

## **SRN NETWORK – EARLY FINDINGS REPORT January 2006**

### **APPENDIX 1 SRN MID TERM SEMINAR – CONCLUSIONS SESSION**

Panel: Richard Essex (Network Expert – Chair); Ian Hill (Cumbria); Gianluca Baldoni (Provincia Di Modena); Josep Rodriguez Lopez (Diputacio de Barcelona); Jukka Jarvinen (Tampereen Kaupunki).

The Network Expert outlined five preliminary conclusions from the Seminar. These were:

1. If the SRN Network is to have both influence and effect in relation to the post 2006 Structural Funds position, some interim conclusions and proposals are required within the next three to four months. Therefore these need to be circulated before the next Network meeting & Workshop in March / April.
2. There is a need to identify those elements of “good practice” that are transferable across Member States
3. There is a need, where possible, to relate the objectives and actions of the SRN Network to like-minded European Networks. The “Sharing Solutions on Structural Funds” Network would appear to be compatible to SRN.
4. Need to engage with decision makers & takers on the issues of the ‘territorial decentralisation’ of Structural Funds management and delivery; and the ‘urban dimension’.
5. Need to embrace the implications of the new European Map for Structural Funds as proposals emerge and decisions are taken.

Following on from the presentations given, and the subsequent discussions at, the Mid Term Seminar, three questions were posed to the Panel of representatives from the Network Expert. These were:

1. What is the importance of the sub-regional territorial level (Provincial and Municipal) in relation to the management and delivery of Structural Funds? And what can be achieved most effectively at this level of management and delivery?
2. What are the benefits & dis-benefits of Structural Funds and regeneration programme management and delivery at the sub-regional territorial level?
3. What changes need to be made for the next programme period proposals to achieve a greater level of decentralisation? And what does the SRN Network have to do within prescribed timescales to effect such changes?

In response to the questions outlined above, the Panel considered that

1. The most appropriate level of sub-regional territorial decentralisation needs to be identified in relation to the relevant Structural Funds programme. Generally this likely to be where there is an agreed and broad economic identity for the territory identified. Whilst arrangements may vary according to Member State and region, the relationship between the different spatial levels of governance is particularly crucial to the establishment of effective management delivery mechanisms.

Overall, the EU principle of subsidiarity should be recognised as a criterion against which programme management and project delivery at the sub regional level should be judged. In this context, the programme framework must be reasonably flexible to enable the establishment of different delivery models appropriate to regional and sub regional competences and capacities. For example:

- In Finland it is suggested that the appropriate sub regional level is that related to the major cities, such as Tampere and Turku. Whilst programme management might be more appropriate at NUTS 2 level, implementation and integrated project delivery is relevant at a more localised level.
  - In the Emilia Romagna region of Italy, there is a good practice ERDF action model. Sub-regional territorial bodies are involved in programming (Single Programming Document); and Provincial and Municipal organisations are involved in the regulatory framework within the region. Local stakeholders (public and private) are included within partnership arrangements. The programming stage has been completed successfully in Emilia Romagna, with implementation now being the critical activity. Lessons have been learned from these processes. Working methods are being appraised, so that for after 2006 resource programming and integration of interventions and actions will be undertaken at the most appropriate territorial level.
  - As a sub regional territorial entity, Diputacio De Barcelona and its constituent Municipalities, have not experienced a significant and sustained level of decentralisation of mainstream Structural Funds management and delivery functions. In this context, there would appear to be an absence of a “devolutionary chain”. Whilst there are instances of decentralisation of mainstream Structural Funds, such as the Province of Barcelona achieving Global Grant status as a special project for the 1994 -1999 ESF programme, this experience would appear to be an exception. Currently, local government in Spain cannot access mainstream Structural Fund programmes directly; the percentage of Structural Funds directed to the Municipality level is very low; and sub regional and local entities are the last to be consulted on Structural Funds programming and programme management. However, EU Community Initiative Programmes in Spain, such as LEADER and EQUAL, have operated on a more localised level.
2. In terms of advantages and disadvantages, where integrated programme management and project delivery have been established embracing all spatial dimensions of governance (national, regional and sub regional, with each enabling the others fully to participate in the processes), the benefits are both mutual and clear. In this context, there is a real need to highlight the advantages of localised delivery, such as high quality projects delivered on time and to cost; the flexibility and responsiveness that can exist at the sub regional level in relation to local needs; the commitment to the principle of sustainability in project development; and the greater visible identity given to the European Union among its citizens through more localised management and delivery of EU funding programmes.

Whilst accepting that for each Network Partner the balance of governance between the different spatial levels (national, regional and sub regional) may vary, the benefits of effective management and delivery embracing all levels remains relatively constant. This is certainly confirmed by those Network Partners

which have achieved significant levels of decentralisation both currently and in the past.

3. The identification of best practice models at the sub regional level needs to be achieved as soon as possible, in order to influence decision making at European Commission, national government and regional levels, particularly in relation to the new Structural Funds programme period 2007-2013. This will require the identification of the specific role(s) that intermediary bodies at the sub regional level (Provinces, Metropolitan areas, and where appropriate, collaboration between Municipalities) can perform most effectively. For example, the experience of many Network Partners is that current Structural Fund programming and the associated regulatory framework generally generate too much bureaucracy and 'red tape'. The more local levels of participation find it difficult to engage in such circumstances. Intermediary bodies can help in this respect with technical assistance and support to overcoming the barriers to access; and in acting as an effective interface between the more strategic national and regional programming levels and the more localised entities that generate specific project / investment proposals and can reflect local needs.

#### Conclusions

1. Based on the experience of the partners, the Network resolved to press for the decentralisation of significant elements of project and programme management and delivery to appropriate levels of sub-regional territorial governance.
2. In taking this case forward, the Network resolved to lobby the European Commission, and the Member States and regional structures within which each of the Network Partners operate, to highlight the evidence and raise the profile of best practice in management and delivery of Structural Funds at the sub-regional level. This will be taken forward during the first quarter of 2006.