



Organizational Design of the Public Sector

(Chapter 3)



Subsidiarity Principle

- Introduced in 1931 with a papal encyclical (Pius XI).
- Horizontal dimension: What tasks should the state perform?
- Vertical dimension: Which state level should perform the task?



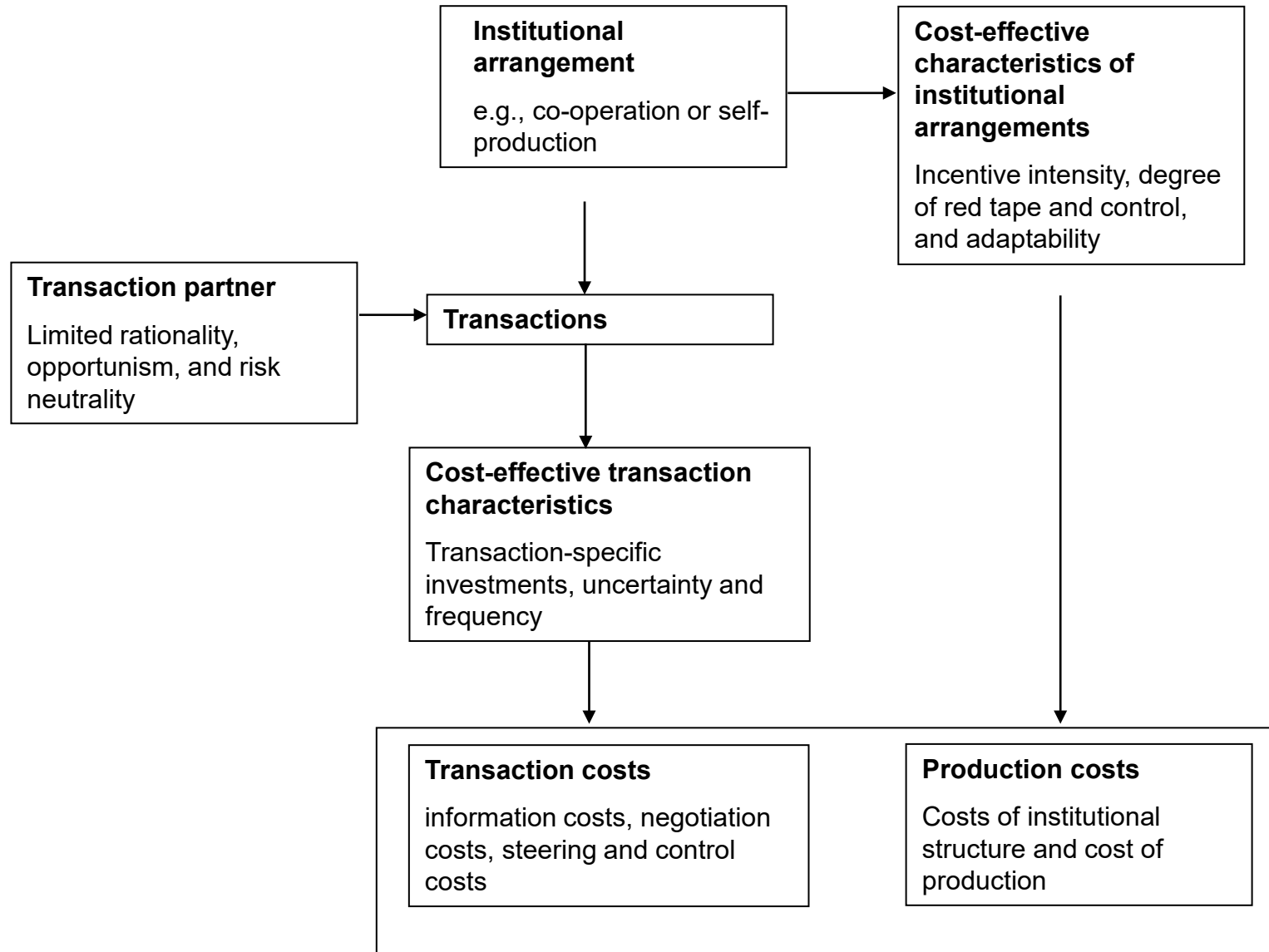
Focus: Horizontal Subsidiarity



Hierarchy, Network (Hybrids), Market

Williamson, in “Markets and Hierarchies” (1975):

- Stakeholders act opportunistically and have limited rationality. Actors are also risk-neutral.
- The higher the transaction costs of a market solution, the sooner hierarchy is chosen.
- Transaction costs correlate negatively with transaction frequency and positively with strategic importance of the transaction, transaction uncertainty and specificity of the investment.
- Specificity (i.e., site, physical, human asset, or dedicated specificity) increases as the difference in value between intended usability and second-best use increases.





Hybrids

- Hybrids have advantages: “Incentives, adaptability, and bureaucratic costs. As compared with the market, the hybrid sacrifices incentives in favor of superior coordination among the parts. As compared with the hierarchy, the hybrid sacrifices cooperativeness in favor of the greater intensity.” (Williamson 1975: 95).
- Cooperations are preferable at medium specificity (Picot/Dietl/Franck 1997).
- Criticism: Opportunistic behavior present (role of trust)?
Consideration of historical, social, political, and legal influences?



From a Single Provider to a Network

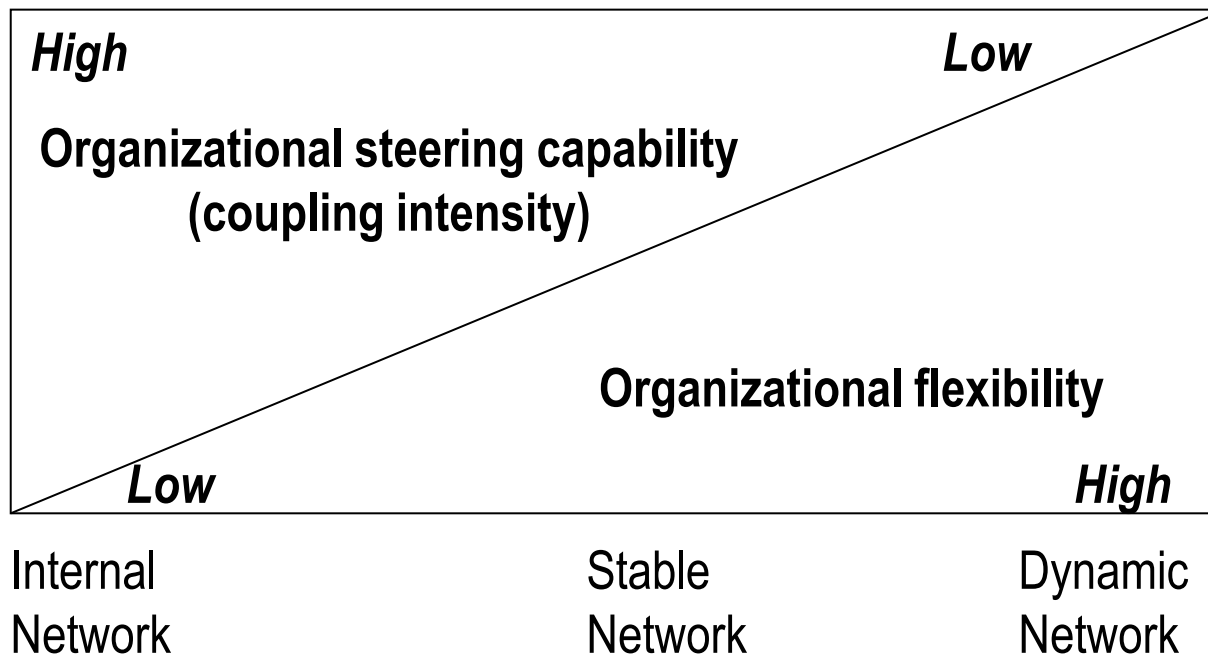
In the case of a guarantee state, the state becomes a participant in an individual provider's network. Networking in three areas:

- Democracy and participation: democratically legitimizing decision-making procedures
- Production networks: forms of cooperation between public and private institutions
- Public tasks: provision of public services to beneficiaries via local, regional, or national portals



The Network Organization

The "network organization" is a coordination concept. It stands between the market and the internal organization ("hierarchy"). A distinction can be made between internal, stable, and dynamic networks.

