4.0 The Structure of Partnership

Introduction

This section examines the composition of partnerships in terms of their memberships and their operational structures and draw some general conclusions (sub-section 4.3). As shall be seen, the composition and structure of partnership is shaped by the extension of the partnership principle overtime and the progressive but uneven extension of actual partnerships along more inclusive lines. The roles of all the partners variously involved in different programmes and initiatives from the vertical partners to the horizontal partners – Member States, Commission, regional partners, municipalities, NGOs, and representatives of ultimate beneficiaries are reviewed (sub-section 4.1). The role of various partnerships structures, most importantly the Monitoring Committee and also secretariats, technical assistance, management committees, managing authorities and leadership structures are then considered (sub-section 4.2).

Equal weight is given throughout this document to considering partnership in its formal statutory manifestations such as Monitoring Committees and to considering partnership in its wider material form as a set of inter-organisational practices, and in this Section attempts an integrated presentation of these two aspects. However, much of the contribution of the non-formal aspects of partnership can only be discerned in an examination of the specifics of programme operation and Section 7 below will look in detail at the actual composition and activities of partnerships at each of the programming stages.

4.1 The members of the partnerships

A progressive expansion of the partnership principle over time can be empirically observed, a from the early narrow partnership of the Commission and Member State, to a tri-nodal partnership including the European Commission, Member State and region. Subsequent reforms in 1993 added social partners to partnerships.

The current proposed reform of the Structural Funds (1998) envisages the addition to partnerships of the so-called ‘other bodies’, comprising Non-Governmental Organisations (NGOs) including bodies such as environmental and equal opportunities groups. A question mark remains over the future inclusion of municipalities and local government authorities and these remain the only tier of government which has not been brought into or planned for in the widening of partnership.

4.1.1. The Member State

Member States continue to dominate and delimit partnership functioning through their key roles in both negotiating programme content and in determining the extent of the horizontal partnership, and through their habitual roles of providing secretariats and acting as managing authorities.
Nevertheless, increasingly, despite initial reservations and resistance, many Member States are welcoming, encouraging or initiating more extensive and inclusive partnership strategies particularly as regards their (sometimes new found) relations with regional partners and social partners. Generally central governments recognise the usefulness of partnership forms in pursuing their own policy agendas.

Member States play a number of key roles in partnerships including:

- negotiating programme content,
- determining the extent of horizontal partnership,
- determining the extent of vertical partnership,
- determining - along with the Commission - to the delimitation of areas which are eligible for structural assistance,
- providing secretariats,
- acting as managing authorities,
- providing an accounting, payment and audit function, and
- providing information and guidance about the Structural Funds to sectoral and sub-national bodies.

**Negotiating programme content**

Member states have the task of negotiating programme content with the Commission and with the sectoral and sub-national bodies in the partnership. It is very rare for the Member State to be by-passed in negotiations about programme content\(^1\). However, increasingly in some Federal states\(^2\) negotiations can be *de facto* tripartite (Commission, Member State, regional government) although formally only the Member State has this power.

Perhaps surprisingly, there appears to little resistance among other partners to the central government monopoly on negotiation. Partners are more concerned to be fully involved in the development of plans and once a consensus has been reached they tend to be happy for central government to negotiate on their behalf. However, where there is limited broader partnership involvement in programme development subsequent negotiations with the Commission can suffer from the Member States detachment from and even ignorance of grass roots circumstances and needs.\(^3\)

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\(^1\) The case of Belgium is the notable exception.

\(^2\) Spain, Germany and Austria.

\(^3\) Various examples of this are offered in subsequent sections.
Determining the extent of horizontal partnership

The degree of participation of horizontal partners varies across the European Union. The question of who should be involved and when is largely determined by the member states in accordance with the spirit of the regulations, the institutional culture of the state and the realities on the ground. States such as Finland, Denmark, Austria, and Ireland have broad horizontal partnerships at most stages and levels of the policy cycle. The picture is more varied in other states and but generally, as shall be seen in Section 6 below, the extensiveness of horizontal partnerships is correlated with the length of the Member State’s experience with partnerships (both Structural Fund and non-Structural Fund partnership). Initial reservations and resistance to the broadening of partnerships advocated by the Commission is often followed by acceptance when the value of partnership is demonstrated in practice.

There continue to be significant problems in some Member States and some programmes with the willingness of central government to incorporate Social Partners and regional and local organs into both formal partnerships or real decision making. And without Commission pressure it is hard to see how sometimes even limited progress can be maintained. This is explored further in Sections 6 and 7.

Determining the extent of vertical partnership

The Regulation also awards the Member States the right to choose whether the vertical partnership extends beyond the obligatory partnership of Member State and Commission. As has been said, some Federal and ‘federalising’ states have institutionalised the requirement to involve sub-national governments (Germany, Austria and Spain). Other Member States with a regional tradition or with decentralising tendencies also involve the regional tier in the vertical partnership (for example, Italy, UK, Finland or Sweden) although as shall be seen the powers and capacities of these regional tiers vary considerably. Finally, the URBAN Initiative involves municipal level partners directly in vertical partnerships, and while this is not strictly the case in the rural contexts of Objective 5b and LEADER, key roles for municipalities are often the norm.

Contributing - along with the Commission - to the delimitation of localities which are eligible for structural assistance

Member states also play an important role in determining the areas of eligibility for Structural Fund assistance. This is very much done in conjunction with the Commission and final approval rests at the EU level. Defining territories for operational purposes can be quite contentious but also can force innovation in territorial integration. When different localities are brought together as a ‘region’ for the first time questions can be raised about arbitrariness and legitimacy of the choice. Areas of eligibility can be at odds with existing administrative boundaries giving rise to a range of practical co-ordination problems.

