

## THE CONGRESS OF LOCAL AND REGIONAL AUTHORITIES

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### Resolution 293 (2009)<sup>1</sup> Regions with legislative powers: towards multilevel governance

1. The Council of Europe lays great store by the strengthening of local and regional democracy through the application of the principles of subsidiarity and proximity, in particular at local and regional levels, where democracy is closest to citizens. Regional democracy is a strong influencing factor in the constitutional balance of power, especially in federated states, and a guarantee for democratic and effective multilevel governance. Citizens identify most strongly with their region through cultural and linguistic ties but also for historical, geographical and social reasons.

2. The Congress of Local and Regional Authorities of the Council of Europe believes that good regional governance brings an added value which can be seen in the fact that regionalisation has spread across many of the member states over recent years. New regional institutions have been introduced or existing ones endowed with additional responsibilities. This has led to a rich diversity of regions based on the coexistence of a number of different models.

3. The advance of regionalisation in countries depends to some extent on their historical background and on the experiences of other countries. The process of European integration, namely the creation of the Congress of Local and Regional Authorities of the Council of Europe and the Committee of the Regions of the European Union also contributed to this development. The process is slow, however, and does not follow a systematic pattern. The Congress, aware of this, is convinced that in the present European and international context, the process is inescapable.

4. Multilevel governance must be guided by mutual co-operation and interaction between European, national, regional and local authorities with due regard to the respective roles, functions, competences and activities of each level. Former hierarchical schemes are about to be abandoned in favour of a co-operative approach based on solutions. A clear delineation of responsibility as regards cross-cutting issues is a prerequisite for sound and successful multilevel governance. In this light, the Congress welcomes the Committee of the Regions' White Paper on multilevel governance adopted on 17 June 2009 (Document CdR 89/2009 fin).

5. Firm in this belief and convinced of the merits of good regional governance, the Congress adopted Recommendation 240 (2008) on a draft European charter of regional democracy and is now co-operating on the drafting of a reference framework on regional democracy which will guide member states' regional reform.

6. Regionalisation is a means of giving regions with legislative powers ownership of, and other regions a say in, policy shaping and political decision making. Directly elected regional assemblies are a means of reducing the regional parliamentary deficit. This proximity to Europe's citizens strengthens democracy, thanks to more direct citizen participation, and brings processes closer to citizens' daily lives with the result that they more accurately reflect regional and cultural differences. Executive bodies – regional governments – are accountable to these parliaments.

7. In federal countries, the constituent units generally confer responsibilities to the commonly established federal level while in most unitary and regionalised countries certain competences are devolved to sub-national levels. Over the past decades, in several countries, regions have been conferred legislative powers. However, their role, function and responsibilities are generally determined at national level by constitutions or federal agreements. These arrangements specify the extent of legislative competencies which are granted to regions. Regional authorities must have the power to establish legislation with regard to the organisation and management of the competences within their territory. In addition, their economic, administrative and structural requirements need to be met in order for them to be able to operate effectively and efficiently. Once this is the case, regions with legislative powers are able to regulate and manage a share of public affairs in the interests of their population. This type of region can be considered, to some extent, as a vanguard for other regions that do not have comparable powers.

8. Regions should also be given a say in policy shaping and political decision making at national and international levels when issues relate to their legislative responsibilities. The colloquy on "Bicameral systems and representation of regions and local authorities: the role of second chambers", organised by the Congress in co-operation with the French Senate in 2008, concluded that: "... the Senate represents the people on a geographical basis and the territory as a sovereign entity". Second chambers should "give the territorial units of a country political representation ... . The powers and responsibilities of this second chamber must allow regional and other territorial authorities to scrutinise and endorse decisions which affect them. ... the principle of territoriality would seem to be the only viable basis from which an upper house can draw its identity".<sup>2</sup>

9. Regional democracy, by virtue of its proximity to citizens, is a means of dealing with minorities' issues. Giving legislative powers to regional authorities in conflict areas can help towards establishing peace and democratic stability. "[G]iving regions/peoples/nationalities or nations an important role as sub-state institutions, [is] the only way to satisfy nationalist claims which would otherwise, in the absence of an alternative, call for the creation of a new state."<sup>3</sup>

10. With regard to the current economic and financial crisis, regions are struggling to support their regional economy. Following the G20 summit in April 2009, international regulation and monitoring of the global economy has been entrusted to international financial institutions. However, regions with legislative powers, in view of their specific

legislative competences in the economic and financial fields, can make an important contribution to overcoming the crisis, not only because they can devise regional and local economic recovery packages that have a direct impact on growth and jobs, but also because, again thanks to their proximity, they can set up and implement measures much quicker than national or European authorities.

