, it has to be analysed within a broader context taking into account: different types of governmental systems; programmes operating in countries at different levels of development; different types of programmes covering competitiveness, convergence and territorial cooperation; and programmes focusing on different elements of the economic and social systems of Member States and regions.

In conclusion, such difficulties explain the relative little empirical work carried out so far on multi-level governance in Cohesion Policy. The lesson that is learned from the literature is that it is best to analyse the contents and implications of multi-level governance in Cohesion Policy within the framework of different constitutional-institutional structures rather than to assume the existence of a uniform model applicable across the European Union. What is *uniform* in multi-level governance in Cohesion Policy is

- the mandate ‘to do’ and
- the expectation or ‘achievement’ associated with the programme.

First, Member States and regions have the mandate to carry out Cohesion Policy according to a multi-level governance approach that engages institutions and civil society; and second, there is the expectation for all Member States and regions to achieve sustainable growth results through this process of implementation of Cohesion Policy. However, what is *not uniform* in multi-level governance and Cohesion Policy is

- the approach or ‘how’ and
- the results or ‘actual capacity’ to carry out the programme

First, Member States and regions largely decide on their own approach determining ‘who does what’ in the carrying out of the Cohesion Policy mandate; and second, there is the likelihood that the levels of performance achieved in the implementation of Cohesion Policy via the selected approaches are significantly different across Member States and regions. General findings for federal and regional systems have shown that the role of sub-national level governments is more pronounced than is the case of centralised systems (Leonardi, 2005). This means, that political responsibility and oversight capacity in relation to the appointed management, audit or certification authorities are not shared uniformly or be equally effective across the European Union.

2.2 Citizen participation in Cohesion Policy

Over the last several decades, the literature on citizen participation in public decision making has grown and evolved. In so doing, this literature has accompanied the incremental changes in the public debate and mode of thinking about, among others: representative democracy and the public interest or ‘common good’ in these modern times; the fulfilment of policy objectives of growth and equity in our complex societies; and the pro-active role that civically engaged citizens should play to contribute to policy outputs and ultimately to improved quality of life outcomes for their territory (Reich, 1990; Ostrom, 1990; Putnam, 1995; Leonardi and Nanetti,

2008)). Cohesion Policy has shared in this evolution of thinking that places citizens through their associational expressions in an acknowledged role in the formulation and implementation of the Policy through mechanisms that are defined by partnerships between institutions and civil society. Following, we briefly and selectively revisit the literature on citizen participation, reflecting on three principal threads that have characterised it and that today have a strong bearing on Cohesion Policy.

The range of citizen participation mechanisms. In her classic article on the ladder of citizen participation and its eight rungs Sherry Arnstein (1969) argued that citizen participation is an empty ritual without real citizen power. At the bottom are two rungs of the ladder—‘manipulation’ and ‘therapy’—that are purported to be ‘non participation’ mechanisms. In ascending order of significance of citizen power, in the middle of the ladder are found ‘informing’, ‘consultation’ and ‘placation’ as three rungs that according to Arnstein express degrees of ‘tokenism’ of citizen participation, that is to say when citizens are heard but there is no assurance that their views are necessarily heeded in the process of decision making. At the top of the ladder are the rungs of: ‘partnership’, ‘delegated powers’ and ‘citizen control’. In particular, Arnstein argues that partnership mechanisms allow citizens to negotiate and engage in tradeoffs with institutions; though of course not in terms of full managerial powers. The thinking about effective modalities of citizen participation in decision making has continued, including the search for new mechanisms such as ‘citizen panels’, ‘charrettes’, ‘participatory budgeting’, and ‘citizen jury’ (Connor, 1988; OECD, 2001; Irvin and Stansbury, 2004).

The emergence of the ‘interactive-communicative’ approach. In the citizen participation literature a thread has emerged that argues in favour of a shared process of knowledge creation between institutions and citizens to arrive at decision making and in order to more fully realise the democratic potential of decision making in our advanced economies and diverse societies encompassing multiple interests (Healy, 1992; McGuirk, 2001). Thus, cultural values, views on economic and environmental priorities, among others, are determined through a process of exchange which is ‘thinking about and acting’. Accordingly, conditions of access to decision making are to be maximised and the agenda setting for development is to be openly constructed.

The organised nature of the actors as stakeholders. Further in its evolution the citizen participation literature has incorporated a post-modernist debate in which organised stakeholders are acknowledged as representatives of key social and economic sectoral interests to be affected by decisions *in fieri* (Healy, 1998; Beierle, 2002; Edelenbos and Kljn, 2006). A significant contribution to the evolution of citizen participation in this direction has come from the literature on corporate responsibility, whereby the inputs into corporate decision making of organized stakeholders are increasingly been sought and accommodated.

