## DIRECTORATE OF POLICY PLANNING



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## Decentralisation and democratic local governance: exchange of best practices and perspectives

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Today, many countries have introduced different systems of regionalisation and decentralisation as part of their state structure, often as a result of thorough state reform and constitutional change in a unitary state. Decentralisation never comes on its own; it is introduced within a normal state process, which includes the interposition of elected officials.

Decentralisation often coincides with 'subsidiarity' which manages the attribution of competence, assigning competence to the appropriate level of government (often local level; see Germany's 3-level system: federal, mixed and regional). Decentralisation also leads to the creation of a new layer of power - including executive and legislative power - and new governments. Subsequently, an additional 'elite' emerges, which runs the risk of colliding with the existing (central) elite, and which can provoke a 'recentralisation' in the short or longer term, as was the case in the revolutions in the 18<sup>th</sup> century in France and in the 19<sup>th</sup> century in Russia. However, in most cases, the central and local/regional level keep themselves in balance, which is based on hierarchy, and co-operation.

A major advantage in favour of decentralisation is the proximity of the local level towards the citizen. Therefore, a specific institution within the Council of Europe was created in 1957; the

<sup>&</sup>lt;sup>1</sup> Reporting by Günter de Schepper, DPP

'Congress of Local and Regional Authorities' that serves as a protector and sounding board for local and regional authorities of the 47 member states of the Council of Europe. The Congress also acts as a 'lawmaker'; creating standards by means of promulgating Charters. In addition to the monitoring of these standards, the Congress also develops activities based on dialogue between states and their local and regional authorities. It observes local and regional elections, and organises training for future leaders.

In recent years and following global events like the financial and economic crises, major trends in Europe have been identified. First, several European countries such as France, Italy, Romania, Bulgaria and Albania launched major state reforms, with a focus on the local level and a view to territorial consolidation. Secondly, and at the same time, local and regional communities are confronted with growing expenditure which is rising faster than the growth of the annual Gross National Product (GNP) of the country concerned, thus obliging the government to grant more financial support to these communities.

Thirdly, the expertise and knowledge of local and regional civil servants increased by using personal performance assessment systems, which include indicators and objectives. Finally, the community engagement by means of civil participation on the local level often varies. It is linked - inter alia - to the existence of a system of participation, to a country's public ethics (combatting corruption, building trust) and so on. The Council of Europe - together with local authorities' peers and experts - is helping its member states in this exercise.

Nowadays, some countries - especially South-Mediterranean countries - still struggle with similar growing pains. The new Constitution in Morocco has foreseen a system of democratic participation -especially including participative associations - and a brand new statute for elected people. The 'elite' of about 15000 elected individuals includes 7000 women and 30% of people under the age of 35. Nonetheless, finding adequate financial resources remains difficult. The 'Partner for Democracy' status with the Parliamentary Assembly of the Council of Europe could help Morocco to fostering democratic participation in its institutions.

Conferring power to the regional or local level involves some important conditions. First, certain powers, such as those relating to security, are not suitable for a full transfer to the regional or local level. Secondly, the local level must be able to raise taxes in order to ensure (and finance) the implementation of (some of) its competences. Thirdly, the labour force, i.e. civil servants at local and regional level, must ensure the execution and support of these competences. Fourthly, there can be no decentralisation without the implementation of the rule of law.

Finally, the success of a good and workable decentralisation depends on solid partnership and 'goodwill' between all levels. The Council of Europe, in general, and the Congress, in particular, will help all levels - national, regional and local - to do so, by providing the necessary regulations and tools, by monitoring the results and by training national, regional and local leaders.