



USAID | **MACEDONIA**
FROM THE AMERICAN PEOPLE

PROJECT FOR TRANSPARENT GOVERNANCE



Center for Civil Communications
Центар за граѓански комуникации

THERE IS NO DEMOCRACY WITHOUT GOOD GOVERNANCE AND THERE IS NO GOOD GOVERNANCE WITHOUT ACCOUNTABILITY AND TRANSPARENCY

TRANSPARENT LOCAL GOVERNANCE:

BOOK OF PRACTICES AND RECOMMENDATIONS

December 2010

CONTENTS

INTRODUCTION (3)

1. LOCAL COMMUNITY PARTICIPATION IN DECISION-MAKING PROCESSES (4)

Legislative framework: Wide spectrum of forms of civic participation (4)

Practical experience: Insufficient participation of citizens and lack of implementation of the Law (4)

Recommendations for improvement of community's participation in decision making processes (6)

Practices: Strumica Municipality (7)

2. PROFESSIONAL STANDARDS OF MUNICIPAL ADMINISTRATION (8)

Legislative framework: Several laws and codes of ethics (8)

Practical experience: Ample space for improvement of professional standards of municipal administration (8)

Recommendations-improvement of professional standards of municipal administration (10)

Practices: Vinica Municipality (11)

3. LEVEL OF INFORMATION OF CITIZENS AND ACCOUNTABILITY OF MUNICIPAL ADMINISTRATION (12)

Legislative framework: Details on the obligation to inform the citizens (12)

Practical experience: Citizens are not well informed about the work of municipal administrations and their services (12)

Practices: Stip Municipality (15)

4. PROACTIVE APPROACH OF MUNICIPAL ADMINISTRATION TOWARDS THE COMMUNITY (17)

Legislative framework: Vague provisions with possibility to make them more specific (17)

Practical experience: Citizens are not satisfied with measures implemented by municipal administrations for improvements in local communities (17)

Practices: Sveti Nikole Municipality (19)

List of laws and regulations on transparency, accountability and responsibility of local self-governments (21)

USAD Transparent Governance Project (21)

Partner Organisations (22)

INTRODUCTION

One of the main goals of decentralisation is to make the local authorities more responsive to the needs of the local communities. Still, six years after the start of the process, surveys show that citizens remain unsatisfied with the manner in which the local self-government deals with their problems and how it organizes the life and work of local communities.

In majority of municipalities in the country, the citizens are not participating sufficiently in the decision making processes and creation of local policies, while local authorities are not sufficiently transparent, accountable and responsible in their work. In addition, the citizens are not well informed about the role and importance of municipal administrations in local communities.

Therefore, there is a need to provide assistance to the municipal administrations to develop and implement more efficient mechanisms for more transparent, accountable and responsible work, and instruments that will allow for and stimulate regular participation of citizens, local business communities and non-governmental organisations in decision making process and creation of local policies. On the other hand, there are municipalities that implement certain successful practices that yield results and serve as positive example for the other municipal administrations.

For more than a year, three Macedonian nongovernmental associations – the NGO Infocentre, the Centre for Civic Communications and EHO, with the support by USAID, work to increase the mutual confidence and cooperation between citizens, business people, civic organisations and local authorities in Macedonia, through introduction of instruments to ensure more transparent, accountable and responsible operations of local self-governments; encouragement of increased participation of citizens in local decision-making processes, and exchange of good practices between local administrations in the country.

The first phase of the project (2009-2010) covered four municipalities in Eastern Macedonia: Strumica, Štip, Sveti Nikole and Vinica. A total of 959 citizens, 85 companies and 85 non-governmental organisations were polled, over 20 visits were made to municipal administrations, about 40 recommendations were prepared to local authorities, working teams were created to implement those recommendations, six workshops were held with the representatives of the working teams, and each of the four municipalities opened civic centres for collection of complaints, proposals and suggestions from the local citizens on possible improvements of work and activities of the local self-governments. The findings gathered through those activities were compiled in this “Book of practices”. In addition to experiences in the field, it offers an overview of the legislative framework, recommendations for improvement and positive examples in four important aspects of transparency, accountability, responsibility and citizens' participation in local decision-making processes and creation of local policies. These include: Community participation in the decision-making processes, professional standards of municipal administration, the level of information of citizens and accountability of the administration, and the pro-active position of the administration towards the local communities.

This book should serve to the four municipalities and another ten new municipalities in Skopje and Western Macedonia, to be included in the project in 2011 and 2012, as well as other municipalities in Macedonia, to improve their operations, in line with the motto of the project - there is no–democracy without good actions and there are no good actions without responsibility and transparency.

1. LOCAL COMMUNITY PARTICIPATION IN DECISION-MAKING PROCESSES

Legislative framework: Wide spectrum of forms of civic participation

The Law on Local Self-Government provides for various forms of “direct participation of citizens in decision-making processes in the municipalities”. The Law states that “the citizens take direct participation in decision-making on issues of local importance through civic initiatives, citizens’ gatherings (town-hall meetings) and referendums, in a manner and in accordance to procedures as defined by the Law”. The citizens have guaranteed right to individually, or together with other citizens, submit petitions and proposals regarding the work of municipal bodies and institutions of municipal administration, and the mayor shall be legally obligated to create conditions for realisation of that right. The municipality, municipal council and the mayor could “...in the process of preparation of municipal regulations, organize public debates, conduct public opinion surveys and polls and ask the citizens to present their proposals”. In addition, the citizens could take part in the public sessions of the Council, unless a decision was made to exclude the public from the meeting. Nonetheless, Council debates on municipal budgets, annual balance sheets and urban plans must always be open to the public.

Practical experience:

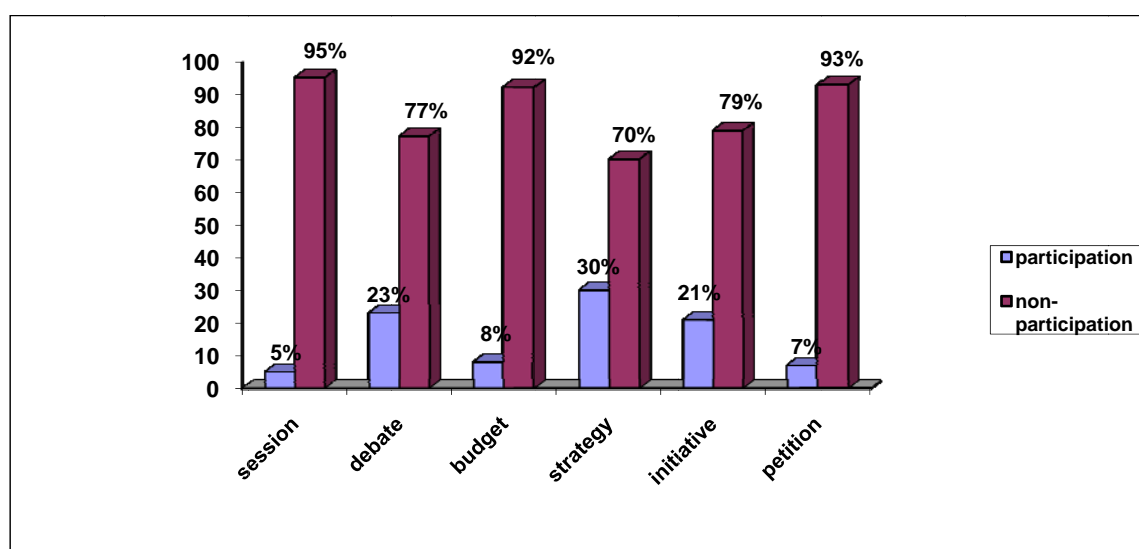
Insufficient participation of citizens and lack of implementation of the Law

The results of the survey of current practices in the four Municipalities, Strumica, Štip, Sveti Nikole and Vinica, and the findings collected in the visits to municipal administrations, discussions with citizens and the debates and workshops with representatives of municipal administrations and other representatives of the local communities (NGOs and companies), lead to conclusion about insufficient participation by citizens in decision-making processes and lack of proper implementation of that segment of the Law on Local Self-Government. For the purposes of this project, the citizens’ participation in the decision making processes in their respective municipality was measured with the following criteria: Presence of citizens in the sessions of municipal councils, in public debates, any form of participation in the process of drafting and adoption of municipal budgets, participation in the creation of important plans and policies, numbers of presented initiatives for solution of problems, as well as numbers of filed complaints, petitions or proposals regarding the work of municipal administrations and their bodies.

The survey of citizens’ opinion in the four municipalities found low levels of participation of citizens in various forms of decision-making processes in the municipalities (Chart 1). The citizens take greater participation in public debates and in adoption of important strategies and plans, and then they participate in the sessions of the municipal councils. The finding about the minimal participation by citizens in the adoption of municipal budgets is a matter of great concern.

In addition, the participation through presentation of initiatives for solution of problems, or filing complaints, petitions or proposals regarding the work of municipal administrations and their bodies, remains at a very low level.

Chart 1: Participation of citizens in the decision making processes in municipalities



The following table with the low and high figures for citizens' responses on different criteria (Table 1), offers even better understanding of the real situation in the municipalities. It is evident in the table that there are significant differences between municipalities on different types of participation, other than participation in municipal council meetings where the difference between lowest and highest figure is very low.

Table 1: The upper and lower boundaries of responses on non-participation in decision making processes in the four pilot-municipalities (lowest and highest percentages)

Didn't participate in municipal council session	95% - 97%
Didn't participate in a public debate	61% - 94%
Weren't consulted in the drafting of the Budget	79% - 99%
Weren't consulted in the drafting of strategies and plans	53% - 82%
Have not submitted initiative to solve a problem	67% - 87%
Didn't file complaint or proposal regarding the work of municipal administration	86% - 98%

The findings from the discussions with citizens and representatives of municipal administrations and local community point out at municipalities having different experiences regarding the issue of security the citizens' participation in decision making processes.

The efforts of the municipal administrations to stimulate and secure greater participation of citizens and interest groups in the sessions of municipal councils have been small and insufficient. Municipal administrations are convinced that the citizens are aware of the possibility to participate in council sessions, and they explain the fact that so few citizens actually were present in a session with the limited interest of the citizens to take part, rather than with the insufficient effort the administrations invest to ensure or stimulate their presence. The few attempts made by municipal administrations refer to occasionally informing the citizens about the possibility to be present at municipal council sessions in media appearances by mayors and other local officials.

In terms of ensuring citizens' participation in the processes of drafting and adopting of municipal budgets, the municipal authorities commonly wait to inform the citizens in late November or December of the given year, when the processes are in their final stages and all that remains is for the councils to vote on the budgets. Only then would the mayor or

other representative of the municipal administration will appear on the local media to invite the citizens to take part in a council's session that debates the proposed Budget. Having in mind that 92 percent of the polled citizens said that they have not been involved, in any way or fashion, in the preparation and adoption of the budget of their municipality, we should conclude that such an approach to securing citizens' participation is far from satisfactory. The assumption made by some representatives of the municipal administrations that all citizens will see the media appearance of the mayor or another municipal official inviting the citizens to take part in the adoption of the budget is not justified by experience.

Additional problem is the fact that all attempts to ensure citizens' participation in the adoption of budgets is usually belated, coming at the very end of a given year. Naturally, that is related and depends on the whole process of drafting and adoption of budgets as applied by each individual municipality. The majority of municipalities start the process of preparation of next year's budget in the last quarter of the year, which practically prevents significant participation of citizens in the process.

Slightly better is the situation with participation of citizens in public debates organized by municipal administrations, and in creation of plans and strategies, mostly due to the fact that in such cases, administrations prepare special calls for participation and use other means of communication, other than just media appearances, to reach the citizens, stakeholders and interest groups.

In addition to weak presence of citizens in decision making processes and adoption of documents of great importance for the local community, the number of citizens initiative for solution of a problem, as well as complaints, proposals and petitions on the work of the municipal administration bodies remains lamentably low. The findings collected by the survey and in direct contacts with citizens and representatives of local administrations point out that citizens have daily complaints about the work done by the administration and its representatives, and yet only a fraction of the citizens, alone or organized in a group, decide to present official initiatives and proposals for changes or file complaints, through their local community offices. On the other hand, there are almost no attempts on the behalf of municipal administrations to encourage the citizens to greater activity in that regard, apart from setting up boxes for citizens' complaints, suggestions and proposals. Some citizens' initiatives remain unnoticed and without official recognitions, being made during individual meetings with majors and other municipal officials, preventing the following of efficiency of their progress through processes and procedures in municipal administration bodies. Also, municipalities don't keep precise records and procedures for processing of complaints and proposals made by phone or e-mail, with exception of a number of cases when e-mails are sent directly to the address of the mayor of the given municipality.

Recommendations for improvement of community's participation in decision-making processes

Having all of the above in mind, and on basis of legal provisions and good practices, following recommendations were made to the municipal administrations aimed at increased participation of citizens and all stakeholders and interest groups in decision-making processes:

- The municipal administrations should consider the application of various communication tools to encourage and stimulate citizens' participation in sessions of municipal councils and public debates.
- Prepare and implement procedure of public consultations during the preparation and adoption of municipal budgets and other strategic documents.
- Municipalities' websites should be more informative and designed to provide more information on services offered by municipal administrations.
- Procedures regarding submission of complaints, ideas and proposals, their reception and processing by municipal administrations should be prepared and implemented.