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4 All stages in the case of Austria.
5 As we shall see with the north-west England Objective 2 case, for example.
6 As we shall see with the Finnish Objective 2 and Objective 6 cases, for example.
Providing secretariats

In most of the cases looked at the Member State (central government) provides the programme secretariat. Because the secretariats are usually an administrative arm of the state this can mean that the member state has de facto a firm control over the operational aspects of Structural Fund management. This issue is returned to in sub-section 4.2 and in Section 7.

Acting as managing authorities.

Member States often also act as managing authorities, although in territorial programmes regional governments/authorities may take this role. This is either done by the establishment of specific institutions and agencies for this purpose or, more usually, allocating the task to a central government department.

In programmes where Member States are not seriously committed to establishing inclusive partnerships, the role of central government departments as partners, as secretariats and as managing authorities can mean the effective sidelining of other partners in key programme decisions.

Providing an accounting, payment and audit function

The Member States perform accounting, payment and audit functions. They are responsible for the onward transmission of co-financing from the Commission to the beneficiaries and intermediary bodies. Environmental audit is also now becoming an increasingly important function of the Member State.

Member states also play a key role in ensuring that locally and sectorally generated programmes match both national and Structural Fund criteria. Regionally and sectorally developed plans are subject to scrutiny at the level of central government and may be rewritten. In addition, some Member States have developed elaborate coordination mechanisms that check for programme overlap and compatibility.

Providing a source of information and advice about the Structural Funds to sectoral and sub-national bodies

With increasing moves towards decentralisation and sectoral deconcentration the Member State is increasingly looked to for advice on operational matters concerning eligibility, legality and so on. In addition, the Member State plays an important gatekeeper role in negotiating with the Commission about the Structural Funds on behalf of the other members of the partnership. Given the current level of complexity of the Structural Fund Regulation the advisory role performed by the Member State can make a significant contribution to the partnerships.

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7 In the case of France the SGAR is a key node in the partnership. In the case of Austria OROK is also of central importance for example.
8 Belgium is the exception to this.
9 Austria is a good example of this.
Thus, Member States play a central role in the operation of partnerships; their role has been explicitly reinforced and re-acknowledged in the Regulations.\textsuperscript{10} The centrality of member states is a consequence of their constitutional supremacy, and of their role as the providers of co-financing for the Structural Fund programmes.

Member states provide the links with sectoral bodies and also with sub-national partners. State programmes occasionally provide the vehicle through which the Structural Fund programmes come to be implemented\textsuperscript{11}, and this has particular implications for partnerships as it means that many of the partners will have already been pre-selected in accordance with the national criteria. This is especially noticeable in social policy in most of the member states.\textsuperscript{12}

### Exhibit 4.1a: Innovation at the national level in Finland

In the case of the Objective 3 programme in Finland finds the partnership channeling its most innovative national schemes into the Objective 3 programme. The Objective 3 programme essentially supplements national labour policy and the most innovative services for young people can be found in the Objective 3 programme.

More generally, the impetus for innovation in partnership in a country may be pioneered by the central state, whether in an attempt to demonstrate the benefits of local partnership\textsuperscript{13} or to build national sectoral capacity by linking actors at different levels.

### Exhibit 4.1b: Innovation at the national level in Spain

In the case of Spain central government seems if anything more anxious to extend partnership than are the regional governments. Of particular note are: the extension of partnership to include NGOs in the CSF for the Objective 1 programme; the ESF strand within the CSF which has also accorded the legal right to be involved in the ESF Objective 1 Monitoring Committee to social partners for the first time; and the links which have been developed between the national level and the municipalities in the delivery of the Objective 1 Environmental programme.

**Conclusion - the Member State as the orchestrater of partnership**

Overall, despite the important role of the Commission in encouraging broader and more inclusive partnerships, the key driver of successful partnerships is the attitude and commitment of central governments (and/or regional government in federal states). Member States have enormous scope to help or hinder...
partnership development through the definition of the partnerships, the running of Monitoring Committees, the mechanisms provided to support partner participation, and above all through their commitment or otherwise to the ideal of partnership. For every Member State and for every programme the question must be faced – who should be included in the partnership and how should they be involved.

The development of the partnership principle is uneven across Member States and across programmes. As shall be seen in the subsequent sections, In many countries there is scope for substantial improvements in:

- inclusiveness of partnership,
- transparency of partnership functioning,
- Monitoring Committee functioning,
- technical support for participating partners,
- partnership at the time of programme development, and
- partnership at the time of evaluation.

4.1.2 The European Commission

The Commission plays an important role in partnerships which is valuable, positive and essential to successful Monitoring Committee and partnership operation. Its presence has a clear beneficial and structuring effect on partnership performance. There are five major areas in which the Commission contributes to partnership operation:

- as a mediating partner,
- as the keeper of the ‘spirit’ of the regulations,
- as a source of information, support and advice,
- as a ‘critical friend’, and
- as an external protagonist.

The Commission often effectively mediates between different partners or different departments of state.
Exhibit 4.1c: The mediating role of the Commission

In the Greek Objective 1 Industry Programme, the Commission exerted an influence in encouraging dialogue and co-operation between the Ministry of Labour and the Ministry of Industry. This was important for co-ordinating the operation of the ERDF and the ESF in Greece and a real contribution to improving the system of public works and their conformity to EU regulations.

The Commission embodies the spirit as well as the letter of the Structural Fund regulations, and its physical presence within the key partnership structures has a central importance in ensuring that the spirit of the regulations is respected and prioritised.