In essence, the movement has grown to give more prominent roles and increase the involvement of organised groups and associations representing major sectors of civil society in decision making. Cohesion Policy has partaken of this evolution, promoting a process of participation leading to the final formulation of the operational programmes and as foreseen in the periodic meetings which are mandated for the reporting of progress in the implementation of the programmes. The extent to which this process of participation has occurred is an empirical question.

2.3 Social capital and institutional performance: the ‘virtuous loop’

Since the 1980s the notion of social capital has emerged in the social sciences. It is a form of capital that is not similar to other known forms of capital, such as financial and property assets. Introduced to the wider social sciences audience by James Coleman’s seminal article (Coleman, 1988) social capital affirmed itself as an operational concept when it was extracted empirically in a longitudinal study (Putnam, Leonardi, Nanetti, 1993) of Italian regions, in which for the first time it was proven the relationship between the stock of social capital in a territorial community and the performance of its institutions in terms of socio-economic achievements.

Social capital is characterized by three specific elements. A first is ‘diffused mutual trust’ among the people and their aggregations in all spheres of life in a territorial community. Trust underlines social interaction, thus promoting more of it. A second element is the system of solidarity values and norms that are shared by the members of the territorial community and by their associations. And the third element of social capital is action-orientated, expressed by the capacity of the territorially based associations to act on such values and norms and be politically engaged to pursue development objectives.

Since the 1990s empirical studies on social capital and institutional performance have multiplied. In particular, at the Esoclab (www.esoclab.eu) among others, studies have been carried out on social capital and the less developed regions of the EU as well as of the Balkans. Backed by the powerful ‘institutional economics’ theories (North, 1990; Woolcok, 1998; Romer, 1994; Constabile, 1996; World Bank, 2002), the World Bank has adopted the concept of social capital and incorporated it into its developmental strategies, especially in post-conflict countries where the challenge of development is greatest. At the centre of development strategies is the ‘virtuous loop’, that is to say the successive and uninterrupted cycles of interaction between civil society’s associational networks and the territorial institutions in the formulation and implementation of policies for the pursuit of development results. At the same time, administrative sciences have identified the culture of cooperation within bureaucratic structures in relation to their learning curve (ADAPT, 2003).

In conclusion, over the last two decades it is clear the trend of the incremental inclusion of the concept of social capital in decision making processes relative to development goals.

2.4 Conceptual framework: contrasting structures in multi-level governance in Cohesion Policy.

The first step we have taken in revisiting afresh three bodies of literature pertinent to the assessment of multi-level governance in Cohesion Policy now leads us to the conceptualization of the types of *modus operandi* that would have been adopted by the different Member States in carrying out the Policy. Such conceptual framework is presented in Figure 1 below.

Figure 1 Conceptual framework of MLG in Cohesion Policy, by Member State institutional structures and functions of Management Authorities

Functions of Management Authorities	Member State Structure			
	Federal	Regionalised	Asymmetrical	Centralised
a) Management of Operational Programmes	Concertation	Coordination	Adjustment	Feed-back
b) Definition of nature of partnership	Equal status	Consultative	Differentiated	Top-down

Source: Esoclab. Elaborated by the authors

Figure 1 shows that four types of constitutional-institutional structures affecting multi-level governance are recognised to characterise the Member States: Federal (for example, Germany and Austria), Regionalised (for example, Spain and Italy), Asymmetric (for example, Portugal and the UK), and Centralised (Greece and Sweden). Two principal functions of the Management Authorities are involved: a) the management of Cohesion Policy programmes and b) the shaping of the partnership between institutions and civil society.

In terms of the a) function of managing programmes, it is then conceptualised that each of the four types of national structures would have respectively adopted one of the following four types of *modus operandi*:

- a.1) Concertation. This modality is germane to the Federal state and entails that different level institutions are at the table to make decisions.
- a.2) Coordination. It is germane to the Regionalised states and requires the means for sharing information across levels of institutions in reaching decisions
- a.3) Adjustment. It is germane to Asymmetric states and sees separate features of information sharing (coordination) as well as top-down generated information (feed-back)
- a.4) Feed-back. It is germane to Centralised states and is predicated on information requested and gathered by the top institutional level.

In terms of the b) function of defining the nature of the partnership with stakeholders, it is then conceptualised that each of the four types of national structures would have respectively adopted one of the following four types of *modus operandi*. The range of the four types is from ‘partnership of equals’ to ‘partnership as tokenism’.

- b.1) Equal status. It is characteristic of partnership in Federal states, where there is a continuous and institutionally built-in relationship for decision making between institutions and stakeholders.
- b.2) Consultative. The essence of partnership in Regionalised states is the iterative and consultative loops for decision making within their respective sphere of autonomy; the two institutional levels act separately and more or less effectively with stakeholders.
- b.3) Differentiated. It is characteristic of partnership in Asymmetrical states, so that there is a mixed approach to partnership in decision making, with aspects of consultative in some territories as well as top-down in others.

b.4) Top-down. It is characteristic of Centralised states in which the partnership approach is a relationship between institutions and stakeholders that is defined by the top level institutions and it is primarily a one-way exchange of information.

