IDEAGOV - International Center for Decentralization and Governance

Working Paper 2026-10

Asymmetric Decentralization in France: A Municipal-Centered Exception

Guy Gilbert
Thierry Madiès
Sonia Paty

February, 2026

IDEAGOV – International Center for Decentralization and Governance
Facultade de Ciencias Económicas e Empresariais (USC)
Av. Do Burgo das Nacións, s/n. Campus Norte. 15786 Santiago de Compostela. Spain.
ideagov@ideagov.eu
www.ideagov.eu

No part of the material protected by this copyright notice may be reproduced or utilized in any form or by any means without prior written permission from the copyright owner.

IDEAGOV is an international hub for research and policy dissemination on innovations in decentralization and governance, and a leading reference for the study of federalism within the European Union and globally, combining the backgrounds of economists, political scientists and geographers.

IDEAGOV – International Center for Decentralization and Governance
Facultade de Ciencias Económicas e Empresariais (USC)
Av. Do Burgo das Naciόns, s/n. Campus Norte. 15786 Santiago de Compostela
Spain
ideagov@ideagov.eu
www.ideagov.eu

No part of the material protected by this copyright notice may be reproduced or utilized in any form or by any means without prior written permission from the copyright owner.

Asymmetric Decentralization in France: A Municipal-Centered Exception

Guy Gilbert, ENS Paris-Saclay (France)

Thierry Madiès, University of Fribourg (Switzerland)[1]

Sonia Paty, University of Lyon 2, GATE Lyon Saint-Etienne (France)[2]

Abstract

This article aims to analyze asymmetric decentralization through the specific case of a unitary state – France**.** The country has developed forms of asymmetry designed to provide a pragmatic response to the challenges raised by decentralization in metropolitan France, particularly in the context of a highly fragmented municipal structure. The originality of "French-style" asymmetries lies in a functionalist approach that primarily seeks to improve the efficiency of decentralized public action, rather than to directly strengthen local democracy.

Keywords: decentralization, fragmentation, local administration, taxation

JEL codes: H2, H3, H7

---

[1] Université de Fribourg, Bd de Pérolles 90, CH-1700 Fribourg, Switzerland. Email: thierry.madies@unifr.ch

2 Université Lumière Lyon 2, GATE, CNRS, Université Lumière Lyon 2, Université Jean-Monnet Saint-Etienne, 69007 Lyon, France. Email: sonia.paty@cnrs.fr

1. Introduction

Asymmetric decentralization is a notion that is widely mobilized in the recent literature, yet whose conceptual contours remain relatively blurred. As emphasized by Allain-Dupré et al. (2020), asymmetry encompasses highly heterogeneous realities. In some cases, explicit statutory differentiations are introduced between territories, often at the regional level, in order to respond to identity-based, linguistic, or historical claims. In others, territorial differentiations are introduced from a functional or financial perspective, notably when they concern the status of the capital city. For example, in Italy, the constitutional reform in 2001 introduced the possibility for Italian regions to request the attribution of additional forms and particular conditions of autonomy (Fiorillo et al., 2021). In Spain, a highly asymmetric quasi-federal system with the emergence of 17 autonomous communities was the outcome of the constitutional process (Flynn 2004). In the Russian context, some regions are allowed to negotiate a high level of autonomy from the center on a bilateral basis, leading to a strong asymmetrical design (Martinez-Vazquez 2007).

The French case stands out quite clearly from this general picture. In our view, its originality lies in the coexistence of two forms of asymmetry pursuing distinct objectives. On the one hand, asymmetric arrangements have been designed to integrate highly diverse overseas territories within a unitary state, taking account of their geographical (island), identity-based, or socio-historical specificities. On the other hand – and this is the focus of our analysis – France has developed forms of asymmetry aimed at providing a pragmatic response to the problems raised in metropolitan France by the development of decentralization in the context of a highly fragmented municipal map.

In this article, we deliberately choose to set aside the first dimension, relating to overseas local authorities (Articles 73 and 74 and Title XIII of the Constitution), insofar as the motivations underlying these asymmetries – the recognition of strong territorial specificities within a unitary framework – are comparable to those observed in many other countries (with the notable exception that such recognition of strong territorial specificities does not apply in France to regional territories, apart from Corsica). By contrast, we argue that the second type of asymmetry, centered on the municipal block, constitutes a French singularity that is largely absent from the international literature on asymmetric decentralization.

When reduced to "mainland France" alone, the French case indeed appears to be strongly polarized around the use of asymmetric arrangements designed to mitigate the effects of municipal fragmentation. Historically, the very strong territorial decentralization inherited from the Revolution was initially justified by essentially political considerations. For the early republicans, the aim was to anchor public action as close as possible to citizens to disseminate and consolidate republican values and institutions: elected local assemblies, budgetary voting, accountability of elected officials, and respect for the principle of legality. The decision to retain the map of parishes from the *Ancien Régime*,[3] rather than other possible territorial divisions, was consistent with this objective of "local democracy," with territorial units designed to be reachable within a day's walk for the commune and a day on horseback for the department.

Over time, however, a more functionalist vision of decentralization gained ground. Decentralization was no longer conceived solely as an instrument for territorializing democracy, but also as a means of improving the efficiency of the management of public competences and financing, within a balance between subsidiarity and respect for national unity. From this perspective, the municipal map became a problem: the average size of municipalities increasingly failed to meet the technical, financial, and administrative requirements of efficient decentralized management. Yet all attempts undertaken during the nineteenth century to merge municipalities proved unsuccessful.

It was in this context that intermunicipal associations between neighboring municipalities first emerged, followed later by intermunicipal communities (ICs). These now occupy an intermediate institutional position: they are not yet full-fledged territorial authorities, but they go far beyond the simple status of associations. Most of the asymmetries introduced in France, both in terms of competences and resources, are precisely intended to support municipalities and their ICs in the formation of municipal blocks in order to reduce municipal fragmentation. By contrast, asymmetries between regions have never constituted a major political issue, as regions have remained relatively weak politically, and the question of the capital city's status was settled long ago, despite later extensions to Marseille and Lyon.

[3] The *ancien régime* was the political regime of France before the Revolution of 1789.

The originality of “French-style” asymmetries thus lies in a functionalist approach that primarily seeks to improve the efficiency of decentralized public action, rather than to directly strengthen the functioning of local democracy. This approach nevertheless rests on an institutional prerequisite that is largely unprecedented in the international context: the necessary grouping of municipalities into intermunicipal communities that are ultimately intended to replace the municipalities themselves.[4] It is this dynamic, centered on the municipal block, that this article aims to analyze, by showing how it renews the understanding of asymmetric decentralization in the French case.

