



15 January - 23 February 2018

Make the most of EU resources for your region or city

Subnational governments and EU affairs

Regions and cities play a crucial role in implementing and influencing EU policies. They are key economic actors as they manage the majority of public investments, and regional and local administrations represent an important level of government in many EU Member States. This has been recognised by the principle of subsidiarity as laid down in Article 5(3) of the [Treaty on European Union \(TEU\)](#) as well as by the governance mode of many EU policies such as EU cohesion policy. Since 1994, the **European Committee of the Regions**, the assembly of regionally and locally elected representatives, has become the EU's advisory body looking after regional interests in EU legislation- and policy-making. The term '**multilevel governance**' was coined in political science

and European integration studies in the 1990s to describe this situation. EU Member States continue to follow different paths when transferring powers to subnational levels. Obviously, such developments are framed more by constitutional traditions, domestic debates and policy-specific discussions than by an EU-wide debate. Regional involvement in European affairs depends in many respects on the domestic constitutional position of the regions and the kind of relationship they have with the central state. In federal EU Member States such as Austria, Belgium and Germany, the constitutional status and powers of their regional tier of government are guaranteed and protected by their respective constitutions. However, the nature and extent of their powers vary.

Austria

Article 23d (3) of the Constitution makes it possible for the nine regions (Bundesländer) to be represented in EU affairs at EU Council level if the federal government decides to assign such tasks to the representative proposed by the regional governments.

Belgium

The 1992 Treaty of Maastricht opened the door to representation of the three regions and three language communities at EU Council meetings. The federal government and the federated entities signed a "Cooperation Agreement between the Federal State, the Communities and the Regions on the representation of the Kingdom of Belgium in the Council of Ministers of the European Union" for this purpose in 1994. The agreement governs the coordination of EU policies among the federal and federated entities in Belgium, and it organises the representation of Belgium within the different Council configurations. In 2003, this cooperation agreement was further amended after the policy areas of agriculture and fisheries were regionalised.

Germany

Participation by the 16 German regions (Länder) in EU affairs has been regulated by Article 23 of the Basic Law since 1992. As a federal state, legislative powers in Germany are divided among the federal level and the Länder. For some EU policy areas, the Länder are the most important legislative authority or indirectly have a say through the Chamber of the German regions (Bundesrat). The level that participates in EU affairs depends on the extent to which the Länder or Bundesrat competences apply. For example, in a Council meeting on EU proposals exclusively pertaining to Länder authority, a Länder representative will be the sole German representative. Treaties on accession of new EU Member States or amendments of European treaties require the approval of the Bundesrat.

Arrangements are set out in detail in the "Act on co-operation between the Federation and the Federal States in matters concerning the European Union (EUZBLG)" and the "Agreement between the Federation and the Federal States (BLV)".

Spain

The Constitution has guaranteed autonomy to 17 communities (comunidades autónomas) and two cities since 1978. Since 1997, the comunidades autónomas can participate directly in the European Commission's committee system, which oversees the implementation of delegated acts. Since 2004, the comunidades autónomas may participate in some meetings of the Council of the EU and its working groups.