In particular, the Commission plays a valuable role as a provider of guidance, knowledge and advice at Monitoring Committees above and beyond its formal role as a partner.

Often, the Commission is seen as a critical friend whose role in the elaboration of ideas, plans and approaches in the dialogue with other partners has a beneficial impact on partnership operation.

As a critical friend, on occasion the Commission plays a ‘dialectical’ role as an external protagonist forcing ‘internal’ partners to form and present a coherent position. It is striking to see from our interview data how often Commission input and pressure which was first seen as burdensome is now acknowledged as beneficial particularly as regards the inclusion of a broader set of partners and more generally in forcing partnerships to ‘get our acts together’.

Generally the Commission endeavours to play a strategic and moderating role in partnerships. However, the difference between strategic and operational aspects of partnership (both in the monitoring committee and in assembled sub-committees) is not always clear cut, and sometimes strategy is worked out through operational decisions. Thus, there are instances where, when the Commission applies rules and procedural logics within a partnership which is attempting to be flexible and pragmatic it is perceived to be undermining the partnership ethos.

These areas will be returned to and illustrated in some detail in Section 6 and Section 7.

While the Commission’s role in partnerships is such that it provides a significant contribution to the operation of the Structural Funds, and to the partnerships themselves, there are two areas in which the Commission’s role is more problematic. These can be broadly summarised as difficulties associated with the speed of response and consistency between Directorate Generals, and problems of the Commission ‘second guessing’ the actions of local partnerships. Both second guessing and the speed of response and consistency issue are associated with the correct evocation of the principle of subsidiarity. The problem of inconsistency is also a problem of the
Commission’s capacity to act as a partner. Examples of these areas of difficulty are given below which show that these are difficulties which have organically arisen from the partnership process and can be positively seen as examples of learning in practice.

**Time consuming procedures and consistency**

Other partners complain of seemingly time consuming procedures employed by the Commission which induces delays in programmes. In many cases these problems can best be resolved by transferring decisions back to the appropriate level.\(^{14}\) Consistency issues are also observable in other cases. Non-Commission partners usually expect that when dealing with the Commission they will receive a consistent response which crosses the different Directorates and that lead Directorate Generals will take clear responsibility for ensuring co-ordination of a single position across the different Directorate Generals, so enabling the Commission to speak with one voice as a single partner within Structural Fund partnerships - despite this being rarely the case when it comes to national government departments.

‘Second guessing’

Trust-based partnerships are defined as partnerships which are mediated through reliance on a significant degree of common values, objectives and understandings. In rule based systems, by contrast, informal agreements are scarce, informal understandings are absent and the partnerships are visibly strongly regulated.

In partnerships with a trust based governance model, rule based interventions may ‘second guess’ and disable the capacity of the partnership to function. In Sweden, for example, where it is a general principle of governance that one organ of state may not countermand decisions legitimately made by another organ, seeming second guessing by the Commission (or indeed central government departments) in their guise as budgetary authorities is deeply resented and has led to major conflict (and even to the effective exclusion of the central state from a regional partnership).

Clearly However, there is more than one side to these stories. While there are some evident issues associated with the Commission’s role second guessing initiatives developed at Member State or sub-national levels, there is also a need to understand that this is a question of balance. The Commission has an important function in safeguarding the spirit of the regulations while at the same time trying to be practical and flexible.

**4.1.3 ‘Regional’ partners**

There is an observable trend of progressive regionalisation observable throughout the Union involving a devolution of competencies to regional level

\(^{14}\) Examples of time consuming procedures reducing the effectiveness of the partnership may be variously found in Germany (Objective 4), the Netherlands (Objective 2) and Spain.
bodies. As shall be seen in some detail in Sections 5 and 6, this has necessitated in some instances the recasting of existing bodies (Italy, France, Greece) and in some instances (Finland, UK, Sweden) the ‘invention’ of a regional tier. On occasion the invention of regional bodies has taken place from the ‘bottom-up’\textsuperscript{15} and in other examples it has been a ‘top-down’ phenomenon\textsuperscript{16}.

While ‘regionalisation’ is territorially feasible in the larger states, as shall be seen in Section 6 the smaller states have sometimes taken a less spatially differentiated course to decentralisation more akin to the deconcentration processes observed in social policy. This is normally achieved via the mechanism of inclusion, building on prior existing corporatist traditions. Notwithstanding this there is nevertheless a trend towards decentralisation and regionalisation visible in these smaller states also.\textsuperscript{17}

Generally, regional partners take the form of:

- regional organs of central government (such as Prefectures in France and Regional Government Offices in the UK),

- directly elected regional administrations (such as the strong regional governments in Austria, Belgium, Germany or Spain or the weaker powers of regional government in Italy, France or Greece), or

- sets or groupings of municipalities (either \textit{de jure} as in the case of the Swedish municipal boards or \textit{de facto} as often the case in the UK or Ireland)

The regional partners in the fifteen Member States, operate, broadly speaking, in an executive capacity although some, most obviously in federal states, have a strong role in making policy. On the whole, regional partners fall into two main categories, civil servants and politicians. In most cases the regional partners tend to be regional civil servants or - in the case of the ESF Objectives 3 and 4 - central government civil servants.\textsuperscript{18}

\textsuperscript{15} For example, formation of Joint Municipal Boards in Finland.

\textsuperscript{16} As in Greece.