3. The two studies: SOCCOH and the Impact of the Single Market

3.1 The SOCCOH project

The twenty-four month covered by the SOCCOH project bridged the two programming cycles (2000-2006 and 2007-2013) for the 27 Member States of the European Union. Four of the MS--representing the original 15 Member States (Germany, Greece, Italy and Spain)--were completing their initial 2000-2006 programmes while in Central and Eastern Europe (Poland, Czech Republic and Hungary) states were the beneficiaries of the 2004-2006 transition period allocated to the New Member States. Instead, prior to 2007 Bulgaria and Romania were beneficiary of transition funding for candidate states as made available by ISPA and Phare programmes and only entered into the logic of the rules on planning and implementation in Cohesion Policy after 2007. The state of play of the 2007-2013 NSRFs showed that during the course of the study all of the Member States had successfully completed the negotiations with the Commission on their respective NSRFs by July 2007 and that most of the operational programmes had been decided by May 2008. Among the nine Member States in our sample, Italy and Spain presented the largest number of operational programmes while Bulgaria and Romania presented five ERDF and CF operational programmes and two ESF programmes. Thus, all of the countries were in a position to begin implementation of their programmes by the beginning of 2008.

Of the seventeen regions covered by the study (two per Member State with the exception of Bulgaria where only one country-wide region was covered), sixteen had regional operational programmes in the 2007-2013 period.⁴ In the eight regions located in the old Member States regional operational programmes were present in both the 2000-2006 and 2007-2013 periods. However, for the regions in the new Member States no operational programmes were in existence for the 2004-2006 transition period. Therefore, a clear institutional structure responsible for programme management was not operationalised during the three years immediately after accession. What did exist were investment projects in the regions that were selected by the national authorities. As a consequence, the transition between the previous and the new Cohesion Policy cycles represented a major innovation in the CEECs and challenged their ability to effectively manage the process during the subsequent years.

The research project was structurally based on the comparative analysis of the role of social capital and civil society in achieving the goals of development policy through stimulating social

⁴ The status of the regional operational programme in Romania remains a question in that the country has one national operational programme dedicated to the eight regions. The Regional Operational Programme allocates 3.726 billion Euros from the Commission and 657 million euros from the national level for a total of 4.383 billion euros. The programme is officially described as: "The overall objective consists in supporting the economic, social, territorially balanced and sustainable development of the Romanian regions... This will be achieved through a differentiated financial allocation by region, according to their level of development in close coordination with the actions implemented by other operational programmes".

partnerships and improving levels of administrative capacity. The empirical research carried out in each region focused on identifying the patterns of interaction between the Management Authorities and organized groups in civil society in choosing effective and efficient development policy strategies and how this interaction helped to achieve the goal of sustainable development. Hence, the principal goals of SOCCOH were threefold: first, to identify the existing structures in civil society in old and new Member States; second, to evaluate the level of social capital present in the seventeen different territorial contexts; and third, to determine how the level of existing social capital helped to promote the effectiveness and efficiency of development policies in these countries.

In meeting these three objectives the research project had to also take into consideration the differences in institutional structure and the length of participation of the Member States and their regions in the Cohesion Policy. The work in the field carried out in 2006 and 2007 was based on the conduct of face-to-face interviews with regional Management Authorities, local government authorities and socio-economic group leaders in the selected regions. The number of interviews conducted in each region is reported in Table 1 below. The interviews provided the data for the analysis of the type of management approach and partnership model used in the 17 regions covered by the case studies.

Table 1: The 17 regions covered in the SOCCOH Project

Member State	Region 1	Sample size (N)	Region 2	Sample size (N)
Spain	Galicia	19	Murcia	20
Italy	Basilicata	51	Campania	23
Greece	Central Macedonia	30	Eastern Macedonia	22
Germany	Saxony	33	Lower Saxony	44
Poland	Lower Silesia	52	Malopolska	41
Hungary	South Transdanubia	38	Northern Great Plain	36
Czech Republic	South West	38	North East	42
Romania	North West	77	North East	33
Bulgaria	South Central	16	-	-

3.2. Findings from the SOCCOH project

The results of the comparison are presented in Figure 2 based on the distinction between the identification of the most relevant actors (central government, regional government and central/regional government) in the three phases in the implementation of Cohesion Policy: *programming* (formulation of the operational programmes), *implementation* (administering the programmes) and *evaluation* (measuring expenditures and outputs of the programmes).

