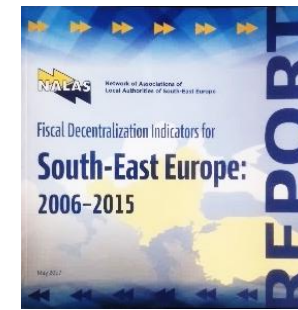




Network of Associations of
Local Authorities of South-East Europe

SEE RDO

Regional Decentralization Observatory



Fiscal Decentralization Indicators (baseline 2006)

Application of Fiscal Decentralisation Report

AAM New Law on Local Finances

NAMRB New Law on local taxes.

Design of Municipal Investment Fund.

UOM established a national "Database on Municipal Finance"

AKM policy recommendations during the "Week of Local Government".

ACoR Property taxation.

ALVRS prevented law on unfavorable tax distribution



Benchmarking on Solid Waste Management



Chart 5 General and Local Government Revenue as a Percentage of GDP in 2015

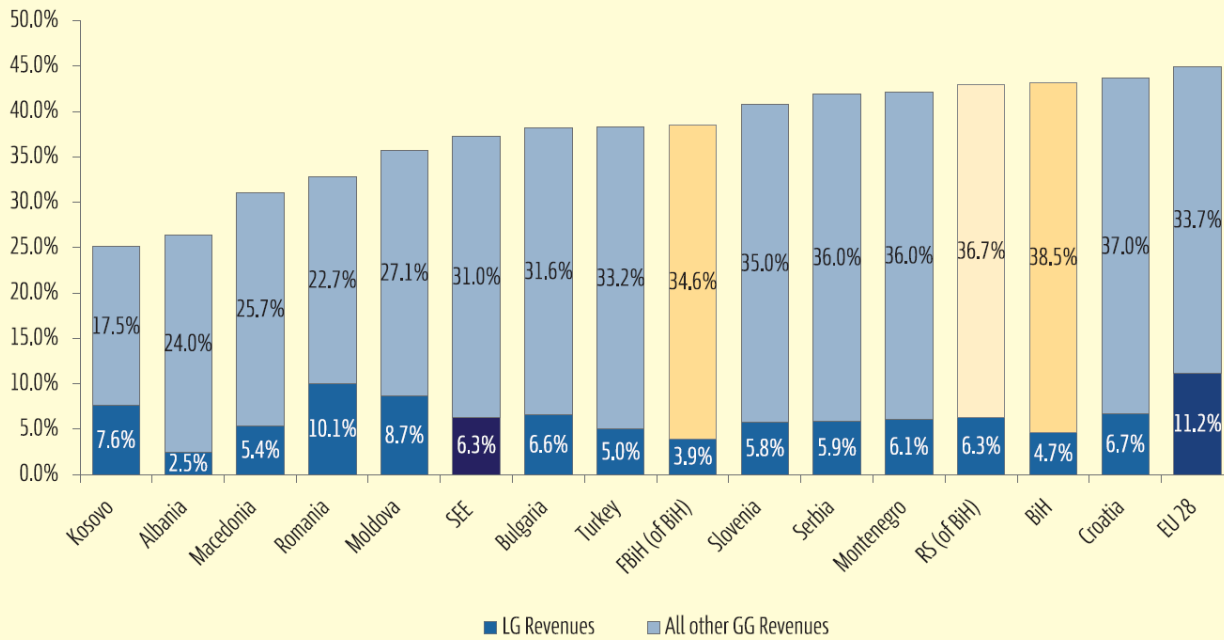
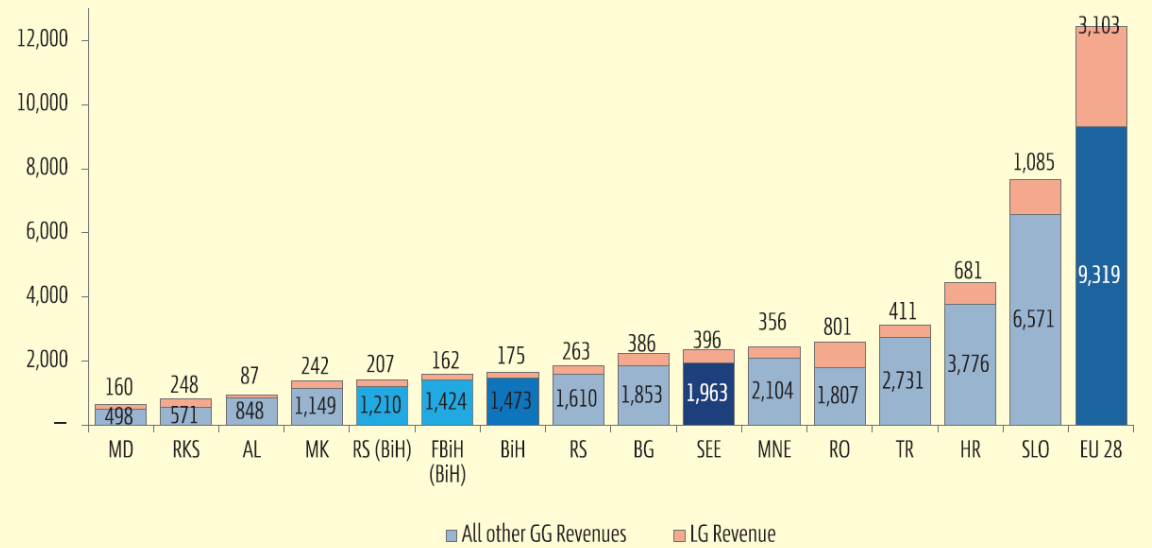