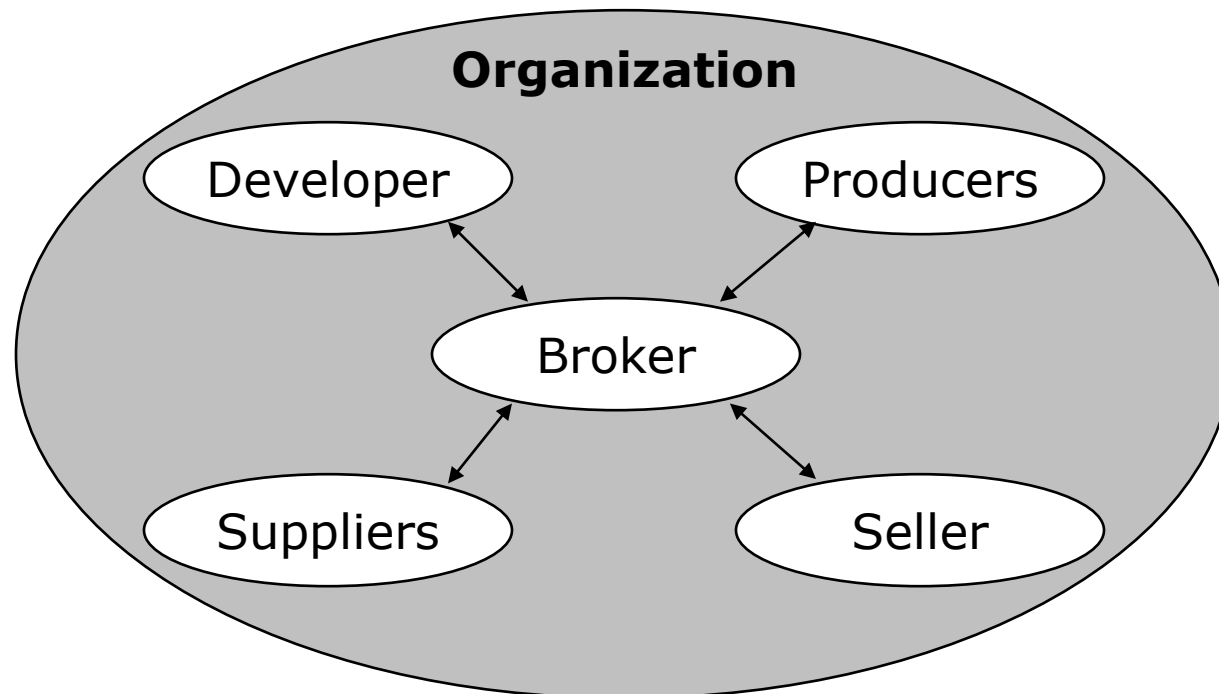




Internal Network

Service is realized without or almost without externalization:

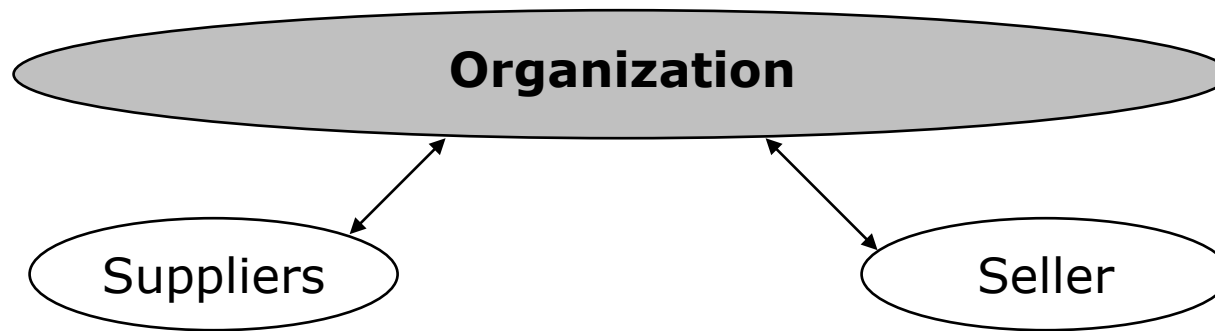
- Clearing of costs between network participants at market prices
- Network member is the sole specialist for the activities of the network
- Management motivates the individual units to find external customers for their products and services





Stable Network

Partially functional spin-off from the organization and very close collaboration with other organizations.

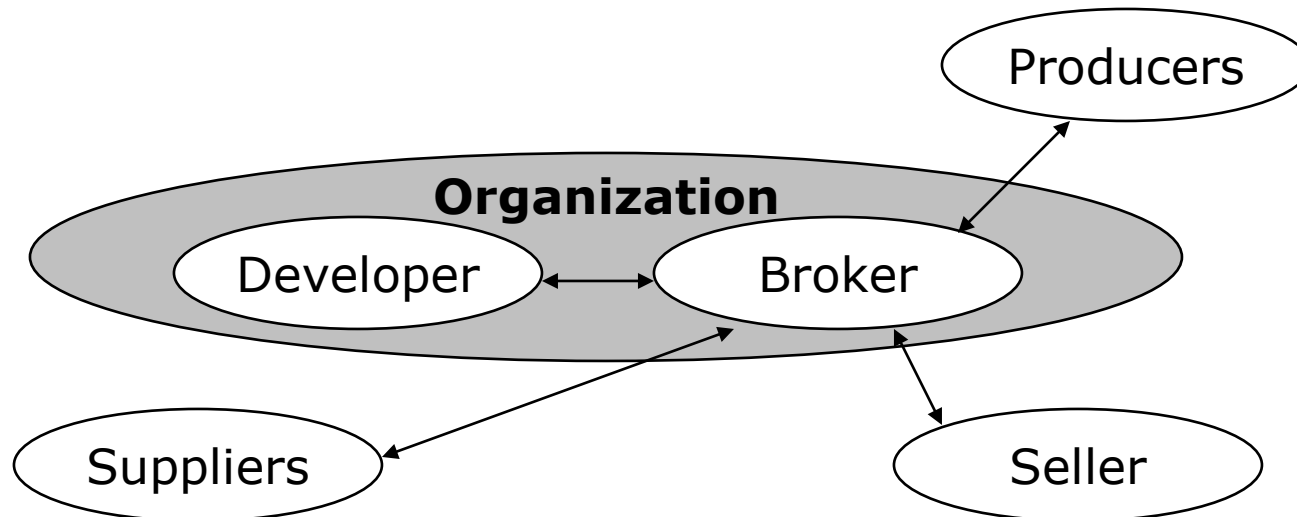




Dynamic Network

Increased level of externalization:

- Specialization of the organization in a part of the value chain
- Taking on coordination tasks over other network members
- In extreme cases, the organization only performs a broker function





Organization Collectives

		Type of interdependence	
		Commensalistic	Symbiotic
Relationship between organizations	Directly	Confederation	Conjugate
	Indirectly	Agglomerate	Organic collective



The Virtual Organization

The virtual organization is closely related to the network organization. As with network organizations, views of what a virtual organization is are widely divergent.

The virtual organization breaks the classical organizational boundaries in spatial, temporal, and legal terms. It is volatile both in its parts and as a whole, i.e., it may be completely dissolved after the problem has been solved.



Features of the virtual organization

Constituent characteristics:

1. Consistent market presence towards the customer
2. Overall optimization of the entire value chain

Physical attributes:

3. No common legal umbrella
4. No shared management

Additional specifications:

5. Sophisticated information technology to connect the individual units
6. Feeling of absolute mutual trust between the stakeholders

Benefits:

7. Existence of individual competences
8. Synergetic amalgamation of competences, therefore no competitive situation



Forms of Performance of Tasks

	Market / Private Sector organizations	State Owned Companies / Enterprises	Voluntary / charity organi- zations	Public Body	Contract Agency	Departmental Unit
Definition	organization contracted by government	government owns company or majority of shares	bottom-up body given public task and funding	quasi-autono- mous organiza- tion outside government	quasi-autono- mous unit with- in government	division of government bureaucracy
Finances	through market mechanism	state budget or stock exchange	donations, subsidy	state budget, fees or levying	state budget	state budget
Ministerial accountability	only for terms of contract	limited to strate- gic and financial decisions	only for terms and the amount of subsidy	only for policy design and regu- lation	reduced in case of managerial matters	full ministerial accountability
Control mechanisms	contract	market inter- vention or buy- ing/selling shares	contract	statutes, law	framework document	hierarchical intervention
Dutch examples	waste disposal by local govern- ments, co-finan- ced infrastruc- tural projects	Postal and Telecommunica- tions Services (now privatized)	Salvation Army, Red Cross	legal aid, public universities, Water Boards	Service for Immigration and Naturalisation	division of Ministry of Justice, Defence, the Home Office

Source: van Thiel (2000: 6)



Views of Owner Steering

Explanations	Interests	Members of the Supervisory Body	Role of the Supervisory Body	Model
Principal-Agent Approach	Owners and managers have different interests	Representatives of the owner	Conformity in the interest of the owner	Compliance model
Stewardship Approach	Owners and managers have the same interests	Experts	Improving the performance of the organization	Partnership model
Democracy Approach	Public/politicians have their own interests	Lay representatives	Enable the agency to be politically controlled	Democratic model
Stakeholder Approach	Stakeholders have different interests among themselves	Representatives of stakeholders	Balancing the interests of stakeholders	Stakeholder model



Definition of “Public Corporate Governance”

Public corporate governance includes all principles relating to the organization and management of outsourced public organizations – but still government-owned – with the aim of providing services effectively and efficiently.

In particular, it is a matter of a political optics taking into account the management optics.



OECD Report on (Public) Corporate Governance

- OECD Principles of Corporate Governance (1999)
- OECD Guidelines on Corporate Governance of State-Owned Enterprises (2005, 2015)



What Makes “Good” Public Corporate Governance?

Adapted form of organization

- Structure follows function
- Ministerial tasks: central administration
- Markets: public limited company
- Required autonomy with limited proximity to the market: public body

Sufficient autonomy

- More autonomy compared to central administration (i.e., in particular, freedom of choice)
- Fewer influence rights of political authorities



Coordinated Control Cycles

- Parliament sets policy objectives and verifies compliance with them (political controlling)
- Government translates these objectives into strategic guidelines and verifies their compliance (ownership controlling). Assumes the guarantor role and the owner role.
- Company management breaks these into business-strategic goals and checks their compliance (management controlling)



Control Tools

- Distinction between external and internal control
- External control involves control by government
- Static control instrument is law: structural elements and essential output and impact targets
- Dynamic control instruments are: overall planning, resource decisions (capital or financing contributions), performance contracts, ownership strategies (determined by government, perhaps parliament's participation rights)



Transparent Reporting

- Cascade-shaped reporting system for supervisory authorities
- Approval by government, for information by the parliament

Adequate Supervision and Oversight

- Increased accountability due to autonomy
- Financial and performance risks remain!
- Parliament: no direct visiting and inspection rights. Indirect oversight only.