The contents of Figure 2 illustrate the fact that:

1. There is a considerable variation of the distribution of the centrality of the sub-national level in the programming, implementation and evaluation phases of Cohesion Policy. On one extreme, the German regions are predominant in all of the three phases present in the 2000-2006 and in the 2007-2013 cycles. This finding is also illustrated by the fact that in

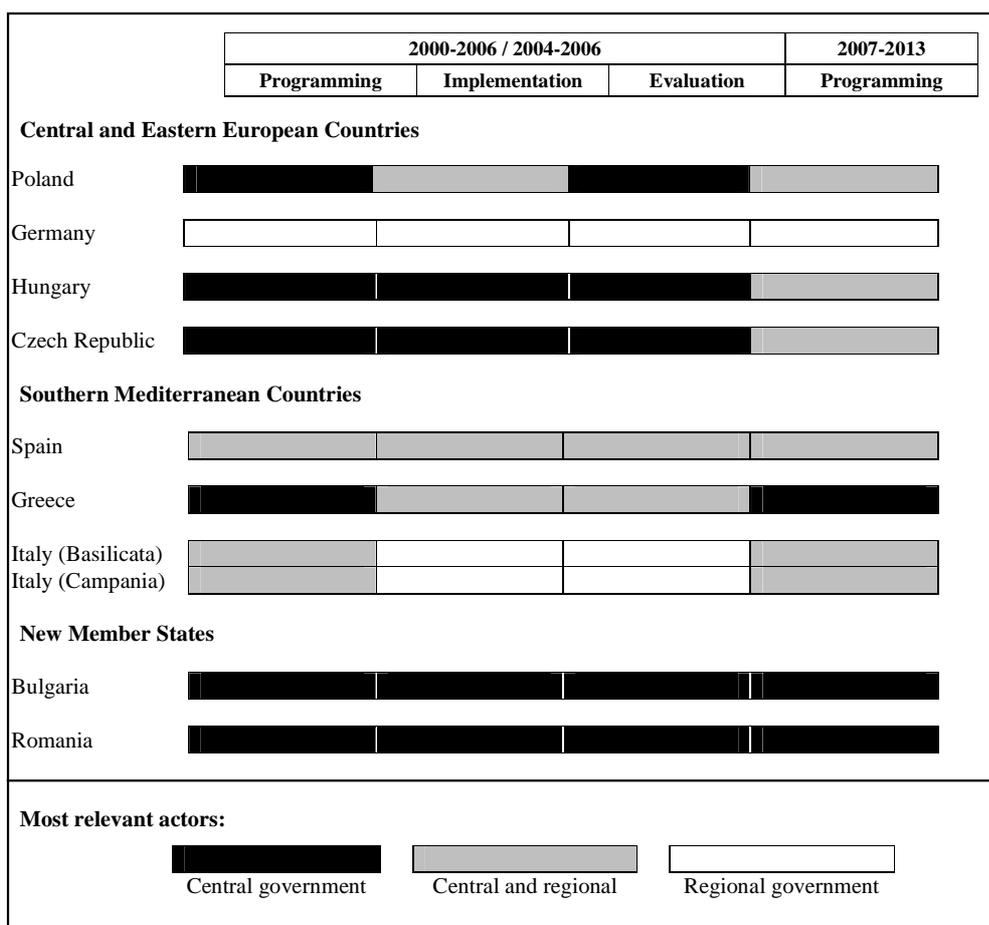
the current planning cycle Germany has only two national operational programmes for each of the two funds (ERDF and ESF). The one national ERDF programme is focussed on the provision of interregional road infrastructure, especially in the eastern German laender. The ESF national programme operates in the fields of education and training, but 80% of the budget has been allocated to the regions to manage. The two programmes together account for 10% of the total budget for the German Cohesion Policy.

2. At the other extreme it is noticeable that in the two newest Member States (Bulgaria and Romania) the three phases in the management of the Cohesion Policy are significantly dominated by the central government. This is partially due to the lack of regional operational programmes for both the ERDF and ESF allocations for the eight Romanian and five Bulgarian regions. In Romania there is one regional operational programme for all of the regions and in Bulgaria there are four sectoral operational programmes and in the NSRF the regions are not even mentioned.
3. For the regionalised states—Poland, Spain and Italy—the regions have been allocated a significant role in implementation and programming. The strongest role is found among the Italian regions that dominated the implementation and evaluation phases of the 2000-2006 planning cycle and shared with the national level the configuration of the regional operational programmes; so, while the national level determined the basic objectives of the programme it is the regional level that undertook to draft the programme and present them to the relevant stakeholders in the region for discussion and changes. This procedure continued to be implemented in the subsequent 2007-2013 cycle. Instead, when it comes to the implementation and evaluation responsibilities these are mainly in the hands of the regions with a slight amount of coordination with the national level. In Spain the interaction between the national and regional levels is more sustained than it is in Italy across the three phases of the Cohesion Policy. In Poland the 2007-2013 programmes provided a substantial role for the sixteen regions through the formulation of an equivalent number of regional operational programmes in the use of ERDF allocations. However, the largest percentage of funds (73%) are distributed through the five national operational programmes covering human capital (ESF), transport and the environment (ERDF and Cohesion Fund), innovative economy (ERDF), development of Eastern Poland (ERDF) and technical assistance (ERDF).
4. Among the centralised states in our sample that came into the EU in 2004 or earlier (Czech Republic, Hungary and Greece) a considerable differentiation exists. On the one hand, the regional administrative level in Greece succeeded in gaining some autonomy from the central government in the implementation and evaluation phases, while the regions continued to play a subordinate role in the initial programming phases in both the 2000-2006 and 2007-2013 programmes. In fact, during the initial phase of the current programming cycle, Greece's national government undertook to regroup regions into five super-regional operational programmes rather than maintaining the previous distribution of thirteen regional operational programmes of one per administrative region. Even though the super-regional programmes were distributed internally to the administrative regions (distributing the resources according to the status of the region as belonging to the convergence or competitiveness objectives), there was a clear strategy of allocating to the national government the coordination of the regional operational

