

The impact of regional and local authorities on EU decision-making

In investigating the impact of different national-local government relations on how effective sub-national authorities (SNAs) are in European Union decision-making, this study found that there is scope for British SNAs to use informal channels to influence the EU. The research found:

- f** **The role of SNAs in EU decision-making has increased significantly since the mid-1980s, but the roles and constitutional powers of SNAs vary dramatically across Member States. In comparison with countries such as Germany, SNAs in the UK are constitutionally weak, particularly in England.**

- f** **Most national groups of SNAs seek to influence a broader range of EU activities (such as environment, research and development) than do most British SNAs, which tend to focus on obtaining Structural Funds (regional funding).**

- f** **Constitutionally strong SNAs, such as the German *Länder*, rely on formal domestic channels (such as the *Bundesrat*) to influence the EU, whereas British SNAs stand to benefit more from informal links (alliances and networks) and EU channels (such as the Commission and the Committee of the Regions). However, formal channels are not exclusive determinants of the impact of SNAs at EU level.**

- f** **The weaker a national group of SNAs, the more important it is for them to form alliances. Commission officials are more likely to listen to alliances or umbrella groups than single authorities.**

- f** **The researchers conclude that UK SNAs could have more impact if they:**
 - do not focus exclusively on Structural Funds;
 - ensure that officials working on EU policy do not become isolated;
 - seek alliances wherever possible.

Background

The Single European Act of 1986 greatly expanded the EU's remit in a number of policy fields which touch directly upon the interests of sub-national authorities (SNAs). In 1988 the Structural Funds (regional funding) were reformed and doubled in size. European SNAs, many of which previously had paid little attention to the EU, suddenly found that ignorance of its policies was impractical and even dangerous.

SNAs thus became more interested in participating in and influencing EU decision-making. The increased activity of SNAs was seen in a rise in lobbying, the creation of hundreds of regional information offices, the forging of trans-European alliances and networks, and demands for new institutions to represent regional interests at the EU level.

The effects of SNA links to the EU are perceptible across Europe but they vary tremendously between (and at times within) Member States and different policy areas.

Constitutional comparisons

The constitutional role and powers of SNAs vary dramatically across Member States. For instance, British SNAs are virtually powerless in constitutional terms. They are dependent on central government for a large share of their resources. Although legislation traditionally has allowed British SNAs considerable scope for independent action, that scope has shrunk in recent years.

By contrast, the German *Länder* have direct access to both national and EU decision-making on matters which fall within their competencies. The input of the *Länder* into Germany's general negotiating position on EU matters takes place mainly through the *Bundesrat*, the upper house of the German federal parliament in which the *Länder* are represented. They can also act as the German delegate on the Council of Ministers meetings related to areas such as cultural policy and education.

Channels of influence

Despite differences in constitutional powers, all SNAs use similar channels to try to influence EU decision-taking. Amongst the most important are:

The European Commission

Traditionally, the Commission has been the most important supranational channel for SNA influence. It possesses considerable agenda-setting powers, particularly in cohesion policy (including Structural Funds), and generally is sympathetic to the views and problems of SNAs.

Recent years have featured intense lobbying of the Commission by both British and German SNAs as a way to try to influence distributional choices. Much of this lobbying has featured direct

competition between SNAs in single Member States, as well as considerable efforts by SNAs to 'outflank' their respective national government.

There is no clear relationship between quality or intensity of lobbying and size of award. But there is considerable evidence to suggest that lobbying can play an important role in determining who gets funding and when they get it, although it has relatively little impact in determining the total sums allocated to projects.

Brussels offices

The importance of the EU to SNAs has been reflected in the rapid increase in number of Brussels 'information offices' which represent sub-national interests. Over 100 such offices now exist in Brussels. There are more such offices run by SNAs from the UK than by sub-national authorities from any other Member State. By late 1995, over 25 such permanent offices were set up by British SNAs; many of these represented several different British local or regional authorities.