- Record and register the phone-calls and all other contacts with citizens in order to be able to analyze the causes of particular problems...

Strumica Municipality:

How to get the citizens involved in the drafting and preparation of municipal budgets?

The procedure of preparation of the next year's Budget in Strumica Municipality starts in the middle of the current year. The Office of Citizens' Services and the local self-government prepare a plan to visit all rural and urban local communities as the most efficient way to ensure direct contact with the citizens. To save time, meetings with citizens from smaller urban communities are held together.

In addition to the Mayor, members of Municipal Council, the officer for local self-government and one representative from the office of urban planning and communal services (the citizens are mostly interested in issues related to those two areas) and the office of local economic development (LED) participate in those meetings. The participation of Council members is coordinated with the coordinators of groups represented in the Council.

The meeting starts with an overview of achievements in the current year and whether those achievements correspond with the agreement made the previous year. Then administration's representatives present the plans for the actual urban or rural community for the next year, with ball-park assessment of money from the Budget planned to be invested and planned works/activities in that community. After that, the president of the urban/rural community presents the priorities for the next year and together with the other citizens and municipal officials, a decision is made what activities shall be conducted, within the planned Budget funding.

The officials present in the meetings have to be well-prepared and to know which are the burning issues in the given local community. That is the task specifically for the person charged with cooperation with urban/rural communities, since he/she is charged with the preparation of the meeting in cooperation with the presidents of local communities.

That approach to organisation of meetings guarantees more successful inclusion of citizens in the process of creation of municipal Budget. The round of meetings ends in October, and the actual work on the drafting of the Budget starts. Knowing that representatives of different political parties and groups represented in the Council take part in the meetings with the citizens, while all changes in the Draft-Budget are made immediately after the meetings, the Budget is adopted in a single stage, short procedure.

The Offices of Citizens Services and Local Self-Government and the Independent Officer for Local Self-Government have a special role in the process. The Officer for Local Self-Government follows the work of local rural and urban communities throughout the year, maintains regular contacts with them and collects and records their demands, complaints and suggestions, analyzes the problems and their causes. The set-up of the Office and its activities assist the Mayor and the Office of Budget and Finances to quickly and purposefully set the priorities in the planning of the Municipal Budget.

2. PROFESSIONAL STANDARDS OF MUNICIPAL ADMINISTRATION

Legislative framework:

Several laws and codes of ethics

The professional, honest, responsible and accountable activities of municipal administrations are regulated in a number of laws, but also with the codes of ethics for local administration and civil servants.

The Law on Prevention of Corruption defines corruption as "misuse of public position, the position of a responsible person in a legal entity, or of a person carrying out matters of public interest in order to accomplish any advantage for himself or for another person". The Law defines possible actions that constitute corruption and prescribes that „elected or appointed civil servant, official and responsible person in a public enterprise and other juridical person managing state capital, is obliged to subordinate his carrying out of office of duty to the principles of legality, efficiency, trust, independence, autonomy, honesty and professionalism“.

The Law on Prevention of Conflicts of Interests, on the other hand, prescribes an obligation to elected and appointed officials to immediately demand to be exempted from a given decision or action and stop all activities. It defines the conflict of interests as „a situation where the private interest of an official person is contrary to the public interest or when private interests influence or may influence his/her impartiality in conducting the duties of public interest“.

The professional duties of civil servants are listed in the Law on Civil Servants, which prescribes that "civil servant shall be obliged to perform his activities conscientiously, professionally, efficiently, orderly and timely... impartially and without influence of political parties, not be guided by his/her own political beliefs or personal financial interests, refrain from misuse of authorisations and the civil servant status...".

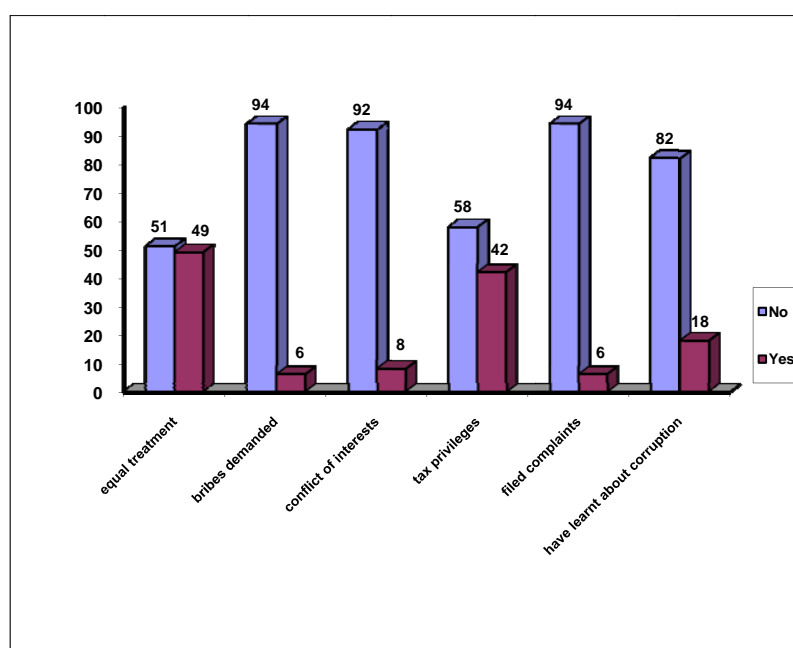
Practical experience:

Ample space for improvement of professional standards of municipal administration

The opinions of citizens, business people and NGO representatives in the four municipalities –Strumica, Štip, Sveti Nikole and Vinica - on the professional conduct of local administrations and findings about eventual corrupt and unethical actions and abuses of office, were measured, among other, with the following criteria: Securing all citizens equal treatment in procedures; bribes sought by municipal administration employees; witnessed undisclosed conflict of interest; privileges allocated in collection of taxes; filed complaints for corruption and abuse of office; and findings about corruption and abuse of office.

The findings of the opinion poll on those questions show there is ample space to improve the professional standards of municipal administrations, especially in the areas of equal treatment for all citizens; securing privileges for certain companies in terms of collection of local taxes; and findings related to corrupt conduct and abuse of office by employees of municipal administrations (Chart 2).