Structure of the Owner

- Parliaments depend on professional parliamentary services. Special commissions are conceivable.
- Central equity controlling.

Appropriate Management Structures

- Clearly defined profile of the supervisory board
- Carefully weighing of the participation of the representatives of the government on the supervisory board (consideration of political attitudes vs. conflicts of interest). In addition, supervision is difficult to provide.



Frequency of Contacts With the Owner

	Formal meeting	Informal contacts
At least once a week	8%	46%
At least once a month	21%	29%
At least once every quarter	35%	18%
At least twice a year	21%	4%
At least once a year	15%	2%
Total	100%	100%

- Main topics of formal contacts (sorted by importance): Achievement of the organization's objectives, strategic orientation, organizational issues, finance
- Confidence is very high: 5.2 on a scale from 1-6.



Degree of Autonomy in Decision-Making

	Making investments	Determination of the amount of fees, levies, own shares	Setting prices for services/products	Participation in legal entities under private law	Budget shift from material to personnel (and/or vice versa)	Budget shift to investment	Transfer of funds to the following year
Independently							
No	3.5	2.8	3.4	2.1	3.3	3.0	2.6
Yes	5.1	4.9	5.1	5.0	5.6	5.3	5.2
Total	4.1	3.6	4.1	3.2	4.1	3.8	3.6

Legend:

Averages, 1=higher authority makes decisions regardless of organization;

6=organization makes decisions completely independently of higher authority



Targets Are Set

- In the case of independent organizations, objectives are mainly set out in contracts with departments and in laws/regulations.
- In the case of contracts, however, 1/3 of the respondents also note a lack of concrete targets.



Reward / Sanctioning

	Good results		Poor results	
	Not independently	Independently	Not Independently	Independently
No	45%	50%	32%	16%
Yes, low	48%	37%	55%	60%
Yes, strong	7%	13%	13%	24%

- In the case of independent organizations, the **reward** consists of (in order of decreasing importance): salary increase, improvement of financial equipment organization, greater autonomy, greater discretion
- In the case of independent organizations, the **penalty** consists of: salary reduction, increased control activity, reduction of financial resources



Achievement of Goals (Self-Assessment)

	Absolute achievement of goals (on a scale from 1-6)		Improvement	
	Not independently	Independently	Not Independently	Independently
Financial target	6	6	24%	47%
Output target	5	5	50%	52%
Outcome target	5	5	48%	55%

- Independent organizations consider financial indicators to be excellently suited for steering. Output targets are considered as well suited, and there are reservations about outcome targets.



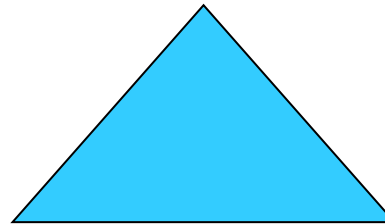
Problem Areas for State-Owned Enterprises

- **Potential role conflict of the government:** Tension between task-related and business-related goals.
- Owner's objectives are **rarely prioritized**, are very differently concretized, often not measurable and not always suited for the owner's level.
- Close **involvement of companies** in setting targets and assessing the achievement of the objectives – often very close interlinking of administration and companies.
- Government's culture of **intervention**.



Outsourcing

Outsourcing



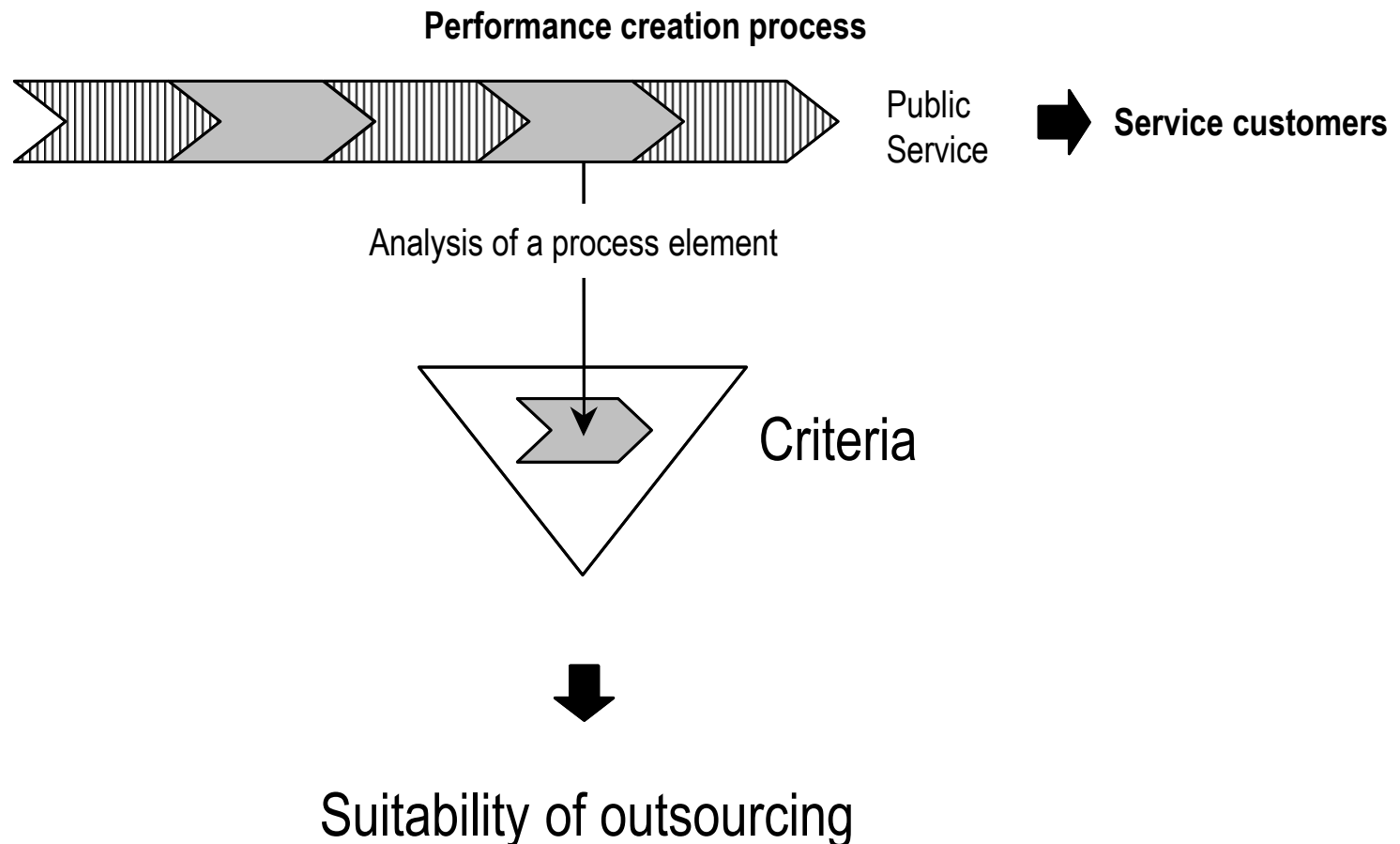
Decentralized administrative unit

- ⇒ legal form under public law
- ⇒ legal form under private law
(privatization of organization)

"real" third parties

- ⇒ other public institutions
- ⇒ private entities
(privatization of
service provision)

Analysis grid for determining the suitability of outsourcing





1) Is the task strategically relevant?

- ➡ Do not outsource strategically relevant process elements!

2) Specificity

- ➡ Do not outsource process elements that are considered to be particularly specific in the future (i.e., site specificity, physical specificity, human asset specificity, and dedicated specificity)!

3) Impact on costs

- ➡ Consideration of production and procurement costs as well as financing costs and transaction costs



4) How does the quality of the service change?

- ➡ Outsourcing only if product-related, customer-related, process-related, or value-related, and if political quality increases.

5) Are the relevant stakeholders integrated into the planning, implementation, and control process?

- ➡ Corporate governance must be taken into account when outsourcing!

6) Is the form of organization feasible? Is the coordination effort limited?

- ➡ Consideration of the field of tension (with the respective advantages and disadvantages) between centralization and decentralization.



7) How does the flexibility of the organization change?

- ➡ Forms of private law tend to offer greater flexibility.

8) Is there a risk of loss of know-how?

- ➡ Organizational form should prevent the loss of intellectual capital.

9) How does the motivation of employees change?

- ➡ Organizational form should have positive effects on intrinsic and extrinsic motivation.