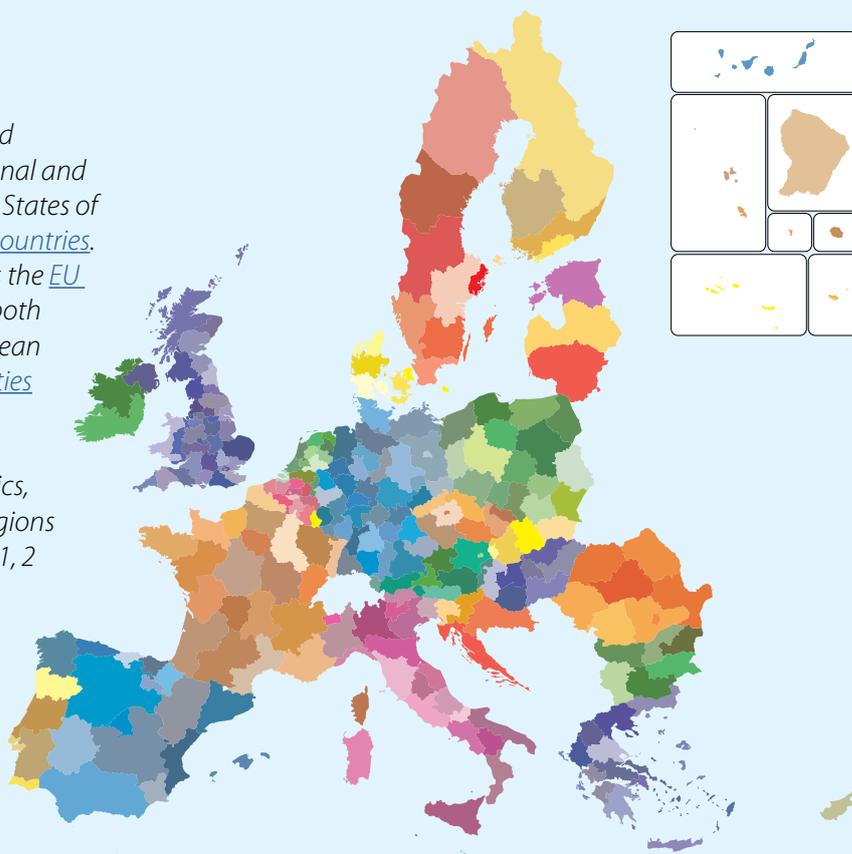
The Regions of the European Union

At the level of statistical territorial units (NUTS 2)

All EU regions are NUTS

[Eurostat](#), the EU's statistical office, collects and publishes statistics for the EU as well as national and **regional data**, primarily for the 28 Member States of the EU, but also for the [EFTA](#) and [candidate countries](#). [Eurostat annual regional yearbook](#) as well as the [EU cohesion report](#) published every three years both provide a taste of the wide selection of European statistics that are collected on [regions and cities](#) across a range of subjects. EU regional statistics are based on the **NUTS classification**, the classification of territorial units for statistics, which subdivides each Member State into regions at three different levels, covering NUTS levels 1, 2 and 3 from larger to smaller areas.

The NUTS classification established in 2003 (so-called NUTS 2003) is changed by revisions that may occur no more frequently than every three years. There have been four revisions until now: NUTS 2006, NUTS 2010 NUTS 2013, and NUTS 2016, which entered into force on 1 January 2018.



The cities of the European Union

Around three-quarters of the European Union's population live in urban areas and there are 800 cities in the EU, which have a population of above 50,000 inhabitants. About half of them have a size between 50,000 and 100,000 inhabitants, while another group of about 260 cities have a size of between 100,000 and 250,000 people. Finally, there are 26 cities in the EU with a population of more than one million and one in eight Europeans lives in such a city.

Cities play a crucial role in implementing EU policies as confirmed by the 2016 report on the [state of European cities](#). For example, they apply environmental legislation and also manage about 43% of public investments in the EU including a large proportion of the European Structural and Investment Funds. While local authorities have more autonomy than regions in most European countries, the [role of cities in the institutional framework of the EU](#) remains limited. Since the 1980s, however, a more inter-governmental process led to the adoption of several declarations and the **"Urban Agenda for the EU"** in 2016, which states to be "an instrument to involve cities and their political leaders in EU policy-making and policy

implementation". The Urban Agenda for the EU is based on 12 partnerships between EU institutions, Member States, European cities and other stakeholders, which focus on priority themes such as the inclusion of migrants and refugees; air quality; urban poverty; housing; the circular economy; jobs and skills in the local economy; climate adaptation; energy transition; sustainable use of land and nature-based solutions; urban mobility; digital transition; innovative and responsible public procurement.

Adopted in 2015, the [2030 Agenda for Sustainable Development of the United Nations](#) includes a set of 17 Sustainable Development Goals (SDGs) to end poverty, fight inequality and injustice, and tackle climate change. Urban challenges are tackled mainly through Goal 11, which aims to "make cities and human settlements inclusive, safe, resilient and sustainable". In this respect, indicators such as access to transport, population growth, land consumption, level of particulate form part of the SDGs' monitoring system, which is also applied by [Eurostat](#), the statistical office of the EU.

The subsidiarity principle

The Maastricht Treaty incorporated the **principle of subsidiarity** and the Lisbon Treaty added an explicit reference to the regional and local dimension. As laid down in Articles 3 to 5 of the [TEU](#) and [Protocol \(No 2\) on the application of the principles of subsidiarity and proportionality](#) annexed to that Treaty, the principles of subsidiarity and proportionality must be complied with throughout the legislative process. They ensure that the EU only acts where it can achieve a particular objective better than a national, regional or local entity (subsidiarity) and require that any EU action shall not go beyond what is necessary to achieve the intended objective (proportionality). Since the entry into force of the Lisbon Treaty, national parliaments of Member States and the Committee of the Regions are authorised to institute proceedings before the Court of Justice to ensure compliance with the principle of subsidiarity (ex-post judicial monitoring phase). The European Commission publishes annual reports on

the application of the subsidiarity and proportionality principles.

