



# STABILITY PACT FOR SOUTH EASTERN EUROPE

## **Local Democracy and Cross-Border Cooperation Progress Report: January - June 2004**

### **Introduction**

Local Democracy and Cross Border Cooperation (LODE/CBC) has been one of the core objectives of the Stability Pact, since December 2002. It exemplifies true democratic process and cross table / cross sectoral approach in enhancing systematic responsibility and cooperation of local actors (governmental, civic, and business) locally and across national borders, which provides the practical underpinning to regional cooperation in SEE.

LODE/CBC Task Force has intensified its cooperation with and coordination among international organizations, national development agencies, international NGOs and regional partners, increasing its effectiveness and meeting its mid-2004 goals. Finalizing the concept paper for the forthcoming Ministerial Conference on local and regional democracy, contributing to the official establishment of the Association of Local Authorities in S/E Europe, and supporting the establishment of working groups and the endorsement of the action plan of the Gnjilane/Gjilan-Presevo-Kumanovo micro-region are the highlights of the Task Force's achievables for the first half of 2004.

### **Activities**

WT I Chair E. Rehn and Vice Mayor of Szeged J. Kozma co-chaired the joint meeting of the main bodies of the Task Force, the Core Group and the Steering Committee on LODE/CBC on 28 April 2004, in Brussels, in order to review progress since November 2003, and to identify the specific actions needed for promoting the goals and objectives of the Task Force.

### ***Regional Ministerial Conference***

One of the Stability Pact's stated achievables for 2004 in the area of local democracy is to organize a ministerial meeting regarding building of local and regional democratic

institutions and strengthening local authorities, together with the Council of Europe (CoE), aimed at the adoption of a high political agreement.

CoE, with input from the Stability Pact and in consultation with the European Commission, developed a concept paper "Proposal for a South Eastern Europe Ministerial Conference on Effective Democratic Governance at the Local and Regional Level", which was discussed and approved by the Core Group and Steering Committee.

The aim of that 2-day conference is for the ministers in charge of local and regional governments of the SP countries of the region to meet in order to exchange views, reaffirm their countries' commitment to effective local and regional democratic governance, and agree on a number of initiatives to be taken at domestic and regional level, for which the support of the international community would be sought. The conference could lead to the adoption of a final declaration of strong political significance, which should strengthen local democracy, offer guidance on decentralization process, and contain the firm commitment of the ministers to undertake the action required to this end.

Croatia announced its willingness to possibly host the conference in Zagreb around the end of October. A coordination team by the Council of Europe, the Stability Pact and Croatia will be formed for the preparation of the conference.

### ***Strengthening Capacity of Local Authorities***

In connection with the above mentioned Ministerial Conference, CoE and SP envisage the Network of Associations of Local Authorities in South Eastern Europe (NALAS) being the coordinating force during the first day of the conference, putting together local and regional authorities and associations and presenting specific recommendations at the end of the day to the central governments.

Given the importance of local authorities and donors' interest, NALAS could play a significant role in capacity building on the local and regional level. The NALAS action plan for 2004-2007 has been approved in March 2004, and NALAS went from being a network to an official association during the 11<sup>th</sup> Plenary Session of the Congress of Local and Regional Authorities of the Council of Europe, on 27 May 2004 in Strasbourg. Furthermore, the NALAS Secretariat, within the year, will be transferred to the region, in a rotating base, further enforcing regional ownership.

### ***Supporting Cross Border Cooperation Initiatives***

Among the Euroregions that function within the framework of SP, the South Adriatic, the Ohrid-Prespa Euroregions and the Presevo-Kumanovo-Gnjilane (PKG) micro-region are three of the most effective. The East-West Institute (EWI) is one of the SP's key partner organizations in this effort.

The main areas of activity within the Ohrid-Prespa Euroregion include student exchange programs, a NGO database, SME and economic development involving local authorities. In the post-conflict area of South Adriatic, SP, SEESAC, UNDP and EWI published a comprehensive study on anti-trafficking activities in this South Adriatic region in 2003 and came up with ten concrete policy recommendations on combating

trafficking in this area. The LODE/CBC Task Force, together with WT III experts and EWI has developed a cross table approach for implementing these recommendations. Currently, working groups on Natural Resource Management, Tourism and SMEs Development, Youth and Culture are continuing their activities in the region.

Within the Gnjilane/Gjilan-Presevo-Kumanovo micro-region, projects coordinated by working groups on economic planning and development, education, media, infrastructure and inter-ethnic/reconciliation are trying to overcome the negative impacts of the new borders, in close cooperation with the local authorities. In May 2004 the GPK action plan was endorsed and the Serbian Municipality of Trgovishte joined also the micro-region.

## **Challenges**

The LODE/CBC Task Force must ensure that the fall ministerial conference is well planned and that it results in a real commitment from the respective ministers to continue local government reform. Task Force participation within the organizing committee, close cooperation with CoE and the host country, monitoring, and follow up of the conference are tasks that have to be met.

In addition, NALAS needs to strengthen its cooperation and information exchange with the local authorities in every country of the region and to encourage local and regional initiatives among municipalities. NALAS planning should be more specific in defining its medium-term development strategy. The real challenge for NALAS is moving responsibilities from CoE to the local partners-associations. Continuing guidance from CoE and continuous involvement of SP regarding donors' coordination and information are both necessary.

SP should persist in supporting institutionalized CBC and ensure that CBC structures (Euroregions) become self-sustaining, viable entities.

SP in close cooperation with the Open Society Institute – Local Government Initiative (OSI-LGI) and OECD/DAC (Development Assistance Committee) will continue its effort to map donors' contribution in the region regarding local democracy and governance. A pilot study will be concluded in June 2004 and the first results will be officially presented during the OECD/DAC September Session meeting in Paris.