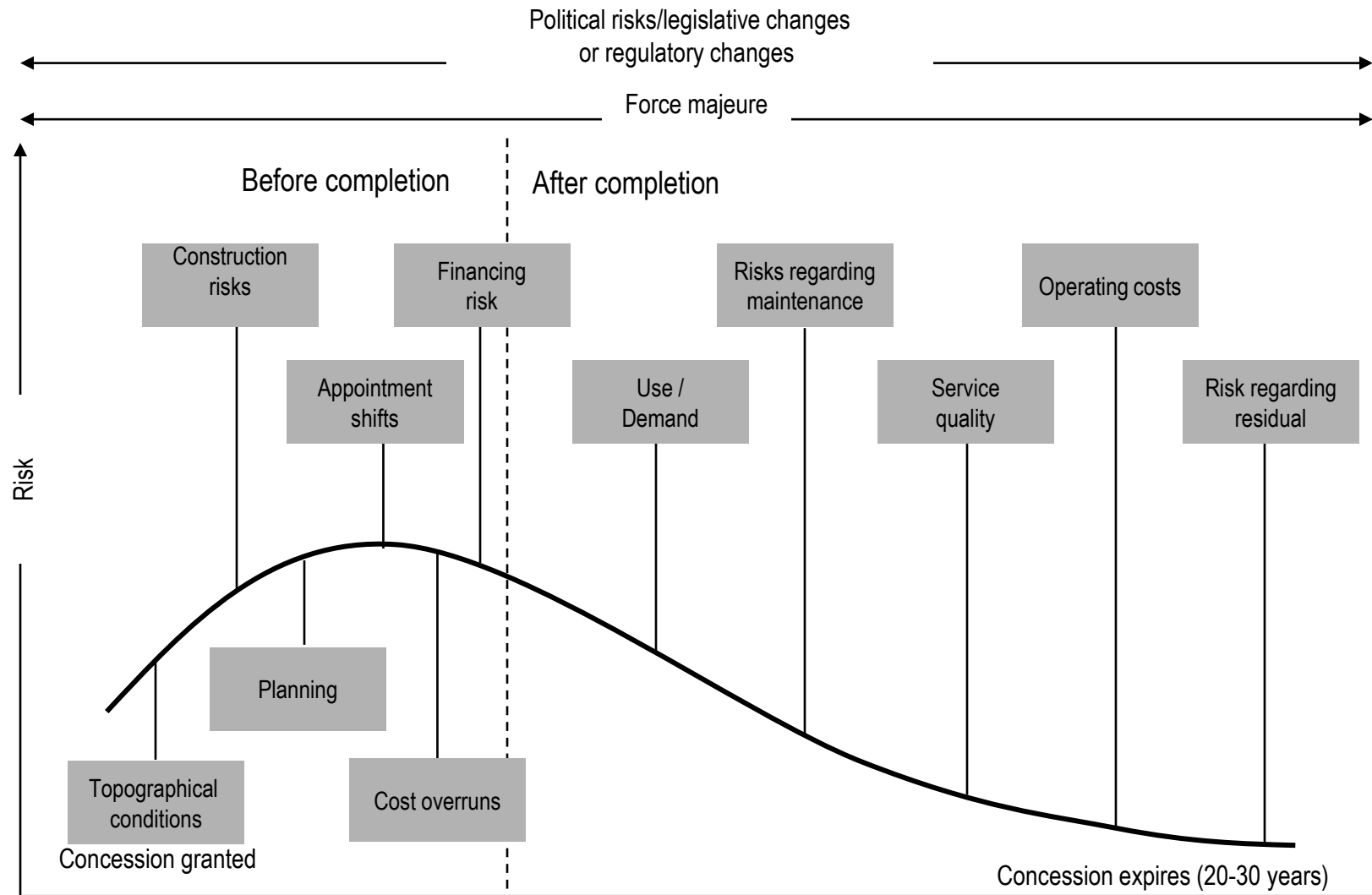


Public Private Partnership (PPP): Definition

PPP is long-term contractual cooperation between the public sector and the private sector, in which the necessary resources (e.g., know-how, resources) are recruited by the partners for mutual benefit in a common organizational context and existing project risks are distributed accordingly according to the risk management competence of the project partners.

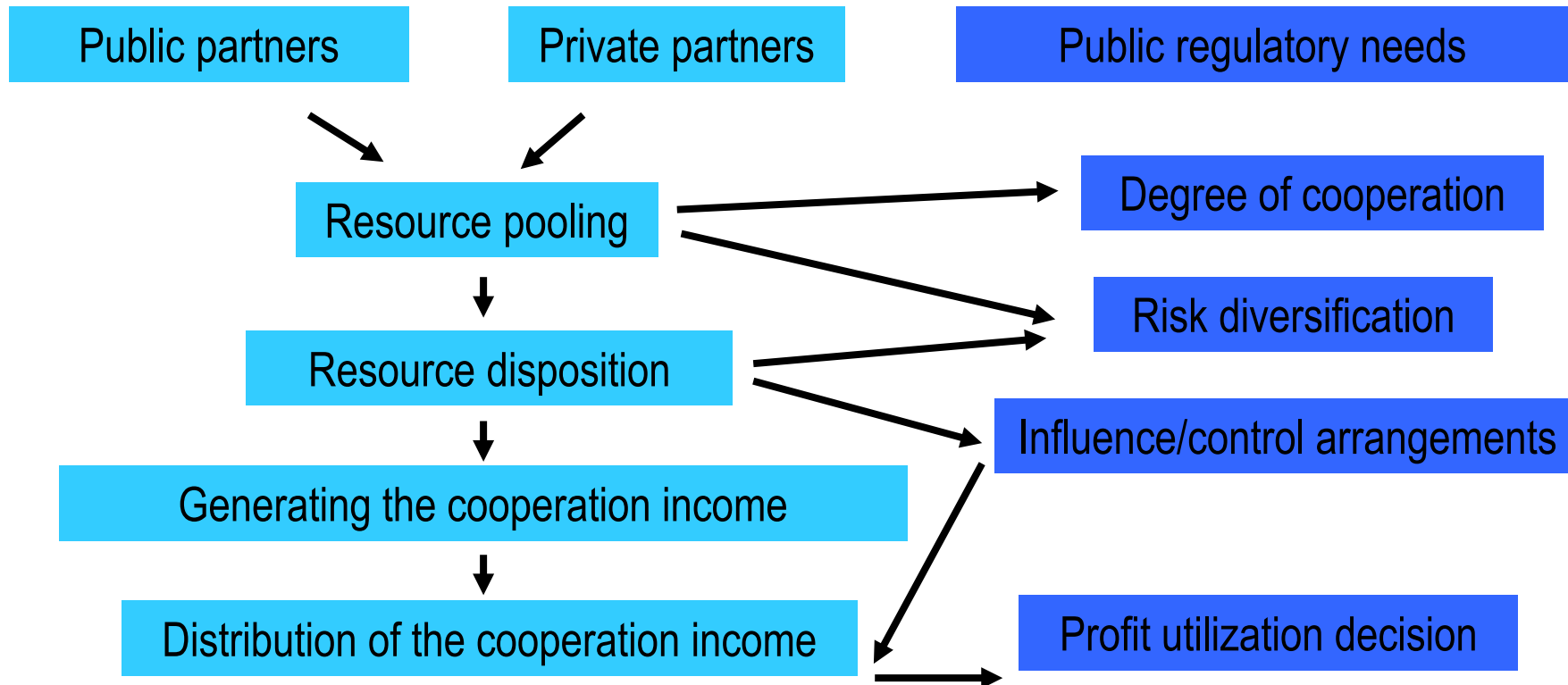


Risk distribution for infrastructure projects





Regulatory requirements for PPPs





Types of PPP (selection)

- Mixed-economy enterprise (cooperation model)
- Operator model (private ownership, private partner acting on behalf of government)
- BOT (build, operate, transfer)
- Operating release model (public ownership; private partner can act towards third parties)
- Management model (concession model) (public ownership, private operator acting on behalf of government)
- Procurement PPP
- Task fulfillment PPP



Critical discussion

- Reducing the burden of financing and administrative capacity of the state
- Know-how use of the private sector
- Strengthening competition
- Goal competition: Profit vs. common good
- Lack of influence, decline in democratically legitimate decision-making
- Information asymmetries
- Increase in indirect debt and shadow budgets



