

## 1. Abstract

The EU Cohesion Policy is helping Europe's regions to address their socio-economic development needs and to speed up the catching up of territories lagging behind. This investment policy accounts for one-third of the EU budget; Hungary, with an allocation of € 21.9 billion in the programming period 2014-2020 and €20,6 in the period 2021-2027, is a main beneficiary. The implementation of the policy necessitates that a broad range of bodies – public authorities, socio- economic partners and territorial actors, and the civil society – collaborate effectively throughout the strategic planning and programme delivery course. Partnership constitutes a fundamental principle, the promotion and realisation of which improves the quality of the interventions as well as the transparency of funding decisions. Regulatory requirements have been significantly reinforced over the past decades. The paper presents the approach Hungary has adopted since 2004 to engage NGOs in the design and execution of EU-funded policy interventions. The legal-institutional set-up, the mechanisms and tools employed, cultural norms illustrated important changes in the subsequent programming periods, directly influencing the expanse and intensity of NGO involvement. Additionally, the COVID-19 pandemic radically changed the environment within which policy delivery and collaboration with NGOs work. The paper explores how the partnership principle and multilevel governance have been embedded in the programme devise and delivery processes over time. Since its first programming period of 2004-2006, Hungary has established structures and mechanisms for involving partners, including NGOs, civil society organisations in the preparation and delivery of EU supported programmes. Nonetheless, the engagement of partners has remained essentially input-focused. Current arrangements need to be upgraded to allow a meaningful dialogue to increase the effectiveness of policy implementation.

### *1.1. Points for Practitioners*

While partnership is a fundamental principle of the EU Cohesion Policy, the interpretation of its implementation, namely input or result-oriented partnership is sought, has shown important variations between the national authorities and partner organisations in Hungary. The difference is duly reflected in their assessments of the partnership regime. The national regulations do not cover partnership during the programming phase. In this area the approach and the set up, characterised by strong central coordination and a marked communications vein, which were created in the 2004-2006 period have stabilised over time. Monitoring committees have offered a good platform for NGOs to engage in the delivery of the operational programmes, these organisations have also proven active in specialised sub-committees. Changes in government structure and governance models have directly influenced the composition and operation of monitoring committees, impacting on the effective voicing of their concerns and recommendations. Evaluations testify the need of partners to improve opportunities for their meaningful contribution.

### *1.2. Key words*

Cohesion Policy, monitoring committees, non-governmental organisations, partnership principle

## 2. Introduction

### *2.1. The importance of the partnership principle*

The partnership principle is a fundamental principle to cohesion policy implementation. Its introduction, forming part of the reform of the Structural Funds in 1988, required the involvement of the relevant regional and local authorities in the preparation and the delivery of the assistance (Manzella, GP., Mendez,C., 2009), whereas authorities at European, national and sub-national levels of government and non-governmental bodies closely coordinate and collaborate to fully satisfy the corresponding programme management functions (Dąbrowski M,

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Bachtler J, Bafoil F., 2014). The scope and purpose of the principle has evolved significantly with the times. Regulatory provisions in the programming period 2000-2006 expanded the composition of partnership<sup>3</sup> calling for Member States to establish a “wide and effective association of all the relevant bodies”. This included, in pursuit of common goals, national and sub-national authorities, economic and social partners and other relevant public and non-public entities including organisations focusing on horizontal themes. Member States were obliged to apply the partnership principle in the various stages of the programme lifecycle. In the period 2007-13 the circle of partners was enlarged to embrace appropriate bodies representing civil society and non-governmental organisations. The adoption of the regulatory framework for the period 2014-2020 brought about further changes. The new “European Code of Conduct on Partnership” ambitioned to create a clear, well-structured framework for institutionalising partnership, improved accountability and transparent processes, coupled with the setting forth of minimum standards and inviting Member States to follow well-proven practices. Meanwhile, the concept of the Cohesion Policy assistance and the content of the operational programming documents have become more complex as well as the tasks of the monitoring committees have encompassed new domains. The changing environment opened up new opportunities for partners to impact on policy formulation and execution but also posed rapidly growing additional requirements.

Members States have been consequently encouraged to use technical assistance monies and invest in capacity building for partner organisations, besides to keep partners properly informed upon both access to funding and results of the projects financed by the operational programmes. The COVID-19 pandemic has affected the modus operandi in various ways. Social distancing and lockdown measures brought to a halt in-person dialogue and reduced opportunities for informal exchange of information, which are all essential elements of the workings of partnership.