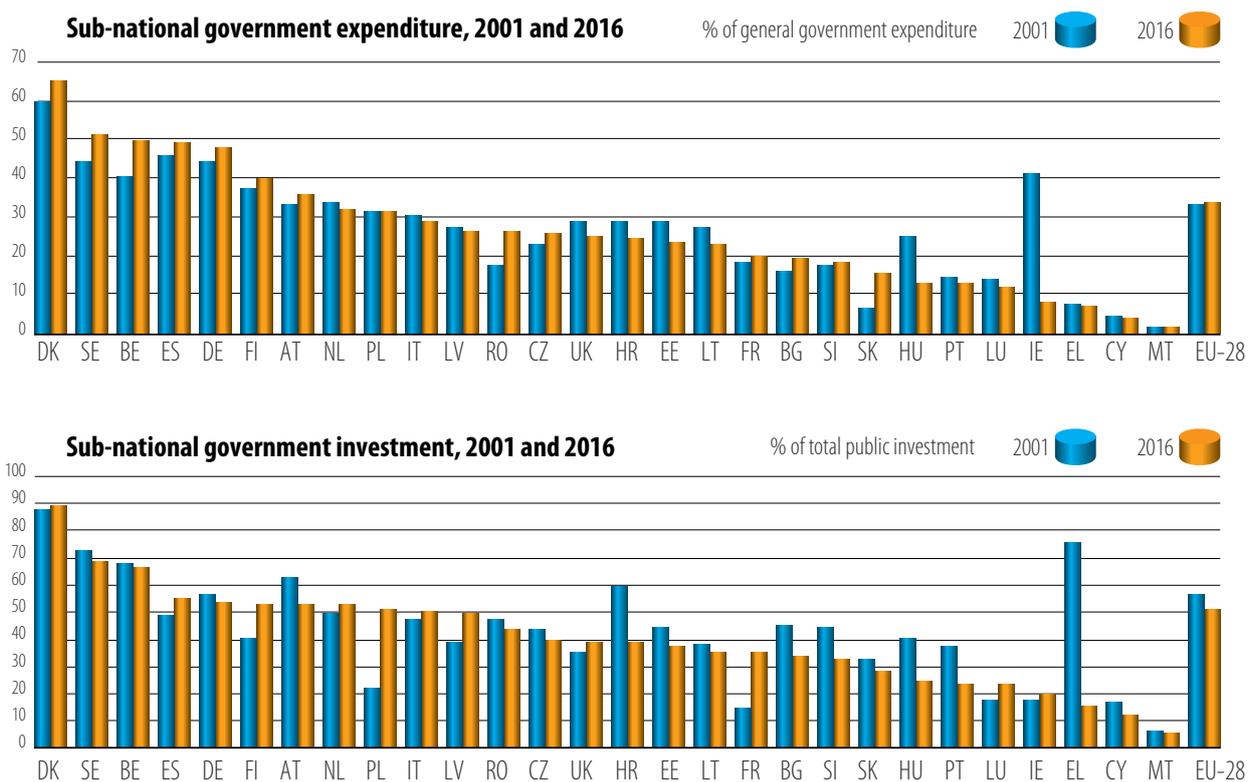
To monitor the application of the subsidiarity principle, the European Committee of the Regions set up a Subsidiarity Monitoring Network in 2007, which includes Parliaments and Governments of regions with legislative powers, local and regional authorities and local government associations. It provides information about the subsidiarity aspects in proposed EU legislation, holds consultations among its members and organises workshops and conferences.

In November 2017, the European Commission set up a new Task Force on Subsidiarity and Proportionality, in which representatives of the European Parliament, national parliaments and the European Committee of the Regions will discuss and adopt a report by September 2018.