\textsuperscript{17} Luxembourg and Belgium are both, in different ways, exceptions to the trend towards progressive decentralisation; the former because its scale renders regionalisation inappropriate and the latter because the federal structures are already so well entrenched that the decentralisation dynamic now approximates better to separation than regionalisation. The Luxembourg situation finds a resonance in the Objective 6 areas in Finland and Sweden. In the case of these two member states, however, this is a factor of the sparse population density in these areas which obliges the key regional actors to assume multiple roles. Like Luxembourg we also find a situation in which the key individuals all know each other - this creates a social context within which partnership is embedded which is quite different to the mainstream partnership environments in other Objectives and Member States (though not necessarily all that different to what we find under Objective 5b, Leader and the territorially base Community Initiatives).

\textsuperscript{18} This is typified by the role of Prefects in France.
However, in some instances elected politicians play an important role. While politicians bring a level of democratic legitimacy to the partnership they also open the partnership to accusations of conflicts of interest. Avoiding this risk is predicated on the involvement of politicians in an executive capacity and on their pro-active determination to represent all interests in their locality.

Overall there have been significant difficulties in incorporating other regional bodies into regional level partnerships. The peripheral role of these partners is a wide-spread phenomenon in most of the Member States. While there are striking exceptions, on the whole social partners tend to play their most important role if any at the pre-negotiation phase of the policy cycle, and other bodies such as NGOs, (and representatives of municipalities where there is regional administration) tend to be excluded all together from this regional tier.

The role of the regional partners varies enormously from case to case. The various roles of the regional governments/administrations/groupings of municipalities include:

- taking on some of the roles otherwise associated with central government in leading programmes and partnership,
- a shared role with central government in leading programmes and the partnership,
- a shared role with regional organs of central government in leading the programme and the partnership, or
- a secondary role with central government leading the programme and the partnership.

The precise roles of regional authorities under the various Objectives and Initiatives and in each of the individual Member States is explored in some detail in Sections 5 and 6.

Table 4.A attempts to give a simplified overview of the relative strengths of the roles of different types of partners at a regional level.

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19 Sweden provides the most notable example of this. In its programmes (other than Objective 4) the regional level partnership consists entirely of elected individuals. Greece is a further example where politicians have an important role.

20 Sweden provides an example of the withdrawal of social partners from regional partnership organisations after the erosion of traditional tripartite relations at a national level, while the Spanish ROP for Galicia case demonstrates how a closed partnership between regional government, Member State and Commission can marginalise social partners to the confines of the partnership.

21 Such as the Italian Toscana Objective 2 programme where an innovative inclusive form of partnership has evolved driven politically by the ruling group in the Regional Council.
Table 4.A: The relative strength of role of regional partners (highly stylized)

<table>
<thead>
<tr>
<th>Example</th>
<th>Central Government</th>
<th>Regional Government</th>
<th>Social Partners</th>
<th>Municipalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>moderate</td>
<td>moderate</td>
<td>moderate</td>
<td>moderate</td>
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<tr>
<td>Belgium</td>
<td>moderate</td>
<td>moderate</td>
<td>moderate</td>
<td>moderate</td>
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<tr>
<td>Denmark</td>
<td>strong</td>
<td>moderate</td>
<td>moderate</td>
<td>moderate</td>
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<tr>
<td>Finland</td>
<td>strong</td>
<td>moderate</td>
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<td>moderate</td>
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<tr>
<td>France</td>
<td>strong</td>
<td>strong</td>
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<td>weak</td>
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<tr>
<td>Germany</td>
<td>strong</td>
<td>strong</td>
<td>moderate</td>
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<tr>
<td>Greece</td>
<td>strong</td>
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<td>Ireland</td>
<td>strong</td>
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<tr>
<td>Italy</td>
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<tr>
<td>Luxembourg</td>
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<td>Portugal</td>
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<td>Spain</td>
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<tr>
<td>Sweden</td>
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<tr>
<td>UK</td>
<td>strong</td>
<td>weak</td>
<td>weak</td>
<td>moderate</td>
</tr>
</tbody>
</table>

4.1.4 Social partners

The contribution of the Social Partners to programme partnerships is limited for reasons of relevance and capacity. As has been said they have their chief role in the pre-negotiation phase in many cases. This reflects the reality that inclusiveness in partnership arrangements is most needed, and most desired, at the (pre-negotiation) programme development stage. Often what is required at the pre-negotiation stage is extensive consultation rather than a more formal co-decision making arrangement.

In most instances statements about the inclusion of social partners can be generalised to the level of each Member State as a whole, as there do not tend to be major differences between individual programmes and initiatives. So, in the cases of Belgium, France, Greece, Italy, Spain, Austria, Germany and Sweden the role played by social partners is marginal and at best they have a role as consultees prior to the development of the programmes. Their role in the Structural Fund partnerships is one which is situated at the periphery of the partnerships and, on occasion, they lend only an illusion of inclusiveness to partnership operations.
In the case of the UK Social Partners are relatively marginal to Objective 3 partnerships but have a more prominent role in the case of Objectives 1 and 2. In Ireland the social partners have an important role both in the Community Initiatives ADAPT and LEADER and indirect influence over the CSF as a result of the close co-operation in Ireland between government and social partners over all aspects of economic and social policy. Other CSF partnerships exhibit limited involvement of social partners. This is particularly noticeable in the Greek case but also (somewhat surprisingly given its history) there is evidence of this phenomenon in Germany. This is explainable by the fact that the CSF partnerships tend to be conceived as a central state responsibility and there is a reluctance to cede power or even influence at this level either to the Commission or to other national actors.