Chart 9 Consolidated Public and Local Government Revenue (EUR Per Capita-2015)



Context - Why RDO in SEE?

- **Widening Crisis** — from financial to political and governance crisis
- **Decentralization drives?** - less push by international community
- **EU Integration** — IPA2 = budget support to national governments
- **SEECF – RCC - SEE 2020 – Berlin Process**
- **Global challenges**
- **SDGs**

Concept and Methodology for SEE Decentralization Observatory

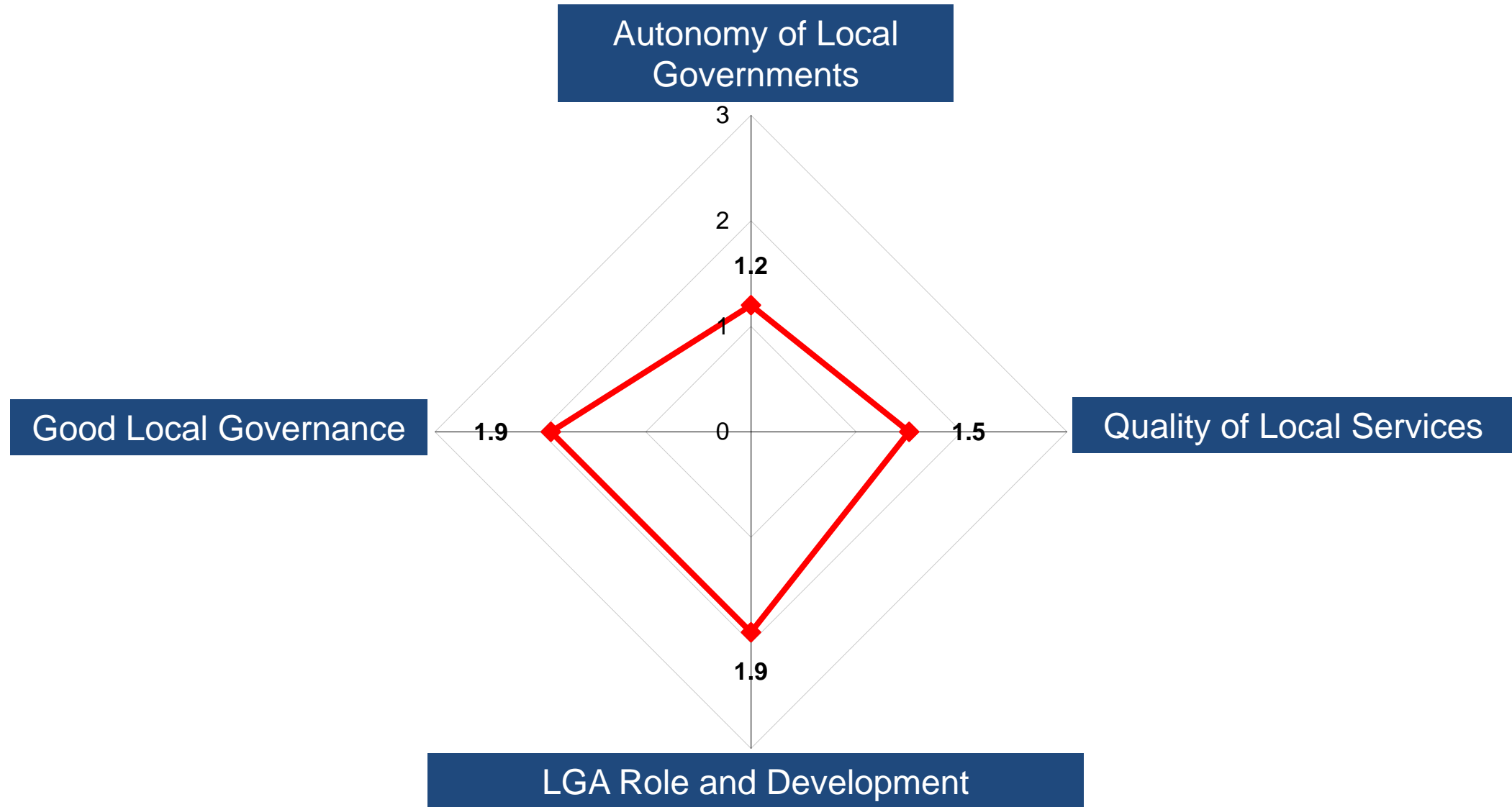
Project financed by the Regional Cooperation Council and implemented by NALAS, Regional Dimension Coordinator for SEE 2020 Strategy, Pillar Governance for Growth