Hungary has followed and lived through this trajectory, too. In structural and functional terms the partnership regime that was put in place in the early 2000s has consolidated and adapted to the continuously changing context. Good practices, which aimed at transferring knowledge, putting into place innovative solutions to advance discourse and help partners to arrive at informed decisions, have been identified. Nonetheless, the formal evaluations, research studies as well as feedback from various stakeholders firmly suggest that the potential is rather far from being unlocked. The Country Specific Recommendations of 2020 warn of the insufficient involvement of social partners in policy initiatives and implementation and articulate the need to “*Ensure effective involvement of social partners and stakeholders in the policy-making process.*”

This paper explores the evolution of Hungary's partnership arrangements. Scientific literature offers in-depth assessments of how the partnership principle has been conceptualised and set in motion in Hungary, also with a view to distinct varieties of interpretation and application in old Member States vis a vis CEE countries. However, these explorations cover shorter temporary perspectives which inspired the present authors to launch research over an extended period of time, investigate the variability of the critical elements over subsequent programming periods, and last but not least reach back to proposed themes in earlier studies. The research employed combined methodologies of desk research, namely the analysis of relevant scientific literature, EU and national regulations, implementing rules, concept papers, evaluation reports, summaries of programme partnership, and minutes of the monitoring committee meetings. In addition, semi-structured interviews were conducted with representatives of partner organisations, former and present members of monitoring committees and managing authorities.

## *2.2. The partnership principle in scientific literature*

Cohesion Policy opened up a new era in terms of how decisions are made in key aspects of policy content and delivery. Instead of being the outcome of the workings of strongly concentrated power, decisions in this particular policy area born in an environment of diffuse competence among regional, national and EU level (Marks, 1993, Bache, 2010). The new model emerged as a reflection of various factors, including the strengthening of regionalism (Shakel, 2020), the progression of Cohesion Policy implementation (Tulumello, 2016) and last but not least the EU integration process (Brenner, 1999). The impact of adhering to Cohesion Policy rules and broader Europeanisation proved most significant in countries where the implementation of domestic and EU policies fell under two separate, namely conceptually and technically different regimes (Frank Schimmelfennig and Ulrich Sedelmeier, 2006, Bache, 2010).

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<sup>3</sup> Article 8 of Regulation No. 1260/1999

The partnership principle is at the core of the realising the multi-level governance concept effectively. It is hard to overstate the significant added value, which the mobilisation of the professional, technical and ethical competencies of civil partners can generate for policy processes and outcome, save it is implemented effectively (Mairate, 2006). Partnership carries undeniable credibility and legitimacy aspects for Cohesion Policy (Bache 2010) as those affected by the interventions have a say; subnational actors, territorial bodies, civil society organisations are empowered to take part and shape EU policy formulation (Bache 2008; Newig and Koontz 2014).

Partners' participation enriches the understanding of the policy context, the specific needs of the targeted sector, and in particular those of the territory and local communities (Polverari & Michie, 2009; Buseti & Pacchi 2014). Receiving inputs from organisations (and residents) closest to the ground and embedding their ideas in relevant policy frameworks beneficially influence the quality and long-term feasibility of policy measures as well as their territorial sensitivity (Bache&Chapman, 2008; Mendez, 2013). The ability of partners to advocate place-based considerations so that they are channelled into the policy cycle supports the realising the concept of good governance (Perron, 2014). Furthermore, a closer link between policy devise, execution and the people whom interventions intend to help better accountability (Polverari, 2014).

Some researchers argue that the most critical element of the involvement of partners is through monitoring committees (Cartwright&Batory, 2011). These committees serve as quasi-information hubs, a centralised platform with both formal and informal information flows between members and through them a wide range of social, economic groups, political decision-makers (Cartwright&Batory, 2012). Monitoring committees also offer ample learning and networking opportunities, whereas regular interaction with the European Commission strengthens influence (Trondal, 2007).

The present research fits within a larger field of studies disputing if Cohesion Policy has effectively promoted the genuine involvement of NGOs in the decision-making processes. Many scholars have accentuated the diversity of partnership structures and mechanisms which Member States created on the basis of the common EU rules. Consequently, the actual effect of partner organisations is largely influenced by how putting into practice of the partnership principle is domestically regulated and practiced. Interpreting these regulatory obligations and adapting their fulfilment to the domestic legal-institutional setting are at the discretion of national governments (Bruszt 2008). National institutional traditions remain pre-dominant (Bachtler, McMaster, 2008) and multi-level governance processes resisted (Bache 2010). Although partners should be engaged in all stages, their contribution is essentially sought as input to the programming exercise and in the form of monitoring committee membership. Invitation to monitoring programme implementation applies to a tiny fraction of the NGOs (Andreou 2010). The selection of partners often reflects political considerations or is based on existing networks and personal relations rather than specific capabilities. Scholars formulate concerns over the formalistic approach Member States have adopted: monitoring committees operate on the basis of very formal processes (Potluka, Spacek, Martin, Remr, 2015), partners do not exert significant influence on allocation choices (Bachtler, Mendez & Oraže, 2014) or real decisions are made outside of the monitoring committees (Liargovas, Panagiotis and Petropoulos, Sotiris and Tzifakis, Nikolaos and Huliaras, Asteris, 2016).