programme through the Ministry of the Economy in Athens. In Hungary and the Czech Republic the 2004-2006 period was very much dominated by the national government in the choosing and implementation of the projects selected for funding while in the 2007-2013 cycle the ad hoc regional structure began to make its presence felt in providing input into the initial programming phase of the Policy.

5. For the newest Member States of Romania and Bulgaria the 2000-2006 period was dominated by their coverage by the PhARE and ISPA programmes that provided little if any role for the regions. In Bulgaria the regions were not identified until the last minute in preparation for the 2007-2013 planning cycle, and they continued to remain on the margins of the programming process. In Romania one national operational programme was formulated for the Romania regions, and in Bulgaria no regional operational programme was formulated at either the national or regional level, thereby avoiding the need to create regional managing authorities for the management of the programmes.

Figure 2: Member State Participation Profiles Across the Three Phases of Cohesion Policy



government

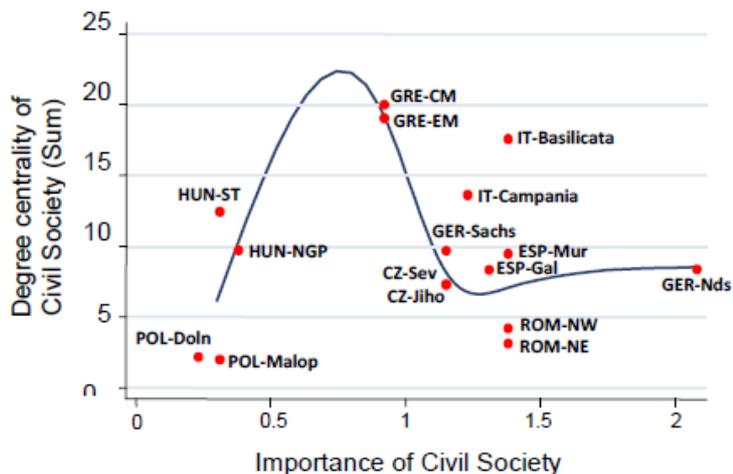
Source: SOCCOH project, ESOCCLAB

3.2.2 The centrality of civil society

Figure 3 provides data on the centrality of civil society in the operationalisation of Cohesion Policy. As it has been seen in Figure 2 the importance of the role of civil society in the policy process is due to vary according to the extent of decentralisation present in the Member States, as shown in Figure 3. Federal and regional structures provide the greatest amount of programming autonomy to sub-national administrative structures and place the regions in a position to interact significantly with organised groups in civil society. In the management of the policy this autonomy translates into a sustained relationship with stakeholders in the selection of priorities and programmes and in the ability of these actors external to the regional administrative structure to engage in parallel actions in support of the investments undertaken by the regional operational programmes.

But the data in Figure 3 also suggest that the longer a region (even in centralised state structures) has participated in the Cohesion Policy the greater is its ability to interact with civil society. A more sustained and continued relationship between Cohesion Policy regional institutional decision makers and regional stakeholders appears to take hold in time. This conclusion is apparent in the higher scores for the two Greek regions (Central and Eastern Macedonia) in comparison to the Polish, Hungarian or Czech regions.

