Further progress was made on 19 June 1984 when the Council, the Commission and Parliament made a joint declaration on reform of the Structural Funds, which states that 'the three institutions agree on the advantages, with due regard for the internal competence of the Member States and the provisions of Community law, of more efficient relations between the Commission of the Communities and regional or, where applicable, local authorities. This will enable regional interests to be better taken into account when regional development programmes and assistance programmes are drawn up'.

The impetus for setting up a Consultative Council of the Regions came from grass roots level, i.e. the regional Lobby. In January 1985 the Council of European Regions (CER), comprising more than 107 regions, was set up in Strasbourg under the Presidency of Mr Edgar Faure. One year later, it obtained consultative status at the Council of Europe, and the Commission of the European Communities granted it a substantial operating grant.

At the Assizes of the Regions in Brussels in 1987, the CER became the Assembly of European Regions (AER). In 1988, the AER, meeting in Madeira, considered the setting up of a Consultative Council of Local and Regional Authorities to be a priority. The aim of the AER is to constitute an institutionalized form of representation of all European regions which, within the future European Union, may develop into the 'European Senate of Regions'.

The impulse given by the European Parliament and the Assembly of European Regions encouraged the Commission to draw up a draft statute for the Consultative Council. In November 1988, the adoption by the European Parliament of the reform of the Structural Funds and the De PASQUALE report on regional policy and the role of the regions played a decisive role.

In its resolution, the European Parliament supported the idea of setting up a Consultative Council of Regional and Local Authorities, which should give its opinion 'not only on Community regional policy measures but also on Community policies with a significant regional impact and on those matters which are the responsibility of the regions'. It also called for the regionalization process to be stepped up and defined a series of criteria to be applied in the various countries: democratically elected regional institutions, sufficient powers, financial autonomy, involvement of the regions in formulating the position of Member States in the Community bodies, etc.

In response to the pressure from European associations and repeated requests by the European Parliament, the Commission finally decided in June 1988, after long drawn-out negotiations, to set up a Consultative Council.

## 3. Operation of the Consultative Council

The Consultative Council may be consulted by the Commission on any matter relating to regional development and in particular to the formulation and implementation of Community regional policy, which includes the regional and local implications of the other Community policies. The Consultative Council consists of 42 members holding elected office at regional or local level. They are appointed for three years in a personal capacity. Half of them are appointed for their special expertise and experience in dealing with problems of regional development and the other half for their expert knowledge and experience of development problems facing municipalities and 'intermediate' administrative areas ('départements', provinces, 'Kreise', etc.).

Members of this Council are appointed by the Commission on a joint proposal from the Assembly of European Regions, the International Union of Local Authorities and the Council of European Municipalities and Regions (a rival of the AER, which mainly defends towns to the disadvantage of regions).

The Consultative Council periodically meets the European Parliament's Committee on Regional Policy, especially since the beginning of the present parliamentary term.

## 4. Committee of regions

The Consultative Council was strongly criticized by the regions almost from the moment of its establishment. Its scope is limited since it may deliberate only on requests for opinions made by the Commission; it is hardly representative of the diversity of European regions (42 members for 171 regions and a population of 325 million).

Once again, the Assembly of European Regions was the first to react. In a resolution adopted in Strasbourg in December 1990, it put forward the idea of setting up a genuine Council or Committee of the Regions:

'All the Regions in the European Community should have the possibility of participating in the Community decision-making process from the initial stages in order to be able to voice their concerns and specific interests.'

'The existing institutions, and <u>mainly</u> the Consultative Council of Regional and Local Authorities, are not sufficient for this purpose. The first step must be to set up a Consultative <u>Regional Council</u> as an independent Community institution, along the lines of the Economic and Social Committee, in which all the Regions should have a seat and a vote. At the same time, it must be ensured that the small regions are adequately taken into account.'

'The Länder, Regions and Autonomous Communities shall participate through the Regional Council in the achievement of objectives assigned to the Community insofar as their rights or vital interests may be concerned.'

The European Parliament then took up the region's demands. In December 1990, at the Conference of national parliaments in Rome, the parties concerned called for full provision to be made for collaboration between the Community institutions and the regions established on the basis of the constitution or by law in the Member States.

The plan to set up a genuine Committee of Regions was therefore about to materialize.

## 5. The Committee of the Regions

The organization and powers of the regions vary considerably from one Member State to another on account of the different legal and institutional traditions on which they are based.

Germany, Belgium and Italy allow representatives of the regions to join national delegations so that those regions may be involved in Community