The paper is organized as fellows: Section 2 will first specify the quantitative importance of the municipal sector in France and recall the main stages of the legislative construction of decentralization since the 1980s. Section 3 will analyze the contribution of successive laws to the creation of multiple horizontal asymmetries within municipal blocks. Section 4 will address functional asymmetries linked to the allocation of competences specific to the different types of municipal blocs. Section 5 will examine vertical and horizontal asymmetries in taxation and in state financial transfers to municipal blocks. Section 6 concludes.

2. The municipal block at the core of decentralization reforms

We first present quantitative elements that make it possible to assess the weight of the municipal sector (“block”) within local public administration, followed by an overview of the various decentralization laws with a particular focus on the municipal block.

2.1. The municipal blocks in figures

The local public sector is structured around three tiers of government: 22 regions, 101 departments, and 34,968 municipalities. The municipal block (municipalities and inter-municipal communities or ICs) accounts for well over half of total local government expenditure and revenue in France**,** and for nearly two-thirds of local public investment**.** This confirms its central role in the provision of local public services and territorial infrastructure. Departments play a significant but secondary role, largely driven by social spending, while regions represent a smaller share, reflecting their more specialized competencies.

[4] There is an existing literature on the efficiency of ICs in France with mixed results (see, e.g., Tricaud, 2025; Agrawal et al., 2025; Breuillé and Vigneron, 2025, Charlot et al., 2015; Frère and Védrine, 2024).

Table 1: Respective shares of municipalities, departments, and regions in total local government expenditures and revenues

Indicator	Municipal blocks (Municipalities + Intermunicipal communities)	Departments	Regions	All local governments
Total expenditure	56%	26%	18%	100%
Current (operating) expenditure	58%	25%	17%	100%
Capital (investment) expenditure	65–70%	20%	10 –15%	100%
Total revenue	56%	24%	20%	100%

Source: OFGL (2025)

2.2. The main decentralization laws affecting the municipal sector[5]

The *decentralization laws of 1982–1983*, known as the Defferre laws (the Law of 2 March 1982 on the rights and freedoms of communes, departments, and regions, supplemented by the 1983 laws on the allocation of responsibilities), constitute the founding act of contemporary decentralization. For municipalities, they mark the end of *ex-ante* administrative supervision by the central government, replaced by an *ex-post* legality review exercised by the prefect. The mayor becomes the executive authority by default, replacing the prefect (préfet)[6] in the implementation of municipal decisions, which considerably strengthens the mayor's political and administrative role. Municipalities see their responsibilities expanded, particularly in urban planning, facilities, and local public services. However, this increased autonomy is accompanied by financial and technical constraints, especially for small municipalities, which progressively encourages recourse to forms of inter-municipal cooperation.

The *Law of 6 February 1992* on Territorial Administration of the Republic (ATR) represents a structuring step in this cooperation. It creates both communities of communes, primarily intended for rural areas, and communities of cities, designed for intermediate urban spaces. While the latter met with very limited success and quickly disappeared, their creation illustrates the legislator's

[5] The legal framework presented below focuses on the institutional dimension, leaving aside fiscal aspects and financial transfers, which are addressed later.

[6] The Prefect is the central government's representative at the departmental (or regional) level in France, responsible for enforcing national laws, overseeing local authorities, and coordinating state services.

intention to differentiate forms of inter-municipal cooperation according to territorial characteristics. The ATR law is based on municipal voluntarism and a project-based logic, aiming to pool certain responsibilities while preserving the autonomy of member communes.

The *Law of 12 July 1999*, known as the *Chevènement Law*, marks a decisive turning point in the structuring of inter-municipal cooperation. It profoundly rationalizes the institutional landscape by abolishing communities of cities and organizing inter-municipal cooperation around three categories with their own taxing power: communities of communes, communities of agglomeration, and urban communities.[7] It strengthens fiscal integration through the promotion of a single business tax and clarifies mandatory and optional responsibilities of ICs ("Etablissements Publics de Coopération Intercommunale"or EPCI in French),. This law leads to a rapid rise in the role of inter-municipal bodies in the implementation of local public policies.

The *constitutional revision of 28 March 2003*, relating to the decentralized organization of the Republic, constitutes "Act II" of decentralization. It amends Title XII of the Constitution and affirms, in Article 1, that the organization of the Republic is decentralized. It enshrines the principles of self-government and financial autonomy of local authorities, while introducing major innovations: the right to local experimentation, allowing temporary derogations from national norms; the binding local referendum; and the recognition of special-status local authorities as well as single-status authorities[8], allowing the merger of several levels of government within the same territory. The reform also frames transfers of responsibilities by establishing the principle of financial compensation, thereby strengthening the legal security of decentralization.

The *MAPTAM Law of 27 January 2014* (modernization of territorial public action and affirmation of metropolises) aims to clarify local public action in a context of growing institutional complexity. It affirms the strategic role of metropolises, granting them expanded responsibilities in economic development, spatial planning, and mobility. It also introduces a "lead authority" logic for certain public policies to limit overlaps in responsibilities. For communes, this law intensifies transfers to inter-municipal bodies, particularly in large urban areas, reinforcing the logic of integration.

[7] The first urban communities were created in 1966 for the cities of Bordeaux, Lille, Lyon and Strasbourg.

[8] See below for further details.

The *NOTRe Law of 7 August 2015* deepens this movement by seeking greater efficiency and territorial coherence. It raises the demographic thresholds for intermunicipal communities leading to mergers and a reduction in the number of inter-municipal entities. It significantly strengthens the mandatory responsibilities of inter-municipal communities, notably in economic development, spatial planning, and the management of water and sanitation services. The NOTRe Law also redefines the roles of regions and departments, which indirectly modifies the position of communes. While it improves institutional readability, it generates strong local tensions linked to a perceived loss of decision-making proximity.

The *Engagement and Proximity* Law of 27 December 2019 marks a notable inflection after the MAPTAM–NOTRe sequence. It explicitly seeks to rebalance relations between municipalities and ICs by strengthening the role of the mayor in inter-municipal governance. It improves information provided to municipal councils, develops conferences of mayors, and introduces flexibility in certain transfers of responsibilities. This law aims to restore democratic proximity without calling into question the inter-municipal architecture.

The *3DS Law of 21 February 2022* fits within a logic of differentiation, simplification, and territorial adaptation. It does not initiate a new massive wave of transfers of responsibilities but adjusts their modalities of implementation, notably in the fields of water, sanitation, roads, and housing. It strengthens the ability of local authorities to adapt public action to local realities and consolidates the differentiation enabled by the 2003 constitutional revision. For communes, it provides greater flexibility in their relations with inter-municipal bodies.