It is difficult to generalise about the Brussels offices of British SNAs, which range from small offices representing one or two authorities, to large consortiums partly funded by central government.

The value of Brussels offices - whether they represent territorial ministries or local authorities - generally is not disputed by central government. Despite their restricted activities, there is evidence to suggest that they have made a difference in attracting European funding and investment to their regions.

All German *Länder* have information offices in Brussels. Most German offices were created to promote information exchange between Brussels and *Land* governments in Germany, but have since become lobbyists for their region. They have become important players within several EU policy networks, particularly those for educational and environmental policies.

Committee of the Regions and local authorities

The Committee of the Regions (CoR), established by the Maastricht Treaty, must legally be consulted on most EU legislation which touches upon the interests of SNAs, including proposed regional development, education and health policies. The CoR also has the right to initiate and publish its own reports on a wide variety of issues.

Thus far, the CoR's impact has been muted. The CoR's defects are both structural and operational. We highlight three of them below.

- *CoR delegates are appointed by EU Member States, not elected.*

Ultimately, it could be said that all delegates operate as national representatives, although substantial variations exist in practice. The 24 British delegates to the CoR were chosen by central government to

represent a patchwork of local and regional authorities. In contrast, central governments had little influence on the selection of delegates from Belgium, Spain and Germany. Each national region in these Member States has its own seat on the CoR.

- *The CoR suffers from internal divisions between regions and localities.*

The CoR always will be handicapped by disparities between the powers of the SNAs represented by its delegates. Germany, Belgium and Austria have regions which are far more autonomous than those of any other Member State, although the Basque and Catalan Spanish regions and (to a lesser extent) some Italian regions are partial exceptions to this rule. Generally, however, the different constitutional powers granted to regions in the EU make empowering the CoR unlikely.

- *The CoR has an uneasy relationship with the other EU institutions.*

This point applies particularly to institutions which it might have wished to court as allies: the Economic and Social Committee (EcoSoc) and the European Parliament.

Tension between the two institutions on staffing matters culminated in a strike by EcoSoc staff in Autumn 1995. The CoR is seeking that it be granted its own administration at the 1996 inter-governmental conference.

General alliance-building

Any SNA that wishes to influence EU decision-making must seek alliances. SNAs must increasingly compete for the 'ear time' of influential decision-makers. Commission officials, for instance, are much more likely to entertain overtures from alliances or umbrella groups than single authorities.

Formal alliances include the Assembly of European Regions (AER) and the Council of European Municipalities and Regions (CEMR). Informal alliances include the 'Four Motors Project' in which relatively wealthy regions promote collaboration on technological, research and development, and venture capital activities.

The weaker a national group of SNAs, the more important it is for them to form alliances.

British SNAs seem to be far less adept than the German *Länder* at building domestic alliances. Thus far, alliance-building in the interest of general or long-term gains has been a far lower priority than short-term goals associated with securing EU money.

Domestic channels

Domestic channels available to SNAs that wish to influence EU decision-making vary in number, strength and effectiveness.

Even within the United Kingdom, opportunities for SNAs diverge considerably. For Scotland, Wales

and Northern Ireland, territorial offices and the Secretaries of State who head them are the most obvious channels through which to pursue their regional interests.

In practice, territorial offices and Secretaries of State tend to assert distinctive policy priorities less often than they seek to extract as much as possible from whatever initiatives are in the pipeline. Usually, they are best able to bend policy initiatives or modify their implementation in areas of low political salience (such as afforestation or conservation). More politicised issues tend to reflect UK-wide uniformity.

English regions lack even this channel to Brussels. The new Government Offices for the Regions (GORs) show few signs of providing the same advantages to regions in England. The English regions also tend to lack well-organised regional interest groups or business lobbies. Most operate at a serious disadvantage in terms of their ability to respond to proposed European initiatives or to influence actual policy.