Chart 2: Professional standards of municipal administration



Individual results demonstrate major differences between individual municipalities, although one can't say that the same municipalities are always ranked closer to upper or lower limits (Table 2). The biggest differences are found in responses to the question: Does the municipal administration reserves preferential treatment for certain companies in terms of collection of taxes and dues. Opinions are most unified in responses on the question: Were citizens asked to pay bribes by municipal administration employees, and if they filed a complaint for corruption and abuse of office. In both cases the responses were at 6%. The difference is equally small – an average of 8% - regarding the answers to the question if citizens have witnessed undisclosed conflict of interest of a municipal official.

Table 2: Responses to the questions on professional standards of municipal administrations

Unequal treatment of the citizens	35% - 68%
Were asked to pay bribes by municipal administration employee	1% - 10%
Witnessed undisclosed conflict of interest	4% - 17%
Companies are given preferential treatment in collection of taxes	22% - 70%
Filed complaint for corruption and abuses of office	1% - 10%
Have learnt about corruption and abuse of office	5% - 35%

Although these questions refer to sensitive aspects of the work of local self-government, they remained frequent topic of discussions in the visits to municipalities and in meetings with citizens, representatives of municipal administrations and other members of the local communities. The findings of those discussions show that some employees of municipal administrations are not even aware of all those aspects of their work and don't admit there were certain cases of corruption and abuse of office. A major part of the concrete examples and practices pointed out by the business community and non-governmental organisations are justified by the administrations with lack of proper information of the citizens which are the competences of the municipal administrations and the proper procedures that need to be completed to ensure some service. Another excuse offered for the dissatisfaction expressed by citizens and businesspeople regarding lack of professional standards of the

administration is their alleged political affiliation, other than the political party that holds the power locally.

It is that position of the administration results in the lack of awareness of the need to integrate functional instruments for prevention of corruption on local level, having in mind that the legislation in the field offers just framework, vague and general provisions. Just one of the four municipalities has a special phone-line for the citizens to report corruption and abuses of office. On the other hand, even then the number can be learned only on the municipal website and, even on the website, it is not easy to find.

On the other hand, there are citizens who believe that their municipality has set-up a special phone-line for reporting corruption, which can be seen as their expression of trust in the local government. Municipal administrations seem to believe that the very existence of such a phone line would imply there exists corruption and choose not to set-up special phone lines, claiming that the regular phone number for contacts with the administration is sufficient for the citizens to report corruption. None of the four municipalities had a list of discretionary rights of elected and appointed officials, or an overview and list of adopted discretionary decisions with rationales. Municipal administrations are rarely aware of such competences which, to avoid suspicions of corruption, should be used with utmost care and the adopted decisions should always be properly explained.

Also, no employees in the four municipalities have reported conflict of interest or sought to be exempted from the decision making processes. It is hard to conceive that it represents the true situation, should we know that these are small communities with high likelihood that civil servants in the local administration will have almost daily contacts with relatives or friends in their work. Some local administration officials and civil servants are not aware of their obligation to report an eventual conflict of interests. There are also those who don't report conflicts of interest, believing that the very fact of reporting it would imply possible shenanigans. Having in mind that it is impossible to eliminate all conflict of interests situation, its existence has to be identified and managed properly. Not everybody understands that the conflict of interest is not corruption in itself, but could lead to corruption if not reported timely and if abused.

While an average of 18% of all polled citizens said they knew about corruption and abuses of office by the employees of local administrations, just 6% of them filed some sort of complaint or reported such actions. Some municipalities offer a form for submission of complaints, and some have created procedures to deal with such complaints. The overall impression, however, is that those documents exist only formally and are rarely used in practice.

Recommendations for improvement of professional standards of municipal administrations:

- Offer the Law on Local Self-Government, Law on Prevention of Corruption, Law on Prevention of Conflicts of Interests, Code of Ethics for Civil Servants and Code of Ethics for Local Officials for download on municipal websites.
- Establish a body that will monitor the implementation of codes of ethics.
- Forms for submission of complaints and reporting corruption should be made available both in the municipal offices and for download on municipal websites.
- Set up and promote special phone line for citizens to report corruption and unprofessional conduct by municipal officials, with proper procedures for filed reports.
- Prepare and implement plans and programmes for training and professional advancement of employees in municipal administrations, to provide continuous education and career advances on basis of achieved results.
- Make maximum effort to introduce and implement the so-called “one stop shop” system.

- Analyze the received inquiries, complaints and other forms of contact with citizens to determine which are the problems they most frequently complain about and the reasons for the emergence of those problems.
- Encourage the employees of municipal administration to report possible conflicts of interest to allow for their prevention and successful management.
- Municipal administrations should prepare a list of discretionary powers and record the cases when such powers were applied, with detailed explanation of the reasons that backed the decision to use the discretionary power.

Vinica Municipality:

Participation of citizens and business community in adoption of detailed urban plans

Pressed by the with to not allow the limited budgets to stop local planning and development and to respond to the needs and requests of the citizens and legal entities, the Municipality of Vinica is implementing one form of external financing of the preparation of detailed urban plans, process that brings benefits for the whole local community. The citizens and legal entities finance the adoption of detailed urban plans for a number of blocks in the Municipality through advance payments of communal services equal to their share of financing of planning procedures.

That practice is in line with municipal strategic development priorities and contributes to the solution of some of the most serious problems faced by the citizens, enterprises and local self-government related to the adoption, realisation and implementation of detailed urban plans, some of which are more than 20 years old.

The citizens and the local business community are also involved in the adoption of detailed urban plans in the process of public presentation and public questionnaire on draft-plans.

To ensure that as many people as possible will see the draft-plans and take part in the public questionnaire, the graphic presentation of the plan and the calls for participation in the public presentation are obligatory posted on several prominent public spaces in the municipality (bank and general store windows, etc.). The same public places are used to post the calls to the citizens to present their opinions, objections and proposals in questionnaire forms available at the municipal information centre.

As a result of that initiative, there are regularly several dozens of citizens and representatives of local business communities in the presentations held in the Town Hall building. At the presentation, the author of the plan and competent representatives of municipal administration present the plan and answer the questions asked by the audience. The commission charged with the preparation of the plan then informs all citizens and legal entities that filed questionnaire forms if their request, proposal or suggestion was accepted or dismissed, with explanation of reasons for the decision. All accepted opinions, objections and proposals are sent to the author of the plan, and he/she integrates them in the draft-urban plan which is then submitted for regular adoption procedure.

3. LEVEL OF INFORMATION OF CITIZENS AND ACCOUNTABILITY OF MUNICIPAL ADMINISTRATION

Legislative framework:

Details on the obligation to inform the citizens

The Law on Local Self-Government regulates the matter of providing information to the citizens and accountability of municipal administrations, having in mind that they are an important part of administration's work and activities. The Law obligates "municipal bodies (the Council and the Mayor), Council working committees and public services established by the municipality to inform, free of charge, the citizens about their work, plans and programmes of importance for the development of the municipality, in a manner regulated by the Statute".