In the case of Denmark, Finland, Netherlands, and Luxembourg and, as has been said, in Ireland social partners do have greater involvement in the Structural Fund partnerships. The Danish and Finnish cases reflect the broad historical corporatist traditions of the countries, which have undoubtedly shaped the composition of partnerships in these countries. Ireland has very wide, inclusive Structural Fund partnerships which again reflects the recent history of the country. Structural Fund partnerships in the Netherlands are also inclusive and actively seek to involve social partners. In part this reflects the dynamics of a small state which finds democratic expression in institutional inclusion rather than geographical decentralisation. The case of Luxembourg is somewhat unique. Social partners are deeply entrenched into the Structural Fund partnerships. This occurs in an informal way, reflecting the importance of scale in shaping a policy arena which is built upon informal contacts and connections.

Despite the differential involvement of Social Partners in the Structural Fund partnerships, the general trend is nevertheless one of involvement and consultation at the pre-negotiation phase, with a less important role being afforded to (and sought by) Social Partners in other phases of the policy cycle (excepting of course, as shall be seen in Section 5, ESF based labour market interventions). Since the 1993 reform of the Structural Funds, the regulations have also called for the involvement of social partners in monitoring. However, the inclusion of social partners in Monitoring Committees, not to speak of monitoring, has also been partial. In some instances Social Partners are convened in separate consultative fora before the monitoring committee meets, although more often the social partners meet after the main decisions have been made. The involvement of Social Partners at the monitoring phase tends to take the form of question and answer sessions and the dissemination of information. The Monitoring Committee often represents for Social Partners, therefore, a information channel rather than an inclusive decision-making forum.

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22 A paradox which probably says more about the ideology of the previous Tory government that it does about the inherent nature of the programmes in question.

23 Of particular importance was the legacy of the Programme for National Recovery of the mid 1980s which led to the expansion of social partnership forms of decision-making at national and local levels.

24 The German Objective 2 programme for Bremen is an example of this.
As will be seen below, partnership membership can place a considerable, and sometimes unwelcome, burden of participation on certain classes of partners such as Social Partners. Participation in partnership can require the investment of time and resources which some partners can ill-afford to give. This is a particular problem in smaller and less strategic programmes where the relationship between input and return is weak.

Finally, as shall be seen below, excluded social partners, NGOs and municipalities may co-operate and unite in order to gain a voice provided the need to co-operate can outweigh peer rivalries.

### 4.1.5 Municipalities

The Community’s municipalities are much more often excluded from Structural Fund partnerships than included. Reasons widely given for their exclusion include the suggestion that the municipalities can only provide a partial and self interested contribution to Structural Fund partnerships. The sub-regional level is generally excluded or given a marginal role in France, Germany (Objective 4 only), Italy, Luxembourg, Spain.

Member States which are more pro-active in ensuring participation and inclusion of the sub-regional level include Denmark, Finland, Germany (not Objective 4) Greece, Ireland, the Netherlands, Sweden and the UK. Devices for including the sub-regional level vary, from making sub-regional actors constitutive of regional structures (Finland, Ireland and Sweden) to ensuring a balanced representation of local authorities within territorial partnerships (UK).

The distinctive institutional histories discussed in *sub-Section 4.1.3* above obviously play a part in determining the attitude of the state and regionals to the inclusion of sub-regional level structures. In addition many of this later group of states are those were sub-regional level structures have existed in lieu of ‘absent’ regional level bodies. This group of Member States are characterised by their unitary form. To some extent this is indicative of a situation in which the absence of regional structures has permitted the strengthening of sub-regional governance but it is clearly not the case in Ireland where the municipalities have very limited powers.

Conversely Member States with more developed regional government may demonstrate a trend in which power is split between state and region, with the regional bodies engaged in an attempt to concentrate power at their level. Both the Spanish cases of Objective 1 in Galicia and Objective 2 Catalonia provide strong examples of were decentralisation to the region has led to centralisation within the region. Indeed in Spain can be seen the same unwillingness by regional governments to devolve power to municipalities of a different political hue, as traditionally seen in France and Italy to devolve central government power to Regional Councils and Governments of a different political hue.
4.1.6 NGOs

The Community’s NGOs are largely absent from Structural Fund partnerships (with a number of positive exceptions under the ESF). It follows that if the Commission’s proposals to include NGOs within partnerships under the reform of the Structural Fund regulation is accepted this will be an innovation which most partnership settings will encounter for the first time. Some experience of limited involvement can be found in a small number of the cases reviewed but mainly within the Community Initiatives and outside the mainstream programmes, but even there the involvement of these NGOs is restricted and bounded and must be understood as essentially nascent and atypical of the general trend.

Exhibit 4.1d: Examples of NGO participation in partnership

- In the case of the Spanish CSF partnership, environmental bodies are already participating in the elaboration of the Regional Development Plan which will be used as the basis for drawing up the CSF. They have also had a limited role in the Monitoring Committee for Objective 1 for the ESF.

- Some evidence of a nascent involvement of NGOs and other bodies can also be seen in the Territorial Employment Pact case study for Viborg in Denmark.

- In Germany an environmental body is a member of the partnership for the Objective 2 programme at the Federal level.

- In the case of the Community initiatives in Ireland are found the presence of the emerging community and voluntary sector on the monitoring committee for ADAPT, and in the case of LEADER, community based development agencies are integrated into the Boards and subcommittees of the LEADER groups.

- In the UK Objective 1 programme for Merseyside local development agencies and Training and Enterprise councils (TECs) as well as private voluntary and community sectors are all represented on the programme Monitoring Committee.

- In Portugal faltering steps are being made in linking state organs and NGOs at a local and regional level in areas such as disability and vocational education although this partnership does not show up at the formal level of the Monitoring Committees.

By and large, where NGOs have been included in partnership this has been seen to have very beneficial effects on programme functioning and outcomes.