Regions and cities spend the bulk of public investment in the EU

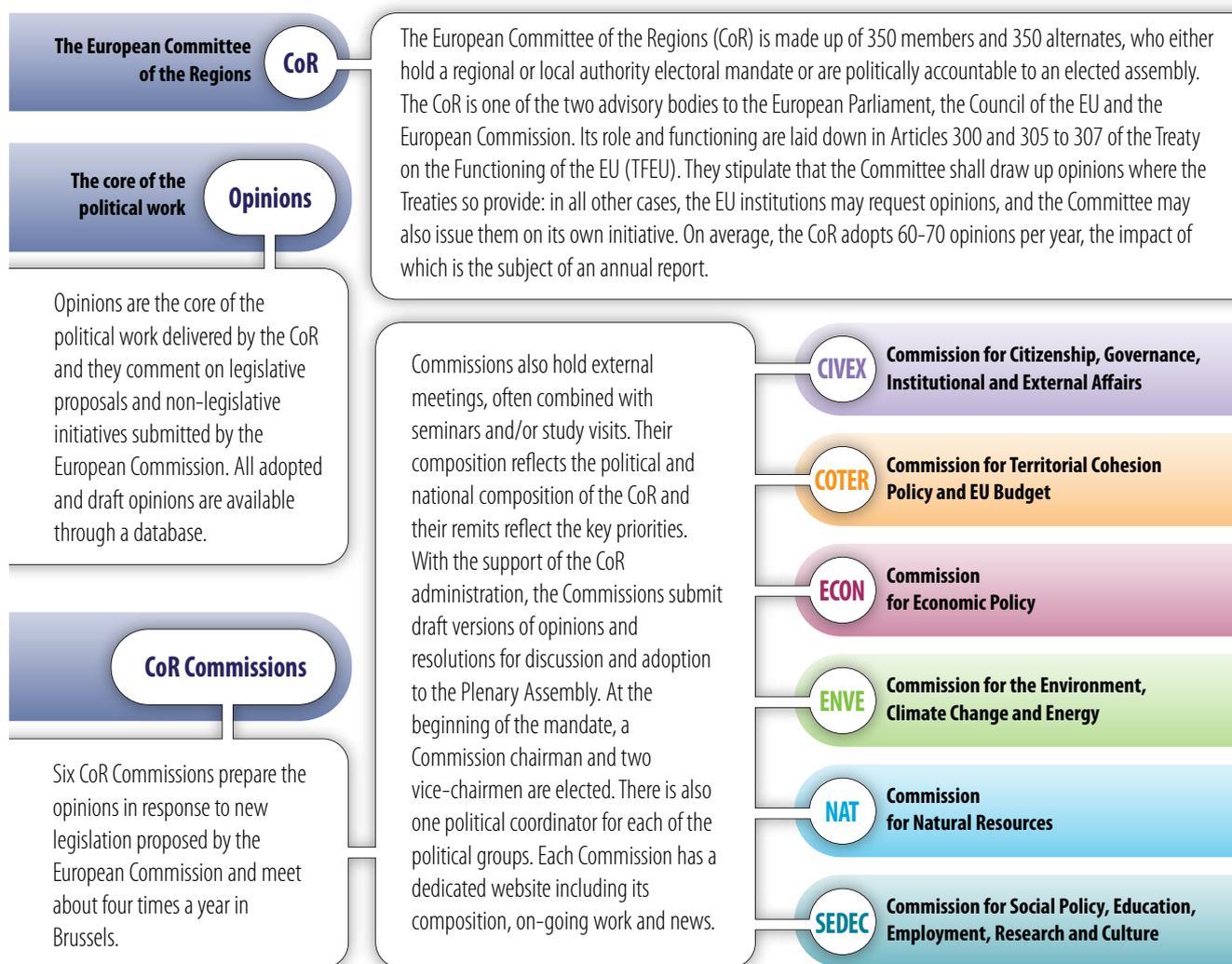
Regional and local authorities in the EU manage about one third of public expenditures, and half of public investments worth over EUR 200 billion per year. However, the share of subnational authorities in public investment has declined since 2001, largely due to fiscal consolidation measures implemented across the EU as a result of the financial and economic crisis.

Source: European Commission (2017): 7th Report on Economic, Social and Territorial Cohesion



Source: Eurostat

The European Committee of the Regions



Every year, members on the CoR come together for up to six plenary sessions, during which opinions and resolutions are discussed and voted upon. Opinions are drafted by six [CoR Commissions](#), which reflect the main policy fields on which the EU institutions expect advice from the CoR. Resolutions are adopted on topical political issues. Together with the members of the [Bureau](#), the [President](#) proposes medium-term and annual political priorities, which are adopted by the CoR plenary. Every two and a half years, the CoR elects its [President](#) and [First Vice-President](#). The 28 [national delegations](#) of the CoR meet before each CoR

plenary session to discuss the positions of their regions on political issues that will be addressed at the session. Moreover, the [political groups](#) of the CoR reflect the main European political families. The [Secretary-General](#) supervises the [CoR's administration](#) in close cooperation with the President's cabinet and the political groups. The tasks of the CoR are defined by a [mission statement](#) and the administrative work of the CoR is planned on the basis of an annual management plan.

In 2018, the CoR will adopt an opinion on the **future of the EU** and on the role of regions and cities in it.

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