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(CDDG)**

DRAFT STRUCTURE

**REPORT ON
"MULTILEVEL GOVERNANCE,
INCLUDING IN TIMES OF EMERGENCIES"**

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Executive Summary

Acknowledgements

About the CDDG

The European Committee on Democracy and Governance (CDDG) is the Council of Europe intergovernmental forum where representatives of the member States meet to develop European standards (recommendations, guidelines, reports), to exchange and follow up on the state of democratic governance in Europe, and to work together to strengthen democratic institutions at all levels of government.

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Introduction: Rationale – context & theme relevance, theme interest and limits, state of play of territorial structures in Europe & key texts of reference & methodology for collecting data and report plan

According to a (preliminary) working definition discussed by the Working Group on Governance (GT-G) at its first meeting (Strasbourg, 2-3 February 2023), “*Multilevel governance*” refers to a cooperative model of governance which embraces international, supranational, cross-border, and subnational levels of governance, delivered with participation of the people, civil society, and other organisations. Its purpose is to ensure coordinated, efficient policy- and decision-making and exercise of public duties [alternative language: competencies, responsibilities and/or powers], based on the principles of good democratic governance ».

Multilevel governance thus refers both to the distribution of powers and responsibilities among different levels of government, such as national, regional, and local, as well as supranational institutions in the context of the European Union (EU), and to their interaction with other territorial and non-governmental stakeholders. However, despite its potential benefits and the opportunities it offers for effective and efficient policymaking, in particular in times of crises/emergencies, multilevel Governance also is a source of numerous challenges that need to be managed and addressed. This paper will thus explore the advantages and challenges of multilevel governance in Europe as well as the lessons to be drawn from concrete examples, with a view to identify the conditions for, and characteristics of a successful *cooperative model of governance*.

I – PART 1 General considerations on multilevel governance : definition, academic and policy approach, stakeholders, constitutional and other (legal) considerations and safeguards, advantages/challenges and diversity of schemes.

1.1 Multilevel governance: definition and theoretical approach : from an academic concept used for research purposes to a self-standing, public management policy concept and multiple governance and decentralisation & key issues at stake

According to Recommendation CM/Rec(2022)10 of the Council of Europe Committee of Ministers to member States on multilevel policies and governance for intercultural integration, “*Multilevel governance*” is a model of governance which embraces central, regional and local governments, as well as civil society organisations. The ways in which it is organised may vary greatly from one country to another. Ideally, it includes a bottom-up element and implies the setting up of participatory processes for policy co-creation, co-operation and co-ordination among all relevant public authorities, at all levels of governance, and with all relevant stakeholders, in areas of shared competence or common interest.”

Academics also sought to identify typologies of MLG. For instance, in the two-fold typology often mentioned in academic material but also reports of the EU: **Type I**, which has echoes of federalism and **type II**, by contrast, describes governing arrangements in which the jurisdiction of authority is task-specific. Initially conceived as an analytical tool to apprehend the evolving distribution of powers and responsibilities as well as interactions of various government levels, MLG was progressively recognised as a self-standing model of public affairs management involving the various levels of government and other actors.

Multilevel governance and decentralisation: Multilevel governance and decentralisation are two related concepts that refer to the distribution of power and decision-making across different levels of government and are thus closely linked.

The key issues at stake when studying the topic of Multilevel Governance : There is a need to delimit the vertical extent of multilevel governance (how to deal with the supranational level and specificities of the EU) and its horizontal outreach (horizontal cooperation schemes, participatory processes, cross-border dimensions, including or not informal links also with nonofficial governance bodies etc). Moreover, there is also a distinction to be made between a) static situations of multilevel governance (structures are there and what are the fundamentals) and b) dynamic situations where new levels are being set up or administrative-territorial reforms are carried out.

1.2 Multilevel governance key stakeholders

1.2.1 Multilevel governance, states (unitary centralised, decentralised, regionalised and federal) and national governments

States and national governments play a crucial role in multilevel governance, as they are typically responsible for setting overall policy direction and providing funding for many programs and services. However, they also need to work with other levels of government to ensure that policies are implemented effectively and that that citizens needs are met.