11. Financial autonomy is a key factor for adequately tackling the present economic crisis. The budgetary and fiscal decisions taken via regional legislative measures can ensure that taxation imposed on the population is fair, reasonable and, above all, appropriate to the regional economic and social context. In addition, the public budget spent within a given area, namely the regional context, is better controlled by, and visible to the population of the area concerned.

12. The Congress Working Group "Regions with Legislative Powers" instigated the first Conference of Presidents of Regions with Legislative Powers (REGLEG) in 2000 and has since maintained close relations with the conference. It has also maintained close contact with the Conference of European Regional Legislative Assemblies (CALRE). The Congress considers it of utmost importance to examine ways to intensify co-operation with these organisations which represent regional governments and regional parliaments.

13. The Congress welcomes the Parliamentary Assembly of the Council of Europe's continued support for regional legislative assemblies, which has been given tangible form thanks to the signature of an agreement with CALRE. The Congress emphasises the importance of this co-operation and wishes itself to expand co-operation with this organisation.

14. In the light of this, the Congress:

- a.* welcomes the strengthening of its relations with REGLEG and CALRE;
- b.* commits itself to examining and furthering the representation of regions in second chambers of national parliaments;
- c.* undertakes to continue the reflection, launched during its 2008 autumn session in the Chamber of Regions, on the special autonomy status of regions in Europe.

15. The Congress recommends that the Working Group "Regions with Legislative Powers":

*a.* follow up on the conclusions of the colloquy on "Bicameral systems and representation of regions and local authorities: the role of second chambers", in particular by examining the role of regions in second chambers by means of a report and a follow-up conference. In this context, the Congress thanks Ms Mercedes Bresso, the President of the Piedmont Region, Italy, and 2009 President of REGLEG, for her invitation to host such a conference in her region in 2009 or in 2010;

*b.* pursue its work on special self-governing status and conflict resolution, in particular in the light of recent events in the South Caucasus, and to organise a conference on this subject in 2010. In this context, the Congress thanks the President of the Autonomous Region of Madeira, Portugal,

Mr Alberto Joao Jardim, for his invitation to host such a conference in his region in 2010;

*c.* examine the effects of globalisation on regions with legislative powers which can act as a counterbalance to it;

*d.* examine the political and economic efforts of regions with legislative powers in contributing to economic recovery plans as concrete examples of the added value of this type of region for citizens, enterprises and municipalities (assessment of regional recovery plans);

*e.* in accordance with Congress Resolution 265 (2008), address key issues related to regional public finances, in particular the ways in which regions may contribute to resolving the current economic and financial crisis and may benefit from the advantages of fiscal federalism;

*f.* strengthen co-operation with the inter-regional group "Regions with Legislative Powers" in the Committee of the Regions of the European Union;

*g.* continue co-operation with the Council of Europe European Commission for Democracy through Law (Venice Commission) on its work on regions with legislative powers and federalism.

16. The Congress draws the attention of regions in Europe to:

*a.* the key role regions with legislative powers play in developing regional democracy and delivering services to citizens;

*b.* the need to involve themselves as active partners in the search for solutions to cross-cutting challenges in a system of multilevel governance based on co-operation and mutual respect of the different levels involved;

*c.* the good governance which can be achieved thanks to the status, powers, finances, joint decision making, participation and administrative structures of regions with legislative powers;

*d.* the added value of granting a special status to autonomous regions as they have a better potential for keeping peace and ensuring security while maintaining state unity.

17. Considering the working group has served as a political spur in the regionalist drive to achieve broader and better organised self-government, the Congress asks its Bureau to renew the terms of reference of the Working Group "Regions with Legislative Powers" for the period 2010-12.

1. Debated and approved by the Chamber of Regions on 14 October 2009 and adopted by the Congress on 15 October 2009, 3rd Sitting (see Document CPR(17)2, explanatory memorandum presented by B. Petrisch, Austria (R, EPP/CD), rapporteur).

2. "Bicameral systems and representation of regions and local authorities: the role of second chambers", 21 February 2008, Senate, Paris (France), conclusions drawn by Jean-Claude Van Cauwenberghe, Chair of the Working Group "Regions with Legislative Powers".

3. "Regionalisation in Europe", Parliamentary Assembly of the Council of Europe, rapporteur: Lluís Maria de Puig (Doc. 11373 of 14 September 2007).