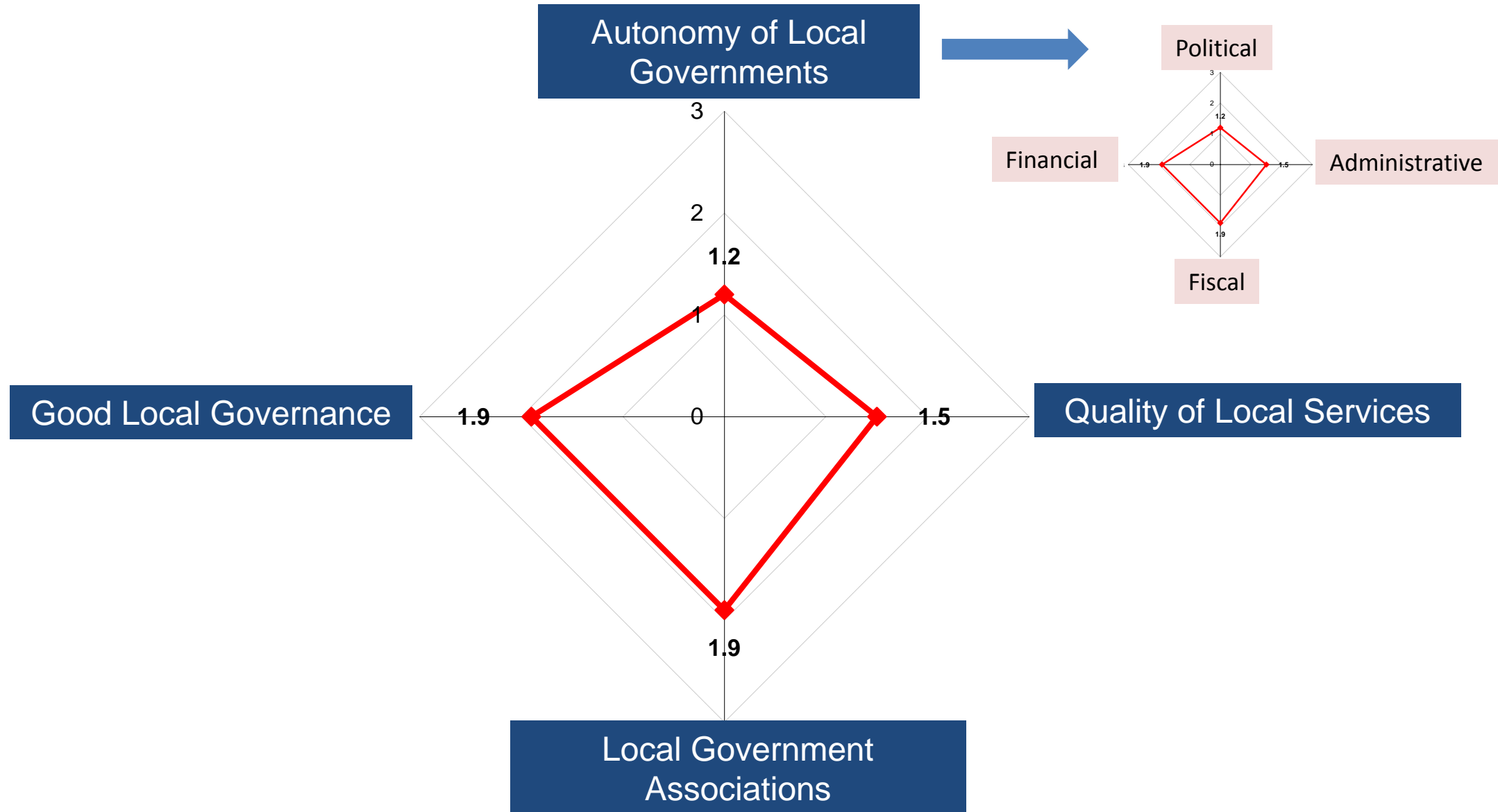
Review of Existing Systems

	Purpose	Quantitative or Qualitative	Data Source	Dimensions	Number of Countries	Unique features
IMF GFS	Collection of government financial data for statistics and fiscal analysis.	Primarily quantitative	Public government records	Fiscal and administrative data for central, state & local government levels and public corporations.	Over 130	Largest government financial database
World Bank Fiscal Decentralization Indicators	Assembly of a broad data set specifically focused on measuring decentralization across a large sample of countries.	Both	Quantitative: IMF GFS Qualitative: Secondary sources (existing studies).	Quantitative: Revenue and expenditure shares, reliance on intergovernmental transfers Qualitative: Fiscal and administrative	Quantitative: Over 130 Qualitative: Variable depending on metric, up to 68	Breadth of data
OECD Fiscal Decentralization Database	Clarify the balance between national control and local autonomy, and the use of fiscal allocation.	Both	Quantitative and qualitative; survey data from existing OECD databases and country respondents.	Revenue and expenditure shares, intergovernmental fiscal relations.	Up to 16	Detailed qualitative surveys on intergovernmental transfer relationships
UCLG Indicators on Decentralization GOLD	Capture the reality of local governments as reported by experts and local and regional authorities.	Mainly qualitative	Qualitative surveys data of expert panels and local and regional government officials.	Fiscal, political and administrative, as well as intergovernmental relations.	Over 100 countries planned for inclusion.	Use of composite indicators
NALAS FD Report	Capture the reality of local governments as reported by experts and local authorities.	Primarily quantitative	National data provided by national experts Eurostat	Revenue and expenditure shares, intergovernmental fiscal relations.	13	Use of composite indicators