These systemic shortcomings derive from a different interpretation state officials and civil society organisations hold upon the objective of NGO participation in Cohesion policy delivery. The former consider partnership as an instrument to channel citizens' input, whereas civil society organisations see themselves as a guardian of accountability and transparency (Demidov 2018). As the partnership principle represents a paradigm shift, its gradual acceptance is more realistic (Bachtler, Wren 2006). In addition to the lack of collaborative decision-making traditions in CEE countries, the weakness of the civil society is a general problem (Bruszt, 2008, Czernielewska, Paraskevopoulos & Szlachta, 2004). Last but not least, the absence of political stability prevents knowledge transfer (Adshead, 2013).

### **3. The institutional and legal framework for partnership**

The implementation of the partnership principle rests on two pillars: the engagement of partners in the course of programming and inviting them to participate in the workings of the monitoring committee. EU regulations have evolved and became more specific on both the types of partners and the dimension of partners' engagement.

EU regulatory provisions on partnership

2004-2006	2007-2013	2014-2020	2021-2027
<ul style="list-style-type: none"> <li>Community ... shall be drawn up in close consultation... with the authorities and bodies designated by the Member State ...namely: <ul style="list-style-type: none"> <li>the regional and local authorities and other</li> <li>competent public authorities,</li> <li>the economic and social partners,</li> <li>any other relevant competent bodies</li> </ul> </li> <li>Partnership is conducted in full compliance with the institutional, legal and <b>financial powers</b> of each of the partners</li> <li>In designating the most representative partnership Member States create a wide and effective association of all the relevant bodies ...taking account of the need to promote equality between men and women and sustainable development</li> <li>Partnership covers the preparation, financing, monitoring and evaluation of assistance. Member States ensure the association of the relevant partners at the different stages of programming, taking account of the <b>time limit</b> for each stage.</li> </ul>	<ul style="list-style-type: none"> <li>Member States organise a partnership with authorities and bodies <i>such as</i>: <ol style="list-style-type: none"> <li>the competent regional, local, urban and other public authorities;</li> <li>the economic and social partners;</li> <li>any other appropriate body representing <b>civil society, environmental partners, non-governmental organisations,</b> and bodies responsible for promoting <b>equality</b> between men and women.</li> </ol> </li> <li>Each Member State shall designate the most representative partners ... in accordance with national rules and practices, taking account of the need to promote equality between men and women and sustainable development through the integration of environmental protection and improvement requirements.</li> <li>The partnership shall cover the preparation, implementation, monitoring and evaluation of operational programmes.</li> </ul>	<ul style="list-style-type: none"> <li>For the Partnership Agreement and each programme, each Member State shall in accordance with its institutional and legal framework organise a partnership with the competent regional and local authorities.</li> <li>The partnership also includes the following partners: <ol style="list-style-type: none"> <li>competent urban and other public authorities;</li> <li>economic and social partners; and</li> <li>relevant bodies representing civil society, including environmental partners, non-governmental organisations, and bodies responsible for promoting <b>social inclusion,</b> gender equality and <b>non-discrimination.</b></li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>Member States organise and implement a comprehensive partnership</li> <li>Partnership includes <i>at least</i> the following partners: <ol style="list-style-type: none"> <li>regional, local, urban and other public authorities;</li> <li>economic and social partners;</li> <li>relevant bodies representing civil society, such as environmental partners, non-governmental organisations, and bodies responsible for promoting social inclusion, <b>fundamental rights, rights of persons with disabilities,</b> gender equality and non-discrimination;</li> <li>research organisations and universities, where appropriate.</li> </ol> </li> <li>Member States involve partners in the preparation of the Partnership Agreement and throughout the preparation, implementation and evaluation of programmes, including through participation in monitoring committees.</li> <li>In that context, Member States, where relevant, <b>allocate an appropriate percentage of the resources ... for the administrative capacity building of social partners and civil society organisations.</b></li> </ul>

Source: authors' compilation on the basis of EU regulations

In each programming period EU regulations have given full recognition of the domestic rules and practices. Therefore, national governments have enjoyed the competence over governing the modalities of implementing the principle. Accordingly, the evolution of the Hungarian regulatory provisions and the institutional landscape need to be first explored.

### 3.1. The period 2004-2006

In the period 2000-2006 Hungary implemented five operational programmes, including a joint regional operational programme. Managing authorities operated in line ministries and delegated the extensive array of day-to-day management tasks to a large number of intermediate bodies. A relatively weak central coordinating body, the CSF Managing Authority was set up in the Office for the National Development Plan and European Funds which eventually gained strength by the end of the period (and proved instrumental in the subsequent radical transformation of the institutional system). Preliminary monitoring committees were set in the pre-accession era so that sufficient time and capacity building were provided for their members to familiarise with their future tasks.