For all UK SNAs, the importance of good working relations with central government is paramount. EU-funded programmes must conform with strict Whitehall and Treasury guidelines, leaving limited room for local experimentation. The extent to which British SNAs may 'by-pass' central government in their relations with the EU is very limited.

In contrast, the German *Länder* have extensive and legally guaranteed opportunities to influence the German federal government's position on most EU matters. For instance, the *Bundesrat* receives all EU legislative proposals and communications from the Commission to the Council. Although instructions from the *Bundesrat* are not binding, the procedure normally yields extensive exchanges between the *Länder* and the federal government. The German *Länder* rely heavily on these domestic channels of influence.

We expected to find that the German *Länder* wielded far more influence in Brussels - as well as in their national capital - than British SNAs. However, the difference is less than might be expected in policy sectors where both are active (i.e. cohesion policy generally, Community Initiatives specifically). The disparities are most visible in areas (environmental, transport and competition policies) where many British SNAs choose not to play active role.

Conclusion

During the course of our research, we have uncovered a dense and cross-cutting tangle of cohesion policy networks which exist at the sub-national, national and EU levels. Relations between different types of actor within them are determined above all by the overall configuration of territorial relations in different EU Member States.

But even constitutionally weak SNAs can have an impact if they act skilfully and strategically. Below we offer three simple prescriptions.

- *Do not focus exclusively on the structural funds.* Most national groups of SNAs seek to influence a broader range of EU activities than do most British SNAs.

Many UK European liaison officers and SNA offices in Brussels are prone to 'tunnel vision'. This means that opportunities to shape policies which may have direct and considerable effects on SNAs are often missed.

The problem arises from financial constraints, but is also due to 'symbolic politics' - officers have to be seen to be chasing European money for political reasons. Local councillors often encourage tunnel vision - the Structural Funds are far more visible than, say, diligent compliance with EU environmental quality directives. Several SNA officers in Brussels voiced frustration with what they saw as their limited remit.

- *Ensure that officials working on EU policy do not become isolated.*

Related to the above point, our research suggests that far too many EU liaison officers or Brussels offices are quite isolated within their authority.

Moreover, it is unclear whether the Brussels offices set up by many British SNAs are fully exploited. Several appear to have been created based on the thinking that 'we need a presence in Brussels', but subsequently have been neglected. Channels of communication between Brussels and the UK often seem weak or ad hoc.

- *Seek alliances whenever possible.*

The dominant mode for EU decision-making is informal bargaining between different types of mutually dependent actors on the EU and domestic level. One of the primary virtues of alliances is that they facilitate information exchange and close monitoring of the EU's agenda.

Alliance building in areas other than cohesion policy is especially fruitful; EU policies for the environment, social policy, transport, etc. do not require the sort of competition between SNAs which makes alliances difficult on matters of cohesion policy.

About the study

Most research for this report was carried out between March 1995 and March 1996. A total of 55 interviews were conducted. Interviewees included representatives of Brussels SNA offices, 'domestic' European liaison officers, local councillors, academics (in Europe and North America), Commission officials (both in the 'services' and cabinets), delegates and officials of the Committee of the Regions, members and officials of the European Parliament, and British, German, Danish and Belgian government officials based in Brussels, national and regional capitals.

Further information

A full report, *Decision-making in the European Union: Implications for central-local government relations* by Elizabeth Bomberg and John Peterson, is published by York Publishing Services for the Joseph Rowntree Foundation. It is available from York Publishing Services Ltd (price £9.95 plus £1.50 postage and packing).

For further information about this study, contact Dr Elizabeth Bomberg, Department of Politics, University of Stirling, Stirling FK9 4LA. Tel: 01786 467598; fax: 01786 466266.

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- 29 A positive role for local government - lessons from other countries (Jul 94)
- 47 Regional boundaries, co-ordination and government (Jun 96)
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