4.1.7 Ultimate beneficiaries

As progress is made in incorporating municipalities and NGOs into partnership structures, the challenge remains in the context of social exclusion to incorporate representation of ultimate beneficiaries in partnership
arrangements. There is evidence from elsewhere to indicate that partnership does have a role in building up the social capital in localities which may be an incisive way of progressively incorporating the disempowered and marginalised. While it is not possible to incorporate everyone into a partnership, partnerships can still be conceived of as network links and conduits which extend inclusion of actors to the grass roots. And, as has been said, successful partnerships entail the selection of appropriate partners.

The presence of programme beneficiaries and co-funders in partnerships while increasing programme ‘fit’ can also give rise to situations of conflict of interest and even to ‘pork barrel’ outcomes. This has certainly been the case in territorial programmes in Belgium, Sweden and Austria and, as shall be seen in Section 7, it is widely acknowledged by local partners across the Union that excessive territorialism in the distribution of projects can undermine the strategic coherence and value added of programmes.

The inclusion of more NGOs and municipalities and other ultimate beneficiaries of programmes could increase the pressures in this regard. However, the presence of formal conflicts of interest is not of itself necessarily a problem. As shall be seen in sub-section 7.2 there are a number of examples of conflicts of interest being managed in effective ways in ‘trust based’ partnerships. Furthermore, as has be said, having the involvement of ultimate beneficiaries can also be a strength within partnership, particularly when NGOs or Municipalities co-operate and unite with their fellows in order to gain a voice or (as is typical in the UK) are involved as representatives of their peers rather than themselves.

4.2 Partnership structures

4.2.1 Monitoring Committees

Monitoring Committees are only one component of partnerships. In fact, in a significant number of cases reviewed, it appears that Monitoring Committees are not necessarily partnerships at all and in the absence of additional partnership processes they can represent merely a reification of the partnership idea. Up to now roles undertaken by different Monitoring Committees can include:

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25 As we shall see below in the cases of the ESF in Portugal and the Objective 1 programme for Local Urban and Rural Development in Ireland as well as in several of the Community Initiatives.

26 For example, in Spain at the regional level, Monitoring Committees tend to be closed and the participation of social partners has only begun to become institutionalised from 1997. The heavy focus on financial monitoring and the scanty regard paid to problem solving and goal attainment has cast these Monitoring Committees more in the light of an operational - or rather accountancy role - and strategic decisions tend to be taken elsewhere.

Italy has seen the evolution of a similar situation. While social partners have been involved in Monitoring Committees for fractionally longer, in some of the regional Monitoring Committees in the Objective 1 areas the Social Partners are only invited on second day after the main decisions have been taken. When decisions are not taken by the broader partnership but are
• Programme management,
• Ensuring transparency,
• Information dissemination and liaison, and
• Hosting debate.

Strangely, as shall be seen in Section 7, few Monitoring Committees actually undertake monitoring in the sense of monitoring and evaluation, more often monitoring is restricted to checking progress against plan. Typically monitoring committees collect together information about fund absorption rather than focusing on problem-solving or goal achievement.

Taking each of the roles in turn:

**Programme management:** Monitoring Committees contribute to the good management of the programme though in practice this is often limited to a (sometimes nominal) oversight role with actual management ensured by some form of managing authority usually drawn from within central government.

**Transparency:** The presence of the Commission and the Member State in Monitoring Committee meetings is a force for inducing partners to ensure that they have fulfilled the statutory obligations of the partnership.

**Information dissemination and liaison:** Where the horizontal partners are involved Monitoring Committees often take on the role of communication of basic information.

**Debate:** Occasionally Monitoring Committees also provide a forum for the airing of issues and strongly held positions not necessarily connected with the Structural Fund activities.

Monitoring Committees are not necessarily committees either, they are often assemblies. Furthermore, over large Monitoring Committees tend to reflect or necessitate effective decision making in informal pre- Monitoring Committee caucuses. On the other hand, at the programme development stage (only) when maximum inclusiveness in partnership is required, large formal meetings/assemblies may be appropriate. Real decisions are often taken in pre-meetings in advance of horizontal consultations. Overly inclusive meetings make this necessary as otherwise processes take too long and confusion arises.

27 This is generally the case in Belgium, France, Finland, Greece, Italy, Spain and the UK.

arranged behind closed doors, this calls into question the appropriateness of the partnership body and the willingness of the key actors to pay more than lip service to the goals of partnership.
The role of the Monitoring Committee also varies depending on whether there is also a strong secretariat and a nascent management committee present.\(^{28}\) In such cases the Monitoring Committee has more of a strategic role and the programme management committee a clearer operational function.

### 4.2.2 Secretariats and technical assistance

Relationships between ‘secretariats’ and Monitoring Committees are often unsatisfactory in that the secretariat which may in theory be responsible to the Monitoring Committee is often in practice provided by the dominant (state) partner, who may also be the official or *de facto* ‘managing authority’.\(^{29}\) This is not, However,, a universal picture across the Union, and the Nordic countries in particular have developed separate programme management committee structures.

When strong secretariats are the embodiment of the state’s position then principles of inclusion risk taking a back seat to effectiveness and efficiency. It is clear, However,, that there is a need for operational management and co-ordination in most of the Structural Fund programmes that looked at in this study. In the examples mentioned above, the secretariats often fulfil this role. This may be interpreted as evidence of an institutional vacuum which the secretariats have been (partially) able to fill.

Technical assistance is often under-used in current Structural Fund programmes. Technical Assistance budgets do, However,, provide the opportunity to develop partnership capacity where allowed to fulfil this function. However,, as has been seen, there are often difficulties with financing technical assistance from Structural Funds.

