

## Promoting good governance by decentralizing decision-making

## More than just a buzz phrase at the Skopje Mission

Decentralization may not sound like the most stimulating of subjects, but the OSCE Spillover Monitor Mission to Skopje and its host country are encouraged by the progress they have achieved during the past year in translating dry-sounding concepts such as "capacity-building" and "good governance" into sound and workable practices.

## **BY MARK NAFTALIN**

igh up on the sixth floor in the headquarters of the OSCE's Spillover Monitor Mission to Skopje, the Public Administration Reform Unit works exclusively on local government and decentralization issues. The aim is to assist in the efficient and effective transfer of various responsibilities from the country's central Government to 85 local self-government units — 84 municipalities and the City of Skopje.

Brief flashback to early 2001: Armed conflict is breaking out in the north and west of the former Yugoslav Republic of Macedonia. Ethnic Albanians demand substantially greater rights from the Government, claiming they are significantly under-represented in the public sphere. After mediation by the international community, including the OSCE, the opposing sides sign a peace treaty — the Ohrid Framework Agreement — on 13 August 2001.

As well as marking the official end to the seven-month conflict, the Agreement incorporated several key demands made by ethnic Albanians. Among these were the "development of decentralized government" (article 3) and "non-discrimination and equitable representation" (article 4) within decision-making bodies.

These two important articles underpin the decentralization process that is now taking place. Although the notion of devolving more power to local institutions was not new to the country, its actual implementation was boosted by the provisions of the Ohrid Framework Agreement.

The Agreement unambiguously spells out that many of the central Government's functions should be directly transferred to the local level:

Zelino Municipality, March 2006. OSCE Mission member Zage Filipovski briefs local officials on decentralization and citizens' participation. Photo: OSCE/Mark Naftalin "...Enhanced competencies will relate principally to the areas of public services, urban and rural planning, environmental protection, local economic development, culture, local finances, education, social welfare, and health care." (Article 3.1)

Since the onset of peace, the Government has undertaken several major reforms aimed at paving the way for an ambitious decentralization programme. For example:

• Constitutional amendments established Albanian as an official language in certain areas.

• A Law on Local Self-Government was enacted, defining the new legal responsibilities of municipalities.

• Municipal elections, observed by the Office for Democratic Institutions and Human Rights (ODIHR), were held in March and April 2005. A total of 85 mayors and 1,341 municipal councillors were voted into office.

In July 2005, with the appropriate conditions finally in place, the two-year "interim" process of decentralization — a probationary period — officially started. For the first time ever, duly elected municipal officials had the authority to carry out decisions on local governance issues that had formerly been vested in the capital.

The significance of this change is not lost on Ace Kocevski, Mayor of Veles, where Macedonians form an 85 per cent majority.

"Citizens have become active participants in the decision-making process through debates, public hearings and meetings," he says. "At the same time, we — mayors and councillors — do not just sit in our offices waiting for people to approach us; we go out to the villages and towns and talk to them."

"Decentralizing power to municipalities encourages good governance, transparency, democratization and administrative reform," says Ambassador Carlos Pais, Head of the Skopje Mission. "It's an area with a strong



human dimension, so the OSCE is perfectly equipped to assist."

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Fifty kilometres northwest of Skopje, in the heart of the former crisis zone around Tetovo, lies Bogovinje. The scene is much like that in any other small village in the country: old men drinking coffee and smoking in cafés, women doing their daily marketing and tractors carrying labourers to the fields.

To the first-time visitor from the capital, however, some things seem somewhat unusual. The normally ubiquitous monasteries are nowhere in sight, and street and store signs are in an unfamiliar language.

That's because, just like in many parts of the country that border Kosovo, Bogovinje's 30,000 residents are largely ethnic Albanians. Not surprisingly, decentralization is hugely popular. It has allowed the municipality to be run "by Albanians and for Albanians", as resident Nebi Maniri describes it. "We feel much more involved in making decisions that affect our municipality," he says, "and naturally we also feel more respected."