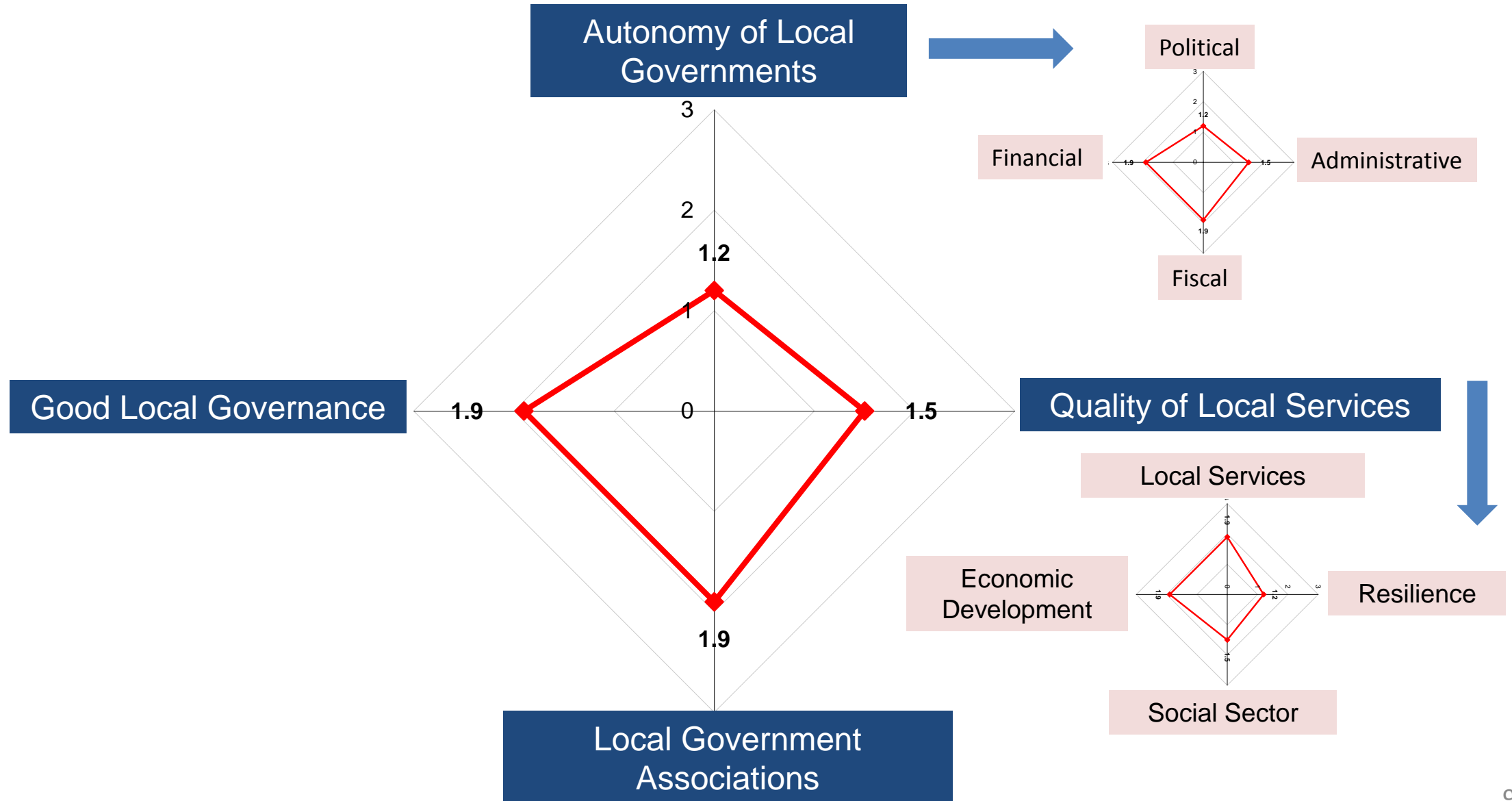
Model: How could RDO look like



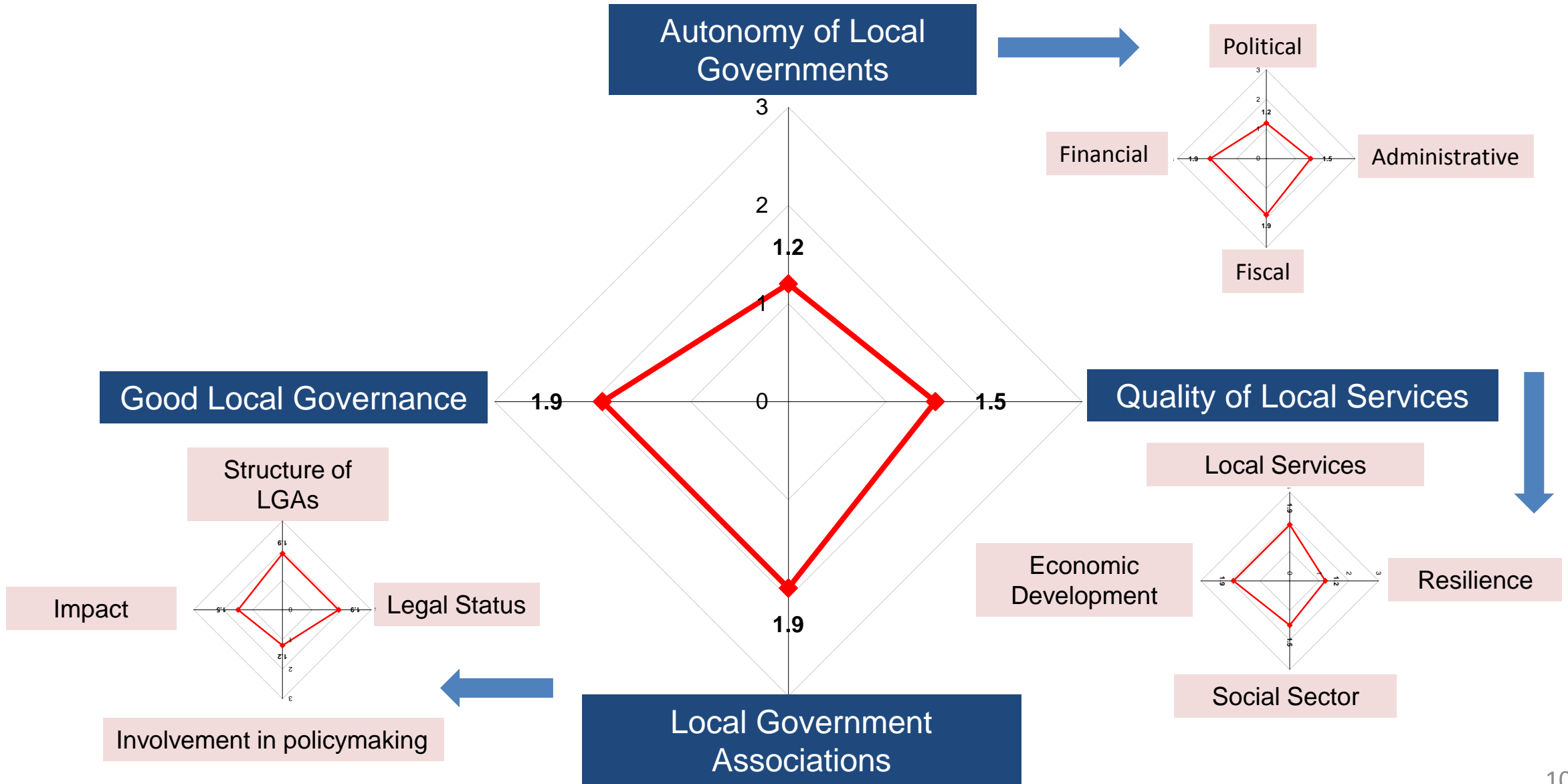
Model: How could RDO look like



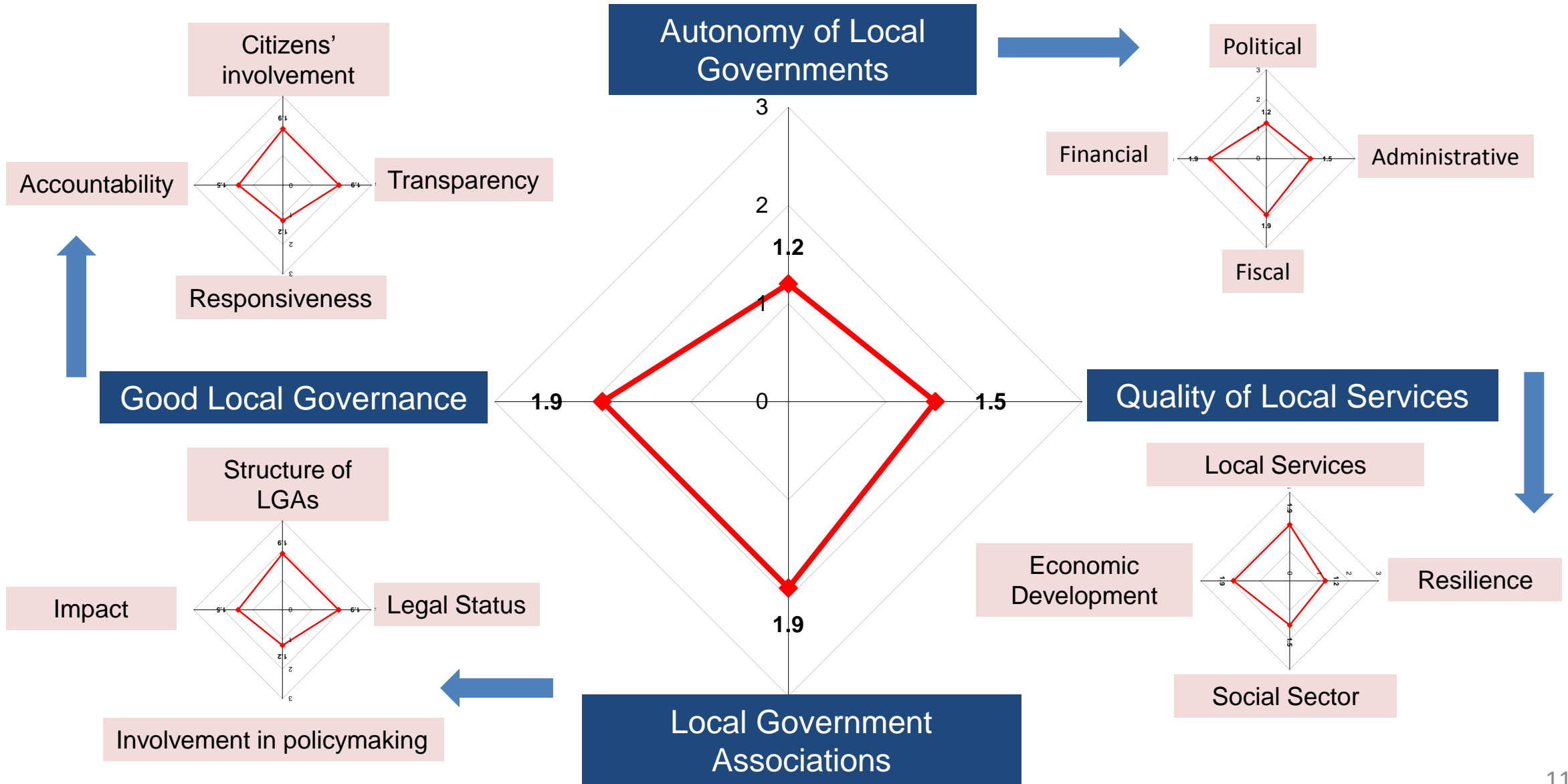
Model: How could RDO look like



Model: How could RDO look like



Model: How could RDO look like



SEE Index of Decentralization



Indicators

183+



Data types

4

- Qualitative Assessment (QA)
- Opinion Survey (OS)
- Official Data (OD)
- Public Attitude Survey (PAS)

Local Autonomy

Political

- Legal set up
- Electoral system

Administrative

- Competences
- Responsibilities
- Capacities

Fiscal

- Tax powers
- Own Source Revenues
- Freely disp. Expend.

Financial

- Transfers
- Assets
- Borrowing
- Expenditures

Quality of Public Services

Communal Services

- Solid Waste
- Water & Sanitation