Figure 1: Timeline

1966	1992	1999	2004	2010	2014	2015	2019	2022
Creation of urban communities	TERRITORIAL ADMINISTRATION OF THE REPUBLIC ACT (ATR) Creation of communities of municipalities	"CHEVÈNEMENT" ACT STRENGTHENING AND SIMPLIFICATION OF INTERMUNICIPAL COOPERATION Creation of communities of agglomeration	LOCAL RESPONSIBILITIES AND LIBERTIES ACT Facilitates the functioning of intermunicipal cooperation, encourages the merger of communities, and promotes the sharing of services between municipalities and communities	LOCAL AND REGIONAL AUTHORITIES REFORM ACT Aims to complete and rationalize the intermunicipal map and creates metropolitan status	MODERNISATION OF PUBLIC ACTION AND AFFIRMATION OF METROPOLISES ACT Establishes "ordinary-law" metropolises and metropolises with special status	NEW TERRITORIAL ORGANISATION OF THE REPUBLIC ACT Introduces new transfers of powers and a further rationalization of the intermunicipal map	ENGAGEMENT AND PROXIMITY LAW Introduces flexibility in the transfer of responsibilities to ICs and strengthens the mayors' role.	3DS LAW Strengthens the ability of local authorities to adapt public action to local realities and provides flexibility

Source: AdCF (2023)

3. The evolution of the legal framework as a source of multiple institutional asymmetries at the municipal level

Four types of institutional asymmetries can be identified at the municipal level. The first stems from the PML Law, which grants a special status to the major metropolitan cities of Paris, Marseille, and Lyon. This form of asymmetry is not specific to France and can be found in most OECD countries (OECD, 2019). The second, inspired by the first, is the creation of local authorities with special status. The third asymmetry results from the establishment of "new municipalities" (*communes nouvelles*). Finally, and undoubtedly the most significant asymmetry, arises from the development of intermunicipal cooperation, whereby the relevant level of governance is no longer the municipality itself but the municipal block, composed of municipalities and their intermunicipal communities (ICs).

3.1. From the PML special status to single-tier local authorities and "new municipalities"

Since the Law of 14 December 1789, all French municipalities have been endowed with homogeneous institutional arrangements. For a long time, Paris alone benefited from a specific regime. The PML Law (Paris–Marseille–Lyon Law of 13 December 1982) subsequently extended to Lyon and Marseille part of the special provisions applicable to Paris, notably the division of cities into arrondissements and the transfer to the municipality of certain departmental responsibilities.

This framework inspired the legislator in defining the status of single-tier local authorities ("*Collectivités Territoriales Uniques"* or CTU in French). These authorities, provided for in Article 72 of the Constitution, combine within a single territory the powers and functions normally exercised by two levels of local government: either the municipality and the department, or the region and the departments composing it. To date, two CTUs have been created: the metropolis of Lyon ("*Métropole de Lyon"*) (since 1 January 2015), which exercises both metropolitan and departmental responsibilities within its territory, and the City of Paris ("Ville de Paris") (since 1 January 2019), which combines municipal and departmental functions.

The PML Law also indirectly inspired the status of "new municipalities" (*communes nouvelles*), introduced by the Law of 16 December 2010. New municipalities result from the merger of pre-existing municipalities or from the transformation of an IC. They constitute a single local authority, while the former municipalities become delegated municipalities ("*communes déléguées"*), each

headed by a delegated mayor endowed with delegated powers. The municipal council of the new municipality may, under certain conditions, abolish some or all delegated municipalities or establish municipal councils within them. The "*commune nouvelle*" is therefore not legally different from other municipalities, but rather an institutional reorganization aimed at achieving greater critical mass, administrative efficiency, and financial capacity, while maintaining local proximity through delegated communes.

3.2. The rise of Intermunicipal Communities (ICs) and the reinforcement of municipal-level asymmetries

A second major source of institutional asymmetry arises from the relationships between municipalities and their ICs, which grant municipalities substantial leeway. ICs are not local authorities because they possess no constitutional recognition. Unlike municipalities, departments, and regions, they are not mentioned in Article 72 of the Constitution and therefore cannot exist as fully fledged levels of government. Their democratic legitimacy is indirect, since their governing bodies are composed of municipal elected officials rather than representatives elected directly by citizens. Moreover, ICs exercise only those powers that are transferred to them by municipalities and do not enjoy general competence, which places them in a position of legal subordination to the latter. They therefore constitute instruments of inter-municipal cooperation aimed at rationalizing local public action, rather than territorial authorities endowed with genuine political sovereignty.

Until 2010, municipalities could freely choose whether to cooperate with neighboring municipalities within highly flexible syndicate-type structures – either single-purpose (SIVU) or multi-purpose (SIVOM) – financed by municipal contributions and not generating significant asymmetries. Municipalities could also cooperate within mixed syndicates, either among municipalities and ICs (so-called closed mixed syndicates) or among local authorities belonging to different levels of government (open mixed syndicates).

Since 1992, new categories of ICs with own-source taxation have progressively emerged. In exchange for the mandatory exercise of a defined set of responsibilities, these entities are endowed with tax systems distinct from those of their member municipalities. In addition to urban communities (created in 1966), this group includes communities of communes (since 1992), agglomeration communities (since 1999), and metropolises (since 2010). Metropolises were initially required to group municipalities forming a continuous area of more than 500,000

inhabitants, a threshold lowered by the MAPTAM Law (2014). Each category of ICs is endowed with specific competences and financing arrangements.

By 2014, the law made it mandatory for every municipality to belong to an intermunicipal community with its own taxation (IC with own-source taxation). This obligation does not preclude, under specific circumstances, continued membership in syndicates or mixed syndicates.

The landscape of intermunicipal cooperation was further expanded in 2015 with the creation of Territorial and Rural Balance Poles (PETR) and Metropolitan Poles. PETRs are mixed-syndicate-type entities grouping several ICs with own taxation within a continuous, enclave-free territory and tasked with designing and implementing a territorial development project. Metropolitan Poles, created by the Law of 16 December 2010, bring together ICs with own taxation (and possibly departments or regions), at least one of which must exceed 100,000 inhabitants.

Over three decades, the formerly uniform territorial organization of France – once composed of approximately 36,000 municipalities and 17,000 intermunicipal syndicates – has evolved into a complex network of around 35,000 municipalities structured into roughly 1,250 municipal blocks and more than 8,600 syndicates (Table 2).