Also, "the municipal administration is obligated to allow the citizens access to basic information on the services it provides, in a manner and under conditions defined by the Statute". Although the Law doesn't define the term *basic information on the services*, the good practices in the area include: List of services, the necessary documents and procedures for application for access; list of tariffs; legal deadlines for issue of information; etc.

In addition to the obligations to inform the citizens in the Law on Local Self-Government, the local administrations are obligated to adhere to the provisions of the Law on Free Access to Information of Public Character, which lists municipal administration bodies as holders of information of public character. The Law prescribes an obligation for municipal administrations to "regularly update the list of information they own and to publish them in a way accessible by the public (Internet pages, billboard etc.)", and to "appoint one or more official persons for mediating in the process of implementation of the right to free access to information".

Municipalities, as holders of information, are also obligated to inform the public about the main contact information: Name, address, phone number, fax number, e-mail address and URL address; the manner of filing a request for access to information; the regulations on competences of municipal administrations in terms of the registry of regulations published in the official journal; draft-programmes, programmes, strategies, positions, opinions, studies and similar documents on competences of municipal administrations; all calls announced in a public procurement procedures and the tender documentation, as prescribed by the law; information on legal competences; organization and costs of work, and costs of administrative services provided to the citizens; publication of information bulletins and other forms of information; and the website for announcement of decisions, acts and measures that have impact on lives and work of citizens, as well as other information on activities within the scope of competences of municipal administration. The municipal administration is obligated to „allow free of charge access to information".

Past experiences:

Citizens are not well informed about the work of municipal administrations and their services

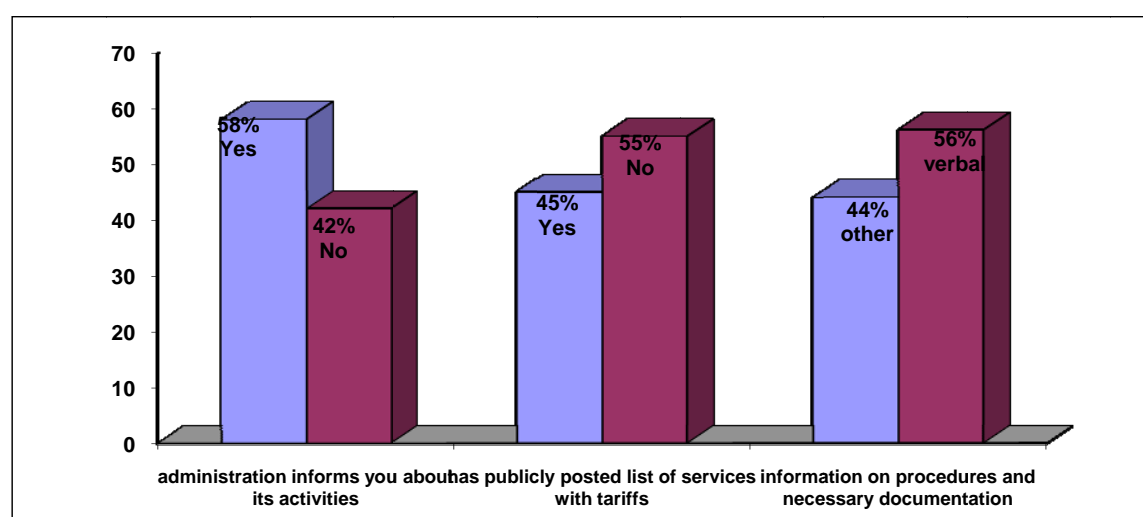
In spite of the legal obligation to provide regular information to the citizens, not just on the work of local self-government, its plans and programmes, but also on the services they offer, past experience shows that citizens have limited knowledge about the work of municipal administrations, the information on services offered is incomplete and not easily accessible, while communication is mostly one-way and depends on the will of the administration and only rarely on the needs of the citizens.

The survey of existing practices in the four pilot-municipalities measured the levels of information available to the citizens and accountability of municipal administrations, primarily

through the following criteria: Does the municipality regularly inform the citizens about the results of its work; is there a public list of services offered by the municipality with corresponding list of tariffs; who and how provides information on the procedures and documentation necessary to apply for a given service, certificate, etc. to the citizens (Chart 3).

The findings of the survey show that the citizens are not sufficiently informed about the work of the municipal administrations which have to identify new approaches and forms of information of the citizens, such as bulletins, web-sites and media appearances. In addition, the lists of services provided by the municipal administration and the tariffs are not posted visibly and the citizens can't access them easily and at any given time. The practice for citizens to get the information on necessary documents and procedures to secure a permit, certificated, etc. directly from municipal employees still prevails. The citizens lose time to get the necessary information, while civil servants lost time to give information, which should be publicly and easily accessible, on individual basis. Although most municipal administrations believe that it is a good practice for providing information, experience shows that such daily direct contacts between citizens and civil servants should be avoided, as they could generate corruption.

Chart 3: Level of information of citizens and accountability of municipal administration



The biggest differences between municipalities appear in the level of information citizens have on the results of activities of municipal administrations - in the municipality with best informed citizens, just one quarter said they were not informed about the work of the administration, while in the municipality with lowest level of information 59% of the polled citizens said they were not sufficiently informed.

Table 3: Upper and lower boundaries of responses on lack of information given to the citizens on the work of administrations and their services in the four pilot-municipalities (lowest and highest figures)

The municipality doesn't offer information on its work	25% - 59%
There is no publicly posted list of services with tariffs	46% - 70%
Information on necessary documents and procedures are provided by the civil servants	47% - 63%

The discussions with the citizens, representatives of municipal administrations, business community and NGO sector indicate great variety of experiences and views regarding the level of information offered to the citizens about the work and accountability of municipal administrations.

While majority of representatives of NGO and business sectors were able to find, or want to be able to find the needed information on municipal websites, a dominant majority of polled citizens still believe that the best way to provide them the necessary information is through print hand-outs. Therefore the high percentage of citizens in all pilot-municipalities who said that they were not sufficiently informed about the activities of the administrations. The municipal administrations, on the other hand, believe they regularly inform the citizens about their work and activities, through publication of specialized bulletins, web-sites and appearances in the local media. The reality seems to be somewhere in between and there is ample space to improve the process of providing information to the citizens and its systemic transformation into a regular obligation and necessity for the administrations. None of the four municipalities have long-term communication strategies that could serve as basis of annual communication plans, to achieve professional, regular and organized communication with citizens and all interest groups, with measurement of results and implementation of measures to constantly improve that communication.

