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## **Declaration of Munich**

### **Adopted by the 6th Conference of Presidents of Regions with Legislative Powers, 21 – 22 November 2005**

At the invitation of the Minister-President of Bavaria, the Presidents and their representatives of Åland, Andalucía, Aragón, Asturias, Baden-Württemberg, Bayern, Bruxelles-Capitale, Burgenland, Cantabria, Catalunya, Deutschsprachige Gemeinschaft, Emilia-Romagna, Euskadi, Extremadura, Galicia, Kärnten, Lazio, Lombardia, Madeira, Marche, Niederösterreich, Nordrhein-Westfalen, Oberösterreich, Piemonte, Rheinland-Pfalz, Sachsen, Sachsen-Anhalt, Salzburg, Scotland, Sicilia, Thüringen, Tirol, Toscana, Trentino-Alto Adige, Valencia, Valle d'Aosta, Veneto, Vlaanderen, Vorarlberg, Wales, Wallonie, Wien, all regions with legislative powers in the European Union, met in Munich on 21 and 22 November 2005 for their 6th annual Conference.

Seventy-three regions within the European Union have governments and directly elected parliaments with law-making powers. Together, these regions with legislative powers cover nearly half of the total population of the EU. They are responsible for transposing and implementing EU legislation and policies, and in many cases constitute the only such level of government in a Member State. Some regions with legislative powers take part in the work of the EU Council of Ministers in their Member State delegations. Some bear a part of the financial contributions to the EU paid by their Member States.

Because the regions with legislative powers are often closer to the citizens of their territories, and all those affected by European policies, than national governments and the EU institutions, they have a particular legitimacy when voicing concerns about EU policies. At the same time they can help in bringing the EU closer to its citizens by engaging in the debate on Europe.

#### **The Presidents**

- note the rejection of the Treaty establishing a Constitution for Europe in the referenda in France and the Netherlands. They refer to the decision of the June 2005 European Council to have a reflection period in order to organise broad debates on the Constitutional Treaty and on the future of Europe. The Presidents now as before support the Constitutional Treaty that includes important provisions that would be beneficial not only to the regions with legislative powers but also to the people of Europe as a whole. The Constitutional Treaty would mark an important step forward for the regions with legislative powers through greater Treaty recognition and by strengthening the provisions on subsidiarity, *inter alia*, by recognising regional self-government as part of the national identity of the Member States' fundamental structures and by introducing a subsidiarity early-warning mechanism as well as recourse to the European Court of Justice.

- underline that the rejection of the Constitutional Treaty in France and the Netherlands has led the EU into a critical situation and has highlighted the distance between the EU and its citizens. This critical situation will only be overcome by real changes both in the way European decisions are taken and in the substance of policies. The regions with legislative powers can make an important contribution to bridging the gap between the citizens and the EU. Helping to ensure that the principle of subsidiarity is fully applied is one way of doing so.
- believe that the early involvement of national parliaments and the regions with legislative powers, including regional assemblies where appropriate, in European decision-making would help to improve the quality of EU legislation and thereby increase popular acceptance of European policies.
- in this context, call for the early application of the subsidiarity early-warning mechanism independently of the entry-into-force of the Constitutional Treaty. In addition, each time the European Commission puts forward a proposal, it should clearly spell out why it believes that it is in line with the subsidiarity principle.
- welcome the introduction by the European Commission of a structured dialogue with local and regional authorities but underline that this dialogue still has to be turned into a real and substantive exchange. More generally, the Commission should consult the regions with legislative powers directly, and, if appropriate, individually, on a much more systematic basis before proposing new legislation.
- welcome the initiatives by the European Commission, as well as the European Parliament and the Council, to promote better regulation, *inter alia* by strengthening regulatory impact assessment. They also welcome the Commission's recent decisions to screen and, if necessary, codify, recast, modify or in some cases withdraw or repeal proposed and existing Community legislation. This sends a clear political signal in the efforts for making things easier for citizens and operators. Furthermore, they offer the expertise of their administrations, as those who often implement Community law, in assessing the impact of new policy measures.
- convene to invite the Members of the Committee of the Regions (CoR) from their respective regions to set up an interregional group according to Rule 10 of the CoR's Rules of Procedure. This will improve the visibility of the regions with legislative powers in the CoR and their effectiveness, without in any way implying that demands for a reform of the CoR and for a better representation of regions with legislative powers in the EU institutional system are abandoned or that their cooperation outside the CoR will be replaced or diluted.
- recognize the important task that the Conference of European Regional Legislative Assemblies (CALRE) has to play in this new European context and commit themselves to strengthening cooperation with them, including in the interregional group to be established in the Committee of the Regions.
- welcome the existence of the Working Group "Regions with Legislative Powers" of the Congress of Local and Regional Authorities of the Council of Europe as an important contribution to strengthening regional self-government.

## **On the current political situation of the European Union**

The Presidents welcome the decision of the European Council on 16-17 June 2005 to decide on how to proceed on the Constitutional Treaty at its meeting in June 2006 and until then to provide for a one-year period of reflection during which Member States are free to continue the ratification process. They note that the current crisis of the European Union reflects a deep-seated unease among many citizens with the development of the EU. Therefore, the period of reflection must be used to initiate a re-orientation of EU policy and more inclusive decision-making that re-establishes the confidence of citizens in the EU. This requires particularly the following:

- More than hitherto, subsidiarity should become the guiding principle both for allocating competences between the European level and the Member States and for guiding the European Union in using its powers. The powers of the European Union should be limited to what cannot be sufficiently achieved at a national and regional level. The competences of the European Union have to be clearly delimited from the competences of the Member States. Harmonisation without a compelling need should be prevented by assessing European Union legislative proposals better than in the past in terms of their impact on citizens, business and public administration.
- The distance between the European Union and its citizens and its lack of popular support have to be addressed by a closer involvement of the national parliaments and the regions, including regional assemblies where appropriate, in the European decision-making process. Citizens rightly expect that new EU regulations will be discussed publicly before they are decided upon and can therefore still be changed. The early involvement of citizens in EU decision-making has to be achieved by involving the national parliaments, as well as the regions with legislative powers, in the European legislative process as comprehensively and as early as possible. This will also improve the quality of European decisions because they will be based on a broader reflection.
- The Presidents point out that the regions with legislative powers have often more direct contact with citizens. They therefore have a critical role to play in communicating the EU to the people of Europe. In this context, the intention of the European Commission to develop a communication strategy on the EU, involving also other actors, is welcomed. The Presidents offer their support in improving the communication and dialogue on Europe with the citizens in their regions.

By accordingly putting European policy on a new basis, confidence in the European integration process can be re-established. A credible re-orientation towards the involvement of citizens and subsidiarity will contribute to bridging the gap between the EU and its citizens. In addition, it is important to explain the significance and ambitions of European integration and involve citizens in the debate on the future of Europe.

## **Asserting respect for the principle of subsidiarity**

As more respect for the principle of subsidiarity is necessary not least to increase the support of European citizens for further European integration, it is in the interest of the EU as a whole to apply the subsidiarity early-warning mechanism independently of the Constitutional Treaty entering into force. The Presidents therefore call on the European Commission to apply the

early-warning mechanism on a voluntary basis. This would represent an important signal to the citizens that appropriate conclusions are being drawn from the current political crisis of the EU.

More generally, in order to implement the principle of subsidiarity, the Commission should, as a matter of principle, directly consult the regions with legislative powers when it proposes new legislation affecting their competences. When presenting its proposals, it should give a detailed assessment on how the proposal is in line with the principle of subsidiarity.

### **Better regulation**

The Presidents emphasise that the regions with legislative powers are directly affected by EU legislation when this legislation interferes with their powers. In addition, the administrations of the regions with legislative powers frequently have to bear the financial and other burdens associated with decisions taken by the EU, given that they are responsible in many cases for their implementation. At the same time, these regions are in direct contact with their citizens as well as business and other parties that are affected by EU legislation. Furthermore, their administrations possess important expertise required for assessing the impact of proposals. Their early and intensive participation in the EU legislative process is therefore not only in the interest of the regions with legislative powers but in the interest of good governance across the EU as a whole.

The Presidents in this context welcome the introduction by the European Commission of a structured dialogue with local and regional authorities. However, improvements are still needed to turn the structured dialogue into a real platform for exchange. The sectoral dialogues planned or already carried out by the Commission are a first step in this direction.

Furthermore, the Presidents consider that:

- Laws and policies should be responsive to regional and local circumstances to have maximum legitimacy. Even where EU legislation is necessary, the implementing authorities should have maximum flexibility in taking regional and local circumstances into account. The Commission should therefore make as much use as possible of framework legislation, leaving to national, regional and local authorities the choice of form and method for achieving the desired results. The regions and local authorities should also maintain maximum freedom to decide on how to provide for services of general interest in the best way.
- A systematic impact assessment should become a compulsory part of EU legislation in order to limit the regulatory burden on the economy, citizens and administrations to the minimum necessary level. The starting point must always be the assessment of whether new regulation is required at all, or whether the objective could also be achieved by other, less restrictive means. Regulatory impact assessment is closely related to assessing conformity with the principle of subsidiarity. Simple, proportionate and effective legislation is a precondition for more growth and employment in Europe.
- The Commission's initiatives for improved impact assessment on EU proposals are welcome, as is the work of the European Parliament and the Council in this area. It is our aim that the regions with legislative powers may participate fully in impact assessments

and to share their expertise with the Commission and other actors. Only in this way can new regulation be made easy to implement and cost-effective.

- Already existing EU legislation and new EU laws currently in the pipeline should similarly be reviewed. The corresponding initiatives of the Commission and the Council are therefore welcome. Even though their first objective is to alleviate the burden on the economy and thereby contribute to growth and job creation, the opportunity should also be used to create a positive impact in regional administrations and to support the ongoing efforts for better regulation on the ground. The simplification and, if necessary, withdrawal of EU legislation will also benefit economic competitiveness.

### **Strengthening cooperation with the Committee of the Regions**

The Presidents believe that the Committee of the Regions (CoR) also has an important role to play in assessing the conformity of legislative proposals against the principle of subsidiarity. They call on the CoR to establish internal arrangements that will allow it to respond effectively to Commission proposals. They offer the expertise of their administrations to the CoR and look forward to working with the CoR. In return, the CoR should acknowledge the special importance of the regions with legislative powers in European governance.

The Presidents have agreed to invite the Members of the CoR from their respective regions to set up an interregional group according to Rule 10 of the CoR's Rules of Procedure. This will enhance the visibility of the regions with legislative powers in the CoR as well as more generally, and allow them to contribute effectively to checking proposed legislation in terms of its respect for subsidiarity. After 2 years, the operation of the interregional group will be reviewed. The Presidents invite the Conference of European Regional Legislative Assemblies (CALRE) to cooperate in the interregional group.

At the same time, the Presidents underline their commitment to pursuing their common objectives on institutional reform in the EU and to continuing their cooperation for this purpose outside the CoR. The interregional group will only complement these endeavours.

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The participants of the 6<sup>th</sup> Conference of Presidents of Regions with Legislative Powers (REGLEG) ask all partner regions to support these conclusions and recommendations at the national and the EU level. They ask the Presidency to transmit them also to the European Institutions.

**Adopted in Munich on 21-22 November 2005**