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**“The role of national parliaments
in successful decentralisation processes”**
(report of Mr Luís Leite Ramos, Portugal, EPP/CD)
Lisbon, 17 September 2018

**Andreas Kiefer, Secretary General of the Congress
of local and regional authorities of the Council of Europe**

Dear Chair, Mr. Schennach

Mr. Carlos Miguel, Secretary of State for Local Authorities

Mr. Luis Leite Ramos,

Members of the Committee,

Ladies and gentlemen,

I am very pleased and honoured to be able to exchange with you on the role of national parliaments in successful decentralisation processes.

My special thanks go to Mr Schennach, Chair of the Committee and Mr Ramos, General Rapporteur on Local and Regional Authorities, for inviting me to represent the Congress today. Mr. Ramos managed to bring together the three political dimensions of the Council of Europe: governments, national parliaments and local and regional authorities represented in the Congress.

I am also very glad to meet Minister Cabrita tomorrow, as the Congress enjoys excellent co-operation with Portugal and the Minister. Congress members held a very useful exchange of views with Mr Cabrita when he presented the decentralisation reform, as a core state reform in Portugal, at the plenary session of the Congress in March 2017.

The need of decentralisation in Europe: facing the challenges

I believe that this report on the role of national parliaments in decentralisation processes is very timely, as there is a need for greater decentralisation in Europe, with a clear distribution of powers and with elected politicians and territorial administrations which are empowered and capable of addressing and responding to the challenges that are facing our cities and regions.

However, as rapporteur Ramos observed in his report, decentralisation processes have stagnated or even been reversed in some countries.

With the refugee crisis, economic difficulties and popular mistrust in institutions, not to mention the rise of populism and extremism leading to terrorism, it is becoming ever more difficult for governments of Council of Europe member states, in particular at local level, to meet the needs and expectations of the citizens.

Some national governments have attempted to re-centralise the powers and competences given to local and regional authorities and to curtail their financial resources, instead of adopting a partnership and multi-level governance approach to tackle economic and societal challenges.

The result can be a vicious circle. The more governments limit local financial resources, the more they prevent grassroots authorities from meeting their people's needs. The dissatisfaction of the population has risen, just as the central governments' distrust in local authorities' ability to deliver services and, as a consequence, re-centralisation has continued – as too have disappointment and frustration. This is one of the reasons why populist forces attract voters, when they respond to complex issues with simplistic solutions.

We cannot adopt a wait and see approach, when local democracy is losing ground and the positive and constructive effects of the proximity of services and democratic institutions to citizens are being denigrated; when the readiness and ability to contribute to solutions is being ignored or not taken on board wholeheartedly.

Re-centralisation simply runs counter to the expectations of our citizens who are ready and willing to assume more responsibilities for their communities.

That is why the Congress welcomes the draft report and resolution, which re-confirm the role of national parliaments in supporting decentralisation and strengthening local democracy as a precondition to the well-being and democratic security of our societies.

European Charter of Local Self-Government

I am convinced that to achieve this goal - of strengthening local democracy - the European Charter of Local Self-Government can serve as a powerful and efficient instrument. For 30 years this Charter has guided the development of local democracy in Europe.

Ladies and Gentlemen,

30 years ago, on 1 September 1988, the Charter entered into force and opened a new era in the decentralisation of power and in empowering citizens and their elected representatives in Europe. So, today I find it particularly symbolic to reaffirm the relevance of the Charter as a unique international legal instrument which enshrines the principles of local self-government and protects local democracy for the benefit of local communities, their residents and the elected and accountable women and men, who take up local office.

We are proud that all 47 member states of the Council of Europe have now ratified the Charter. Undoubtedly, this is in no small measure thanks to the parliaments of the

member states, which introduced the Charter in their states' legislation and I would like to pay tribute to them.

We, in the Congress, also believe that it is the parliaments' role and duty to continue assuming their vital role in implementing the Charter, together with local and regional authorities.

