



Promoting Decentralization and Inter-Municipal Cooperation

**Regional Seminar on Promoting Local Government Reform
and Good Governance at Local Level**

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Content of the presentation

Context of our work:

- Ohrid Framework Agreement (OFA)
- Mandate of the OSCE Mission

Decentralization

- Key issues
- Mission Activities

Inter-municipal Cooperation

- Key issues
- Mission Activities
- Lessons learned



Ohrid Framework Agreement (OFA)

“An agreed framework for securing the future of Macedonia's democracy”

- Signed by Government and Ethnic Albanian representatives on 13 August 2001
- Ended the armed conflict between the National Liberation Army and the Macedonian security forces
- Set grounds for improving the rights of ethnic minorities



Ohrid Framework Agreement (OFA)

Ohrid Framework Agreement five Basic Principles:

1.5. “The development of local self-government is essential for encouraging the participation of citizens in democratic life, and for promoting respect for the identity of communities.”

Annex C, Article 4.1: “The parties invite international community to assist in the process of strengthening the local self-government.”



Mandate of the OSCE Mission to Skopje

Organization's longest-serving field mission (September 1992)

Mandate based on:

- The Mission's original mandate (prevent spillover from the conflict in Former Yugoslavia)
- Permanent Council decisions stemming from the Ohrid Framework Agreement (to ensure the functioning of democratic structures, the advancement towards Euro-Atlantic institutions and the development of a civil society respecting ethnic identity)



Mandate of the OSCE Mission to Skopje

- To promote maintaining of peace, stability, and security through providing support to the implementation of the Ohrid Framework Agreement (OFA) provisions related to strengthening the local self-government and public administration reform and the decentralization process in general
- Public Administration Reform Unit (Monitoring and Good Governance Department) established in 2003, in the light of forthcoming start of the decentralization process
- A total of 120 projects implemented in the period 2003-2011

Decentralization Process





Decentralization Process

Historic development of the LSG

- 1991** Inherited the system of 34 municipalities from former Yugoslavia
- 1996** Increase of the number of municipalities to 124
- 1997** The country ratified the CoE Charter on LSG
- 2001** Ohrid Framework Agreement – gave an impetus to decentralization
- 2002** Adoption of the Law on Local Self Government
- 2004** Law on Financing of Local Government
- 2004** Law on Territorial Organization reduced the number to 85 Municipalities including its capital, Skopje



Decentralization Process

Advantages

As the main aim of decentralization is to bring government closer to citizens, some of the advantages are the following:

- Increased **participation** of citizens in the local decision-making process
- Increased **accountability** of the local self government unit
- **Better use** of available resources
- Improved **service delivery** - better, cheaper and more efficient services
- More **control** over local economic development
- More open, democratic and **transparent government**
- More **balance of power** between central and local government



Decentralization Process

Competencies of the municipalities

Old competencies before decentralization (1991-2002):

- Urban planning (shared with the Ministry of Urban Planning)
- Communal activities – water supply, waste management, etc.

New Competencies according to the Law on LSG of 2002:

- Environment protection
- Local Economic Development
- Culture – institutional and financial support to the culture
- Sport and recreation activities
- Social protection and protection of children
- Education – primary and secondary
- Health protection
- Activities to prevent and protect the citizens from natural and other disasters
- Fire protection
- Control and supervision of the activities that are under municipal competencies
- Other activities as determined by the law



Decentralization Process

Past Challenges

Human:

- Job transfer of staff from regional offices to municipalities
- Lack of human resources
- Lack of know-how

Financial:

- Inadequate fiscal system of the municipalities
- Inappropriate legal and fiscal control
- Lack of funds
- Unbalanced development
- Inherited debts

Legal:

- Gaps in legal framework



Decentralization Process

Mission main activities (2003 – 2011)

a) Capacity-building of local administration and elected officials

Local Administration:

- Increase capacities in human resources, financial control, transparency and accountability

Elected Officials:

- To strength institutional capacities and to promote good governance principles (specially among newly elected municipal councillors)



Decentralization Process

Mission main activities (2003 – 2011)

b) Support implementation of the decentralized competences

- Monitoring the process
- Support inter-institutional cooperation (central-local)
- Promote inter-municipal cooperation
- Encourage inter-community dialogue
- Facilitate participatory planning at LED
- Promote municipal transparency
- Support municipal education officers



Decentralization Process Main Challenges Ahead

- Professionalization / Depoliticization of civil servants
- Capacity building of civil servants - training on generic issues
- Management of construction land
- Corruption
- Distribution of VAT
- Increase of Inter-municipal cooperation
- Legalization of informal (illegal) buildings
- Child care
- Care for elderly people

Decentralization Process

Promoting Inter Municipal Cooperation





Decentralization Process

Promoting Inter Municipal Cooperation

Objective:

- To support local governments in ensuring efficient provision of quality services to citizens

How?