1.2.2 Municipalities

Municipalities are a key part of this multilevel governance system. Municipalities are typically the lowest level of government in a country's administrative hierarchy, with responsibilities that may include managing local infrastructure, providing public services, and enforcing local regulations.

1.2.3 Intermediate levels (county, district etc)

Provinces are subnational units of government that have the power to make decisions about matters that affect their local communities, such as education, healthcare, and transportation.

1.2.4 Regions and transborder cooperation

In multilevel governance systems, regions often play an important role in implementing policies and programs that are decided at the national level. Regions may have their own elected officials and administrative bodies that are responsible for delivering services and making decisions on issues that affect their constituents. However, regions may also be subject to the authority and regulations of the national government, and there may be tensions between the two levels of government regarding the distribution of power and resources.

1.2.5 Inter-Municipal Communities/structures (IMCs)

Intermunicipal cooperation is another form of multilevel governance in which two or more municipalities work together to achieve common goals and solve common problems. Intermunicipal cooperation can take many different forms, including joint service provision, shared administration, and regional planning.

1.2.6 National, regional and local self-government associations

Local government associations (LGAs) represent the interests of local governments at the regional, national, or international level. They serve as a platform for local governments to share knowledge, exchange experiences, and advocate for their interests. LGAs can play an important role in multilevel governance by facilitating dialogue and cooperation between different levels of government, and by advocating for policies and resources that benefit their members but also by strengthening the voice of local governments, building capacity, facilitating cooperation, and promoting innovation.

1.2.7 Other stakeholders, including private sector and civil society

Multilevel governance also refers to the involvement (at any tier) of other actors such as private sector organisations, associations, and civil society group: NGOs such as the Red Cross, especially in times of crisis, private entities and companies in the framework of public-private partnerships or subcontracting/externalisation of tasks may play an essential role.

1.3 Multilevel governance: benefits and challenges

1.3.1 The benefits of MLG:

Multilevel governance can promote more effective, inclusive, and adaptive governance, allowing for better policy outcomes and improved governance performance. Amongst key advantage we find :

- **Flexibility and adaptability:** MLG allows for flexibility and adaptability in decision-making and policy implementation.
- **Subsidiarity:** MLG embodies the principle of subsidiarity, which means that decisions should be made at the most appropriate level of government.
- **Cooperation and coordination:** MLG fosters cooperation and coordination among different levels of government.
- **Participation and inclusiveness:** MLG can promote participation and inclusiveness in decision-making processes.
- **Capacity-building and learning:** Multilevel governance provides opportunities for capacity-building and learning among different levels of government.
- **Better policy outcomes:** Multilevel governance can result in better policy outcomes as it allows for more diverse perspectives and expertise to be considered in decision-making processes.

1.3.2 Multilevel Governance challenges :

Various challenges can be identified in relation to the development and implementation of MLG-based approaches. These are in particular:

- **Adequate sharing and distribution of competencies:** when there is a mismatch between the general framework defining the distribution of competencies and those actually exerted because of incidental limitations (other contradicting rules) or practical constraints (lack of resources, available expertise etc).
- **Adequacy of financial/budgetary rules and regulations, and resources at the sub-national levels,** commensurate with the distribution of powers and responsibilities including new ones in a context of decentralisation or general policies decided at the upper tiers of decision-making.
- **Adequate consultation procedures in relation to various matters that concern local authorities directly** (legislative processes, financial/budgetary matters, boundary delineation): when statutory consultations do not take place, or are carried out in an inappropriate manner, insufficient time-frames etc.
- **Transparency of decision-making:** when the collective decision-making is shared, or the coordination/delegation/supervision is organised in such a way that it becomes excessively complex to manage and/or to understand for stakeholders, the public, those who have an interest in the rapid and effective delivery of services etc.