Table 2 – Evolution of the number of Intermunicipal Communities (and population in millions), Metropolitan France, 1992–2024

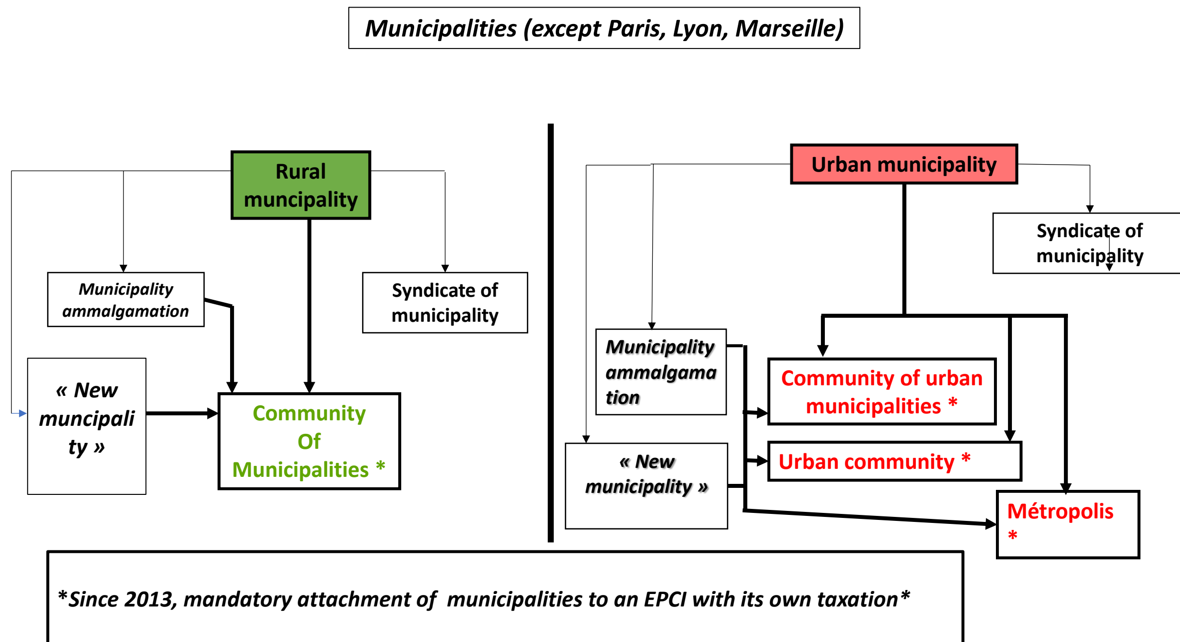
		1992	2000	2010	2024
Inter-municipal communities with own taxation (grouped population)	**Metropolises**	n a	n a	n a	21 (*18, 4*)
	Urban communities	9	12	16	14 (*3,2*)
	Communities of agglomeration	n a	50	181	229 (*24,1*)
	Communities of communes	n a	1,533	2,409	990 (*21,8*)
	Total (*population*)	n a	1,595	2,606	1,254 (6) (*68,9*) (6)
Number of municipalities grouped together		n a	21,347	34,774	34,931
Number of municipalities grouped in syndicate-type intermunicipal communities (ICs without own taxation)	SIVU (1)	14,596	n a	10,789	4,533
	SIVOM (2)	2,478	n a	1,395	1,199
	Mixed syndicates	n a	n a	3,194	2,739
	Metropolitan poles (4)			na	25
	Territorial and rural balance poles (5)			na	122
	Total number of syndicate-type ICs	17,074	n a	15,378	8,629
Total grouped population (in millions):		n a	*(37.1)*	*(57.9)*	*(68.9)*

Source: OFGL (2025)

3.3. A Synthetic overview of the institutional options available to municipalities

Regardless of their specific configuration, the range of institutional arrangements available to municipalities has expanded considerably (Figure 1). Beyond the traditional option of municipal mergers, municipalities are now confronted with a wide array of institutional choices. They may form new municipalities (« *communes nouvelles »)*, communities of communes (« *communautés de communes »)*, or agglomeration communities (« *communautés d'agglomération »)*, or become part of an urban community (« *communauté urbaine »)* or a metroplis (« *métropole »)*. In specific cases, they may even seek recognition as a single-tier local authorities ("*collectivité territoriale unique")*, as illustrated by the City of Paris ("*Ville de Paris")* and the metropolis of Lyon ("*Métropole de Lyon")*.

Figure 2 – Different options available to municipalities



4. The distribution of responsibilities within municipal blocks: The different sources of asymmetry

As in any unitary state, French local authorities administer the affairs of their territory within the limits defined by law. The allocation of responsibilities is, in principle, horizontally symmetrical, as all authorities belonging to the same category are endowed with identical competences. However, significant asymmetries arise from special-status authorities (see above), the growing role of intermunicipal communities, the possibility for municipalities to delegate and transfer responsibilities to other local authorities and the scope for experimentation.

4.1. Asymmetries arising from the different allocation of responsibilities between municipalities and ICs.

In the French case, the institutional architecture of local government is characterized by the coexistence of municipalities and intermunicipal communities (ICs). The choice of a given IC form is not neutral, as it directly conditions the allocation of competences between municipalities and the intermunicipal level. As a result, municipalities are subject to differentiated institutional arrangements, which introduce de facto asymmetries in their scope of action and responsibilities.

These asymmetries affect both policy domains and decision-making power, even among municipalities of similar size.

At the same time, the rise of intermunicipal governance raises issues of democratic legitimacy, particularly given the significant transfers of competences to ICs. Although IC decision-making bodies are indirectly elected, they increasingly shape local public policies. In practice, however, the mayor remains the primary political reference for citizens, including in areas where competences have been transferred to the intermunicipal level, thereby creating a gap between formal responsibilities and perceived accountability.

Table 3: Range of competencies by legal status

	Communities of communes	Agglomeration communities	Urban communities	Metropoles
Law	1992	1999	1966	2010
Number in 2023	992	227	14	21 (including Paris and Marseille) + Lyon
Minimal population threshold	15,000	50,000	250,000	400,000
Tax regime	FPU or additional taxation	FPU	FPU	FPU
Competencies	**Compulsory competences**: - Urban planning - - Economic development actions - Management of aquatic environments and flood prevention - Reception areas for members of traveler communities - Collection and processing of household and similar waste - Wastewater treatment **Optional competences of community interest:** - Protection and enhancement of the environment - Highways - Cultural and sports facilities and pre-elementary and elementary education facilities - Social welfare - City policy * **By agreement with the department,** some or all powers in the social welfare field	**Compulsory competences**: - Urban planning - Economic development actions - Management of aquatic environments and flood prevention - Reception areas for members of traveler communities - Collection and processing of household and similar waste - Social balance of housing - City policy **Optional competences of community interest** (at least 3 of the 7 competences)**:** - Protection and enhancement of the environment - Highways - Cultural and sports facilities - Social welfare - Wastewater treatment - Water- Public service centers * **By agreement with the department**, some or all powers in the social welfare and highways fields	* **Compulsory competences:** - Economic, social and cultural development and planning (activity zones, economic development actions, cultural, socio-cultural, socio-educational and sports facilities, high schools and college, tourism, support for higher education and research establishments) - Urban planning (including mobility plan, highways) - Local housing policy and social balance of housing - Management of public-interest services (wastewater treatment, water, cemeteries, slaughterhouses, fire and rescue services, energy transition, urban heating, public electricity and gas supplies, charging infrastructures for electric vehicles) - Environmental protection (household and similar waste collection, measures to control air pollution and noise pollution, actions to control energy demand, management of aquatic environments and flood prevention) - Reception areas for traveler communities * **By agreement with the department** some or all powers in the social welfare and highways fields	* **Compulsory competences:** - Economic, social and cultural development and planning (activity zones, economic development actions, cultural, socio-cultural, socio-educational and sports facilities, high schools and colleges, tourism, support for higher education and research establishments) - Urban planning (including mobility plan, highways including department -level roads, railway stations) - Local housing policy and social balance of housing, improvement of the housing stock - City policy - Management of public-interest services (wastewater treatment water, cemeteries, slaughterhouses, fire and rescue services, energy transition, urban heating, public electricity and gas supplies, charging infrastructures for electric vehicles) - Environmental protection (household and similar waste collection, measures to control air pollution and noise pollution, actions to control energy demand, management of aquatic environment s and flood prevention) - Reception areas for members of traveler communities * **By agreement with the department**, some or all powers in the social welfare field, highways, allocation of aid under the solidarity fund for housing, integration program, assistance to young people in difficulty, specialized prevention actions for young people and families in difficulty, elderly people, "collèges" (middle schools), tourism. * **By agreement with the State**, some of its competences

