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## **The decentralisation process in Southern Caucasus : a democratic challenge**

*“The only thing we want is a normal life”<sup>1</sup>*

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Southern Caucasus, at the border with of a global player, as Russia is, and with expectations of European affiliation, is composed of three States: Georgia, Azerbaijan and Armenia. The whole area has been at the core of many changes after the implosion of the Soviet Union, which are still affecting the territories and

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<sup>1</sup> A wish expressed by an NGO representative from Azerbaijan participating at a conference on decentralisation and role of local authorities promoted by ALDA and the Congress in Kutaisi, Georgia, 29th/30th of October 2009. [http://alda-europe.eu/alda/front\\_content.php?idcat=2&idart=586](http://alda-europe.eu/alda/front_content.php?idcat=2&idart=586)

<sup>2</sup> Co chair from January 2010 to Nov 2010, Steering Committee member from nov 2009 to Nov 2011, since then coordinator of the subgroup on Local Government and Public administrative Reform of the Working Group 1 of the CSF. Chair of the Civil Society and Democracy Committee of the Conference of the INGOs of the Council of Europe since 2007 to 2010 and professor in International Decentralised cooperation of the University of Padova

their population<sup>3</sup>.

The reorganization of the political and economic life gave the opportunity to apply in the legal framework – and for some of the countries involved, even into practice -, a stronger role for local authorities as well as the chance to initiate a process of decentralization/deconcentration of powers and competences. Today, the three countries of Southern Caucasus are members of the Council of Europe and ratified the European Charter on Local Self Government. The process of decentralization is the basis for a strengthened and long lasting democracy, which would recognize citizens and respect for human rights as the most important goals for the political leaders. Without decentralization of competencies and resources – together with a recognized role of citizens and civil society in the decision-making process - the democratic rules will struggle to be implemented in Southern Caucasus. This is, so to say, a condition *sine qua non*. Decentralization is to be considered here as a process of distribution of powers and responsibilities, sharing opportunities and ideas for the future. As democracy itself, decentralization needs to be perceived not as a final objective *per se* but rather than as a never ending, a permanent process of readjustment based on the assessment of the beneficiaries. This continuous endeavor is a guarantee for a better life as for respect of human rights and general economic welfare.

### **Citizens' participation as an essential element for the decentralization process**

Despite the arduous path undertaken, the decentralization and the strengthening of the competences and resources for local authorities in Southern Caucasus are key elements for stabilization and development in the region. Long lasting democracy could only be established only “from the bottom” and with a full and

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<sup>3</sup> *The frozen conflict in region of Abkhazia claiming independence from Georgia. The recent conflict in South Ossetia and the border with the very unstable region of Chechenia in Russian Territory. The contested territory of Nagorno Karabakh between Azerbaijan and Armenia. The difficult relationship between Armenia and Turkey.*

aware participation of citizens. Independently from how long the road will be, any social and political process, which aims to a balanced and sustainable peace and development will have to go through these steps.

Local authorities' needs have to match successfully with local communities and citizens, as a real active citizenship would give further effectiveness and capacity of implementation to the decentralization process. The local dimension of politics is often underestimated, in particular in former CSI States. But both theory and practice confirm that a decentralization process not accompanied with a strong involvement of citizens, whom are capable and stimulated to be active in the decision making process, results in being not completely implemented and, at the end, unsuccessful.

It is also true that among citizens, there is a partial knowledge of how local authorities work and they often show a low level of interest in participation. A commitment against such a apathy is necessary for a real decentralization. The leading national political parties have often a too strong influence on the process of decision-making in the local councils. And therefore, the decentralization is expected to be a precious opportunity for citizens.