Regarding the obligation to post lists of services provided by the municipal administrations with the corresponding tariffs in public spaces, there are different experiences, although in all municipalities at least one half of the citizens said they never saw such a list or, if there was a list of services, the tariffs were not presented. The situation in the field is that there were no lists posted in some municipalities, while where such publicly posted lists were available, the actual location was not as prominent as may be desired, and they were not easily readable (small letters, small paper size, etc.). In some situations, the lists of tariffs were posted only on the website, something that discussions with the citizens demonstrate as insufficient. All municipalities emphasize the fact that the citizens get the necessary information on the services, and in particular on the necessary documentation, in person from the municipal officials. That practice, as honest and well-intended as it may be, is seen as inappropriate for several reasons. First of all, it means unnecessary loss of time for the citizens, who make rounds of municipal offices in the search for necessary information. It also means a loss of time and inefficient work for the administration, which spends the time it could use to conduct the daily activities to give information that the citizens could get in much simpler, efficient and accessible manner (notice boards, internet, etc.). Furthermore, the daily direct contacts with the citizens and members of the business community bring about the risk to enter a relationship that could lead to corruption.

It was evident that the citizens rarely use the possibility to access information of public character in their local communities, and those few requests for information were filed primarily by non-governmental organizations. Municipal administrations, for their part, respect the legal deadlines for response to submitted requests, but they do need to intensify the efforts to promote and inform the public about the possibility to access such information. Not all municipalities posted enough information on their websites and notice boards about the citizens' right to access information of public character, the proper method and procedure to realize that right. In majority of municipalities such information is given *pro forma*, to meet legal requirements.

Recommended actions to improve the level of information available to the citizens and accountability of municipal administrations:

- Lists of services provided by municipal administrations and documents needed to apply for those services, the deadlines, tariffs for those services and contact information of responsible employees need to be posted on prominent places at the main entrances of municipal buildings and on municipal websites.

- The main competences of the municipal administration and regional offices of Government ministries and agencies should be posted on prominent place at the main entrance of the municipal building, in lettering of sufficient size to be easily readable.
- Set up a service or department for services to the citizens.
- Municipalities need to prepare long-term communication strategies and annual communication plans, which will dedicate a section to internal communication.
- Municipalities should ensure training in communication skills to department and office heads.
- Municipalities should appoint a public relations officer.
- Municipalities should post, on their websites and in visible places inside town hall buildings: the Law on Free Access to Information of Public Character, list of information held by municipal bodies, contact information, the procedure for submission of request to access information and the appropriate form.
- The Municipal Budget for the year and the financial report for the previous year need to be posted on municipal website.
- Municipalities need to implement various forms and approaches to provide information to the public on the results achieved by administration bodies and pay attention that it reaches to all target groups.

Štip Municipality:

Daily Electronic Bulletin – effective tool to inform the public on daily basis

The media, NGOs, business-people and interested citizens in Štip Municipality get daily detailed information about the latest events and developments in the municipality on their e-mail addresses. The daily electronic bulletin was established in August 2009 and has grown into a functional tool for communication with the media and all other interested recipients. The municipal administration uses the bulletin to establish a recognizable form of communication with the press and the general public. The bulletin is cheaper than other, conventional manners of information, ensures timely planning of activities of the local self-government, increases the interest in the work of the local self-government, and brings the administration closer to a wider circle of citizens. Of course, the bulleting greatly increases the transparency of municipal administration.

The information in the bulletin is divided into regular departments and categories, usually listed in chronological order. It goes out at 9:00 hours of every working day, to give the media sufficient time to plan their priorities and activities for every day.

The bulleting has simple form, editorial policies and distribution scheme. It is compiled as a two-column Word document. The left column is reserved for photographs that illustrate the text in the right column. The heading of every new department is printed over the whole width of the page, across both columns. The number of departments is not fixed and change daily, depending on actual events and information available for the given day.

The "Deneska" (Today) department carries information and announcements of current events and events scheduled for that day. The "Useful Information" department carries calls for participation, public announcements, analyses, announcements for future projects, etc. The "Vcera" (Yesterday) department carries abstracts of media reports on events in Štip municipality published the previous day. The "Najavi" (Announcements) department presents important events scheduled for the coming period of time. The "Weekend Announcements" department, usually published in Fridays, carries announcements of events scheduled to take place over the following weekend. The "Others on Us" department offers links to media and internet articles and reports on the works and activities of the local self-government. Finally, the "Denovive pred godini" (On this day years ago) offers a list of past events that took place on the given date.

A year and a half after it was established, the daily electronic bulletin prepared the Office of public relations, with the support by the Mayor of Stip, is sent to more than 350 e-mail addresses. The number of recipients is expected to increase, and the bulleting itself is expected to grow to cover the whole region. It should be noted that, for such a bulletin to succeed, it is important for all employees and civil servants in the local administration to support and timely inform the Office of public relations about events and developments in the other sectors in the municipality.

4. PROACTIVE APPROACH OF MUNICIPAL ADMINISTRATION TOWARDS LOCAL COMMUNITY

Legislative framework:

Vague and too general provisions that could be made more specific

The creation, work and competences of urban and rural neighbourhood communities as fundamental units of expression of civic opinion in municipalities are regulated by the Law on Local Self-Government, which leaves space for that subject to be regulated in more details in municipal statutes.

The Law prescribes that "the citizens of urban and rural neighbourhood communities, at community meetings, can review issues, adopt positions and prepare proposals on issues of direct interest and everyday important for to the life and work of the citizens of the neighbourhood community...", and the "Mayor can transfer certain competences of direct interest and everyday importance to the life and work of the community to the president of the council of an urban or rural neighbourhood community..."

The list of competences as defined by the Law on Local Self-Government puts special emphasis on the obligation of municipal administrations to take care about local economic development, definition of development and structural priorities, implementation of local economic policies, support to development of small and medium enterprises and local entrepreneurship and, in that context, participate in the creation and development of local network of institutions and agencies and promotion of partnership.

Public procurements are of great importance for the functioning of local communities. The manner and procedures for allocation of public procurement contracts are defined in the Law on Public Procurements, which covers the activities of the units of local self-government and the City of Skopje. Full implementation of the Law shall "ensure fair competition between economic operators, their equal treatment and non-discrimination, transparency and integrity of the process of allocation of public procurement contracts and rational and efficient use of funds in public procurement procedures". The Law names the Mayor of the municipality as a responsible person on those matters.

In accordance with the Law on Free Access to Information of Public Character, municipal administrations have the obligation to inform the public about all calls and tender documentation on public procurement procedures.