Source: Breuillé and Duran-Vigneron (2025)

4.2. Asymmetries arising from the delegation and transfer of responsibilities between municipalities, ICs, and other tiers of local government

Local authorities in France administer themselves freely. Within this framework, they may delegate certain compulsory responsibilities assigned to them by law (Articles L.2321-1 and L.2321-2 of the *Code général des collectivités territoriales*, CGCT). They may conclude agreements with authorities at another level of government or with an intermunicipal community to delegate all or part of a responsibility (Article L.1111-8 CGCT). They may also delegate or share the exercise of certain statutory responsibilities with one or several intermunicipal communities, and, under specific legal frameworks, with departments or regions (Articles L.5111-1 et seq. CGCT). Depending on the case, such arrangements may be compulsory, optional, or voluntary.

The 3DS Law (*Loi n° 2022-217 du 21 février 2022*) further broadens the scope of authorized responsibility transfers from municipalities to ICs. These transfers may now concern responsibilities "the transfer of which is not provided for by law," as well as the assets, facilities, or public services necessary for their exercise, including for the implementation or management of structuring territorial projects (Article 8). Symmetrically, ICs may now transfer responsibilities previously delegated by member municipalities to departments or regions, thereby enlarging the range of permissible vertical and horizontal delegation among local tiers.

The 3DS Law also establishes the principle of differentiation. It provides that, "in compliance with the principle of equality, the rules relating to the allocation and exercise of responsibilities applicable to a category of local authorities may be differentiated in order to take account of objective differences in the situations faced by authorities belonging to the same category, provided that the resulting difference in treatment is proportionate and related to the purpose of the law" (Article 1).

This recognition strengthens local authorities' powers in two main ways. First, it reinforces their regulatory autonomy. Second, it allows member municipalities of an IC to transfer responsibilities on an "à la carte" basis and, conversely, to receive delegated responsibilities from the IC. The law thus opens new possibilities for differentiated responsibility-sharing within municipal blocks.

While the responsibilities of local authorities in transport, housing, social inclusion, and ecological transition are reaffirmed, certain competences may be exercised differently across territories. For example, responsibility for water and sanitation services may be extended to communities of

communes, which nonetheless remain free to retain existing inter-municipal syndicates in this area. In the field of social housing in large cities, the obligations of the SRU Law (*Loi Solidarité et Renouvellement Urbains*) are maintained, but authorities falling short may enter into "social-mix contracts" (*contrats de mixité sociale*), and local experimentation with rent-control mechanisms is permitted in high-pressure areas. Additional provisions organize transfers of responsibilities in the educational and environmental fields.

Finally, the law formally acknowledges, on a case-by-case basis, that local authorities with special status (*collectivités territoriales à statut particulier*) may exercise responsibilities that differ from those established under general law. Thus, the Metropolis of Lyon exercises both the ordinary responsibilities of a metropolis and those of a *département* within its territory (Articles L.3641-1 and L.3641-2 CGCT). The Metropolis of Paris, created in 2022, benefits from specific provisions, particularly in planning, urban development, and the provision and management of major facilities and infrastructure (Articles L.5219-1 to L.5219-12 CGCT). The European Collectivity of Alsace, created in 2019 through the merger of two departments, holds specific responsibilities in cross-border cooperation and bilingualism. Conversely, in the Metropolis of Aix-Marseille-Provence, certain common-law responsibilities remain exercised by member municipalities rather than the metropolis itself, including tourism, fire and rescue services, cemeteries, and heating or cooling networks (Article L.5218-1 CGCT).

4.3. Normative Subsidiarity and Experimentation: A limited source of Asymmetry

The constitutional revision of 28 March 2003 profoundly reshaped the framework governing the normative powers of local authorities in France. First, it enshrined, in Article 72(2) of the Constitution, the principle of normative subsidiarity, according to which responsibilities should be exercised by the most appropriate level of authority. In theory, this principle opens the possibility of challenging any allocation of responsibilities that fails to meet this requirement.

The same constitutional revision also introduced, in Article 72) of the Constitution, a right to experimentation for the benefit of local authorities. This provision allows them, on a temporary basis, to derogate not only from regulatory norms but also from statutory provisions governing the exercise of their competences. This possibility is, however, strictly regulated. The Organic Law of 19 April 2021 requires that any statute authorizing an experiment specify its purpose, duration – limited to five years – the characteristics of the eligible local authorities, and the provisions from

which derogations may be granted. Local authorities wishing to participate must adopt a reasoned resolution, after which the government establishes, by decree, the list of authorized participants. Before the expiration of the experimental period, an evaluation report is submitted to Parliament, which decides on the outcome of the scheme (generalization, modification, extension, or termination).

Alongside this mechanism, Article 37-1 of the Constitution provides for another procedure of normative experimentation that may, in principle, apply to areas falling within local competences. In practice, however, this procedure is exclusively initiated by the legislature and the central government. Although frequently used, it has mainly concerned social policies, sovereign functions, or national education, rather than the organization or exercise of local competences. The forms of differentiation and asymmetry it generates therefore remain largely outside the initiative of local authorities.

Independently of these experimental arrangements, local authorities have long possessed normative powers, essentially of a regulatory nature. Statutory law grants them regulatory competences in several specific areas, such as local administrative policing, urban planning – particularly through local planning documents, the management of the local civil service, and the adoption of internal rules of procedure. This local regulatory power was constitutionally recognized by the 2003 revision, which affirms the decentralized character of the Republic and acknowledges the existence of regulatory powers vested in local authorities for the exercise of their competences.

In practice, however, this normative power remains closely subordinated to the State. It is not an autonomous power, but rather an implementing authority exercised within the strict framework set by statute. Article 21 of the Constitution confers on central authorities a general regulatory power to ensure the implementation of laws. As early as a 1987 decision, the Constitutional Council held that while Parliament determines, under Article 34, the fundamental principles governing the free administration of local authorities, it is for the national regulatory authority, in compliance with these principles, to ensure their implementation. This interpretation has been consistently reaffirmed in subsequent case law.