### 4.2.3 Management Committees and Managing Authorities

As has been seen in *sub-section 4.2.2* above, some nascent management authorities already exist. Sometimes this role is performed by the secretariat in a management role or similar.\(^{30}\) Single quasi-autonomous programme management organisations can also provide the focus and operational coherence which allows partnerships to work effectively. Examples of this kind of programme management organisation are quite rare.\(^{31}\)

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\(^{28}\) In Sweden, for example, the Monitoring Committee is situated at national level and is highly inclusive while programme management groups operating at regional (County) level are narrower, consisting only of elected politicians.

\(^{29}\) Examples may be found in Austria, Belgium, Denmark, France, Germany, Greece, Spain, Sweden and the UK.

\(^{30}\) Examples of programmes where management authority exist include Belgium (Hainault), Denmark (Objective 2), Finland (Objectives 2 and 6), Germany (Objective 4), Greece (Macedonia Objective 1), Ireland (LEADER and ADAPT), UK (Merseyside, Objective 1), UK Objective 2 (North West England), Italy (Objective 1 Basilicata), Luxembourg (INTERREG), Netherlands (Objective 2 and 4).

\(^{31}\) They tend to be a feature of the UK system where there is an institutional history of quangos (Quasi-Autonomous Government Organisations) and more recently of agency structures (along
Where the management authority is responsible to and operating for the programme as a whole then it is more effective and useful than bodies which act on behalf of specific partner groups.  

Structural Fund partnerships use a variety of operational forms at various stages in the programme cycle including working groups, sub-committees, workshops etc. (A number of examples will be presented in Section 7 below).

### 4.2.4 Leadership

Effective/successful partnerships (by whatever criteria might be used) require animation, steering and leadership. The success or otherwise of many Structural Fund partnerships at times is overly dependant on the contribution of individual personalities. The human factor is an important aspect of partnership operation, and clearly personalities and motivations can be important to desirable partnership outcomes and undesirable partnership outcomes alike. In a sense the human factor is self-evidently central to the partnership principle which is founded on the importance of a team-work approach and ethos. Notwithstanding this, the human factor tends to be less important in mature partnerships which have evolved their own structures and systems. To some extent it can be understood that the importance of the human factor as being indicative of young partnerships which are developing for the first time in areas which have not previously encountered partnership as a working practice.

### 4.3 Partnership behavioral characteristics

*Table 4B* provides a summary mapping of the predominant behavioral characteristics of the programmes reviewed. (With the predominance of different types of behavior ranked by size of typeface.)

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Scandinavian lines) within the public administration. In Greece we also find an interesting approach to programme management where they have opted to appoint independent programme managers for most programmes.  

A good example of a management authority which is operating for the programme as a whole can be found in the Objective 5b programme for rural Wales, which is located in Machynlleth in the heart of rural Wales well away from central government offices in Cardiff.
Table 4B: Predominant partnership behavioral characteristics across the cases

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Behavior</th>
</tr>
</thead>
<tbody>
<tr>
<td>A Maturity</td>
<td>1. ‘Very ‘mature’</td>
</tr>
<tr>
<td></td>
<td>2. ‘The partnership was built on pre-existing relations which were in place for some time’</td>
</tr>
<tr>
<td></td>
<td>3. ‘Partnership represents minor modification to pre-existing arrangements’</td>
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<tr>
<td></td>
<td>4. ‘Few (or no) relations between partners existed before introduction of the partnership principle’</td>
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<tr>
<td></td>
<td>5. ‘Entirely ‘new’</td>
</tr>
<tr>
<td>B Technical Assistance/ Secretariat Support</td>
<td>1. ‘High quality technical assistance / secretariat support’</td>
</tr>
<tr>
<td></td>
<td>2. ‘Significant technical assistance / secretariat support’</td>
</tr>
<tr>
<td></td>
<td>3. ‘Adequate technical assistance / secretariat support’</td>
</tr>
<tr>
<td></td>
<td>4. ‘A little technical assistance / secretariat support’</td>
</tr>
<tr>
<td></td>
<td>5. ‘Minimal / inadequate technical assistance / secretariat support’</td>
</tr>
<tr>
<td>C Clarity of Roles</td>
<td>1. ‘High degree of clarity and formality in operation of partnership’</td>
</tr>
<tr>
<td></td>
<td>2. ‘Roles and responsibilities well-defined’</td>
</tr>
<tr>
<td></td>
<td>3. ‘High degree of flexibility has been required - some confusion’</td>
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<tr>
<td></td>
<td>4. ‘Lack of clarity amongst most partners’</td>
</tr>
<tr>
<td></td>
<td>5. ‘Ad hoc and in practice informal’</td>
</tr>
<tr>
<td>D Range of Partners Involved</td>
<td>1. ‘All possible partners involved’</td>
</tr>
<tr>
<td></td>
<td>2. ‘All ‘obvious’ partners formally within partnership’</td>
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<tr>
<td></td>
<td>3. ‘Reasonable selection of partners included’</td>
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<td></td>
<td>4. ‘Partnership confined to minimum for credibility’</td>
</tr>
<tr>
<td></td>
<td>5. ‘Only the statutory minimum partners involved’</td>
</tr>
<tr>
<td>E Influence of Partners</td>
<td>1. ‘Genuine joint ownership and shared responsibility’</td>
</tr>
<tr>
<td></td>
<td>2. ‘Weaker partners perceive strong benefit of involvement and that they are stakeholders’</td>
</tr>
<tr>
<td></td>
<td>3. ‘Some partners feel ‘involved’</td>
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<tr>
<td></td>
<td>4. ‘Some limited influence over decision-making criteria’</td>
</tr>
<tr>
<td></td>
<td>5. ‘Partnership is nominal’</td>
</tr>
<tr>
<td>F Power of Partners</td>
<td>1. ‘A serious decision-taking organisation’</td>
</tr>
<tr>
<td></td>
<td>2. ‘Genuine debate and influence over strategic and tactical decisions’</td>
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<tr>
<td></td>
<td>3. ‘Choices tend to be marginal and concern ‘exception’</td>
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<tr>
<td></td>
<td>4. ‘Minimal impact’</td>
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<tr>
<td></td>
<td>5. ‘A ‘rubber stamp’</td>
</tr>
<tr>
<td>G Impact of Partnership</td>
<td>1. ‘Impact beyond its immediate tasks’</td>
</tr>
<tr>
<td></td>
<td>2. ‘Improved communication, local knowledge and future capacity’</td>
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<tr>
<td></td>
<td>3. ‘Some impact on quality of analysis, planning and choices of priorities’</td>
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<td></td>
<td>4. ‘Little impact beyond immediate function’</td>
</tr>
<tr>
<td></td>
<td>5. ‘No impact beyond immediate functions’</td>
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</tbody>
</table>
4.4 Conclusions