- By creating the necessary human and institutional capacities and by identifying incentives to enable implementation of IMC on national scale

1st step:

- Support the creation of the Association of Units of Local Self Government (ZELS)



Decentralization Process

Kichevo Valley Inter-Municipal Cooperation (2003)

In total six ethnically mixed municipalities were involved in the IMC Pilot Project

Results:

- Established effective inter-municipal cooperation Board, composed of Mayors
- Inter-ethnic dialogue promoted
- Increased interest and level of understanding for inter-municipal cooperation
- Improved local administration
- Strengthened consensus building measures in an ethnically mixed region



Decentralization Process

Promoting Inter Municipal Cooperation Initiatives

- The OSCE Announced a public call to award grants for four IMC initiatives open to all 85 municipalities
- The selection of the four projects was a result of an evaluation process on the criteria drafted by the OSCE
- Ministry of Local Self-government and UNDP invited in the selection process



Decentralization Process

Promoting Inter Municipal Cooperation Initiatives

- Established joint Urban Planning Unit between two Municipalities
- Established and strengthened inter-municipal cooperation for developing of a micro-region in four municipalities
- Joint Human Resources Department between two municipalities
- Joint plans for development of rural tourism between two municipalities
- Establishment of an Inter Municipal Information Center to support rural development for five municipalities
- Inter municipal cooperation to develop rural tourism between two municipalities.
- Established information Centre to increase the transparency between two municipalities



Decentralization Process

Promoting Inter Municipal Cooperation Initiatives

- Establishment of the first Inter-Municipal Cooperation Fund for the Kicevo region - Kicevo, Vranestica, Drugovo, Oslomej, Zajas and Plasnica (2003)
- Establishment of the first network of inter-community relations committees at local level and promotion of their role (2006)
- Increasing the capacity of the joint urban administrative unit of the municipalities of Zrnovci and Cesinovo-Oblesevo (2008)
- Inter-municipal e-cooperation within the micro region of Delcevo, Vinica, Pehcevo and Berovo (2008)
- Inter-municipal cooperation for successful local-self government units - establishment of a joint administration on human resource management, internal audit and urban planning in the municipalities of Lipkovo and Aracinovo (2008)
- Inter-municipal cooperation for rural tourism development of Ohrid and Debarca municipalities (2008)
- Inter-municipal information centre for promotion of the rural development and the small and medium size enterprises (2009)
- Development of the rural tourism through the inter-municipal cooperation in the municipalities of Zajas and Drugovo (2009)



Decentralization Process

Promoting Inter-Municipal Cooperation (IMC) Programme

21 municipalities

Areas:

human resource management

internal audit

urban planning

environment

rural tourism

rural development

small and medium size enterprises

e-governance

transparency



Decentralization Process

Promoting Inter-Municipal Cooperation (IMC) Programme

Facilitating policy dialogue:

IMC Legal Framework:

- Law on Local Self-government (2002)
- Law on Inter-municipal Cooperation (2009)
- By Laws

Donor Community: UNDP took over the IMC (2010)



Decentralization Process

Promoting Inter-Municipal Cooperation (IMC)

Lessons learned:

- Ensure political support
- Be inclusive
- Involve elected officials
- Involve municipal staff
- Communicate effectively
- Maintain a cooperative spirit
- Proceed with care
- Allocate costs fairly
- Deal directly with problems



Decentralization and Inter-Municipal Cooperation

Beneficiaries

Local

- Municipal administration (human resource management staff, financial and tax administration officers, municipal internal auditors)
- Municipal elected officials (council members)
- Members of the committees for inter-community relations
- Newly recruited civil servants in accordance with the principle of equitable representation
- Neighbourhood self-government units
- Members of the equal opportunities committees (gender equality)
- Municipal urban and education inspectors

Central

- Central government officials (Civil Service Agency, Ministry of Finance, Ministry of Local-Self Government and Ministry of Environment)
- Association of Units of Local Self-Government Staff
- Secretariat for the Implementation of the Ohrid Framework Agreement staff



Decentralization and Inter-Municipal Cooperation

Promoting Local Governance

Identify lessons learned and best practices, but:

- There are not one-size fits all formulas
- Initiatives need to be tailor-made to specifics
- Be process and result oriented
- Explore, use innovation
- Think outside the box



OSCE Mission to Skopje

Promoting Decentralization and Inter-Municipal Cooperation

End of Presentation

Questions?