The domestic regulatory framework governing the implementation of Cohesion Policy has been subject to a series of changes since Hungary's Accession to the EU. In the programming period of 2004-2006 a rather

fragmented set of regulations were adopted. In addition to a limited core of standardised provisions, ultimately each Managing Authority and Intermediate Body introduced its own rulebook. The government decree 1/2004. (I. 5.) on the institutions in charge of implementing Structural and Cohesion Funds offered little guidance on the how the partnership principle should be realised. By this point in time, Hungary already launched its first call for proposals, partnership related to programming was not even considered for inclusion. Consequently, the principle was addressed as a general obligation for all programme delivery institutions, namely they were expected to fully comply with the requirements of “*information, publicity and partnership*”. The regulation comprised short references to the operation of the OP and CSF Monitoring committees. These details were outlined in the programming documents and a separate government decree 124/2003. (VIII.15.) on the setting up of the monitoring system for EU funded operational programmes. The latter illustrated the strong attention given to the ongoing Pre-Accession Programmes and a certain temporal and mental distance from the Cohesion Policy system, the complexities of which were fully unknown yet.

### *3.2. The period 2007-2013*

With the exception of the complexity which increased with the tripled number of operational programmes - including a dedicated programme for each of Hungary's seven regions – standardisation and simplification drove the important changes introduced. A Government Commission for Development Policy (GCDP) was set up serving different functions. It provided for the general coordination of the use of the funds, the preparation of coordinated decisions for the Government and the commission was also consulted on a number of key concepts and documents including the design of the implementing institutional regime, project selection arrangements etc. Its members were designated by the Prime Minister who also acted as the chair.

All managing authorities were transferred to the newly established National Development Agency accompanied by the centralisation of their various functions (e.g. communication, evaluation, MIS), standardisation of their tasks (e.g. including how monitoring committees should be run) and the reduction of intermediate bodies, their number practically halved by mid-term. Monitoring Committees were reorganised in accordance with the elaborate provisions on their roles and responsibilities as well as membership in the new government decree 255/2006. (XII. 8.) on the implementation of ERDF, ESF and Cohesion Funds and implementing institutions. Quite telling though, the words partner or partnership do not appear in the legislation. The National Strategic Reference Framework and the operational programmes include a standardised paragraph on the implementation of the partnership principle.

During the implementation of the programmes, monitoring committees were considered to provide as the exclusive partnership platform. They were reorganised including the appointment of Government Commission for Development Policy members as their chairs.

The Government which came into power in 2010 undertook a comprehensive review of the policy priorities, the institutional landscape and domestic implementing rules. Drafters of the new government decree aimed at simplification: regarding institutional responsibilities the first versions referred to relevant norms in the EU regulations, leaving the elaboration of requirements and standards to lower level rules (e.g. unified operational manual, internal rules of procedures). However, implementing and control bodies fiercely fought for the re-incorporation of their competencies in the national regulations and succeeded so, no such request emerged for monitoring committees to give them either greater emphasis in general or specify the philosophy underlying their forthcoming restructuring. The new rules essentially affected the composition of the committees also advancing their well-on-the way politicisation (e.g. chairs to be directly appointed by the Prime Minister).

### *3.3. The period 2014-2020*

For the period 2014-2020 a comprehensive regulatory framework was introduced: the domestic implementing regulations incorporated – as an annex - a unified operational manual. Standardisation, also affecting the workings of monitoring committees continued.

The unprecedented concentration of power in the National Development Agency provoked apparent tensions in the administration where line ministries held the view that their role had substantially weakened and lobbied for more, preferably direct influence over policy execution. Eventually, the National Development Agency was dissolved and managing authorities were re-shifted to line ministries, in most cases shortly followed by (and merged with) their intermediate bodies. The system of regional operational programmes were replaced by joint

territorial development programmes,<sup>4</sup> the function of intermediate bodies was maintained and transferred from the Regional Development Agencies to the State Treasury, helped by a county-wide network of local offices.

This step reflects the underlying transformation of Hungary's regional and territorial public administration: the removal of political clout and coordinating functions of Regional Development Councils, their dissolutions as well as the termination of the role of their agencies left regions to purely serve as statistical entities. In parallel, functions and financing regimes of local governments were radically transformed. Many of their functions were centralised and local governments became essentially deemed to carry out pre-defined public services. Functionally long emptied-out counties were charged to coordinate territorial level strategic planning and implementing processes.