Case study Switzerland: School Online



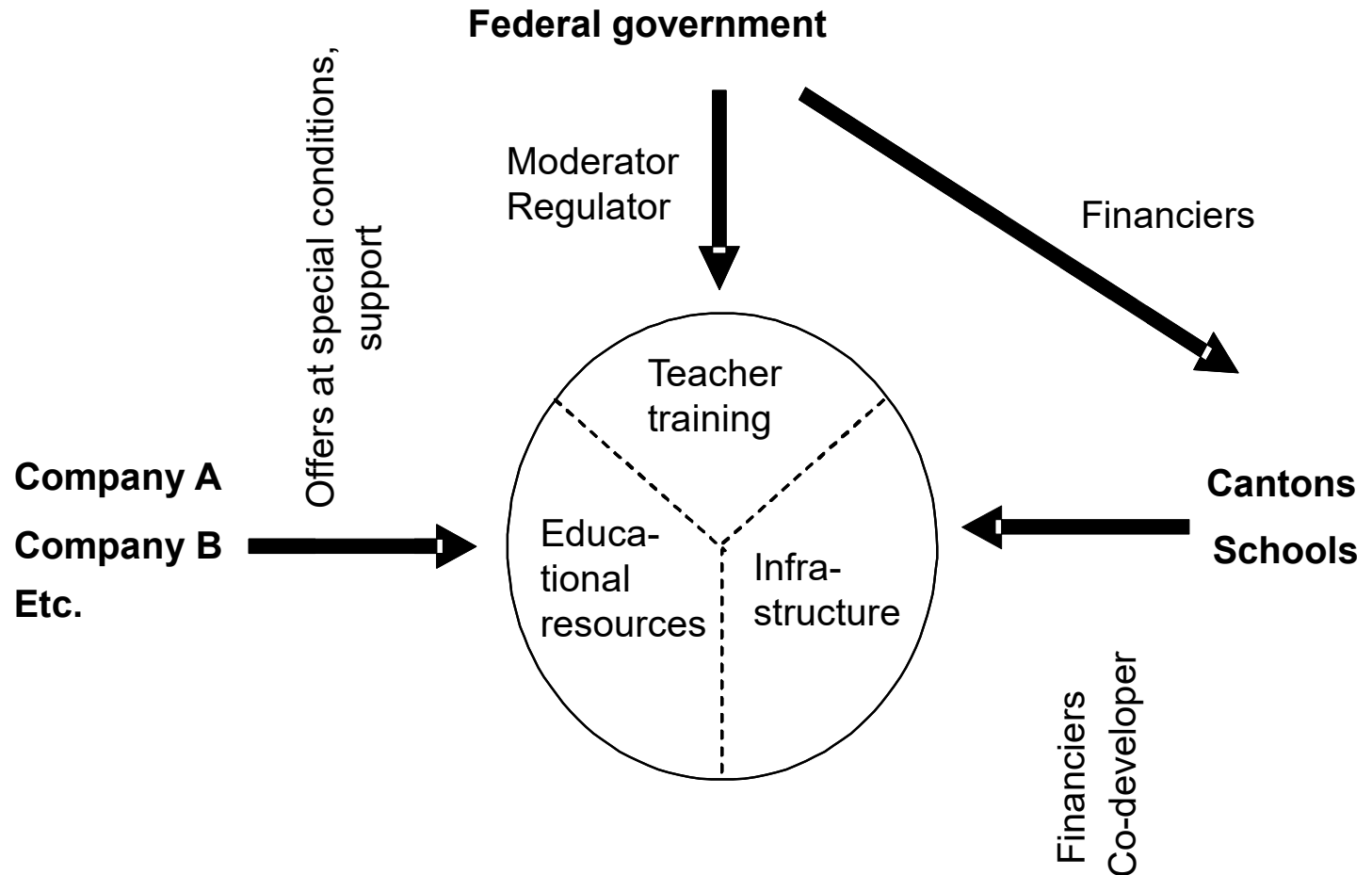
Purpose

The PPP initiative "School Online" ("*Schule im Netz*") aims to improve the quantitative and qualitative infrastructure for information and communication technologies (ICT) in primary and secondary schools by:

- Training teachers
- Opening up new pedagogical resources
- Equipping all primary and secondary schools with the necessary infrastructure at special conditions

Trigger for PPP

The initiative was based on the Swiss Federal Act on the Promotion of the Use of Information and Communication Technologies in Schools (limited to five years).



Case: General starting position in the city of X

The following
basic ideas are
on the table.....





What has happened so far?

- A short evaluation of the administration by an external office was positive.
- There are clear signals that the private sector is interested.
- The country's financial situation is precarious. In particular, there are no more free funds for special financing.
- The South district urgently needs a revival.
- In a response to a parliamentary initiative, the government has told Parliament that it will examine the feasibility of a PPP option of "tunnels under the lake" with great urgency, and may also pursue "creative solutions". This includes possible adjustments to cantonal legislation.



Topic 1: Ministry of Construction

Tasks:

- Development of a profile for a potential private partner
- What technical skills are required by the government for the implementation of this PPP?
- What could be a timetable for the implementation of the project?
- What is the added value that could arise from a PPP (from the point of view of the government)



Topic 2: General Contractor

Tasks:

- Presentation of basic road financing models
- Proposals for payment mechanisms (especially toll and shadow toll)
- Development of sketch for possible PPP structure
- What is the added value that could result from a PPP (from the point of view of the private sector)?



Topic 3: Independent Experts

Tasks:

- Presentation of the success factors for a PPP project
- Sensitivity analysis (what arguments, reactions can be expected from the various politically relevant groups?)
- What contracts are required? What should be included in the contracts?



Full Privatization

- Possible forms: Abandonment of tasks, sale of the organizational unit, conversion into private law form, and (partial) sale of shares as "people's shares"
- Pros and cons: performance, innovation, corruption, responsibilities, civil rights, goal orientation, capital, market discipline, security of supply, natural monopolies, asset concentration/size, political influence, profit, and distributional justice
- In highly competitive industries, there are studies that show positive effects
- Controversial results in natural monopolies



Focus: Vertical Subsidiarity



Arguments for decentralization

- Decentralized decisions closer to the needs of the citizens
- Regionally differentiated services
- Higher innovation rate
- Reduction of burden on the overall system
- Local conflicts are mitigated
- Power of the state is limited
- More participation for the population
- Elite socialization



Arguments against decentralization

- Inequalities and injustices
- Slowness due to many stakeholders
- Special interests before overall interests

A distinction is made between *déconcentration* and *décentralization* (local authorities with their own legal personality, their own tasks, and their own bodies). *Federalism* is even further developed with a fully developed administrative apparatus and no controls in its own sphere of influence.



On the concept of federalism

- The traditional federalism theories of the Enlightenment and the 19th century are based on the existence of originally independent regions with different cultural, economic, and ethnic characteristics and primarily focus on the integration of heterogeneous societies through a federal order.
- The more recent theories already presuppose the democratic state as a whole and focus on the division of power by means of vertical separation of powers through federalist institutions and the protection of minorities through the widest possible territorial autonomy.

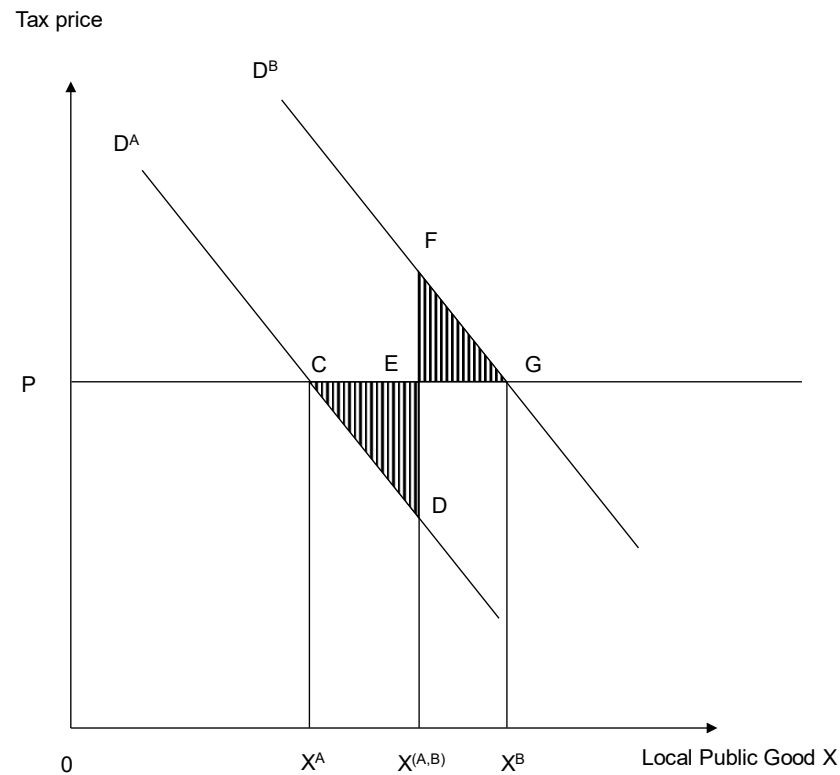


Economically justified federalism

- The optimal allocation of task-specific decision-making competences to the various levels of government is in the foreground. The starting point is the decentralization theorem and fiscal equivalence.



Oates' Decentralization Theorem



Source:
Oates, W.E., 1972



About 25 federal states





Types

- Federalist and decentralized: Australia, Canada, Germany, Switzerland, USA, Belgium
- Federalist and centralized: Venezuela, Austria, India
- Semi-federalist: Israel, Netherlands, Papua New Guinea, Spain
- Unitarian and decentralized: Denmark, Finland, Japan, Norway, Sweden
- Unitary and centralized: Bahamas, Barbados, Botswana, Colombia, Costa Rica, Greece, Iceland, Ireland, Jamaica, Luxembourg, Malta, Mauritius, New Zealand, Portugal, France, Trinidad.
So far, but: United Kingdom, Italy (regionalized unitary state?)



Conceptual distinctions

- **Basic characteristics (Lijphart):** (1) Power-sharing and decentralization as well as secondary (2) bicameral system with strong regional chamber, difficult to amend constitution, and a constitutional court.
- **Congruent:** The federalist units are, ethnically and culturally, the exact image of the state. - **Incongruent:** The federalist units are very different from each other. For themselves, however, they are more homogeneous than the general government.
- **Symmetrical federalism:** In principle, the federal units have the same competences and resources - **Asymmetric federalism:** The federal units are treated differently, in particular in terms of their autonomy (e.g., Quebec)



Municipality as the lowest tier of government

Municipalities are the jurisdictions based on public law on a territorial basis which are endowed with autonomy to take care of local public tasks.



European Charter of Local Self-Government (since 1988)

Art. 3,1: Local self-government denotes the right and the ability of local authorities, within the limits of the law, to **regulate and manage a substantial share of public affairs under their own responsibility** and in the interests of the local population.

Art. 4,3: Public responsibilities shall generally be exercised, in preference, by those authorities which are closest to the citizen. **Allocation of responsibility to another authority should weigh up the extent and nature of the task and requirements of efficiency and economy.**



Municipal autonomy

Municipal autonomy is the self-determination of municipalities to choose certain tasks and to determine the way in which the tasks are carried out.

In a policy field, a municipality is autonomous only if the higher tier of government does not regulate everything, but leaves it to the municipality to some extent.