What exactly is this role? It is the parliaments:

- which ratify the Charter,
- which set the legal framework for local and regional self-governance;
- which can scrutinize governments and when needed bring them back to the way of upholding their commitments under the Charter for example on the basis of the regular monitoring reports of the Congress;

It is the parliaments which can steer their countries in the consolidation of democratic institutions, in particular at local level, in line with the requirements of the Charter.

Indeed, this is a very demanding task, in particular as the political and social atmosphere is becoming increasingly tense in Europe, citizens' trust in democratic institutions and democratic stability is increasingly threatened by worrying changes in attitudes and actions of some countries.

As the Secretary General of the Council of Europe Thorbjørn Jagland observed in his 2016 annual report, there is a "dangerous trend towards legislative nationalism" with some member states initiating laws which risk contravening international standards, notably in relation to the treatment of migrants and refugees or challenge the application of international treaties such as the conventions of the Council of Europe.

But we are not here just to air grievances. We should seek together what should be done to remedy the situation and to bring our citizens, who feel excluded from democratic processes, back on board, having them work side by side with governments and parliaments and truly empowering them to take decisions on their daily lives and their future.

I am confident that the Charter can play an important role in translating this common objective into reality. The Charter introduces the principle of subsidiarity in local public affairs, bringing decision-making powers closer to the people, and promoting good democratic governance.

Our objective: 100% of the Charter on 100% of the territory

All member states, by ratifying the Charter, have committed themselves to implementing the principles of local self-government and local democracy. It is also interesting to note that even non-member States of the Council of Europe expressed also an interest to apply some principles of the Charter and carried out initiatives to engage into a decentralisation process. I can refer to a recent example with the Parliament of the Republic of Belarus which organised last week - together with the Congress - two round tables on the Charter and called for a strengthened cooperation with the Congress in order to better address the issue of local self-government in the country.

However, not all member states have yet ratified all the provisions of the Charter. So, at the outset of the 30-year celebrations, the goal of the Congress is to achieve the ratification of 100% of the Charter, to ensure that all of its provisions are respected by all member states: 100% of the Charter on 100% of the territory.

We welcome that the Parliamentary Assembly shares this goal in its draft resolution, by calling on member states to ratify all non-ratified provisions of the Charter. Please follow this up in your respective countries and encourage your governments to come to parliament with such proposals for ratification!

Monitoring activities and recurring issues

Overseeing the implementation of the Charter by the Council of Europe member states is one of the main activities and responsibilities of the Congress. I want to stress that, despite the financial constraints facing the Council of Europe, the Congress has succeeded in strengthening and deepening its monitoring activities in the past few years.

However, the main purpose of monitoring the application of the Charter's provisions is not simply to reveal the problematic issues in the functioning of local and regional democracy in Council of Europe member states, but to make recommendations aimed at tackling those issues and improving local self-government, and to assess the progress made by local and regional authorities since the last monitoring report.

The Congress also offers follow-up to the monitoring, in the format of a post-monitoring dialogue, at the initiative of an interested country. The aim of post-monitoring is to assist and support governments, parliaments and local and regional authorities in implementing the Congress recommendations, in order to better comply with the Charter and to improve the quality of local democracy, accountability and the discretion of towns and cities to autonomously manage a significant share of public affairs according to the principle of subsidiarity.

In a post-monitoring dialogue, the Congress prepares, together with the state authorities, a roadmap, which sets out a series of concrete measures to implement the recommendations of the Congress. By signing a post-monitoring roadmap, a state agrees to carry out those measures within a specified deadline.

Every roadmap is tailor-made to the specific needs of the country and proposes individual measures to help it meet the commitments stemming from the Charter and fulfil the Congress recommendations in the most efficient way. To ensure effective implementation of the roadmaps the Congress always tries to engage all national authorities concerned, including the parliaments, in their drafting. So far, the Congress has carried out such post-monitoring dialogue with five member states: Portugal, Moldova, Armenia, Ukraine and Georgia.

Through its recommendations, the Congress also serves as an advance warning system for the Committee of Ministers, with regard to trends in local democracy in member States. Last year the Congress adopted its second report on recurring issues, based on the assessments resulting from monitoring and post-monitoring missions conducted by the Congress between 2010 and 2016.