Citizens should be engaged at early stages of the process and with different means of consultation and common problem solving with local authorities. In fact, it is obvious that – as demonstrated in many activities of the Local Democracy Agencies and in the work of the Association of the LDAs<sup>4</sup> – the flourishing and the best effects of local authority policies are visible when it is possible to interact and receive feedback – in a constant exchange – with citizens<sup>5</sup>. The programmes

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<sup>4</sup> See [www.alda-europe.eu](http://www.alda-europe.eu)

<sup>5</sup> See the final declaration of the Seminar on Decentralisation in South Eastern Europe and Southern Caucasus, held in Skodra (Albania), 2° and 3° of November 2009, in cooperation with Decentralisation Committee of UCLG, Association of Local Democracy Agencies, Local Democracy Agencies in Albania and The Congress Local and Regional Authorities of the Council of Europe, [http://alda-europe.eu/alda/front\\_content.php?idcat=2&idart=590](http://alda-europe.eu/alda/front_content.php?idcat=2&idart=590)

See contribution of Olivia Patron, City Diplomacy Office, Directorate of Internatinal relations of the Province of Barcelona at the Skodra Conference

supporting civil society as organized groups of citizens are indeed an essential part completing the work of decentralization in favor of local authorities.

### ***Citizens' participation and awareness***

Citizens' participation in the decision making process at the local level is not only a brilliant theory. It corresponds today to the option proposed in a complex world, where different speeds of relationships (political, economic and social) are interacting among each other. Complexity introduces multilevel and multistakeholders decision-making. The assumption - verified in practice in Europe today - is that citizens' participation offers better results to community in terms of services, employability and wealth. Of course, it implies a common general wish for a shared and fair distribution of resources, which is right at the opposite of the oligarchies and dictatorship. On the other hand, working again this innovative practice, is the old fashioned politics (rather archaic) that considers citizens are ready or prepared to understand global challenges and who can not address common objectives and goals. As a matter of fact, evidences prove that a limited group of leaders (even if experts), totally in charge of choosing for the community, are not providing anything better than unfair distribution and lack of development.

Citizens' participation and awareness need however investment and political vision. In particular in areas, like CIS countries and Southern Caucasus, where the impact of the past totalitarian regimes is still visible in the mentality and capacities of the people. Anything is often nobody's responsibility or someone else responsibility. Civil Society needs to be supported with specific competences as well as with capacities of negotiation and management. In particular, the interests of citizens promoted collectively by civil society groups need to be dealt with, with democracy and good governance. Civil Society can't be considered "good" or "neutral" as such. Good governance implies organs of distribution of

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powers within the civil society groups. Namely, NGOs need to have a Board, members and a clear and democratic interaction between their internal bodies. Even if not represented by a large number of members (membership based organizations), the association could also be valid if represented by a small number of experts but strongly recognized in the community.

Another fundamental importance in the civil society groups (in order to be a real democratic stakeholder for the community) is the concept of no profit, which must be clear and evident, from inside and clearly observed from outside. An NGO could not represent a one man/women show that at the end works at the edge of the economic sector, because providing only services after payment. Services are a method of sustainability of the NGO but could not correspond to the only activity, having in mind that the driving force of the association is its mandate described in the Statute. A part of the NGOs' activities should, preferably be followed by volunteers. The volunteering approach maintains an interesting and very beneficial dimension in the NGOs. This societal element has been raised and valorized even more in 2011, as the European Year on volunteering<sup>6</sup>.

The "no profit" feature of the NGOs has to stay firm and it has clearly to be understood and perceived by the community. Any other perception leads to a misunderstanding and undermine the presence and the work of the NGOs themselves. In areas where the funds for cooperation are really important (like Southern Caucasus, from the US or from the EU), the NGO sector could be perceived as a commercial competitor to private sector and to public administration. Salaries could even be paid several times more than the local ones, distorting globally the labor market and draining the best people out of

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<sup>6</sup> *The French Law on NGO (from 1901) authorizes the NGO to have a commercial dimension and to sell services, up to 60.000 Euro income a year. After this, the NGO becomes commercial activities (for the extra part) and pays taxes as a normal company. On the other hand, the French legislation authorizes the creation of a sub branch of the NGO, which will become commercial. It has to be clearly identified as something specific with the association and when the commercial dimension become too big, it is highly recommended to create a separate entity so that not to transform essentially the nature no profit of the Association.*

public administration, for instance, when PA is a fundamental element for the sustainability of the process of reforms. On the other hand, this public opinion perception is also often not complete and needs to be better informed. The NGOs representatives are qualified and also very committed and active. They often merits a better situation. A clear campaign of information about the outcome of the work of the civil society, for the benefit of the community should not be neglected and even strengthened. The civil society sector is unfortunately concentrated to report to its donors than to the local communities for which they work at the detriment of the full understanding of their own role.