Characteristics of municipalities in Europe

Mediterranean Group	Anglo-Saxon Group	Northern and Central European Group
F, I, E, B, P, GR	UK, IRE	N, S, SF, DK, A, D; CH, NL
Distinctive constitution	Low constitutional status	Distinctive constitution
Strong control from above	Little control in day-to-day business	Low control from above
Low municipal autonomy	Medium municipal autonomy	High municipal autonomy

Source: Kersting/Vetter 2003: 23



Municipality size in an international comparison

<i>Country</i>	<i>1973</i>	<i>1993</i>	<i>2013</i>	<i>Change 1973–2013 in%</i>	<i>Mean population</i>
<i>Northern Europe</i>					
Norway	443	439	428	–3.4	11,802
Finland	483	455	320	–33.7	16,151
Sweden	464	286	290	–37.5	33,240
Denmark	275	275	98	–64.4	56,943
Iceland	224	196	74	–67.0	4,447
<i>Western Europe</i>					
Switzerland ^b	3,095	3,015	2,396	–22.6	3,163
Germany	15,009	16,043	11,197	–25.4	6,742
The Netherlands ^c	913	636	408	–55.3	41,000
Belgium	2,359	589	589	–75.0	18,593
<i>Southern Europe</i>					
Slovenia ^d	–	147	212	+44.2	10,000
Portugal	304	305	308	+1.3	34,293
Spain		8,088	8,117	+0.8	5,815
Italy ^c	8,056	8,100	8,092	+0.4	7,550
Greece	6,061	5,921	325	–94.6	33,653
<i>Eastern Europe</i>					
Poland	2,366	2,462	2,480	+4.8	15,600
<i>Total (mean)</i>	<i>3,081</i>	<i>3,130</i>	<i>2,336</i>	<i>–29.3</i>	<i>19,933</i>

^aComposition of geographical regions according to the United Nations Statistics Division

^bIn 1960, 1980, 1993, 2003 and 2013

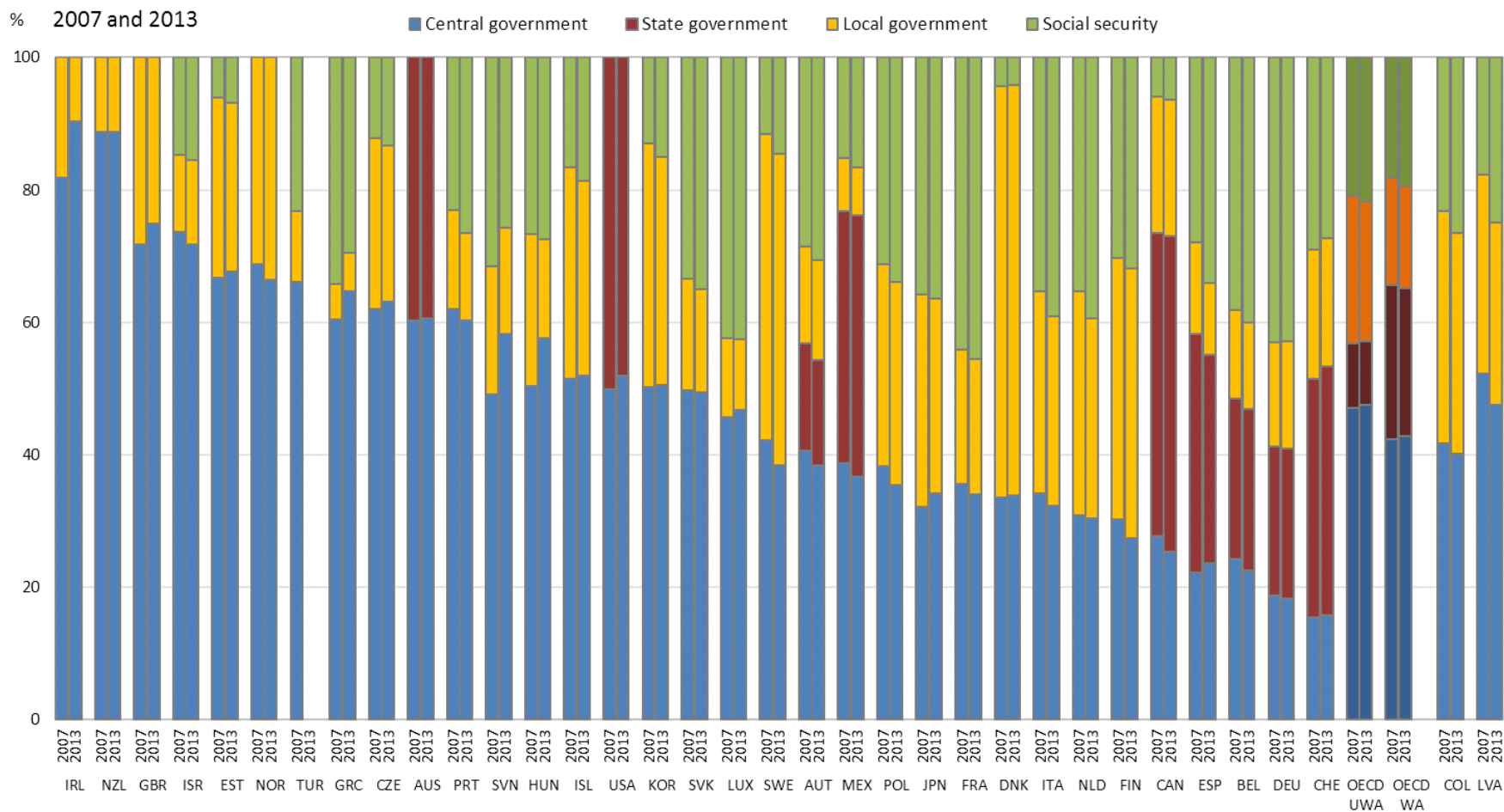
^cIn 1970, 1980, 1995, 2003 and 2013

^dIn 1995, 2003 and 2013

^eIn 1971, 1981, 1991, 2001 and 2011—that is, the years when the Central Statistics Office conduct a census

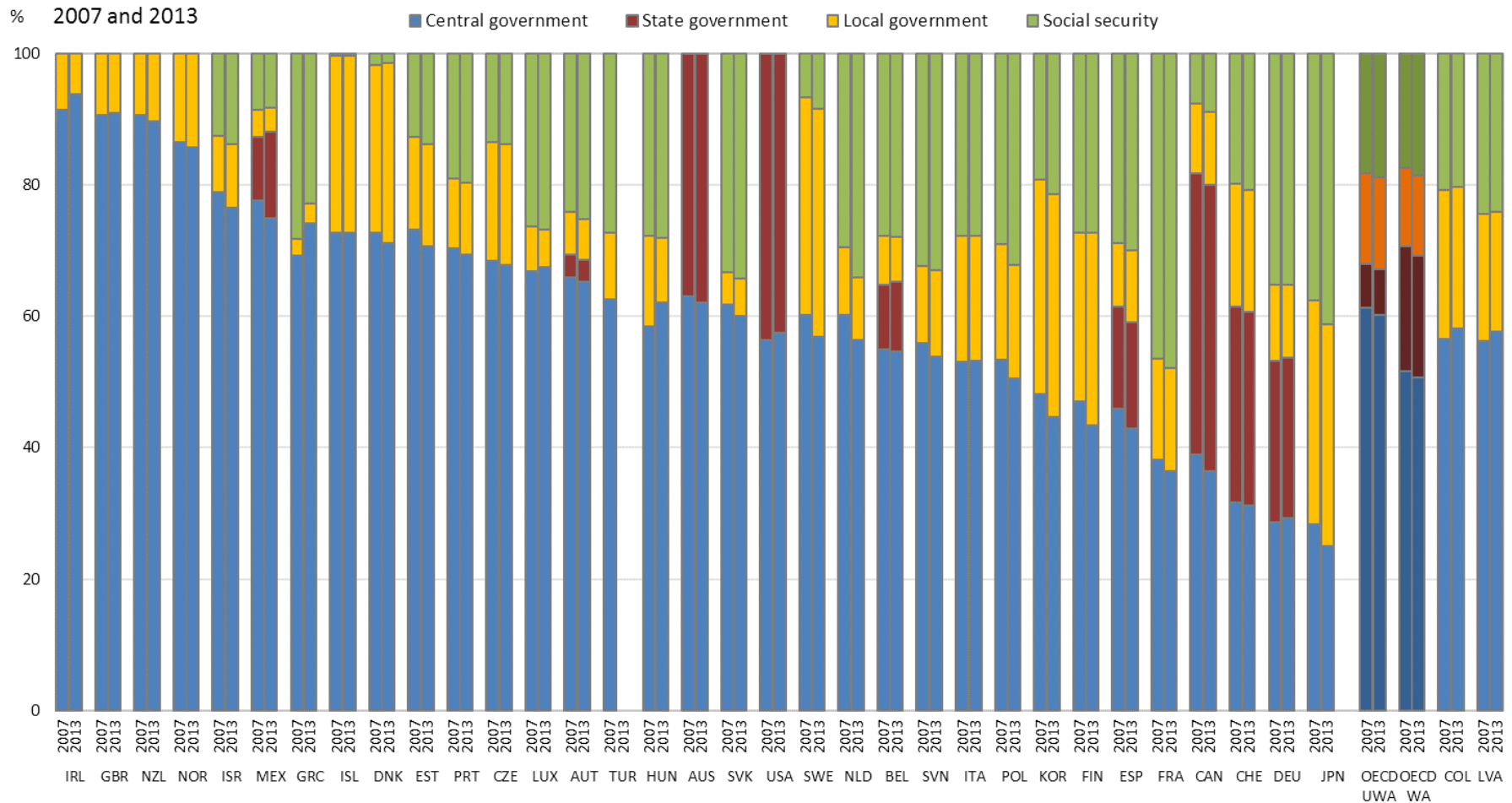


Municipal expenditure in the OECD





Municipal revenues in OECD





Financial sources

- > Direct taxes
- > Fees
- > Financial compensation:
 - > Indirect financial compensation vs. direct financial equalization
 - > Horizontal vs. vertical fiscal equalization



