

Photo by: Zoja Naskova, Andrej Ginovski

## CHALLENGE

The country's decentralization reforms have been motivated by the twin desires to use democratization to ease ethnic tensions and promote political stability, while also bringing public services closer to citizens.

All 85 municipalities, no matter how big or small, had to learn quickly how to deal with their new competencies in many important areas, such as: urban planning, environmental protection, local economic development, social protection, education and healthcare.

Throughout the past years, the transfer of competencies and resources has not always been smooth, especially for the smaller, rural municipalities. All of them were facing similar problems: lack of staff, insufficient financing and underdeveloped infrastructure. Twenty percent (20%) of them could not provide even the most basic municipal services. The great disparities between the municipalities soon became a major challenge. An alternative method for ensuring delivery of quality services to the citizens had to be found- fast.

## **PROGRAMME OBJECTIVES**

For the past five years, UNDP has been working with the Government on the establishment of an inter-municipal cooperation programme that would ensure efficient provision of quality services to the citizens.

## RESULTS

UNDP supported the first ever pilot project on inter-municipal cooperation in the country, which soon turned into a successful nationwide programme.

In 2008, this project was proclaimed as best practice in the category of "improved quality of local services", by the Council of Europe, the Association of Local Self Governments, the European Agency for Reconstruction, USAID and the Macedonian Ministry of Local Self-Government.

UNDP helped draft the first ever Law on Inter-Municipal Cooperation, which was officially enacted in 2009. Today, the country is one of the very few in Europe that has a Law on Inter Municipal Cooperation.

To date, the programme successfully initiated 26 partnerships, involving 62 municipalities.

A comprehensive training programme was provided for more than 800 municipal officials – in the areas of urban planning, tax collection, local economic development and inspections. These civil servants now have increased knowledge and capacities to provide better services to their citizens.

Mayors are demonstrating strong political will to engage in partnerships with neighbouring municipalities. They are making financial contributions from their own municipal budgets.

An IMC Financing Scheme (in the form of small grants) was established to encourage further development of similar initiatives. This grant scheme has two components, one for replication of good practices and one for stimulating innovations. It led to improved administrative procedures, organizational structures and enhanced fiscal capacities in all 62 municipalities.

The Programme outreached to more than 800,000 people and 200,000 households throughout the country – with previous very limited access to basic services.

Today, the country is a leader in the region when it comes to intermunicipal cooperation.

The valuable experiences and lessons learnt are already being shared with Montenegro, Moldova and the Ukraine.

This exchange of experience between countries and regions will certainly be another great asset for the country's EU integration process.

**PROJECT TITLE:** Inter-municipal Cooperation for Better Service Provision and EU Accession

**PARTNERS:** Ministry of Local Self Government, Ministry of Finance, Association of Local Self Government Units, Civil Servants Agency, Municipalities.

FINANCED BY: Kingdom of Norway and UNDP

BUDGET: US\$ 2,250,000

IMPLEMENTING PERIOD: Aug 2006 - Dec 2010

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