- Urban Mobility
- Energy Supply
- Road Maintenance

Social Sector Functions

- Education
- Health
- Social Welfare
- Housing
- Culture, Sports etc

Resilience

- Urban Planning
- Water Basins
- Environment

Local Economic Development and Smart Cities

Participation and Accountability

Citizen Participation

- Input from stakeholders
- Processes to ensure participatory policymaking
- Participation of specific groups
- Referendum, petitions etc.

Transparency

- Open city council meetings
- Info published in open and accessible manner for budgets, spending, procurements, urban planning etc.

Accountability

- Oversight from external bodies
- Anticorruption; whistleblowers, lobbying etc.

Responsiveness

- Mechanisms for responding to citizens;

Local Government Associations

Structure of LGAs

- No. & Types of LGAs
- Members of LGAs
- Membership base

Legal Status

- Established by..
- Role and responsibility
- Resources and Capacities

Involvement in policymaking

- Legislation requiring consultation with LGA
- Status/Practice of Involvement
- Cooperation with policymakers

Impact of LGAs in policymaking

- Role of LGAs in influencing policies
- LGA active in international bodies
- LGA mentioned in international reports, bodies...

Foreseen Follow Up of RDO

1. Peer review on a policy level for the countries with the lowest decentralization index;
2. Inter - Ministerial Conference focusing on one particular dimension such as Finances;
3. Regional level meeting involving the Ministries of Local Governance and Local Association to discuss on the findings of the RDO etc.