Definition of agglomeration

- ◆ UN (1998): Agglomeration = Core city with suburban surroundings which are directly adjacent to it
- ◆ A significant part of the population lives in agglomerations (suburbanization process): functional and social decomposition, high fragmentation
- ◆ Freerider problem, confusing political interdependence (violation of the principle of congruence and equivalence)



Definition of metropolitan region

- ◆ Highly condensed metropolitan region of high international importance
- ◆ In contrast to agglomerations, includes large rural areas that are closely linked to centers through economic links or commuter flow



Three schools

- ◆ Metropolitan approaches (consolidation)
- ◆ Public-choice approach (Tiebout: Voting with your feet, FOCJ)
- ◆ New regionalism: “soft institutions” (Fürst)

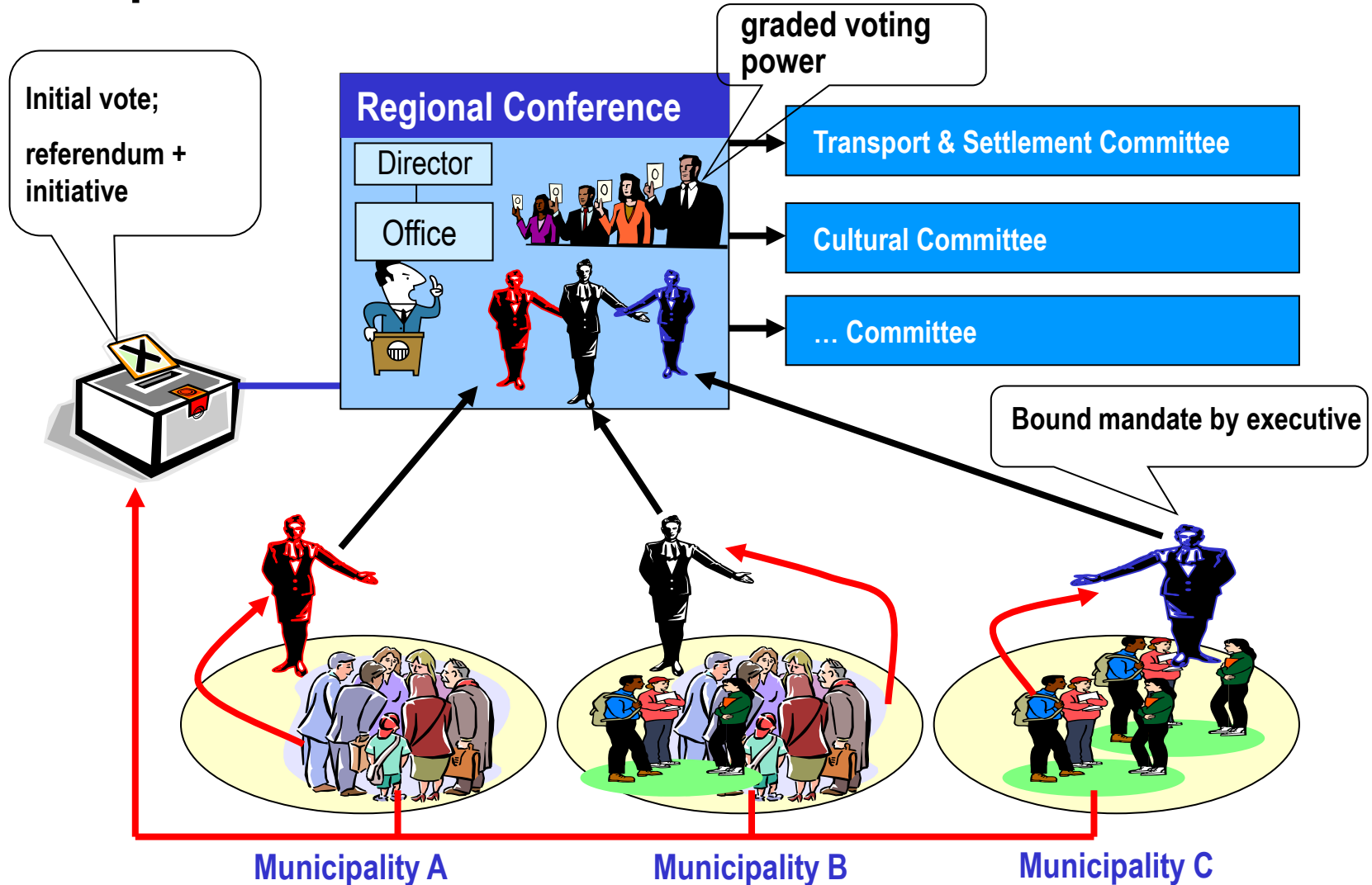


New regionalism

- Effective governance does not necessarily require consolidation.
- The focus is on cooperative arrangements between the networks of policy-relevant stakeholders – alternative between market and hierarchy
- Networks are heterogeneous, consisting of stakeholders and organizations (agencies) of different levels of government
- Prerequisites: (a) conflict-avoiding strategy required, (b) incentive structures of higher levels of government, (c) political leadership