- **Accountability across the various governance bodies:** when, as a result of the above and the splitting of decision-making, the responsibility for the implementation of policies and the delivery of services is shared between too many actors who can't account for their action and be held to account individually; or when certain (non-public) actors are involved in MLG with important functions but in an excessively informal manner that does not allow to hold them to account both within the MLG chain of cooperation and from outside it . The division of responsibilities between different levels of government may not be clear, leading to issues of accountability and effectiveness.
- **Need for proper involvement and consultation of the public:** as a result of the horizontal dimension of MLG and in accordance with participatory democracy mechanisms and the principles enshrined, for instance, in the Additional Protocol on the right to participate in the affairs of a local authority. Multilevel governance raises questions about democratic legitimacy, as decisions may be made at different levels of government with varying levels of accountability to citizens.
- **Implementing MLG in good faith and in the general interest,** without undue political interference in horizontal cooperation schemes and also from the viewpoint of (upper) tiers of government and bodies which have a supervisory or other form of authority over other tiers of government, and especially to respect political pluralism without instrumentalising criminal and disciplinary procedure.
- **Risk of complexity, additional coordination mechanisms and increased costs:** when too many areas of complementarity or overlapping coexist, when additional coordination or liaison structures are created and superimposed on existing structures.
- **The diversity of approaches, among tiers of government, regarding participatory democracy** and possible co-decision mechanisms.
- **The various dynamics across Europe** seeking to achieve a better/broader/more accessible/cost-effective delivery of public service: creation/suppression of tiers of government, decentralisation, amalgamations; but also more problematic trends towards (re)centralisation in a few countries

II – PART 2 Multilevel governance in the Council of Europe members States: MLG arrangements, constitutional and other (legal) safeguards, issues at stake and challenges, impact/lessons learnt by the countries in particular following recent emergencies (including the pandemic) and how these affected the “regular” operation of MLG: concrete case studies from a sample of CoE members states (strengths and weaknesses and emergency situations)

- 2.1 **Belgium (Flanders)**
- 2.2 **Czech Republic**
- 2.3 **Hungary**
- 2.3 **Lithuania**
- 2.4 **Republic of Moldova**

- 2.5 **Norway**
- 2.6 **Portugal**
- 2.7 **Slovak Republic**
- 2.8 **Switzerland**
- 2.9 **Greece**
- 2.10 **Western Balkans**
- 2.11 **South Caucasus**
- 2.11 **Others**

III – PART 3 Multilevel governance and the European Union

3.1 Multilevel governance, EU Institutions and European integration

The European Union (EU) is a prime example of multilevel governance in action, as it is a complex system that involves multiple levels of governance working together. The EU is a unique political and economic union of 27 member states in Europe, with its own institutions and decision-making processes. The levels of governance in the EU can be broadly categorized into four main levels: Supranational, national, regional and local. Multilevel governance in the EU involves interactions, negotiations, and coordination among these different levels of government. It requires cooperation and coordination among various actors, including the EU institutions, national governments, regional governments, and local governments, to formulate and implement policies that impact the EU as a whole.

3.2 Multilevel governance and cross border cooperation: The EU Euroregions case

Euroregions are transnational or cross-border entities that bring together territorial entities from different countries with the aim of promoting cooperation and integration across borders within the framework of the European Union (EU). Multilevel governance and Euroregions are closely related concepts, as Euroregions are often seen as practical examples of multilevel governance in action.

To find common solutions and better respond to the shared needs of populations living on one side or the other of the same border, certain territories have decided to join forces to create a Euroregion. Euroregions provide a platform for cooperation and coordination among different levels of government, including national, regional, and local authorities, as well as other stakeholders such as civil society organisations, businesses, and citizens, in order to address common challenges and promote economic, social, and cultural development in border regions.

