

Round table 1: Decentralisation and the role of local government in revitalising the territory

UCLG Decentralisation and Local Self-Government Committee & Barcelona Province

GOALS

This session was devoted to analysing current trends in decentralisation with a special focus on the Balkan region. The main goal of the round table was to identify the virtues of decentralisation as a tool to revitalize the territory. However, to do so, several obstacles difficult the advance of decentralisation processes-

PRESENTATIONS

Arnau Gutiérrez

UCLG Decentralisation and Local-Self Government Committee, International Relations Directorate - Province of Barcelona

Mr. Gutiérrez presented the Decentralisation and Local-Self Government Committee, which aims at strengthening decentralisation and local-self government processes to improve local governance. The Global report in Decentralisation is one of its main activities. The Mediterranean chapter shed some light on the current situation of decentralisation in the region. Among its conclusions, the following could be highlighted:

- In the heterogenic Mediterranean region, a decentralised territorial organization takes shape as a way to find responses for every concrete and different need but there are still unresolved challenges
- There are some important common problems to address such as the lack of resources, lack of a clear definition of competences, difficulties in managing metropolis, etc.
- There is a lack of long term state decentralisation policies that fulfill the established objectives
- There are problems with transposing decentralisation policies or good practices from one country to another without considering the different realities and needs of each of them

Furthermore, the role of local governments in revitalizing the territory is key as it strengthens democracy and improves the matching preferences process by bringing government closer to the citizenry and creating more dynamic and flexible institutions.

Recep Bozlagan

Secretary General, Association of Municipalities of the Marmara Region (Turkey)

In his presentation, focused on the relations between central and local authorities, Mr. Bozlagan described the main organizational structures that states might be found in decentralised states. To do so, the starting point was the following definition of decentralisation: governance process that implies the sharing of political, administrative and fiscal power and authority between central government and local authorities, as well as the interaction between local authorities and citizens.

Central government-local authority and local authority-citizen relations are based on universal democratic values such as freedom, equity, justice, participation, effectiveness and welfare.

To strengthen local authorities, the speaker proposed that:

- Autonomy of local authorities should be identified either by the constitution or by law.
- The powers of local authorities should be determined within the principles of governance, subsidiarity, externalities and scale economies .
- Local authorities should have the primary competence for the performance of local services.
- Decision-making bodies of local authorities should be elected by universal suffrage in all countries.

Ace Kocevski

Former Mayor of Veles, NALAS (Macedonia)

Fiscal decentralisation in the Balkans was the topic of Mr. Kocevski's presentation. In his speech, he presented the uneven situation that local governments experience in the Balkan region.

While countries like Slovenia and Macedonia have some defined mechanisms of tax collection and revenue allocation, other countries such as Bosnia-Herzegovina are experiencing important problems in these matters.

At the heart of the problem lies the distribution of power and economic resources, which is difficult to share. However, for the European Union decentralisation is a prerequisite and should be done in the countries that want to become members.

The process to decentralize should be done in a fashion that allows room for local adaptation; that is to say that uncritical copy of processes is not the solution. Local knowledge is needed to guarantee the success of its implementation.

It is important to remember that decentralisation fosters transparency and reduces the cost of control by central state. Having strong local powers improves the general functioning of the state.

Their tasks should be mainly the provision of services to the citizenry. However, as has been already mentioned, in the Balkan region the percentage of local governments spending in national GDPs is very low. Assuring the existence of mechanisms that allow local governments

to spend autonomously is an important starting point to reverse the current negative situation.

Flavia Donati

Responsible of International Cooperation, Toscana Region (Italy)

Ms. Donati's presentation focused on Tuscany's experience on decentralized cooperation as a way to support the commitment of the Balkan local governments in promoting local development.

The European Union not only accepts but fosters local and non central governments in development, recognizing the importance of this new dimension.

The example of Tuscany through the Seenet I project is very valuable to evaluate the potential of decentralised cooperation to improve local governments. This initiative aims at promoting dialogue for an effective development through both vertical and horizontal actions.

Tuscany's experience demonstrates that Decentralisation is not only legal and technical, it is also political. Thus it is important to create shared values that allow a global approach

DISCUSSION

During the discussion that took place after the presentations, the debate went around the following issues:

- **Competence debate:** it is important that the role of local governments is recognized at the constitution or at least have a legal framework which allows for local government autonomy. In this respect, the European Charter of local governance is a key reference.
- **Lack of funds:** Fear the decentralisation implies delegating problems, especially in developing countries because they don't know where to start the decentralisation process. Furthermore the current economic crisis reduces the budget of local governments (and maybe responsibilities in service delivery could even grow)
- **Coordination:** In the Balkan region there is a clear lack of mechanisms of interaction between government levels. In the case of BiH cantons concentrate a lot of power and there is not a will to change this.
- **The road ahead:** potential actions to improve the current situation in the Balkans could include: delegation of more competences (subsidiarity), better organisation of self government, and advance of fiscal decentralisation.