Past experiences:

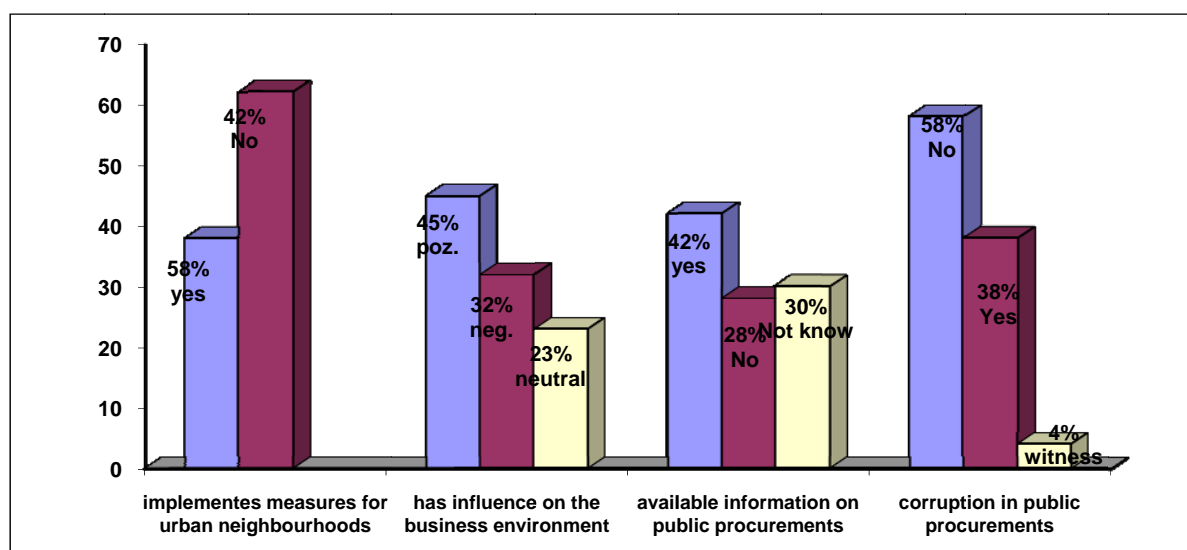
Citizens are not satisfied with measures implemented by municipalities to improve local communities

Although it is difficult issue to measure, citizens, business-people and nongovernmental organizations believe that municipal administrations don't do enough to improve the life and work in their local neighbourhood communities. That refers, above all, to the measures implemented by municipal administrations to ensure active functioning of urban and rural neighbourhood communities, their influence on business climate, and the treatment of public procurements by municipal administrations.

With exception of one municipality, the citizens of the other three share the opinion that municipalities don't implement measures to ensure active functioning of urban and rural neighbourhood communities. Full two thirds of polled citizens said they were not satisfied with the implemented measures (Chart 4).

Regarding other aspects related to proactive approach of the municipal administrations, their influence on business environment and approach to public procurement, the opinions of the local community are based on the responses given by representatives of business community and the NGO sector. Almost one third of them are not satisfied with the influence municipal administration has on the local business environment or with the availability of information on public procurement procedures and related corruption.

Chart 4: Proactive approach of municipal administrations towards local communities



The differences between responses of polled citizens in different municipalities are greatest in terms of proactive approach of municipal administrations towards the local communities. The differences between responses on all parameters used to measure this relationship amounted to about 50 percentage points, which illustrates different degrees of satisfaction of citizens, businesspeople and nongovernmental organizations (Table 4).

Table 4: Upper and lower boundaries of responses on proactive approach of municipal administrations to local communities

Doesn't implement measures for improvement of urban and rural neighbourhood communities	32% - 81%
Has negative influence on business environment	0% - 50%
There are no available information on public procurements	10% - 50%
Public procurements are rife with corruption	15% - 67%

Experiences collected in the field indicate a number of similar problems faced by citizens, business-people and NGOs in terms of positions and measures adopted by municipalities to improve the organization of life and work of local communities.

The municipal administrations and the citizens, especially those from rural areas that need to be constituted as neighbourhood communities, perceive the attitudes of municipal administrations towards urban and rural neighbourhood communities quite differently. While administrations believe that they, led by the respective mayor, implement measures to ensure active functioning of neighbourhood communities almost on daily basis, the citizens believe those efforts and activities are far from sufficient. The discussions with citizens and representatives of municipal administrations lead to conclusion that those measures mostly include occasional visits by the mayors to individual neighbourhood communities and meetings with their presidents. Special emphasis is placed on low numbers of citizens that participate in the meetings of neighbourhood communities, most of them senior citizens, which certainly doesn't provide for true representation of the whole population. Another reason for the unsatisfactory and inefficient functioning of neighbourhood communities lies in the too vague and general legislative framework and lack of stricter legal obligations for

municipal administrations to ensure appropriate functioning of neighbourhood self-government.

The opinions are equally divided regarding the influence that municipal administrations have on the local business climate. Administrations use the excuse of limited competences to be able to influence the local business climate. Their contacts with representatives of local business communities are reduced to individual meetings mayors have with members of business community, mostly discussing specific issues of interest to individual companies, and a couple of traditional formal gathering, for instance, during New Year's holiday season.

In the area of public procurements, local companies lack sufficient information about their right to access information on concluded public procurement contracts. There is an overwhelming perception on the behalf of local companies that public procurements in their respective municipalities are corrupt, due to that low level of information they have available and the limited efforts of municipal administrations to improve the level of information they offer. Nevertheless, just a small number of local business-people said they have witnessed corruption in public procurement procedures. Only a handful of municipal administrations announce their annual public procurement plans or indicate future public procurements to allow the companies to prepare on time and to plan their annual activities accordingly. All information on announced calls for public procurement procedures and signed contracts is provided exclusively through the Public Procurement Electronic System. One exception are the public procurement procedures for purchase of products and services funded by foreign donors. In such cases, the Municipalities provide detailed information on the call for participation in a public procurement tender and the selected best bid on their websites. Representatives of municipal administrations confirm that such transparency and accountability on public procurements in those cases results from the insistence of foreign donors on transparent practices. Such steps are not implemented, on the other hand, for public procurements financed from municipal budgets, with the money of the tax-payers.

Recommendations for improved pro-active approach of municipal administrations towards local communities:

- Municipal administrations should publish their public procurement plans, calls for public procurement competitions and signed public procurement contracts on their websites.
- In public procurement procedures, different persons have to be charged with the tasks of preparation of tender documentation and implementation of tender procedure.
- Prepare and implement a plan to stimulate active participation of citizens in the work of urban and rural neighbourhood communities.
- Establish and office or appoint an officer charged with the task to improve neighbourhood self-government.
- The administration needs to conduct continuous survey and monitoring of the needs of local business community and implement measures to create conditions conducive to pursue of business activities.