### **Code of Good Practice for Civil Participation in the Decision-Making Process**

Civil society engagement in decision-making process could be different and could focus on several methodologies according to the objectives and the means and conditions at disposal. A clear panorama of these opportunities have been recently summarized in the Code of Good Practices for Citizens' participation promoted by the Conference of the International Non Governmental Organisations of the Council of Europe. The elements described could be applied both at the local level and at the national level. The document does not bind the Member States but it was endorsed by the Parliamentary Assembly of the Council of Europe and by the Congress of Local and Regional Authorities it. For the NGOs of all the members States (including Southern Caucasus Countries), it is a good document and a political commitment to be referred too.

The most interesting part of this instrument (the "Code") stays in the awareness and systemization of the possibilities of advocating the role of the NGOs in the decision making process and for them being present in the whole loop of the decision making process, implementation, monitoring and again, agenda setting.

The scheme give the opportunity to show good practices for NGOs about what to reach with the means at disposal It goes from information, consultation, dialogue to full partnership. Considering the level of development of local authorities, to be improved but certainly not missing, the promotion of the Code, its knowledge and dissemination could facilitate a better integration of civil society dimension in the Southern Caucasian countries, in particular Armenia and Georgia. The possibility to see the civil society as a stakeholder in policy making an expertise opens a new form of cooperation than just the implementation and financial support going from authorities to NGOs<sup>7</sup>.

### **Strengthening Local authorities**

The decentralization process could be further promoted with the full implementation of the legislation in place in Armenia, Azerbaijan and Georgia. Norms exist but rarely implemented. The legislation had to be adopted after the collapse of the Soviet Union and the independence of the three States in the '90th, so to access the Council of Europe family. However, despite the fact the new constitutions and laws in place mentioned them, the local authorities and first elections came rather late. And one could say, only now, after 15 years, a real awareness of the role of the local authorities is developed. As for the systems adopted, the first point of reference is the European Charter of Local Self Government, adopted in the three countries here in question. This instrument promoted by the Council of Europe set the basic elements for a functioning system of local authorities: independence from the central level in financial terms, division of powers between administration and political bodies,

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<sup>7</sup> [http://www.coe.int/t/ngo/overview\\_en.asp](http://www.coe.int/t/ngo/overview_en.asp). Since the introduction of consultative status for INGOs in 1952, the Council of Europe has developed even closer and fruitful relations with NGOs as representatives of civil society. The introduction of participatory status in 2003 has enabled INGOs to increase active participation in the policies and work programme of the Council of Europe, and to reinforce co-operation between the Council of Europe and the various associations in member States.

The author is the coordinator of the promotion of the Code of Good Practices and was the President of the Commission of Civil society and Democracy from 2007 to 2010, which promoted the Code.

elected representatives. Even these elementary pillars of local self government found difficulties to be adopted (and still are) in Southern Caucasus.

The basic difficulties, widely shared all over the region, are the lack of financial resources of local governments where the budget comes from the transfers from the State. No independence could exist if there is no margin of autonomy as for the financial commitments are concerned. Only the capital cities (and to a certain extend some of the biggest cities in Georgia, like Kutaisi and Batumi) have the possibility to have a limited financial autonomy and their own income. The centralization of resources, challenges, expectations and economic growth in Yerevan, Baku and Tblisi remains a longstanding problem that should be addressed for the sustainability of the countries as a whole. Only recently, Georgia proposed a courageous step to decentralize the Parliament's sessions to Kutaisi from 2012<sup>8</sup>. The real results of this move would need to be assessed but it certainly gives an important signal in terms of decentralization.

### **The guidelines drawn by Eastern Partnership and the initiatives of the Civil Society Forum for Eastern Partnership<sup>9</sup>**

The Eastern Partnership, launched at the Council meeting in Prague in 2009, offers a possibility of systemic relationship between the European Union and the six Partners Countries. It represents a solution between only bilateral relationship and a promise of membership. It aims at getting the EaP Countries (Armenia, Azerbaijan, Georgia, Moldova, Belarus and Ukraine) closer to the EU and promote "stability and prosperity" based on the values of democracy and human rights.