Although the belatedly adopted European Code of Conduct on Partnership did not legally bind Member States in how they organised the partnership process, the new government decree at least included the partnership function and assigned the corresponding duties to institutions. The Prime Minister's Office, hosting the central coordinating unit received responsibility over the newly formed Partnership Monitoring Committee as well as the coordination of the partnership tasks, again closely linked to communication. Managing authorities were charged with operational programme monitoring committees and “*participating in the satisfaction of centrally coordinated partnership (and information and publicity) tasks*”<sup>5</sup>. The rules encompassed the membership provisions for monitoring committees and accentuated new (data provision, conflict of interest, confidentiality) norms stemming from the EU level regulations. Preparatory training was organised centrally with a lower interest in participation than expected.

### 3.4. The period 2021-2027

For the present programming period the Government of Hungary chose to principally maintain the programming architecture and institutional system, changes mainly relate to a new Digital Hungary OP and a re-instated Implementation (Technical Assistance) OP. Therefore, the rules which are laid out in the Government decree issued in May 2021<sup>6</sup> convey the intention to rely on existing approaches (e.g. standardisation) and structures. Simplification was a main driver, a far shorter new decree was introduced that left the formulation of implementing details at the discretion of the delivery entities.

### 3.5. Summary

Regarding the partnership principle domestic implementing rules essentially follow EU regulations in Hungary, meaning that administrations since 2004 have proven cautious when taking on additional commitments. This approach only partly derives from the limited importance, which decision-makers seem to associate with reaching out to partners in a really collaborative manner<sup>7</sup>. To some extent, it may also reflect the growing recognition of the complexity of the regulatory environment. The details of how partnership is realised is left to the secondary legislation or mainly to operational rules (internal rules of procedures). An interesting phenomenon rests with the direct linking of partnership tasks to the function of information and publicity suggesting that partnership is – at least partly - seen through the lens of communication.

Another particular factor that determines the partnership tasks relates to the timeframe of the legislative process.

Adoption of the domestic implementing legislation governing (partially<sup>8</sup>) partnership

2004-2006	2007-13	2014-2020	2021-2027
5 <sup>th</sup> January 2004 <sup>9</sup> 13 <sup>th</sup> August 2004 <sup>10</sup>	8 <sup>th</sup> December 2006	5 <sup>th</sup> November 2014	18 <sup>th</sup> May 2021

<sup>4</sup> Territorial and Settlement Development Operational Programme for Hungary's least developed regions and a Competitive Hungary Operational Programme for the more developed region of Central Hungary.

<sup>5</sup> Government Decree 272/2014 Article 20 (18)

<sup>6</sup> Government Decree 256/2021. (V. 18.) on the use of EU funds in the programming period 2021-2027

<sup>7</sup> The authors wish to highlight here the continued absence and/or limited coverage of the partnership principle in subsequent sets of regulations.

<sup>8</sup> Domestic legislation principally rules the monitoring committee element of partnership.

<sup>9</sup> The government decree 1/2004 govern institutional responsibilities.

<sup>10</sup> The joint ministerial decree 14/2004 sets forth the implementing procedures.

Source: authors' compilation on the basis of domestic regulations

Namely, by the time of the adoption of the domestic legislation programming has significantly progressed or even has come close to completion. Hence, the domestic rules have traditionally not addressed this important phase of the partnership regime.

Meanwhile, the pillar of monitoring committees has been both structurally and systematically influenced by the groundbreaking changes that had taken place in Hungary over the past two decades in regard to the governance concept in Hungary.

#### 4. Role of NGOs in Programming

In the pre-accession era when compliance-orientation was tangible, backed up by long-term experts and short-term specialists from strongly pro-partnership based old Member States, the involvement of partners in the programming phase received stronger appreciation than it became the practice later. Nonetheless, implementation approaches, functional assignment and operational mechanisms have preserved their characteristics over time.

In the period 2004-2006 central coordination of conceptualising and operationalising partnership rested with the Office for the National Development Plan and EU Support (Office). The process was broken down into different phases. The draft national strategy was discussed with a wide range of economic, social, other sectoral, regional, civil, ethnic minority and equal opportunity partner organisations. This was followed by discussing the draft operational programmes with the most relevant sectoral partners and professional organisations. The last phase of consultations focused on the finalised documents. The Office bore full responsibility for the partnership of the National Development Plan, cooperating closely with national umbrella organisations, meanwhile also directly contacting partners and in collaboration with the ministries and regional development agencies running numerous events peaking with a two days' Partnership Conference in Parliament. Most information was made available online, a dedicated website allowed for reading, browsing, downloading all versions of the programming documents. Commitment of civil society organisations was apparent as they accounted for close to one-third of the actively contributing organisations<sup>11</sup>.