The use of normative experimentation by local authorities follows the same logic of strict supervision. Whether under Article 72(4) of the Constitution or Article LO 1113-1 of the General Code of Local Authorities (CGCT), experimentation requires prior authorization specifying its

purpose, scope, and the categories of local authorities concerned. It is strictly limited in time – up to a maximum of nine years – and in substance: derogations may not affect the exercise of public liberties or constitutionally protected rights and generally concern secondary matters of a predominantly regulatory nature. Moreover, the implementation and evaluation of experiments fall exclusively within the remit of State services, and their use remains, in practice, exceptional.

Thus, despite the constitutional recognition of normative subsidiarity, local regulatory power, and the right to experimentation, the French legal framework continues to affirm the primacy of the State in defining, supervising, and ultimately constraining local normative innovation.

5. Fiscal asymmetries between local governments within municipal blocks

It is in the distribution of tax revenues and state grants among local authorities that asymmetries have multiplied in recent decades. Admittedly, the principles underlying local taxation have remained those of a unitary state. French local authorities do not have the power to create or abolish a tax. This power belongs exclusively to the legislator which assigned tax bases to the local governments. Local authorities (except syndicates of municipalities) have the power to set the rates of some taxes or to grant reductions or exemptions under restrictions set by the legislator.

However, the structure of the local tax system and the system of financial transfers from the State to local authorities has undergone profound reform since the decentralization of the 1980s. Apart from the special cases of Paris, Marseille and Lyon, the previous local tax system was vertically and horizontally symmetrical. Each level of local governments (region, department or municipality) could tax the same tax base. All local authorities were granted the same freedom to vote tax rates on this common tax base. This system has been gradually dismantled, resulting in asymmetrical taxation between different levels of local government (vertical asymmetries) and even between local authorities belonging to the same level (horizontal asymmetries). We will discuss the three main different reasons hereafter.

Firstly, recent local tax reforms have resulted in the abolition or reduction of many major local taxes, including most local business taxes, which have been replaced by new taxes, mainly shares of central government tax revenues (5.1). Secondly, the French legislature sought to combine the reform of local taxation and financial transfers with that of the territorial map by offering tax and financial incentives for municipalities to group together within municipal blocks with specific tax powers, thereby introducing new horizontal asymmetries (5.2). Thirdly, each tax reform was

accompanied by a specific financial equalization mechanism designed to reduce asymmetric effects but based on independent and largely inconsistent mechanisms (5.3).

5.1 The effects of local tax reforms: The emergence of vertical tax asymmetries

Until the early 1980s, the local tax system was vertically symmetrical. All local authorities (municipalities, departments and regions) had access to the same taxes (local business tax or « *taxe professionnelle* », property taxes on built and unbuilt land, and housing tax) based on the same tax bases.[1] Local authorities were free to set tax rates within the limits set by law.[2]

This vertical symmetry in local taxation is unique to France. It has its origins in the long history of local taxation, which initially consisted of four taxes additional to national taxes (the « *quatre vieilles* » in French), which were then retained at local level even though these national taxes were replaced by more modern levies.

However, this vertical uniformity of fiscal rules did not prevent the existence of considerable fiscal inequalities between local governments under the combined influence of *i*) the extreme fragmentation of the municipal map exacerbating the concentration of economic activity – and therefore of the *local business* bases – in a small number of municipalities; *ii*) the heavy weight of local taxes on businesses (approximately half of the total revenue of local taxes); and *iii*) the freedom of municipalities to set their own rates within state-set bounds, which allowed those rich in economic activity to engage in tax competition.

The financial needs of local authorities resulting from the extension of their powers have been largely met by a growth in revenue from taxes on economic activities, boosted by the expansion of their tax bases. By the end of the 1990s, local taxes on businesses (the "*taxe professionnelle"* and the property tax on business properties) accounted for 90% of the inequalities in per capita tax capacity[3] between municipalities (Gilbert and Guengant, 2003).

The rapid growth of local taxation on businesses was seen as a threat to successive governments, which sought to limit its pace in order to preserve the price competitiveness of French exports.

[1] These bases are the cost of production factors for the local business tax, the rental values of built and unbuilt properties for property taxes on built and unbuilt land, and housing tax

[2] Essentially, compliance with the parallel upward and downward trend in household tax rates and business tax rates.

[3] Tax capacity refers to the theoretical revenue a local authority could raise if it applied the national average tax rates to its tax bases.

From the late 1990s onwards, successive governments moved step by step towards a new model known as ‘fiscal specialisation’, removing access for certain levels of local government to all or part of the four local taxes. Thus, the housing tax and property taxes were abolished at the regional level, with property taxes redistributed between departments and municipalities.

The *local business tax* (“*taxe professionnelle”*) was finally abolished in 2010 and replaced by a *territorial economic contribution* (“*contribution économique territoriale”* or CET) composed of a tax proportional to the added value of the enterprises located in the municipality (“*cotisation sur la valeur ajoutée des entreprises”*, CVAE), set at a national rate, and a *property contribution of enterprises* (“*cotisation foncière des entreprises”*, CFE), based on the rental value of enterprises immovables the rate of which been set locally. This tax is expected to disappear completely by 2030.

As described in the Table 4, the previous model of vertical stacking of local taxes between levels of local government has now virtually disappeared. The taxation systems of the regions, departments and municipal blocks are now almost entirely separate, and therefore vertically asymmetrical. A large proportion of regional and departmental resources comes from the allocation of a share of central government tax revenues (mainly VAT), in amounts corresponding to the loss of resources resulting from the abolition of previous regional or departmental taxes over which they have no control.

In contrast, municipal block taxation retains all the former local taxes on residents (the housing tax on second homes and the two property taxes) as well as most of what remains of business taxation (share of CVAE and property tax on businesses). Municipal blocks also retain relative freedom in setting rates, even though municipal taxes on businesses remain capped. Tax stacking has completely disappeared in municipal blocks with a single tax system (see 5.2 below).