Figure 3: Regional Policy Networks: the centrality of civil society



3.3 The Impact of the Single Market on Cohesion: the Study

The second study from which data are drawn to look at multi-level governance in Cohesion Policy focused on the impact of the Single Market on cohesion and the implications for growth,

competitiveness and employment. Different from the SOCCOH project, the Study set out to select not only a representative sample of regions but also to be inclusive of a number of national capital regions in order to identify the differences in programme selection and management approaches between ‘peripheral’ and ‘core’ regions. The selection process was informed by five comparative analytical dimensions: political-institutional regimes, welfare regimes, economic base and related levels of development, socio-cultural traditions, and geographical-infrastructure endowments. The first two dimensions— political-institutional and welfare regimes—were applied to the analysis of the Member States, in terms of the prevailing ‘structural models’ and ‘policy models’ offered in the literature, which speak to different industrial policies as well as educational and gender policies, institutional capacity, and degree of engagement of civil society, among others. Subsequently, the research team applied the other three comparative dimensions— economic base and level of development, socio-cultural traditions, and geographical-infrastructure endowment—to the analysis of regions within the Member States.

The two comparative analytical dimensions suggested four fundamental geographical aggregations, or country clusters: the three Northern EU states (Sweden, Denmark and Finland); eight Central/Western EU members (the UK, Ireland, France, Belgium, the Netherlands, Germany, Austria, Luxembourg); six Southern/Mediterranean members (Italy, Spain, Portugal, Greece, and the two small island Member States of Cyprus and Malta); and the ten new Members in Central and Eastern Europe. Out of the total of 27 Member States, it was selected a sample of 12 states: one Northern state (Sweden); three central states (the UK, France, Germany); three Southern/Mediterranean states (Italy, Spain, and Greece); and six new Central and Eastern states (Poland, Hungary, Czech Republic, Romania, and Bulgaria). A further criterion taken into account when defining the sample was country size, so that a balance could be kept among large, mid-sized and smaller Member States.

The selection of the 19 regions within the 12 sampled states was informed by the three other dimensions: economic base and related levels of development, socio-cultural traditions, and geographical-infrastructure endowments. Because the overall task was to assess the impact of the Single Market on cohesion, it was highlighted the importance of the first dimension which correlates with the status of regions within the Cohesion Policy. Thus: clusters of ‘convergence’, ‘phasing-out’, ‘competitiveness’, and ‘phasing-in’ regions were selected for the overall sample of 19. As said, appropriately ‘national capital regions’ were also selected. The regional sample (as illustrated in Table 2) was composed of:

- 9 ‘convergence’ regions: Galicia (Spain), Malopolska and Mazowieckie (including Warsaw) (Poland), Southern Transdanubia (Hungary), Southwest (Czech Republic), Northeast and Bucharest-IIfov (Romania), South Central (Bulgaria) and West Wales (UK);
- 2 ‘phasing-out’ regions: Basilicata (Italy), Central Macedonia (Greece);
- 6 ‘competitiveness’ regions: Nieder Sachsen (Germany), Skane-Blekinge (Sweden), Pays de La Loire (France), Prague (Czech Republic), Central Hungary including Budapest (Hungary) and Madrid (Spain);
- 2 ‘phasing-in’ regions: Sardinia (Italy), Southern Aegean (Greece)

Interviews in these 19 regions, complemented by the gathering of extensive documentary information, were carried out during the end of 2010 (November/December) or the beginning of

2011 (January/February) that is approximately half way through the 2007-2013 programming cycle. Ad hoc prepared questionnaires incorporating both open ended and close ended questions were used for the field work.

Table 2
The 19 regions covered in the Single Market and Cohesion Project

Member State	Region 1	Region 2
Spain	Galicia	Madrid
Italy	Basilicata	Sardinia
Greece	Central Macedonia	Southern Aegean
Germany	Niedersachsen	
Poland	Mazowieckie	Malopolska
Hungary	South Transdanubia	Central Hungary
Czech Republic	South West	Prague
Romania	Bucarest-Ilfov	North East
Bulgaria	South Central	-
Sweden	Skane-Blekinge	
UK	West Wales	
France	Pays de la Loire	

The combined regional sample covers all of the four types of national institutional structures presented above in Figure 1: Federal systems are represented by Germany; Regional systems by France, Italy, Poland and Spain; countries with Asymmetrical systems by the UK; and the Centralised systems by the new Member States of Romania and Bulgaria, the CEEC countries of Hungary and the Czech Republic, and older Member States of Greece and Sweden with a longer experience with the management of Cohesion Policy.

3.4 Findings from the Cohesion Study: management and partnership approaches in regional OP

While the Cohesion Study was focused on the assessment of the impact of the Single Market on cohesion, a component of it has necessarily been the exploration and understanding of the management and partnership approaches adopted for the realisation of the regional OP in the various Member States. Thus, the interviews carried out in the 12 Member States and 19 regions have yielded a significant amount of primary data on these two analytical dimensions of management and partnership that are of interest for this paper. In particular, based on the analysis of the interview data we have constructed two syntheses of findings regarding such approaches that are presented respectively in Figure 4 and Figure 5. We proceed to discuss the empirical findings in relation to the MLG conceptual framework offered in Figure 1.