Sveti Nikole Municipality:

Business centre for organisation of cooperation between municipal administration and local business-community

The cooperation between the administration and the local business community in the Municipality of Sveti Nikole is conducted through series of activities designed to provide the local companies with regular updates of useful information, support the promotion efforts of the companies and ensure conditions conducive to pursue of business activities.

The cooperation with the business community is planned, organized and implemented through the Business Centre, established in 2009, that works under the auspices of municipal administration.

The Business Centre regularly informs the companies about all workshops, training and education programmes organized in the municipality, as well as the fairs, exhibitions and other opportunities for presentation, exchange of business contacts and establishment of cooperation held in Macedonia and abroad. The Business Centre conducts regular polls to collect data and survey the needs of the local companies. Those polls resulted in a creation of a database of companies registered in the municipality. The Centre also works on a promotion catalogue of local companies, in English and Macedonian language.

The Business Centre mediates companies' investments, at favourable conditions, in the industrial zones in the Municipality, the posting of ads on building fronts in down-town Sveti Nikole (currently being reconstructed), and the inclusion of accommodation and catering facilities and restaurants in the national tourist guide. The Municipality and the business sector appear together in manifestations and events that allow for presentation of local products and promotion of local companies, such as: The Fair of Municipalities, the Days of Promotion of Vardar Planning Region, etc.

As part of its efforts to assist and support the local business community, the municipal administration organizes specific informative meetings and presentations on current affairs and topics of interest to the local companies, such as food safety standards and protection in the work-place, environmental protection standards, crediting opportunities, access to European funds, etc.

In the two years since its inception, the Business Centre has proven itself as an efficient instrument for involvement of business sector in the development of the local community and greater cooperation of the business community and the local administration on matters of common interest. Thus, the efforts of the local self-government has resulted in successful approach to the business community, as important target group that often is an outside observer of events in the municipality and usually puts its own before general public interest.

List of laws and regulations on transparency, accountability and responsibility of local self-governments:

- Law on Local Self-Government
- Law on Prevention of Corruption
- Law on Prevention of Conflict of Interests
- Law on Free Access to Information of Public Character
- Law on Public Procurement
- Law on Civil Servants
- Code of Ethics of Civil Servants
- Code of Ethics of Local Officials in RM

USAD Transparent Governance Project

The NGO Infocentre, the Centre for Civil Communications and EHO implement the „USAID Project for Transparent Governance“. The three-year project for introduction and implementation of instruments to ensure more transparent, responsible and accountable work of local self-governments started in September 2009 and will be concluded in August 2012.

Starting from the point that greater transparency, responsibility and accountability are the best instruments to fight corruption, this project aims to contribute to revitalisation of mechanisms for more transparent, responsible and accountable work of local governments, increased participation by citizens and business community in local decision-making processes, and exchange of good practices between local self-governments in the country.

The project is realized in three stages:

1. Pilot-stage (*September 2009-December 2010*), covered four municipalities in the Eastern region: Štip, Strumica, Sveti Nikole and Vinica. During that period, following activities were implemented:

- *Survey* of current practices in the four Municipalities, Strumica, Štip, Sveti Nikole and Vinica, that identified the weaknesses and defects in public management, citizen participation in the work of local administration, as well as the levels of satisfaction of citizens and business community with the local governance and services offered by local administrations.
- In Štip, Strumica, Sveti Nikole and Vinica, *debates* were organized with representatives of local administrations, the business sector, civic organisations and expert communities, to get to concrete recommendations how to improve the local governance and the cooperation of all stakeholders on local level.
- The recommendations were used as basis for a series of *trainings* for representatives of local administrations.
- Also in this stage, the „Citizen Centres for improvement of local self-government“ were established in Štip, Strumica, Sveti Nikole and Vinica. The centres are key points for measurement of citizens' satisfaction with services provided by municipal administrations. The centres are located on the premises of EHO Association in Štip, the Organization of Women in Strumica, the Organization of Women in Sveti Nikole, and association INI in Vinica.

2. The second stage (*January-December 2011*) will allow for transfer of good practices registered in Štip, Strumica, Sveti Nikole and Vinica to several urban municipalities in the City of Skopje, and in a number of multiethnic communities in other regions in Macedonia.

3. The project will be concluded with the third stage (*January-August 2012*), which will include a national conference on accountability of local administrations and anti-corruption

practices. The project will be concluded with preparation and distribution of policy-recommendations for transparent, accountable and responsible governance on local level.

Partner Organisations:

NGO Infocentre

Since November 2003, the NGO Infocentre Foundation has worked intensively to build positive reputation, public trust and influence for the civil sector in Macedonian society, through highly developed, continuous and sustainable expertise in the area of public relations and public advocacy.

Over the past seven years, the NGO Infocentre established cooperation with more than 200 civic organisations, organized more than 500 different events and held more than 100 trainings and workshops in the area of public relations for representatives of civic associations, state and local administration, and small and medium enterprises in Macedonia.

From 2005 to date, the NGO Infocentre has implemented a continuous programme for monitoring of the media and their professional standards in the reporting on a number of key topics: Decentralisation process, social reforms, public health, European integration processes, the name-dispute with Greece, etc. (www.nvoinfocentar.org.mk)

Centre for Civil Communications

The Center for Civil Communications was founded in April 2005, as a non-governmental, non-profit, and non-partisan association of citizens, with the main mission to develop and improve the communication among all social factors in the Republic of Macedonia regarding processes of wider social importance, and to monitor, analyse, and enhance the social, political, and economic processes in the country, mainly in the area of anti-corruption, local governance and economic development.

Over the past five years, the Center for Civil Communications has focused its activities in the field of fighting corruption. Since 2005, the Centre has implemented a number of anti-corruption projects on national and local levels, participated in the preparation of National Anti-Corruption Strategy, the preparation of Code of Ethics for Local Officials, implemented a programme for monitoring of public procurements on national level, and has worked on improvement of journalists' skills in the area of investigation and reporting of corruption. (www.ccc.org.mk)

Educational Humanitarian Organisation - EHO

Since it was established in 2003, the Educational Humanitarian Organisation EHO has focused its activities on promotion of active citizenship and citizens' participation in creation of public policies, as well as on conducting public opinion surveys in several fields. EHO's investigations provided the foundations for a number of regional projects, especially in eastern and southeastern Macedonia. EHO implements projects in several fields: Public health, social policies, education, gender equality.