

**RE: Letter on the need to revise the Code of Conduct on Partnership**

**TO: DGs REGIO, EMPL, AGRI, MARE, HOME, BUDG, SG RECOVER, CLIMA, ENV**

**9 February 2024**

Dear Sir, dear Madam,

The partnership principle is a core element of the cohesion policy. Codified through a binding code of conduct in the Commission's Delegated Regulation No 240/2014, it has been instrumental in ensuring that crucial public investments are being discussed openly and transparently by managing authorities, involving various experts and local stakeholders who can share their views.

This process has several benefits: it helps to discuss more broadly the features of specific schemes and calls for proposals, leading to better quality investments that meet the needs and can be more impactful. It also helps to increase the acceptance and ownership of EU funds, as they are widely discussed and made known to stakeholders. Finally, it reduces the possible misuse of the funds and accelerates absorption. As such, the application of the partnership principle is an expression of democratic debate that can lead to better solutions.

At the initiative of the European Commission, the Community of Practice on Partnership (ECOPP), which brings together more than 100 experts on funds covered by the Common Provisions Rules, has been actively discussing the value of the partnership principle for the past two years, sharing and disseminating lessons learned and good practices. At the request of the Commission, the Community has also worked on reflecting on the current code of conduct and developing potential amendments. The ECOPP has made concrete recommendations and proposed to revise the code of conduct, clarify the rules for the implementation of the partnership principle (in particular for a more balanced and tailored representation in monitoring committees), and extend the scope of the principle to all EU funds and policies.

The code of conduct has proved its relevance and led to improved partnership, but with the entire programming cycle in place and the Multiannual Financial Framework 2021-2027 (MFF) halfway through, the implementation is showing certain shortcomings. The funding landscape has expanded significantly with the availability of new financial instruments, such as the Recovery and Resilience Facility (which almost doubles the amount of EU funding available for similar interventions as under cohesion policy, but it's not subject to the same scrutiny) or the Modernisation Fund (which aims to support billions of euros for energy transition interventions with virtually no systemic engagement of stakeholders and society), where the partnership principle does not apply.

Better application of the partnership principle requires a genuine cultural change at the different levels of power (EU, national, regional and local), with the empowerment of administrations and stakeholders, and continuous exchange of good practice. However, the current code of conduct in its current form is not

sufficient in guaranteeing an appropriate enforcement of the partnership principle. By proposing a revision of the code of conduct, the Commission has the opportunity to initiate a process and give the needed visibility to this key feature of EU policies, thereby sending a strong signal to EU funds implementors to change their practice.

The partnership principle needs to be transformed into a truly horizontal principle that applies to all EU funds. A year before the future MFF post-2027 will be proposed, the Commission must acknowledge the work being done by the ECOPP and all stakeholders and partners associated with the management of EU funds and put forward a proposal to amend the code of conduct ahead of the next MFF discussions.

This letter is an initiative of CEE Bankwatch Network as a member of ECOPP involved in drafting the proposal for revision of the Code of Conduct. For your information, I attached the draft proposal for the revision of the Code of Conduct prepared by the ECOPP and CEE Bankwatch Network's recent [report on the good and bad practices of the partnership principle in the monitoring committees of the cohesion policy funds.](#)

Yours faithfully,

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CEE Bankwatch Network