Table 4: Breakdown of the main taxes levied on local authorities, France, 2025

	Municipal block		Departements	Regions and CTUs (6)
	Municipalities	ICs (6)		
Housing Tax (1)	*yes*	*yes*	-	-
Property Tax (built property) (2)	*yes*	*yes*	-	-
Property Tax (non-built property) (3)	*yes*	*yes*	-	-
Registration fees (DMTO) and additional taxes	*yes*		*yes*	*yes*
Business Property Tax (CFE) (4)	*yes*	*yes*	-	-
Contribution on the Value Added (CVAE) (5)		*yes*	*yes*	*yes*
Flat-rate taxation on network companies (IFER)	*yes*	*yes*	*yes*	*yes*
Domestic consumption tax on energy products (TICPE)				*yes*
Commercial property tax (TASCOM)	*yes*	*yes*	-	-
Refuse Collection Taxes (partly optional) **Sweeping Tax (optional)** **Tourist Tax (facultative)**	*yes* *yes* *yes*	*yes* *yes* *yes*	-	-
Environmental Tax (GEMAPI)	*yes*	*yes*	-	-
Mobility Payment (8) **Additional Taxes to Property Tax (Built Property and CFE) earmarked to transportation network Ile de France region**	-	*yes*	*yes*	*yes* *yes*
Tax on insurance contracts (TSCA)			*yes*	
Tax on electricity consumption (7)	*(yes)*	*(yes)*	*(yes)*	

Notes:
In italics: local authorities have the power to set the tax rate (possibly within a ceiling).
(1) "*Taxe d'habitation"* set on second homes only since 2022–2023.
(2) *Taxe foncière sur les propriétés bâties* (on households and businesses).
(3) *Taxe foncière sur les propriétés non-bâties* (Taxes paid by households and businesses).
(4) *Contribution foncière des entreprises* (CFE). The *CFE* and the *CVAE* together form the *Contribution Economique territoriale* (CET).
(5) The *CVAE* will be completely abolished in 2030. Its rate is capped (0.19% in 2025). The loss of revenue for local authorities is compensated by the allocation of a share of *value-added tax (TVA)* equivalent to the fiscal resources lost through the abolition of the *CVAE*.
(6) The tax revenues of the *regions* and *collectivités territoriales uniques* consist mainly of shares of national tax revenues (*VAT*, *Taxe intérieure de consommation sur les produits énergétiques*– TICPE), in amounts corresponding to the loss of resources resulting from the abolition of previous regional taxes. Added to these are additional shares of *VAT* to compensate for losses of resources caused by the suppression of earlier taxes.
(7) Tax assigned to the local authority acting as the organizing authority of electricity networks (municipality, *IC*, or department, depending on the case).
(8) Tax on businesses with more than 11 employees, assessed on payroll, and allocated to the financing of investments in urban public transport networks; rate voted by local authorities within ceilings set by law.
(9) Tax assigned to the local authority acting as the organizing authority of electricity networks (municipality, *IC*, or department, depending on the case).

5.2. The horizontal asymmetric effects of creating municipal blocks with own taxation

The emergence of fiscal asymmetries between levels of local government is compounded by the development of horizontal fiscal asymmetries between municipal blocks. The legislator has proposed new intermunicipal community formulas offering new options for sharing taxation between member municipalities and communities, designed to limit or eliminate the cumulative effect of tax rates between municipalities and communities. "Communities of communes" tailored to rural municipalities were created in 1992, and "communities of agglomeration" for urban municipalities in 1999.

Within these new types of intermunicipal blocks with own taxation, the communities are entitled with broader responsibilities (thus reinforcing community integration), in return for which the member municipalities agreed either *i*) to add to the three municipal taxes (property tax on built and unbuilt land, and local business tax) additional rates decided at the community level and applied uniformly to all member municipalities (*additional tax regime*), or (*ii*) that the business tax (CFE - *cotisation foncière des entreprises*) be levied at a single rate across the entire community territory (single business taxation regime), and the tax rates on households property tax on built and unbuilt land be set by both the municipalities and the community (additionnal rate regime).

The second option is now the most widespread variant, since it applies by law to *single local authorities* (*Collectivités territoriales uniques* such as Lyon), to *metropolises* created after 1999, to *communities of agglomeration*, and – optionally – to *urban communities*, communities of *agglomeration*, or *communities* of communes formed before 1999.

Tax asymmetry (here, horizontal asymmetry) thus resulted from the possibility offered to municipalities to choose the key by which tax power is shared between municipalities and intermunicipal communities. The option to enlarge community competences and to adopt a system of municipal block with own taxation, although in principle left to the free choice of municipalities, was strongly encouraged by the legislator in the form of fiscal incentives. State financial transfers ("*Dotation globale de fonctionnement"* of the communities) were increased in proportion to the importance of the responsibilities transferred from municipalities to the intermunicipal community.

This increase was financed by a reduction in the transfers granted to municipalities that had not chosen the single business tax regime. The pooling of tax wealth from economic activities within the community made it possible to finance community responsibilities and relieved, to that extent,

the budgets of municipalities less endowed with such activities. It also reduced fiscal competition between municipalities. In short, fiscal asymmetry was transformed into a tool for both integration and redistribution within the municipal blocks.

As a matter of fact, the choice offered to municipalities to choose between various formulas of pooling the local business tax within municipal blocks has been the principal vehicle of the development of fiscal asymmetry between municipal blocks since the late nineties.

The law of 16 December 2010 (Law No. 2010-1563 on the reform of local authorities) made single taxation compulsory. This tax regime was imposed to communities of communes and communities of agglomeration, on urban communities created after 1999, on metropolises, and on single local authorities ("*collectivités territoriales uniques*"), while making this status optional for communities of communes, agglomeration communities, and urban communities formed before 1999.

Consequently, this coexistence of fiscal layers maintains a certain degree of horizontal asymmetry within the unified intermunicipal framework. Moreover, even today, the different tax regime within the intermunicipal communities still differ about the vote of the rate of *CFE*, even if the *CFE* now represents only a modest fraction of what the "*taxe professionnelle"* once did. The other fiscal pillar of the municipal blocks previously rested on the housing tax ("*taxe d'habitation"*), based on the rental value of residential premises and paid by the residents. This tax too has been abolished and replaced by transfers from the State or by shares of state tax revenues[4]. Consequently, the tax power of the municipal blocks has been reduced to the same extent.

5.3. The growing asymmetry of state grants-in-aid to the local authorities within the municipal block

Before the decentralization laws, State operating grants to municipalities represented a relatively minor share of their operating resources, unlike capital grants, which constituted a very significant portion. Operating grants developed as local tax revenues were reduced by the abolition or relief of taxes imposed by the central authorities and Parliament. The original formula of the "dotation globale de fonctionnement" (DGF), which constitutes the main pillar of these transfers, was relatively undifferentiated between local governments, and therefore more or less symmetrical. It

[4] And maintained only on secondary residences.

included a flat-rate per capita component that increased with the size of the local authority's population, and a component inversely proportional to the tax capacity per capita of each authority.

The growing importance of municipal blocks led, in 2004, to the creation of a specific grant, the municipal block grant-in-aid ("dotation intercommunalité") for intermunicipal communities.[5] Since 2019, 30% of its total amount has consisted of a basic per capita grant distributed among the intermunicipal community according to a coefficient of fiscal integration ("coefficient d'intégration fiscale", CIF[6]) and the population of the intermunicipal community; and 70% of an equalization grant distributed according to the tax capacity[7] and the population. Complex mechanisms ensure both the stability of the basic grant – through capping mechanisms limiting overly rapid increases and guarantees in the event of excessive decreases – and its responsiveness, particularly to the progression of intermunicipal integration.