The innovation of bilateral AND multilateral tracks proposed also some solutions for a more problematic "partnerships" like Belarus, but it also matches with the

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<sup>8</sup> Armenia celebrate last October 2011 the 15th anniversary of local self government

<sup>9</sup> Note : <http://www.eap-csf.eu/>



many different expectations of the different governments. Indeed, while virtually no bilateral relationships are on going with Belarus, only through the multilateral track and the Civil Society Forum a permanent link exists.

The Eastern Partnership was under review this year with the Summit in Warsaw in September 2011. Many aspects of the EaP need to be further implemented and a clear political vision is missing. Some would raise the issue of future membership but it encounters the strong refusal of many EU member states and it is not in the European agenda today, all entangled in sorting out its own internal problems.

The Civil Society Forum for Eastern Partnership is led by NGOs self organized, well supported by the European Commission, which mentions and praises this initiative in the ENPI review issued in April 2011. The CSF is organized in specific Working Groups and National Platforms. The Working Group 1 (Democracy and Human Rights) subdivided into several specific subgroups since the Berlin event in 2010. One of the groups, working on Local Government and Public Administration Reform worked on a specific Position Paper, which also had the added value of being a first assessment of the situation on local government in the EaP countries. The Subgroup is one of the most active and focused of the CSF and can count on the support of around twenty NGOs active in Local Governance and Local Government Reform in the Partner countries and the EU.

The Position Paper was presented to the launching event of the Corleap (see further on in the text) in September 2011. At the event the Civil Society Forum for Eastern Partnership was present as official and permanent observer. The recommendations of the Paper were addressed to the Committee of the Regions and to the newly established Corleap<sup>10</sup> and to the local governments of the

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<sup>10</sup> In 2009, the Committee of the Regions adopted a report on the role of local and regional authorities within the Eastern Partnership in which it emphasised the important role of regions and cities in implementing this initiative, in particular, their contribution to regional development and cooperation, improving economic relations, promoting respect for human rights and

Eastern Partnership regions. In general to the CoR, it is requested a further engagement with civil society, considering the democratic problems of the Partners Countries. The not fully fledged democracy has an impact on the local government dimension in most of the six countries, with a particular difficulties for Belarus and Azerbaijan, where the local governments are guided and managed from a central authority. The assessment on the local government reform in the Partnership countries focused on the need to create mechanisms of promotion and valorization of local authorities and their staff, with better capacities and resources. They call for an enhanced cooperation with the local civil society, often declaimed but not real. The influence of political parties (those ruling the county) is overwhelming also at the local level and limits the possibilities of local authorities to find the best administrative solutions for their own communities. In general, the NGOs of the Subgroup consider the issue of local government too low in the list of priorities of the countries and not enough led by a general strategic vision included in the public administration reform. To the Committee of the Regions, the subgroup LGPAR asks to raise the importance of local governments and engagement of civil society within the whole package offered by the Eastern Partnership, till the possibility to introduce a conditionality of further development of the Partnership based on the full implementation of the European Charter of Local Self Government (not ratified by Belarus yet). The mechanism of monitoring of the Charter, today implemented by the CoR and by the Congress of Local and Regional Authorities, could also include representatives of the civil society so that to enhance the understanding of the local situation and to further engage them. The Subgroup also asked for a more articulated presence of the representatives from local governments in the Corleap, where too few are today present. The possibility to have experts panels, included in the Action Plan elaborated by the Committee of the Regions, where a

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fundamental freedoms, facilitating mobility and their support for establishing mutual contacts. The Committee also requested that local and regional authorities, alongside central governments, are involved from an early stage in preparing association agreements, strategic documents and action plans that are drawn up on a bilateral basis between the European Union and the EaP partner countries

larger and diversified representation of local authorities from EaP could take part, is also among the requests. A further institutionalization of the Corleap was requested by the final declaration of the EU summit in Warsaw on Eastern Partnership (September 2011). However, in order to transform it into an instrument for democratization and local governance and to match the final objectives of the Eastern Partnership, it will need to be soon oriented to action (and not only lobbying and recommendations) and it will need to include the established NGOs dealing with local governance and public administration in the Europe and EaP<sup>11</sup>.