The central coordinating body supervised and supported partnership for the operational programmes, however the latter fell into the competence of the line ministries. Due to the similar methodology they had adopted, partnership of the operational programmes relied on a mixture of consultations with the most relevant partners, promotional events and website information targeting a broader audience. Regional Development Agencies fulfilled an important role in organising partnership for both the national strategy and the programmes: they collected, documented, systemised and forwarded observations and comments to the strategic planning units in Ministries.

The database of partner organisations was created from inputs coming from the formal professional association and interest representation regime, but also members of existing networks, expert lists of ministries and regional development agencies were taken aboard. To corroborate compliance, the administration prepared very detailed documentation of the proceedings.

Whereas the civil organisations themselves recognised the openness of the Office and ministries, their assessment reflected less satisfaction with the outcome. Re-occurring criticisms suggested that former working relations and even personal affiliations played a great role in inviting partners to the table and partners' ability to really shape the policy instruments remained minimal. The timeframe made available for internally processing rather complex documents was also found quite short.

Since then Hungary has followed the same pattern. The general supervision of the partnership process and operationalising it via broader campaign-type events and conferences for the national strategic plan is assigned to the coordinating body. Its activities are complemented by theme oriented events and expert workshops for the operational programmes. Nevertheless, evolving EU regulations became more specific on what groups of partners need to be definitely approached for. Selection mechanisms for partners, invited for closer working relations (e.g. participation in sector-specific working groups), have remained the same, whereby existing

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<sup>11</sup> Hungary's National Development Plan 2004-2006, Annex: Partnership



networks, proven working relations and political affiliations all factor in when the weight of a partner organisation is eventually measured.

There are two distinct areas where **civil society organisations** receive greater attention and more opportunities for contribution. The first domain relates to those operational programmes which cater for inclusive and/or sustainable growth agendas, namely human resource development, environment and energy efficiency. The second sphere belongs to a cross-cutting theme, namely how to address and embed horizontal principles in all the operational programmes. All reports emphasise the commitment and numerous valuable contributions of NGOs, civil society organisations to the programmes. Their observations encompassed both conceptual dilemmas (e.g. proposed alternative instruments) and practical delivery considerations (up to proposed checklists).

The Internet has become widely used in disseminating information to a practically limitless audience, encouraging reactions not only from partner organisations in general but residents, as well. Big data developments have allowed a different quality of data collection and processing, nevertheless complaints of partner organisations echo the same re-occurring issues: superficial nature of consultations where partners provide feedback and voice their recommendations with limited actual influence on the strategies being shaped; rapidly increasing complexity of also overly technical programming documents creating major difficulties for resource-scarce partner organisations when analysing and discussing them with their members – in a tight timeframe. A frequently voiced problem of territorial level organisations has been the lack of attention or empathy for their pressing place-based concerns. Interviews, however, confirm the attitude also captured by scientific literature (see Demidov 2018) that public officials principally seek inputs from partners<sup>12</sup>.

The partnership process for the 2021-2027 programmes started with an apparent delay rooted in a multitude of factors including the primacy of RRF development at all levels, the disruptive impact of the coronavirus on an essentially event-centred partnership method. Also the lack of traditions and elaborate rules for partnership in the RRF as well as recent coronavirus measures strengthened the top-down dimension of the planning process.

## 5. NGO participation in Monitoring Committees

Over the past two decades monitoring committees have become firmly entrenched entities in the Cohesion Policy implementation system. Not only the committee structure itself, which serves as a foothold for realising partnership and multi-level governance, is by now solidly rooted, its remit has markedly enlarged in parallel. On the one hand, this development broadened opportunities for civil society organisations to follow up or even press hard into and influence an ever growing range of delivery related issues. On the other hand, with the new expectations the workload of monitoring committees has risen as well as the new responsibilities pressurise member organisations capacity-wise.

Table: Changes to the competence of programme monitoring committees

2004-2006	2007-2013	2014-2020	2021-2027
<ul style="list-style-type: none"> <li>confirm the programme complement</li> <li>approve the project selection criteria</li> <li>periodically review progress</li> <li>examine the results of implementation (incl. mid-term evaluation)</li> <li>approve the annual and final implementation reports</li> <li>approve proposal for amending the programme</li> <li>propose any amendments for increased effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>approve project selection criteria</li> <li>periodically review progress</li> <li>examine the results of implementation</li> <li>approve the annual and final implementation reports</li> <li>informed of the <b>annual control report</b></li> <li>approve proposal for amending the programme</li> <li>propose any amendments for increased effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>examines</li> <li>any performance related issues</li> <li><b>evaluation</b> plan implementation and follow-up given to findings of evaluations;</li> <li>progress with <b>communication</b> strategy and visibility;</li> <li><b>major projects;</b></li> <li><b>joint action plans;</b></li> <li><b>equality between men and women, equal opportunities, and non-discrimination, including accessibility for persons with disabilities;</b></li> </ul>	<ul style="list-style-type: none"> <li>examines</li> <li>programme implementation incl. milestones and targets;</li> <li>any performance related issues</li> <li><b>addressing country-specific recommendations (relevant challenges)</b></li> <li>ex ante assessment</li> <li>evaluation plan implementation, synthesis of and reaction findings</li> <li>progress with communication and visibility actions;</li> <li><b>progress with operations of strategic importance</b></li> <li><b>enabling conditions</b></li> </ul>

<sup>12</sup> This is particularly reinforced by partnership events held in the localities, where participants, principally local residents express their daily necessities rather than offering comments which could be relevant for intervention strategies.