IV – PART 4 Multilevel governance in times of crisis and the need for responses to emergencies: thematic case studies and lessons to be learnt

Focus is on specific subjects which are particularly important for MLG in times of crises such as: economic/financial means, participation, information (data collection and management, possibly including IT infrastructures and working methods), and cooperation (health crisis, migrants/refugees, earthquakes and other natural disasters, energy / water / food shortages, consequences of war, financial crises etc.)

4.1 Multilevel governance and crisis, whatever they are

Crisis situations, such as natural disasters, pandemics, or economic crises, can have significant impacts on governance systems, including multilevel governance arrangements. Multilevel governance can be relevant to crisis and have significant implications for crisis management, including coordination, resource allocation, policy-making, communication and public trust as well as recovery and resilience efforts.

4.2 Political & democratic crisis

Significant power imbalances between different levels of government can create a situation where certain regions or communities are systematically marginalized or excluded from the political process. In order to address these challenges, it is important to promote greater transparency, accountability, and citizen participation at all levels of government. Ultimately, a strong and effective system of multilevel governance can help to promote democratic accountability, foster greater trust between citizens and government, and ensure that the needs and concerns of all members of society are taken into account in the policymaking process.

4.3 Environmental crisis

Environmental crises are often the result of a combination of global and local factors, which makes multilevel governance crucial in addressing these challenges. Effective multilevel governance can facilitate the coordination of policies and actions and help to balance competing interests and values. For example, addressing climate change requires coordination between international, national, and subnational levels of government, as well as engagement with civil society and the private sector. However, there are often significant differences in priorities and interests among these levels of governance.

4.4 Economic and social (focus on refugees and war in Europe)

Many social and political crises have highlighted the challenges of multilevel governance, particularly in the areas of social and economic inequality, environmental sustainability, and democratic participation. One example of a social crisis related to multilevel governance is the refugee crisis. The issue of refugees often involves multiple levels of governance, including national, regional, and international actors. The lack of coordination and cooperation between these actors can lead to a situation where refugees are left without adequate support and protection, which can exacerbate the crisis.

However, multilevel governance can also face challenges in times of social crisis. Coordination among different levels of government can be difficult, particularly when there are political or ideological differences between decision-makers. In addition, there may be tensions between different levels of government over issues such as funding and decision-making authority.

4.5 Health crisis – lessons learnt from the Covid pandemic

Multilevel governance is critical in addressing health issues as it ensures effective coordination and collaboration among different levels of government, which is essential for implementing measures to protect public health and minimize the impact of the crisis on society .

The COVID-19 pandemic, for instance, has highlighted the importance of multilevel governance in responding to a health crisis. Different levels of government, including national, state/provincial, and local governments, have had to work together to implement measures such as lockdowns, contact tracing, testing, and vaccine distribution. In some cases, conflicts and disagreements between different levels of government have hindered the response to the pandemic.

4.6 The general lessons to be learnt and the key principles for effective multilevel governance

4.6.1 Lessons to be learnt : “How to achieve effective administration, and what are the basic principles which would contribute to this”

4.6.2 Key principles of an effective multilevel governance: coordination, rationalisation, consultation, subsidiarity, inclusiveness, accountability, clarity and transparency (who does what and how do citizens know), fairness (in interactions and relations generally but also between disadvantaged and wealthier areas)

Conclusions including recommendations for policy makers and practitioners.

In conclusion, while multilevel governance has its advantages, it also faces significant challenges. These challenges include complexity and fragmentation, power imbalances, coordination and cooperation, democratic legitimacy, inequalities and disparities, legal and administrative complexities, and managing diversity. Addressing these challenges requires effective mechanisms for coordination, cooperation, and democratic accountability among different levels of government, as well as promoting inclusive decision-making processes and ensuring equitable distribution of benefits and burdens across regions and localities.

Appendices

Appendix 2 - Key principles of an effective multilevel governance

Appendix 1 – Bibliography & Background documents and resources

Experiences from a variety of state models and institutional traditions (centralised, decentralised, regionalised, federal) and pertinent standards, reports and documents produced under the aegis of the Council of Europe and other organisations (EU, UN, OECD).