



20 January 2021

**The involvement of municipalities, cities and regions in the preparation
of the national Recovery and Resilience Plans:**
Results of the CoR-CEMR targeted consultation

1. Background

The Recovery and Resilience Facility (RRF) is the main tool of the EU's post-COVID recovery plan, with a total of EUR 672.5 billion of loans and grants to support investments aiming to mitigate the consequences of the coronavirus crisis, strengthen cohesion and resilience, and accelerate the ecological and digital transitions across the EU. To benefit from the Recovery and Resilience Facility's support, Member States should present national Recovery and Resilience Plans (RRPs) indicating the reforms and investments that would be financed. These RRP's must be submitted by 30 April 2021 to the European Commission, which has encouraged Member States to involve local and regional governments in their preparation. However, the governance of this new instrument is closely aligned with the "European Semester" process of economic policy coordination, which has suffered in the past from low implementation and a lack of involvement of local and regional governments.

The European Committee of the Regions (CoR) and the Council of European Municipalities and Regions (CEMR) believe that this involvement is paramount to ensure a successful implementation of the RRF. To understand the extent to which this is happening, the CoR and CEMR jointly conducted a targeted consultation of national associations of local and regional governments and authorities (LRAs) across the EU. These organisations, with thousands of LRAs in their memberships, are uniquely placed to provide a bird's eye view of the quickly evolving situation regarding the involvement of LRAs in the preparation of the RRP's in each Member State.

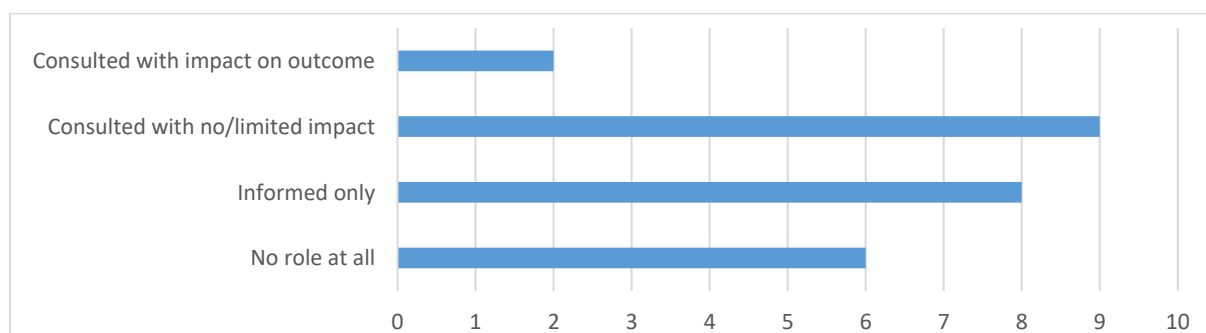
The consultation gathered the views and experiences of 25 organisations¹ representative of a variety of subnational government levels across 19 EU Member States: Austria, Belgium, Croatia, Czech Republic, Estonia, Finland, France, Germany, Ireland, Italy, Lithuania, Malta, Netherlands, Poland, Romania, Slovakia, Slovenia, Spain, and Sweden. These Member States display varying characteristics in terms of size, income, geography, constitutional organisation and administrative culture that is representative of the EU as a whole. The following sections report the key results of this targeted consultation, which was carried out from early November 2020 to beginning of January 2021.

¹ An additional 4 answers came from representatives of individual subnational governments. They are taken into account separately where relevant.

2. European Semester

Respondents were first asked about their involvement in the European Semester in previous years (i.e. before the RRF and RRP). Only 2 respondents reported that their organisation had been "consulted with impact on outcome", while 9 respondents' organisations were consulted but with no or limited impact. Respondents from Germany, France and the Netherlands stated that although they had been consulted, they had had little to no impact in part due to very short deadlines, making substantial contributions difficult. Several lander in Austria stated that they were consulted, but with no or limited impact as well. For a majority of the respondents the situation is even less favourable: **14 respondents in total had either no role at all in the process or were merely informed** of the final outcomes, without even being consulted. (See Figure 1.)

Figure 1: In previous years, were you or your members involved by your national government in the European Semester process of economic policy coordination?



3. Preparation of the national Recovery and Resilience Plan

Turning to the **current cycle of preparation of the RRFs, involvement appears to be even lower than it was in previous years in the context of the European Semester**². This is particularly true regarding the governance of the process (coordination, validation, timelines, etc.), where only one respondent reported being consulted with impact on the outcome. The numbers involved with a significant impact are significantly higher for the definition of priorities and the identification of specific investments but the vast majority remained not at all involved or only informed. (See Figure 2.)