Following up on these requests, CORLEAP aims to a) enable local and regional authorities to help implement the EU's Eastern Partnership, b) boost cooperation between local and regional authorities from the EU and the Eastern partner countries, and showcase examples of cooperation and multilevel governance c) encourage internal reform and capacity building at the local and regional level in the Eastern partner countries

***The work of the Association of the Local Democracy Agencies to support citizens' participation***

The Association of the Local Democracy and the LDAs, active since 1993, promoted since 2005 innovative instruments to support citizens' participation at the local level and enhanced the capacity of citizens to be included in the decision making at the local level. With the support of members and partners, a module on Active Citizenship has been implemented with success throughout Europe and in the cooperation countries where LDAs are located, including Southern Caucasus. The proposed activities include a first step of awareness

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*Note : Functioning of the Corleap.*  
<http://www.cor.europa.eu/pages/CoRAAtWorkTemplate.aspx?view=folder&id=d15a0605-0fb1-427d-b8e4-b78233dcaece&sm=d15a0605-0fb1-427d-b8e4-b78233dcaece>

and capacity building for local authorities' representatives and civil society (in separated paths) and then a further common capacity building process. The instruments adopted are also part of the programme implemented by the Local Democracy Agencies (in Georgia since 2006 and just opened in Gyumri in Armenia in 2011. A further development could lead to have a general regional approach with an LDA in Azerbaijan). The LDAs are tools for negotiation and practical implementation of participatory democracy, engaging local authorities and civil society, with the support of European Partners. The involved actors are invited to deal with a common problem solving, implementing methodology of participation and sharing of information. It gives evidence of an added value of sustainability and quality of the results. The visibility actions are also a fundamental step for the success of the programme. Other instruments of participations are often used as the citizens panels or the e-consultation<sup>12</sup>.

The first Local Democracy Agencies (LDAs) were established by the Council of Europe's Congress of Local and Regional Authorities in the early 1990s as a support programme to strengthen local democracy, foster respect for human rights and further sustainable development in the Western Balkans. Over the years, the objective remained to assist the region in a smooth and stable transition towards democracy and European integration, with an emphasis on promoting tolerant and trust-based relationships within local communities. Since 1999, ALDA coordinates the LDAs and provides them with administrative and political support.

What makes the LDAs so unique is their methodology of multilateral decentralised co-operation, namely partnerships between local and regional authorities and NGOs from all over Europe. The LDAs function in a similar way to the town twinning system, bringing together international as well as local and national partners in their projects. They exchange best practices and expertise,

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<sup>12</sup> *Citizens panels are a new methodology field tested by ALDA (and few other NGOs in Europe) for the programme Europe for Citizens. It aims at given to "ordinary citizens" the possibility to express their opinion on different public policies and set up their own agenda of discussion. They elaborate their own path of consultation and are facilitated, only, by a project manager.*

and develop projects together so that both sides can profit from the partnership.

□ Current projects range from trans-border co-operation seminars, capacity building for local authorities and NGOs, youth or women empowerment to micro-credits and trainings on European integration.

The LDA Armenia, based in Gyumi, is based on the partnership on the partnership of the Region Rhone Alpes in France and the Region Friuli Venezia Giulia in Italy as well as the support of the municipality of Gyumi and Yerevan, the Union of Municipalities of Armenia, the NGOs Asparez and Shirak from Gyumri and the Urban Foundation and the ICHD from Yerevan. The LDA Georgia, located in Kutaisi, is based on the partnership of the city of Strasbourg, the city of Nantes, the support of the city of Monfalcone (Italy) and the constant relationship with the twinning Newport (Wales, UK) and Kutaisi.

## **Conclusion**

The challenges of the upcoming years in Eastern Partnership countries and, in particular in Southern Caucasus, are important and the attention on them should not be decreased. Those must remain among the priorities of the European Union and translated into actions in the framework of the Eastern Partnership. Focusing only in solving internal problems and then –once resolved – addressing the external issues (like EaP and MED) won't help the *European Project* to build a space of peace and prosperity. Internal consolidation and external policies must go together. And in this exercise, local governance and decentralized, which is one of the added value of the European model of governance, could be a real asset to put at the table of negotiations for the development and democratization Southern Caucasus countries.