The members of the partnerships

Member States continue, by and large, to dominate and delimit partnership functioning through their key roles in both negotiating programme content and in determining the extent of the horizontal partnership, and through their habitual roles of providing secretariats and acting as managing authorities. Increasingly, despite initial reservations and resistance, many Member States are welcoming, encouraging and initiating more extensive and inclusive partnership strategies particularly as regards their (sometimes new found) relations with regional partners and the Social Partners, as they recognise the usefulness of partnership forms in pursuing their own policy agendas.

The development of the partnership principle is uneven across Member States and across programmes. In most countries there is scope for substantial improvements in inclusiveness of partnership; transparency of partnership functioning; Monitoring Committee functioning; technical support for participating partners; partnership at the time of programme development; and partnership at the time of evaluation.

Beyond its representation of the Community and its policing of the Regulation, the Commission also continues to play a key role both as a member of the formal partnership structures and as an important force for encouraging more extensive and inclusive formal and informal partnerships and for urging the introduction of good practices more generally. The Commission also plays a variety of other important roles including as a mediating partner; a source of information, support and advice; as a critical friend; and as an external protagonist.

The nature and role of regional partners varies greatly from country to country and programme to programme and this variety will be explored in more detail in Sections 5 and 6 below. What can be consistently observed across the Union is that regional partners are now fully entrenched as full partners alongside the Member State and the Commission for most if not all partnership activities.33 The contribution of the Social Partners to programme partnership is limited both for reasons of relevance and capacity and because of their less than full inclusion in partnership in some programmes.34 Often the participation of social partners in Monitoring Committees reflects the establishment of a channel of communication rather than real operational engagement, nevertheless there are numerous cases where social partner input makes a major contribution to programme development and management, and a number of cases where social partners play key role in programme operation. Again the role of the Social Partners will be explored in more detail in Sections 5 and 6 and also in Section 7.

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33 We explore this issue of ‘not all … activities’ in detail in Sections 6 and 7.
34 Whether for ideological reasons or simply because of inadequate mechanisms for inclusion (see Section 7).
The Community’s municipalities are much more often excluded from Structural Fund partnerships than included. Nevertheless there are a range of good practice examples (reviewed in the sections which follow) where the participation or representation of municipalities has made a decisive contribution to programme effectiveness particularly as regards ensuring fitness-for-purpose and as regards developing local and national institutional capacity.

The Community’s NGOs are largely absent from Structural Fund partnerships. Some cases can be found (largely within the ESF) and these exhibit a positive impact on programme functioning but NGO involvement in partnership is essentially nascent and atypical.

With municipalities and NGOs and other potential beneficiaries of programmes, issues do arise both as to conflicts of interest and as to the practical limits of inclusiveness. As shall be seen in more detail in Section 7, the solution to both these issues is likely to be found through mechanisms which allow for the representation of beneficiaries (such as the inclusion of a sub-set of all the potentially effected municipalities or NGOs) rather than the inclusion of all beneficiaries.

Partnership structures

While Monitoring Committees are only one component of partnerships, they do play a nodal function in broader partnership arrangements through their roles in programme management, ensuring accountability, information dissemination and liaison, and in hosting debate. Monitoring Committees are not formally responsible for programme management, ie. they are not the managing authorities, but in most cases where partnerships are both inclusive and involve some degree of co-decision making (as discussed in Section 3 above) Monitoring Committees do perform some de facto management roles. However, just as often Monitoring Committees do not even function as committees and partnership, if present at all, takes place informally between a limited set of key partners. In so far as Monitoring Committees have, or aspire to have, some de facto management role, the absence of appropriate secretariat or technical support can limit partnership functioning and effectiveness.

As shall be seen in Section 7 below, Structural Fund partnerships use a variety of operational forms at various stages in the programme cycle including working groups, sub-committees, workshops and so on. These operational forms generally are as important to constitution of partnerships as are the formal Monitoring Committee arrangements. Indeed, as shall be seen, much of the most important contribution of partnership to programme effectiveness comes through forms of consultation and co-option which may not be labeled as partnerships at all.

In Section 5 which follows attention is given to the forms of partnership under the different Objectives and Initiatives in order to better understand the roles and contribution of different partners under various partnership configurations.
Section 6 will, *inter alia*, examine and present some illustrations of partnership composition and structures in the different Member States. Finally, *Section 7*, examines in more detail partnership composition and structures and its effects at different programme stages.