Local government associations in Finland, France, Ireland and Lithuania were consulted with an impact on the outcome regarding the "definition of the overall priorities and objectives of the RRF", for instance.

Respondents representing local and regional authorities from several Member States (Belgium, Slovenia, and Sweden) explained having made **attempts to get involved on their own initiative but**

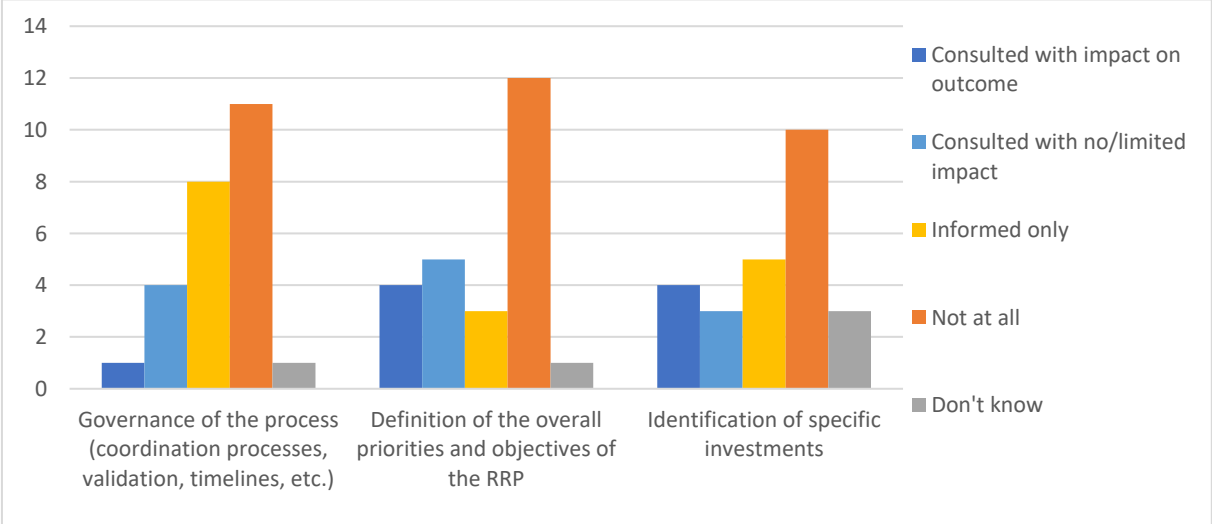
² See also:

CoR, *The involvement of EU cities and regions in the 2019 European Semester*. Available online <https://portal.cor.europa.eu/europe2020/news/Pages/2019-european-semester-cr-annexD.aspx>

CEMR-EPSU, *Localising The European Semester: Joint CEMR-EPSU Project 2018-2020*. Handbook available online; https://ccre.org/img/uploads/piecesjointe/filename/CEMR_19_002_Handbook_EN_00b-0.pdf

being unsuccessful. In several other Member States (Finland, Netherlands, Romania) the respondents said it was too early to assess the overall level and success of their involvement. One respondent also deplored that – unlike with the Operational Programmes of Cohesion Policy – **there are no legal obligations for Member States to involve LRAs.**

Figure 2: This year, to what extent have you or your members been involved by your national government in the preparation of the national Recovery and Resilience Plan so far?



Overall, however, the responses to the consultation suggest that **only a minority of Member States consult their local and regional authorities in the preparation of the RRP and that an even smaller number actually takes on their input.**

Respondents were also asked in what manner they were involved in the process: in a structured and institutionalised manner, or in an ad hoc and informal manner. For involvement at political level the involvement was largely ad-hoc (8 "ad-hoc" vs 3 "structured") while involvement at technical level showed a rather different situation, with a higher share reporting structured involvement (4 "ad-hoc" vs 7 "structured"). Interestingly, the respondents reporting structured and institutionalised involvement represented a variety of Member States with different levels of (de)centralisation: Finland, France, Ireland, Lithuania, the Netherlands and Spain.