Figure.4. Assessment of management approaches in regional OP (Cohesion Study)

Member State structure and MS	Programme phase	Programme formulation	Programme implementation
Federal			
Germany		Regional concertation	Regional concertation
Regionalised (old MS)			
France		National to regional coordination	Regional coordination
Italy		Regional to national coordination	Regional coordination
Spain		Balanced coordination	Regional coordination
Regionalised (new MS)			
Poland		National to regional coordination	National to regional coordination
Asymmetrical			
UK		Regional to sub-regional adjustment	Sub-regional to regional adjustment
Centralised (old MS)			
Sweden		National to regional feed-back	Regional to national feed-back
Greece		National to regional feed-back	National to regional feed-back
Centralised (new MS)			
Hungary		National to regional feed-back	National to regional feed-back
Czech Republic		National to regional feed-back	National to regional feed-back
Romania		National	National
Bulgaria		National	National

In terms of the management approaches adopted in the first half of the 2007-2013 programming cycle Figure 4 shows a number of interesting empirical results, of which some are coherent with the conceptual framework but others are not.

Figure 5. Assessment of partnership approaches in regional OP (Cohesion Study)

Member State structure and MS	Programme phase	Programme formulation	Programme implementation
Federal			
Germany		Equal status actors	Equal status actors
Regionalised (old MS)			
France		Continuous consultation	Discontinuous consultation
Italy		Continuous consultation	Discontinuous consultation
Spain		Selected consultation	Selected consultation
Regionalised (new MS)			
Poland		Selected consultation	Selected consultation
Asymmetrical			
UK		Continuous consultation	Continuous consultation
Centralised (old MS)			
Sweden		Continuous exchanges	Continuous exchanges
Greece		Discontinuous exchanges	Selected exchanges
Centralised (new MS)			
Hungary		Discontinuous exchanges	Selected exchanges
Czech Republic		Discontinuous exchanges	Selected exchanges
Romania		Selected exchanges	Discontinuous exchanges
Bulgaria		Top-down	Top-down

Advanced concertation model in Federal system. Germany, the one Federal system in the sample, in 2007-2013 behaves according to the conceptual model. Both phases of formulation and implementation of regional OP adhere to a regional concertation style of management.

Differential coordination model in old Regionalised systems. The three old Regionalised systems in the sample while adhering to the inter-institutional coordination approach implement it differently. In France, unlike Italy and Spain, the national level has a stronger role in the formulation phase of the OP, while in all three States the regional level oversees the coordination in the implementation phase.

Top-down coordination model in new Regionalised system. Poland is the one case and shows that the role of the national level in coordination is the principal one in both the formulation and implementation phases of programming. Not unexpectedly, length of ‘tenure’ in the Regionalised category makes a difference in this regard.

Advanced adjustment model in Asymmetrical system. The UK is the one Asymmetrical system in the sample and behaves according to the framework, showing the principal position of the regional level vis a vis the sub-regional level in programme formulation but the reverse in programme implementation.

Differential feed-back model in old Centralised systems. The two old Centralised systems in the sample behave very differently from one another. While Sweden sees an important role in feed-back from the regional administrative level in regional programme implementation, Greece shows a centralisation trend in this cycle of programming.

Top-down feed-back model in new Centralised systems. The four new Centralised systems split into two sub-groups. While Hungary and the Czech Republic have a feed-back component involving their administrative regions in program formulation and implementation, the newest Member States of Romania and Bulgaria see the national role in programme formulation and implementation.

Figure 5 shows the empirical findings for the dimension of partnership in the conduct of the 2007-2013 regional OP. Again, some of the findings are coherent with the conceptual framework while others are not.

Equal status of actors in Federal system. Coherent with her concertation approach in management Germany embodies the case of partnerships in programming in which regional institutional and stakeholder actors partake fairly equally in both phases of the process.

Incomplete consultation in old Regionalised systems. In the three old Regionalized systems partnership approaches are bipolar in nature. France, Italy and Spain express similar partnership approaches, in which numerous stakeholders partake of an institutional process of consultation in the formulation phase, but discontinuous in the implementation phase. Spain shows a narrower selection of participant stakeholders.

Selected consultation in new Regionalised system. Poland has moved to adopt partnerships involving stakeholders in both phases of regional programming, but the range of participants is very selective and therefore restricted, particularly in the implementation phase where the regional institutional actors play the key role.

Advanced consultation in Asymmetrical system. The case of the UK is one of a firmly rooted, institutionalised and proven partnership between regional and sub-regional institutions and stakeholders in both phases of programming.

Differential top-down exchanges in old Centralised systems. Sweden and Greece again show distinctly different approaches in partnership definition, as they do in programme management. While Sweden endorses partnerships characterized by continuous exchanges in programming between institutions and stakeholders, Greece shows a pattern of discontinuous exchanges and selective participants.