		<ul style="list-style-type: none"> <li>• <b>sustainable development;</b></li> <li>• <b>ex ante conditionalities</b></li> <li>• <b>financial instruments</b></li> </ul> approves <ul style="list-style-type: none"> <li>• selection criteria</li> <li>• annual and final implementation reports</li> </ul> <ul style="list-style-type: none"> <li>• <b>evaluation plan</b></li> <li>• <b>communication strategy</b></li> <li>• proposal by the managing authority to amend OP</li> </ul>	<b>throughout period</b> <ul style="list-style-type: none"> <li>• <b>progress in administrative capacity building</b></li> <li>• <b>information on contribution to InvestEU</b></li> </ul> approves <ul style="list-style-type: none"> <li>• selection criteria</li> <li>• final performance</li> <li>• evaluation plan and its amendment</li> <li>• proposal by the managing authority to amend OP</li> </ul> may recommend <ul style="list-style-type: none"> <li>• <b>measures to reduce the administrative burden for beneficiaries</b></li> </ul>
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Source: authors' compilation on the basis of EU regulations

Although Hungary piloted the concept of monitoring committees under the Pre-Accession funds regime, these structures relied heavily on central administration membership leaving little room for testing collaborative decision-making with organisations coming from other than the public sector. As the new *modus operandi* required specific competence and skills, endeavouring on uncharted path for both newly arriving non-governmental partners and state officials, the emerging managing authorities duly invested in capacity building. Preliminary monitoring committee members benefitted from training and also interacted on regular meetings to resolve any issues before the launch of the programmes.

Designing the monitoring committees, based on centrally issued guidelines, was left to the ministries and in particular the future managing authorities. Their heads acted as chairperson, meanwhile the managing authority served as secretariat to the committee. The composition of the committees mirrored the concept of balanced representation in two important aspects. Voting rights were equally divided between members representing the Government and delegates of other sectors. Furthermore, to comply with the principle of equality between men and women all member organisations were requested to propose a male and female representative. This approach allowed adjustments to the composition so that men and women were sitting in equal number on the committee. Appointees of regional development councils and associations of lower level territorial entities had a good share of the seats with voting rights and a good likelihood that their positions would be heard.

Committees adopted their own rules of procedures. These entitled members to propose issues for discussion or even suggest an urgent meeting. They could initiate the formulation of sub-committee or working groups, and indeed have done so. The recognition that more and specialised resources should be assigned to the implementation of horizontal themes has frequently triggered the setting up of dedicated sub-committees. These structures have improved opportunities for civil society organisations to advocate their positions.

Despite the provisions included strict deadlines for the dissemination of information to committee members, late availability of sizeable documents remained a long-term problem. Variations in attendance and activity became soon apparent. Government representatives rarely fail to turn up without proper substitution arrangements. However, all committees soon produced a few drop-outs on the non-governmental side. Namely, rules had to be revised allowing monitoring committees to dismiss regularly absent member organisations. Monitoring committee members were not entitled to receive fees neither reimbursement of their (travel, accommodation etc.) costs. Meetings were generally held in Budapest creating problems from delegates located in the countryside. Nevertheless, feedback from civil members underlined research observations (Trondal 2007) that their continued interactions with representatives of the European Commission on the meetings had improved their overall status.

Initially all monitoring committees advocated consensus based decision-making, only replaced by the majority voting method when consensus could not be achieved. Over time voting has become standard practice.

In most aspects the operational framework of monitoring committees has remained unchanged since Hungary's first programming period. However, the latent politicisation of monitoring committees took a quicker pace in the period 2007-2013. New chairpersons were members of the Government Commission for National Development, holding high-level positions in Government and directly appointed by the Prime Minister. Political appointment has been prevalent ever since. The centralisation trend has accelerated since 2010. Changes in government led to a complete re-shuffling of monitoring committees. Heads of monitoring committees were all replaced with new chairpersons holding top cabinet positions (e.g. minister, state secretary). The revision of the set-up intended to smooth out committee workings through engaging organisations which had been perceived more supportive.

In terms of the composition of monitoring committees three important changes need to be emphasised.