Finally, an additional source of asymmetry results from the methods used to replace local taxes that have been abolished or reformed. The government's strategy has been to accompany the abolition or reform of local taxes with the introduction of specific equalization mechanisms. The intermunicipal community equalization grant ("dotation de péréquation communautaire") is a mechanism for correcting financial inequalities between the member municipalities of intermunicipal communities.

More generally, it is difficult to measure precisely the "symmetrical" or "asymmetrical" effect of all these financial transfer mechanisms – and of the equalization mechanisms – on the respective financial situations of municipalities and of the municipal blocks *(*see e.g. Gilbert and Guengant, 2003; Jaaidane and Larribeau, 2024). Firstly, the Constitution (Article 72, paragraph 2) provides that equalization mechanisms should promote equality between local authorities, which intermunicipal communities are not. Secondly, equalization results from multiple overlapping

[5] i.e. communities of communes with additional taxation, communities of communes with single business tax, agglomeration communities, urban communities and metropolises.

[6] Measured by the ratio between the tax levied by the intermunicipal community and the total tax levied on its territory by the communes and the intermunicipal community, net of repayments by the community to member communes (compensation and community solidarity allocations).

[7] Allocations under the equalization grant are calculated based on population, tax potential and tax consolidation coefficient (CIF).

equalization funds, operating on different geographic scales.[8] This institutional layering explains the persistence of unintended and uneven redistributive asymmetries between municipal blocks which result both from equalizing schemes but also from mechanisms not explicitly labeled as equalization measures yet producing equalizing effects. Their combined effects are sometimes surprising. As emphasized by the French court of audit (Cour des Comptes, 2014), "financial equalization is not accompanied by a clear definition of the objectives assigned to it. It rests on a set of mechanisms whose overall coherence is not ensured, and which simply add up to one another."

6. Concluding remarks

The development of decentralization in France has not escaped the asymmetric trends that have often appeared earlier in many European countries. Some of these asymmetries (not addressed in this article) concern overseas territories, sometimes very distant from mainland France, whose specific characteristics and aspirations have led the Constitution to gradually establish an original framework that is quite different from the asymmetries introduced in metropolitan France.

Most of the asymmetries introduced in metropolitan France in the situation of local authorities respond to a constant prerequisite in the mind of the French legislator: the supposed contradiction between the efficient functioning of decentralization and the fragmentation of the municipal map. In the absence of the ability to directly merge municipalities, they have therefore been encouraged and then called upon to form intermunicipal communities of various types, intended to constitute "municipal blocs" foreshadowing what French municipalities will probably become in the future. The multiplicity of legal regimes, competences, and funding arrangements specific to each of these entities is the source of the many horizontal asymmetries between municipal blocs.

Horizontal asymmetries concern, on the one hand, the allocation of competences, but they are compounded by fiscal and financial asymmetries, as the legislator has coupled issues of competence allocation with the reform of local taxation. A new form of asymmetry has thus

[8] For example, when it comes to financial equalization, there are equalization schemes between municipalities at the national level ("*Fonds national de péréquation*"), equalization schemes between communes in the same intermunicipal community ("*dotation de solidarité Communautaire*"), the "*Fonds national de péréquation des droits de mutation à titre onéreux*" collected by the *départements*; the "*Fonds de péréquation départemental des taxes additionnelles aux droits d'enregistrement*" for municipalities with fewer than 5,000 inhabitants and the "Fonds de péréquation des ressources des régions".

emerged – original in that it is vertical – since each level of local government and each type of municipal block now has a specific portfolio of taxes and state transfers, whereas previously local taxation was homogeneous across levels or types of local authorities.

A final peculiarity of the French case lies in the near absence of institutional asymmetries between departments (except the Communauté Européenne d'Alsace) and, above all, between metropolitan regions, undoubtedly reflecting the distrust of a unitary yet still centralizing France toward the emergence of powerful and diversified regions.

References

AdCF. (2022). Qu'est-ce que l'intercommunalité ? Les intercommunalités de France, Assemblée des Communautés de France.

Agrawal, D. R., Breuillé, M. L., Le Gallo, J. (2025). Tax competition with intermunicipal cooperation. *National Tax Journal*, 78(1), 5-43.

Allain-Dupré, D. (2020). The multi-level governance imperative. *The British Journal of Politics and International Relations*, *22*(4), 800-808. https://doi.org/10.1177/1369148120937984

Breuillé, M. L., Duran-Vigneron, P. (2025). Intermunicipal Cooperation in France and Related Tax Issues. In D. R. Agrawal, J. M. Poterba & O. M. Zidar (Eds.), *Policy responses to tax competition* (NBER; University of Chicago Press). Chapter 8.

Charlot, S., Paty, S., and Piguet, V. (2015). Does Fiscal Cooperation Increase Local Tax Rates in Urban Areas? *Regional Studies*, 49(10), 1706–1721.

Cour des comptes. 2024. *Les finances publiques locales*. Rapport de la cour des Comptes, octobre 2024.
https://www.ccomptes.fr/sites/default/files/EzPublish/20141014_rapport_finances_publiques_locales.pdf

DGCL, 2024. La fiscalité directe locale en 2023, Bulletin d'information statistique du Département des études et des statistiques locales, n° 184 - juillet 2024

Fiorillo, F., Giuranno, M.G., Sacchi, A. (2021). Asymmetric decentralization: distortions and opportunities. *Econ Polit* 38, 625–656 (2021). https://doi.org/10.1007/s40888-020-00211-7

Flynn, M. K. (2004). Between autonomy and federalism Spain. *Managing and Settling Ethnic Conflicts* (pp. 139–160). Berlin: Springer.

Frère, Q., Védrine, L. (2024). Does decentralisation theorem shape intermunicipal cooperation? *Regional Studies*, 58(9),1728–1753.

Gilbert G., A. Guengant. (2003). The equalizing performance of central government grants to local authorities: the case of France. *National Tax Journal*. ⟨halshs-00103147⟩

Jaaidane T., S. Larribeau, (2024). Le rôle politique de la dotation globale de fonctionnement, *Revue d'Economie Politique,* 134 (1), 11-47.

Martinez-Vazquez, J. (2007). *Fiscal fragmentation in decentralized countries. Subsidiarity, solidarity and asymmetry, chapter asymmetric federalism in Russia: Cure or poison?* (pp. 227–266). Cheltenham: Edward Elgar Publishing.

OECD. (2019). Making decentralization work. OECD Report. https://doi.org/10.1787/551847c0-fr.

OFGL. (2025). Les finances des collectivités locales en 2025. Rapport de l'Observatoire des finances et de la gestion publique locales.

Tricaud, C. (2025). Better alone? Evidence on the costs of intermunicipal cooperation. *American Economic Journal: Applied Economics*., 17(1), 160–207.