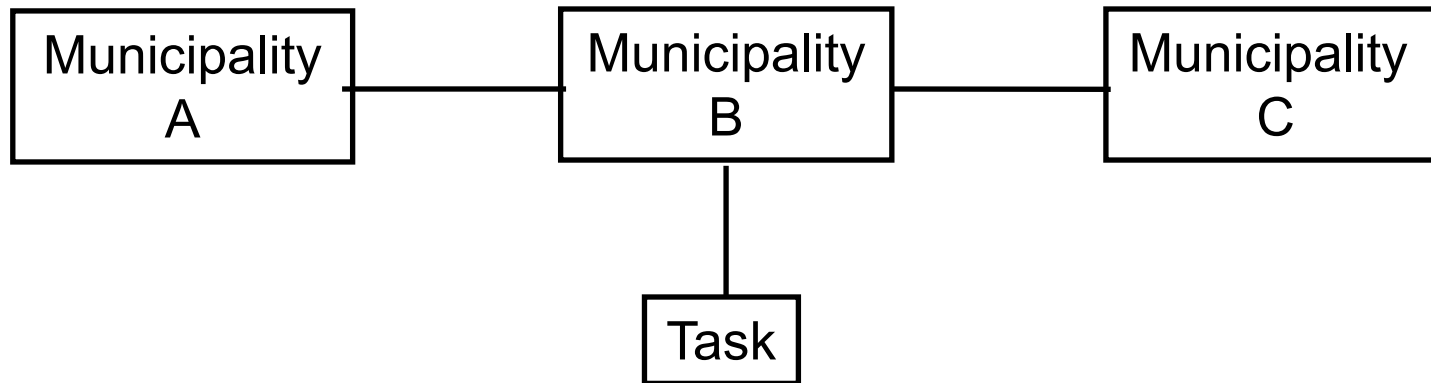
Example of a soft institution



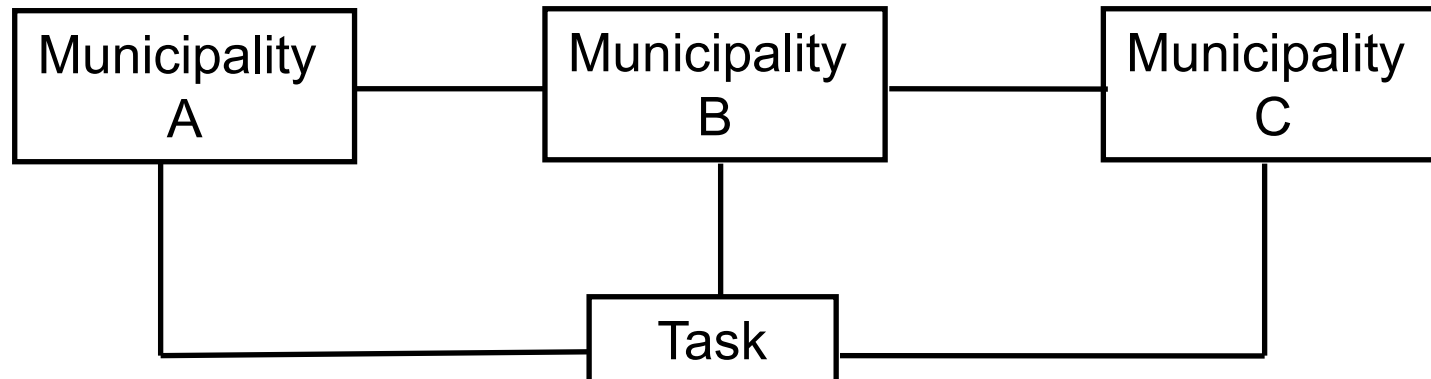


Different forms of cooperation

One municipality is the service provider



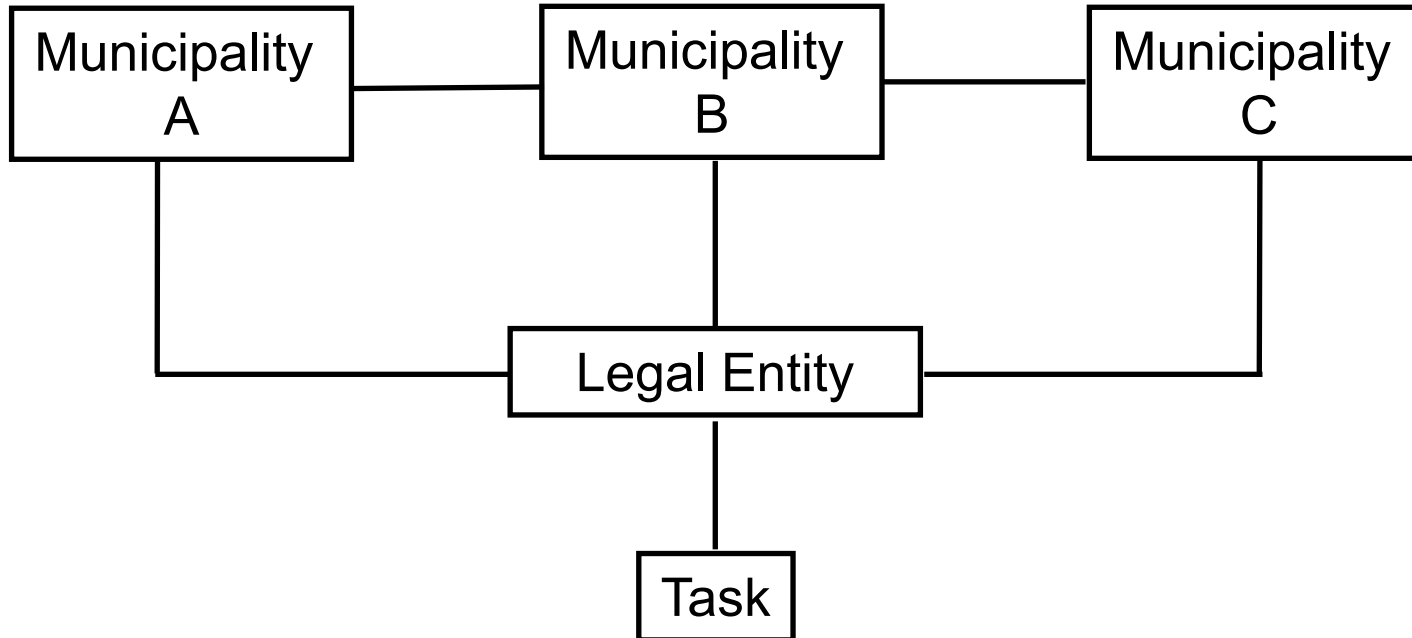
Mutual service provision





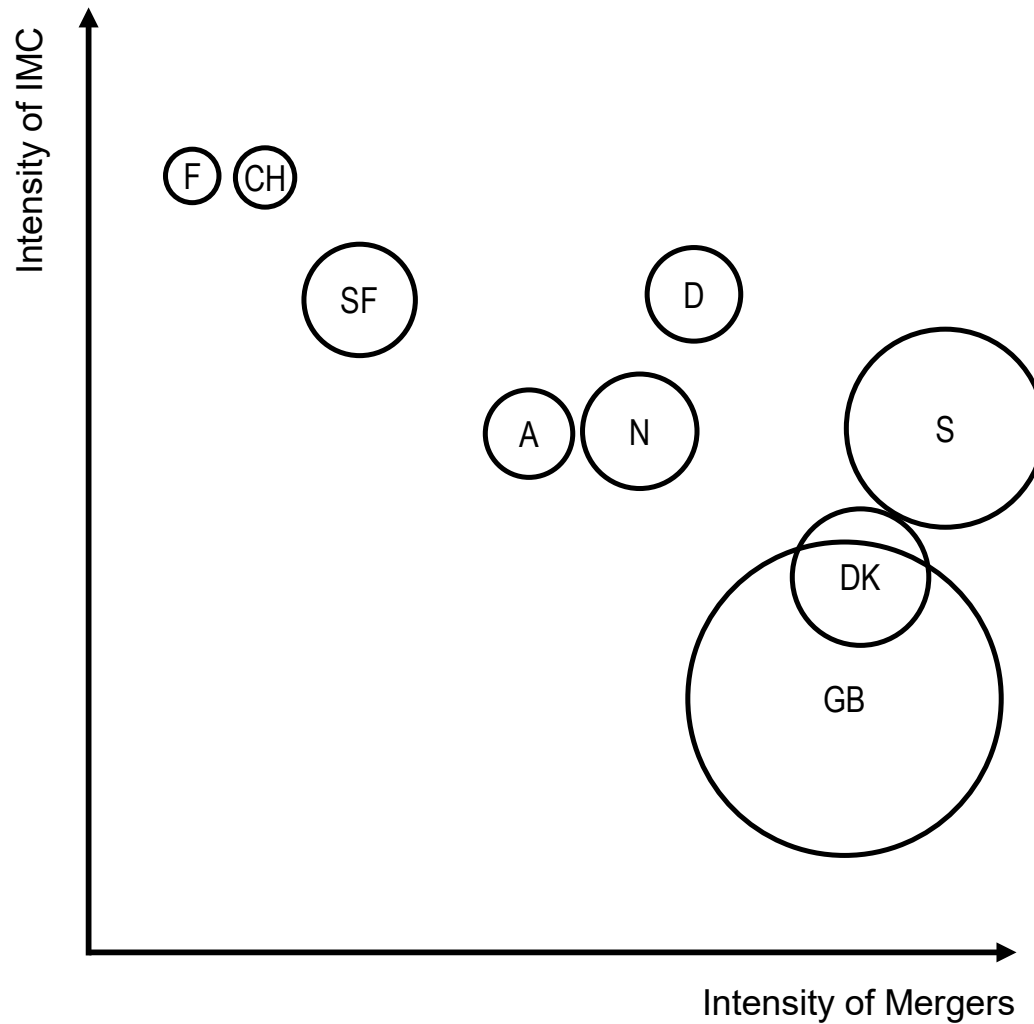
Different forms of cooperation

Service provision by legal entity





Link between IMC and mergers





Amalgamation strategies in Europe

<i>Amalgamation strategy</i>	<i>Countries</i>
Top-down strategy (comprehensive)	Denmark, Finland, Greece, Iceland, the Netherlands
Top-down strategy (incremental)	Spain, Norway
Mixed strategy	Belgium, Germany (some Länder), Switzerland (some cantons)
Bottom-up strategy	Switzerland (some cantons)
No amalgamation strategy	Germany (some Länder), Italy, Portugal, Sweden, Switzerland (some cantons)
Fragmentation strategy	Poland, Slovenia



Objectives of amalgamation reforms

<i>Objectives</i>	<i>Countries</i>		
	<i>No importance^a</i>	<i>Medium importance</i>	<i>High importance</i>
<i>Improving input</i>			
Efficiency (economies of scale, economies of scope)			Belgium, Denmark, Finland, Germany, Greece, Iceland, Italy, the Netherlands, Norway, Sweden, Switzerland
More specialized staff	Denmark, Italy	Belgium, Finland, Iceland, Greece, Switzerland	
<i>Improving output</i>			
Improving service quality		Denmark	Belgium, Finland, Germany, Greece, Iceland, Italy, the Netherlands, Norway, Sweden, Switzerland
<i>Improving room for maneuvering</i>			
Evolution/ Delegation of powers	Denmark	Iceland, Italy, Switzerland	Belgium, Finland, Germany, Greece, the Netherlands, Norway, Sweden
Democratization/ Participation/ Accountability	Denmark, Germany, Iceland, the Netherlands, Sweden, Switzerland	Belgium, Italy	Greece, Norway

^aThe experts assessed the various items on a scale from 1 (not important) to 5 (important). We have clustered the answers 1 and 2 as “No Importance,” 3 as “Medium Importance,” and 4 and 5 as “High Importance.”



Patterns of conflict

<i>Conflicts</i>	<i>Countries</i>		
	<i>No importance</i>	<i>Medium importance</i>	<i>High importance</i>
Central-Local		Italy, Switzerland	Belgium, Denmark, Finland, Germany, Greece, Iceland, the Netherlands, Norway, Sweden
Rich-Poor	Belgium, Denmark, Greece, Iceland, Italy, Norway, Sweden	Finland, Germany	The Netherlands, Switzerland
Large-Small	Denmark, Italy, Sweden	Finland	Belgium, Germany, Greece, Iceland, the Netherlands, Norway, Switzerland
Left-Right	Denmark, Finland, Iceland, Switzerland	Germany, Italy, the Netherlands, Norway	Belgium, Greece, Sweden
Technocracy-Politics	Belgium, Denmark, Sweden	Germany, Switzerland	Finland, Greece, Iceland, Italy, Norway



Outcome of amalgamations

<i>Outcome</i>	<i>Countries</i>		
	<i>No importance</i>	<i>Medium importance</i>	<i>High importance</i>
<i>Improving input</i>			
Cost savings		Finland, Italy, Sweden, Switzerland	Belgium, Germany, Greece, Iceland
<i>Improved output</i>			
Improved professional quality	Italy		Belgium, Finland, Germany, Greece, Iceland, Sweden, Switzerland
Improved legal correctness	Finland, Germany, Italy, Switzerland	Iceland, Sweden	Belgium, Greece
Improved citizen orientation	Finland, Germany, Sweden	Belgium, Greece, Iceland, Italy, Switzerland	
More equal treatment of citizens	Sweden	Finland, Germany, Greece, Italy, Switzerland	Belgium, Iceland
<i>Room for maneuvering</i>			
Strengthened local autonomy		Belgium, Finland, Germany, Iceland	Greece, Italy, the Netherlands, Sweden, Switzerland
Increased influence of the superordinate tier of government	Iceland, Italy, Sweden, Switzerland	Belgium, Finland, Germany, Greece, the Netherlands	
Strengthened local mayors/executives		Finland, Iceland, Italy, Switzerland	Belgium, Germany, Greece, the Netherlands, Sweden
Strengthened local citizenship	Finland, Germany, Iceland, the Netherlands, Sweden	Greece, Italy, Switzerland	Belgium