This report has revealed that local authorities - in concrete terms the elected women and men in the cities and municipalities and the administrations under their authority - face major difficulties in several areas, and in particular :

- the inadequacy of financial resources for local and regional authorities (**Article 9 of the Charter**);
- the restricted definition, allocation and exercise of local competences (**article 4 of the Charter**);
- the lack of consultation of local authorities by central governments (**Articles 4 paragraph 6,5 and 9 paragraph 6**);
- and the absence of direct applicability of the Charter in domestic legal systems.

I must say that we had rather expected to find Article 9 on finances as one of the most violated articles, in the aftermath of the economic crisis. The problems in the distribution of competences, however, have re-confirmed our conviction that there is a trend towards re-centralisation in Europe.

Consultation

We were disappointed to note that the lack of consultation remains a recurrent issue and that the situation in many member states in this respect is far from perfect. Along with financial autonomy and devolution of powers to the closest possible level to the citizens, proper consultation indeed is a key principle of the Charter. As signatories of the Charter, governments committed themselves to consult local authorities on all issues and policies that concern them.

Similarly, national (and where appropriate regional) legislative bodies, if they want to act in line with democratic principles, should consult local and regional authorities and their associations when enacting laws or reforms of local/regional self-government.

That is why I particularly commend that the draft report and the draft resolution underline the importance of ensuring a proper legal framework for consultations with

local authorities and their associations, and propose different ways and means to organise consultative process.

In 2014 the Congress adopted a “Strategy on the right of local authorities to be consulted by other levels of government” that calls upon national and local authorities and their associations to work together to establish systematic and regular consultations in their countries.

Under this Strategy, the Congress has now prepared “Guidelines on the consultation of Local Authorities by Higher Levels of Government”, which we expect to be adopted at our next plenary session in November. I am glad that ‘your’ draft resolution highlights the importance of these guidelines and I hope that you will also make use of them in your national parliaments, to strengthen consultations, which we believe is in the interest, not just of local /regional authorities and the people they represent, but also of central governments themselves, since it leads to better policies.

Governments and parliaments can turn local and regional authorities into partners and allies in making better laws and policies, just by hearing their voices and proposals and learning from their knowhow and operational experience.

Conclusions

Looking to the future, the Congress will continue promoting local and regional self-governance and monitoring the application of democratic principles at sub-national level, in line with the Charter.

We will continue to oppose governments’ attempts to use economic arguments to re-centralise competences, squeeze local budgets and reduce taxing powers and financial autonomy of sub-national governments.

We will continue to defend and promote the right of local authorities to be consulted timely and efficiently in law and in practice, both by governments and parliaments.

However, to be successful in our activities we, local authorities, need your support in your national parliaments, as well as in the Parliamentary Assembly of the Council of Europe. The common challenges that face us are huge; they are cross-cutting and require local, regional, national, European and often global responses. Only concerted efforts and sharing the same values at all levels of government can bring meaningful results for democracy and good governance.

As national and local elected representatives, parliamentarians and members of the Congress are in urgent need to strengthen the confidence of our electorates in our ability to implement our promises of more democratic security, better quality of life and sustainable social development.

As we mark the 30th anniversary of the entry into force of the Charter, the Congress commends the efforts of the PACE, in particular, through the report prepared by Luis Leite Ramos, in taking a robust role to secure decentralisation and democratic security in Europe.

We welcome that the report and resolution underline the importance of the partnership between the Congress and the Assembly in carrying out their tasks aimed at strengthening local and regional self-government. Our two political bodies address the issue from different angles. And this is why we are and will remain complementary.

Today's exchange is just one more step in a long history of cooperation between the PACE and the Congress, which we will be glad to continue and to enhance, in line with the resolution. The Congress stands ready to explore different ways of co-operation, including but not limited to the work of the PACE General Rapporteur on Local and Regional Authorities, under monitoring and post-monitoring procedures, through further exchanges on subjects of mutual interests.

We look forward to many joint achievements to come.

Thank you.