Many, however, are still in the dark about the actual role of local government, which

## Empowering 84 municipalities and the City of Skopje An overview of OSCE assistance

- Organizing and leading regional conferences on decentralization;
- Training more than 1,000 municipal officers countrywide; Installing an information hotline, launching a citizens'
- Creating 15 municipal gender equality commissions within local governments;
- Supporting a major workshop for mayors and other officials to discuss inter-community commissions under the provisions of the Law on Local Self-Government;
- Producing and disseminating 2,000 copies of various manuals on local taxation;

- Building the capacity of local NGOs to work on decentralization issues;
- Installing an information hotline, launching a citizens' information centre and funding special publications on decentralization;
- Creating a data base of information on 1,500 neighbourhood self-governments; and
- Upgrading municipal computers so that local financial statements can be produced.

Tetovo: Decentralization seeks to give ethnic Albanians and other minority groups a greater voice in decision-making. differs considerably from that of the old ruling structure.

"People do not yet fully understand what decentralization means for them," says Bogovinje's mayor Nevzat Elezi. "In the former Yugoslavia, people were far more aware of the duties of the neighbourhood self-government units, or *Mesna Zaednica*."

Because the success of decentralization hinges on how well-informed citizens are about the responsibilities of their newly elected officials, the OSCE Mission has been mobilizing countrywide information campaigns. At least one citizens' information centre has also been set up by the Mission, in the northern municipality of Cucer Sandevo, where people can keep track of their representatives' latest activities and help themselves to OSCE-sponsored brochures and leaflets.

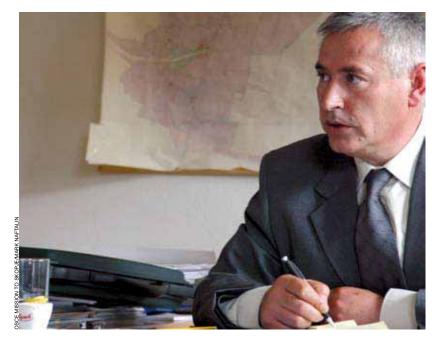
The availability of explanatory material is especially appreciated in the north and the west, where the country's mountainous terrain hinders residents and their officials from having a regular dialogue.

The Mission has also provided funds for manuals and handbooks aimed at educating municipal officials in budgeting and financial reporting. Publications have been supplemented with training through a series of workshops carried out in co-operation with the Association of Municipalities.

The fact that the Mission has been hosted by Skopje since September 1992, making it the Organization's longest-serving field presence, is proving especially useful in decentralization efforts. Backed by extensive experience and expertise on the ground, the OSCE is able to offer a broad range of technical support especially tailored to a municipality's specific needs and aspirations.



New translation equipment, courtesy of the OSCE, is facilitating dialogue in the multilingual municipality of Cucer Sandevo.



A case in point is Cucer Sandevo, where 37 per cent of the 8,000 residents speak Macedonian, 29 per cent Serbian, and 23 per cent Albanian. The OSCE has recently made simultaneous translation equipment available, allowing listeners to follow discussions in the language of their choice.

"Initiatives of this kind are helping different communities within the municipality to come together and truly benefit from its multicultural environment," says Philipp Stiel, who heads the 11-member team in the Public Administration Reform Unit. "The technology is not just for Municipal Council sessions; it is also being used by local NGOs and by citizens at their open debates on community issues."

Prospects for decentralization are looking bright a year after it all began, helping nudge the country along its path towards EU membership.

"The principle of multi-ethnicity is firmly embedded in your Constitution and is now in the process of being implemented throughout the country," José Manuel Barroso, President of the European Commission, told national parliamentarians early this year. "Diversity has become a guarantee for the unity of the country."

Addressing the same audience in April, OSCE Chairman-in-Office Karel De Gucht sounded the same optimistic note: "Decentralization has been a positive factor in the overall improvement of inter-ethnic relations. It has multiplied contacts between the various communities — and not only *within* but also *between* neighbouring municipalities. The OSCE will continue to actively support the process." Mayor Nevzat Elezi thinks that the residents of Bogovinje should be helped to understand the impact of decentralization on their lives.

Mark Naftalin worked in the Public Administration Reform Unit in the OSCE's Spillover Monitor Mission to Skopje and was an ODIHR election observer in the countrywide municipal elections in 2005.