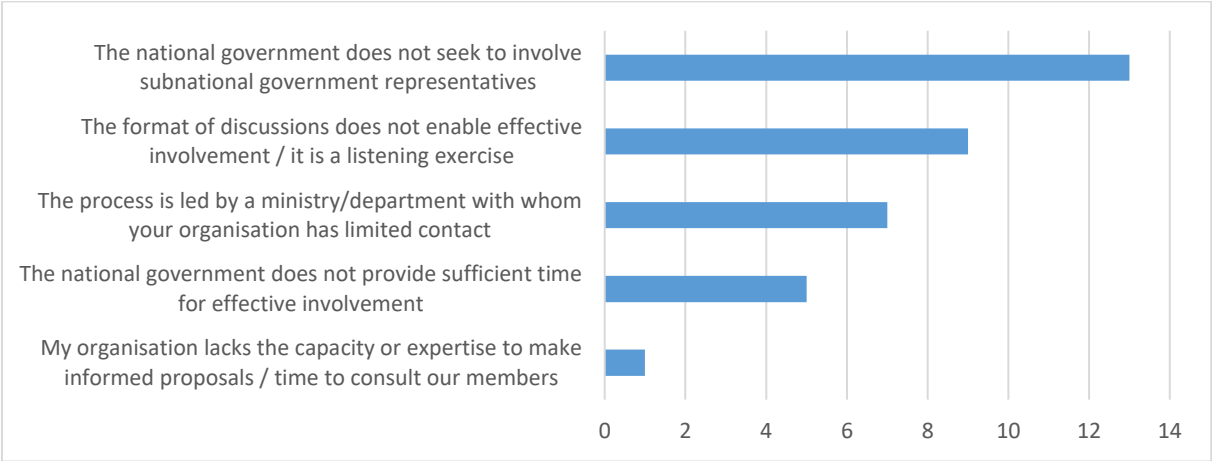
Three respondents from Finland, Lithuania and Spain stated that they were involved in a structured and institutional manner at both political and technical level. The Finnish example of structured involvement seems noteworthy, with the respondent explaining: *"The Ministry of Finance, which is responsible for the preparation, has organized information sessions in all regions, and key parties from the regional level as well as municipalities and cities have been invited to the sessions."*

4. Barriers to a successful involvement

Respondents were then asked about the barriers to a successful involvement in the preparation of their national RRP. (See Figure 3.)

Tellingly, the principal barrier identified by respondents (13 respondents from 11 Member States) was **a simple lack of willingness on behalf of the national government, which did not seek to involve subnational government representatives**. In one Member State, the responsible ministry even explicitly told the organisation representing local and regional authorities that they did not want any outside involvement. Another barrier linked to **the format of the exchange not enabling effective involvement**, was also identified by 9 respondents.

Figure 3: What are the main barriers to a successful involvement of you or your members in your national Recovery and Resilience Plan?



Seven respondents stated that the **process was led by a ministry with which their organisation has limited contact**. A respondent from the Netherlands explained that with several ministries organising their own consultation it was difficult for LRAs to know who to turn to. Similarly, in Slovakia each ministry was preparing its own proposals and had to be contacted separately to make proposals, with the respondent saying the RRP preparation process itself was a barrier. The **problem of insufficient time**, already mentioned with regards to the Semester, was raised by 5 organisations in the case of the RRP. One French region also explained that the two weeks granted by the government for consultation was much too short. Other barriers were raised too, for example, a respondent from Romania highlighted recent elections, both at national and local level as causing difficulties for a successful involvement. Respondents from two Member States (Ireland and Lithuania), which had previously reported a successful involvement, noted no significant barriers and praised the good cooperation with the national government in this regard.

5. Content of draft RRP

Respondents were then asked whether they had already received any drafts of the national Recovery and Resilience Plan. At this stage, by early January 2021, only a small number of respondents had received such documents: 6 respondents, representing 5 Member States (Czech Republic, France, Ireland, Poland, and Slovakia). Those 6 respondents were asked about the content of these plans. Only one respondent said the draft plan responded to the key challenges faced by LRAs "to a large extent", while 4 said it did "to a limited extent", and 1 "not at all". Two respondents said the plan contributed to a large extent to enhancing territorial cohesion and reducing regional disparities, the same number that said that the plan effectively coordinated recovery funding with other sources, notably EU funds. Respondents were more positive regarding the plans' effective support for the green/sustainability

transition and for the digital transition (4 "to a large extent, 2 "to a limited extent" in both cases.) While conclusions to be drawn from such a small number of responses are strictly limited, these figures suggest that **RRPs seem to be more successful in addressing the green and digital transitions than the specific challenges faced by local and regional authorities.** A Spanish organisation explained having prepared and sent to the central government a set of proposals, which it hopes to find in the plan being prepared.