Top-down exchanges in new Centralised systems. Once again in this category of institutional systems there are sub-groups. Hungary and the Czech Republic have an approach to partnership definition similar to Greece's. Of the newest Members Romania has programmes formulated nationally but allowing for a discontinuous involvement of regional stakeholders in the implementation phase, while Bulgaria maintains a principal role for national institutions with minimal stakeholders involvement.

To close this section on relevant finding from the Cohesion Study we comment on Table 3 and Table 4 below, in which the views of our Study respondents are reported in regard to two questions about the impact of programmes on the 'quality of governance' and on the creation of long term partnerships involving stakeholders. The data in the Study are analysed by 'type of respondents', that is by national and regional Management Authorities and regional stakeholders.

Overall, our respondents are of the view that current Cohesion Policy interventions are making a contribution in regard to improving governance. Assessing the overall change made in the '*quality of governance by the current Cohesion Policy interventions*' (Table 3) our respondents express themselves positively in 78.5% of the cases. Again and not unexpectedly national and regional institutional respondents are most positive in their views (respectively, 68.8% and 83.0/5). Instead, it is the assessment of stakeholders that is more negative, whereby only 47.5% of them agree that governance has improved at mid-point in the current cycle.

When reacting to the statement that '*not much progress has been made in creating long term partnership with stakeholders*' (Table 4), a majority of 57.3% of respondents disagree. However, while national institutional respondents disagree at the tune of 70.4% and regional institutional respondents at the tune of 60.5% stakeholders are more critical of the results achieved with only 37.3%, of them being in disagreement with the statement. Altogether, significant improvements still need to be made to MLG in Cohesion Policy to convince stakeholders that their role in programming is effective and efficiently sought.

Table 3. Respondent views on quality of governance

The overall quality of governance has been improved by Cohesion Policy interventions in this region (%)					
	Very much agree	Agree	Disagree	Very much disagree	Tot
National	16.4	53.4	24.7	5.5	100.0
Regional	17.1	65.9	14.6	2.4	100.0
Stakeholder	1.6	45.9	34.4	18.0	100.0
Total	12.5	56.0	23.6	7.9	100.0

N=216

Table 4. Respondent views on long term partnerships

Not much progress has been made in this region in creating long term partnerships with civil society stakeholders in the conduct of Cohesion Policy interventions (%)					
	Very much agree	Agree	Disagree	Very much disagree	Tot
National	4.2	25.4	56.3	14.1	100.0
Regional	0.0	39.5	42.0	18.5	100.0
Stakeholder	10.2	52.5	33.9	3.4	100.0
Total	4.3	38.4	44.5	12.8	100.0

N= 211

4. Conclusions: assessment of MLG in Cohesion Policy

By the mid-term point in the current cycle of programming, MLG in Cohesion Policy has gained momentum and acceptance as a process, achieved concrete results but remains to be more fully *adopted* and *adapted* across the Member States. These two conditions are key to the best possible Cohesion Policy results from MLG in the future. Not adequately ‘adopted’ because, for example, there are still the cases of the newest Member States where MLG in Cohesion Policy is still in its infancy. Not adequately ‘adapted’ because it should be clear to all that the different constitutional-institutional structures of Member States call for differential patterns of MLG that are germane to each of the structures; additionally, that such patterns can only be incrementally put into place within their respective structures. A learning curve is also at play within Member States’ administrative *apparati* as well within their civil societies.

These two conditions mark the direction in MLG development and, when met, they would insure over time the most efficient and most effective multi-polar system of MLG patterns across the EU. In closing, in Figure 6 we present the efficiency and effectiveness scores for MLG management and partnership approaches that on the basis of the Cohesion Study⁵ data we have calculated for the four categories of Member States in our sample. In essence Figure 6 comprises the overall picture of where things are at mid point in the current cycle. These are summary scores; in this regard of course they obscure the significant differences between ‘old’ and ‘new’ Members and also the differences articulated by respondents with regard to individual Member

⁵ In the Study ‘indices’ of Efficiency, Effectiveness, and Sustainability, have been constructed on the basis of the responses to clusters of close-ended questions in the ad hoc prepared questionnaires.

States. However, our intent in closing is to contribute to a debate, by painting the most synthetic picture possible and leaving more detailed presentations to other papers of ours and of others.

Figure 6. Efficiency and effectiveness scores for MLG management and partnership approaches in Cohesion Policy, in Member State sample

	Federal	Regional	Asymmetrical	Centralized
a) Management of Operational Programmes *	4	3	4	2
b) Definition of nature of partnership **	4	2	3	2

Legend: a) * Efficiency scores: 4 = very efficient; 3 = efficient; 2 = inefficient; 1 = very inefficient.
 b) ** Effectiveness scores: 4 = very effective; 3 = effective; 2 = ineffective; 1 = very ineffective.

Source: Esoclab. Elaborated by the authors from Cohesion Study data.

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