1.) In the programming period 2004-2006, EU regulations obliged Member States to ensure that “The partners shall promote the *balanced participation of women and men*”<sup>13</sup>. In the Hungarian monitoring regime, this provision was formally translated into equal number of seats for men and women on monitoring committees, although not necessarily adhered to. With the removal of the gender equality requirement from the EU regulatory provisions, from the period 2007-2013 onwards gender equality in the composition has not received any specific consideration. Horizontal goals are understood to be dealt with by the organisations representing them.

2.) The changing patterns of Hungary's territorial governance and territorial public administration have adversely affected the representation of territorial interests. Namely, with the dissolution of the Regional Development Councils, Council delegates were instantly withdrawn. However, the new appointments came along with a smaller proportion of the voting rights for the territorial actors.

3.) Since 2004, the ratio of governmental and non-governmental delegates is regulated in various forms. As highlighted in the table below, the ratio between governmental and non-governmental representatives is envisaged to be 50%.

2004-2006	2007-2013	2014-2020	2021-2027
the Community Support Framework notes: Besides the central government institutions ensuring at least a <b>50%</b> ratio of the regional, economic, social and other partners (eg. employer organisations, trade unions, women’s organisations, Roma organisations, organisations representing the disabled, environmental institutions, etc.)	The domestic implementing regulation states: Half of monitoring committee members will be delegated by other than governmental organisations.  This provision was removed from the domestic implementing regulations in 2011.	No reference to minimum level in the domestic regulations. Nonetheless, the standardised internal rules of procedures for monitoring committees set down a share of at least 50% for non-governmental delegates.	No reference to minimum level in the domestic regulations. Internal rules of procedures have not been adopted yet.

However, a closer look at the member organisations and their delegates reveal some systemic discrepancies that undermined the idea of equal representation. Certain non-governmental organisations and/or their official holders and monitoring committee delegates may and indeed do enjoy close working relations with the governmental side. Replacement of umbrella organisations with small (local) organisations weakens the covering of the full spectrum of vital considerations. Territorial governance representatives are often members of the governing party.

Last but not least, an evaluation of monitoring committees was carried out in 2019. The findings<sup>14</sup> reflect a general satisfaction of monitoring committee members with logistics of the meetings. Their views on the agenda and content of the meetings are more divided. While they appreciate the chairperson's work, they proved more critical of the lack of pro-activity of members and the quality of responses to questions. Civil society members expressed a lower level of content regarding coverage and information. A universal need rests with access to more information on the results of completed interventions and also members wish to be notified of important developments between two meetings. Sub-committees were all reported useful. Value added of the monitoring committee was essentially assigned to the better flow of information between the partners and implementing bodies, advanced quality of calls and improved communication to the wider public. Further development needs include familiarising with good practice, meaningful discussion of achievements and policy (implementation) issues as well as more events allowing informal exchange of information.

## 6. Conclusions

Since its integration into the EU, Hungary has progressed in embedding the partnership principle into the preparation and implementation of the Cohesion Policy assistance. Mechanisms have been put in place to inform and mobilise partners during the strategic planning process, meanwhile monitoring committees became firmly

<sup>13</sup> Article 35 (1)

<sup>14</sup> Bearing in mind a low response level from members if 3 operational programme monitoring committees.

rooted, inseparable components of the institutional landscape. NGOs and civil society organisations have been duly invited to participate in both.

National implementing regulations do not cover partnership related to the programming phase. The central coordinating body is traditionally charged with supervision and technical support of the partnership processes as well as it deals with the consultations on the national development strategy (presently Partnership Agreement), whereas the line ministries and managing authorities organise programme specific partnership. Experience so far has shown a strong communications vein, a preference for dynamic campaign style events. Social partners (and the wider public) receive abundant information and they are invited to comment on documents of growing complexity but civil society organisations definitely feel being left out of influencing the content of policy interventions.

Due to the evolution of the EU regulations, the remit of monitoring committees has notably widened creating opportunities for more discussion as well as difficulties for civil society organisations, which lack adequate resources. Monitoring committee members appreciate progress in logistics of the meetings. Nevertheless they look for addressing more effectiveness-oriented agendas. Changes to the composition of monitoring committees over time have weakened the balanced participation of the governmental and non-governmental sides; the relationship between set-up and gender equality receives little attention. The transformation of Hungary's territorial governance regime and territorial public administration has narrowed opportunities for the accentuation of place-based concerns.

Underlying factors also include the lack of collaborative culture which has been compounded by the adverse implications of the coronavirus restrictions. Traditionally strong top-down approach to planning has been further buttressed both by the governance arrangements invoked by the pandemic and the embryonic partnership concept of the emerging Recovery and Resilience Facility. The Country Specific Recommendations of 2020 call for advanced partnership. Current preparations for the 2021-2027 period offer an ideal stepping stone to get the operationalisation of the concept right from the beginning.

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