

47th SESSION

Monitoring of the application of the European Charter of Local Self-Government in Latvia

Recommendation 514 (2024)¹

1. The Congress of Local and Regional Authorities of the Council of Europe (“the Congress”) refers to:
 - a. Article 2, paragraph 1.b, of the Charter of the Congress of Local and Regional Authorities appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulating that one of the aims of the Congress is “to submit proposals to the Committee of Ministers in order to promote local and regional democracy”;
 - b. Article 1, paragraph 3, of the Charter of the Congress of Local and Regional Authorities appended to Statutory Resolution CM/Res(2020)1 relating to the Congress, stipulating that “The Congress shall prepare on a regular basis country-by-country reports on the situation of local and regional democracy in all member States and in States which have applied to join the Council of Europe, and shall ensure the effective implementation of the principles of the European Charter of Local Self-Government”;
 - c. Chapter XVIII of the Rules and Procedures of the Congress on the organisation of monitoring procedures;
 - d. Sustainable Development Goals (SDG) of the United Nations 2030 Agenda for Sustainable Development, in particular Goals 11 on sustainable cities and communities and 16 on peace, justice and strong institutions;
 - e. Guidelines for civil participation in political decision making, adopted by the Committee of Ministers on 27 September 2017;
 - f. Recommendation CM/Rec(2018)4 of the Committee of Ministers to member States on the participation of citizens in local public life, adopted on 21 March 2018;
 - g. Recommendation CM/Rec(2019)3 of the Committee of Ministers to member States on supervision of local authorities’ activities, adopted on 4 April 2019;
 - h. the previous Congress Recommendation on the monitoring of the European Charter of Local Self-Government in Latvia [[Recommendation 412 \(2018\)](#)];
 - i. Congress Recommendation 447 (2020) “Fact-finding report on territorial reform in Latvia”;
 - j. the explanatory memorandum on the monitoring of the European Charter of Local Self-Government in Latvia;

1. Debated and approved by the Chamber of Local Authorities and adopted by the Congress on 16 October 2024 (see document CPL(2024)47-03, explanatory memorandum), rapporteurs: Jorge SEQUEIRA, Portugal (L, SOC/G/PD) and Gobnait Ní MHUINEACHÁIN, Ireland (L, ILDG).

k. the Contemporary Commentary by the Congress on the explanatory report to the European Charter of Local Self-Government adopted by the Statutory Forum on 7 December 2020.

2. The Congress points out that:

a. Latvia joined the Council of Europe on 10 February 1995, signed and ratified the European Charter of Local Self-Government (ETS No. 122, "the Charter") on 5 December 1996 with reservations. The Charter entered into force in Latvia on 1 April 1997;

b. the Committee on the Monitoring of the implementation of the European Charter of Local Self-Government and on the respect of Human Rights and the Rule of Law at local and regional levels ("the Monitoring Committee") decided to examine the situation of local and regional democracy in Latvia in the light of the Charter. It entrusted Jorge Sequeira, Portugal (L, SOC/G/PD) and Gobnait Ní Mhuineacháin, Ireland (L, ILDG) with the task of preparing and submitting to the Congress a report on the implementation of the Charter in Latvia;

c. the monitoring visit took place from 20 to 22 February 2024. During the visit, the Congress delegation met representatives of various institutions at all levels of government. The detailed programme of the visit is appended to the explanatory memorandum;

d. the co-rapporteurs wish to thank the Permanent Representation of Latvia to the Council of Europe and all those whom they met during the visit.

3. The Congress notes with satisfaction that in Latvia:

a. the legal framework strengthened opportunities for residents to engage in budgetary and decision-making processes at the local government level;

b. digitalisation of processes continues, bringing benefits for citizens, administrators and elected councillors.

4. The Congress expresses its concerns on the following issues:

a. the ongoing dependence of local government on central funding for implementation of their competences, the high proportion of earmarked grants and the limited opportunities for local governments to leverage own resources compromises municipalities' ability to address local priorities effectively and autonomously;

b. there is a lack of commensurate financial resources accompanying the transfer of new competences;

c. in addition to funding gaps, and the need to align local spending with state budget priorities, detailed regulations and centrally-set service standards increasingly strain local resources and limit local autonomy;

d. some ambiguities persist in the division of competences;

e. the discretionary power of the Minister for Environmental Protection and Regional Development to suspend a chairperson of a council continues to pose risks of disproportionate interference by the central government in local affairs;

f. the system of local government supervision by multiple bodies is complex and burdensome;

g. there is no legal obligation to consult local communities concerned in the event of the modification of local authority borders;

h. there are persistent issues concerning the funding of the equalisation system with both financially well-off and less well-off municipalities dissatisfied with the system.

5. In light of the foregoing, the Congress requests that the Committee of Ministers invite the authorities of Latvia to:

a. increase local government's potential to generate own resources by allowing additional local taxes and revise the systems of tax redistribution so as to ensure a stable financial base for municipalities;

- b. assign financial resources to local governments that are wholly commensurate with their competences, thereby strengthening their responsibility in financial management, enabling them to exercise their functions fully and deliver high quality services;
- c. refrain from over-regulating the competences of local authorities to ensure that their capacity to pursue initiatives for the benefit of their communities is not undermined;
- d. further clarify the allocation of powers between the local and state levels to avoid overlapping;
- e. revise the legislation to remove the ministerial powers of suspension in order to prevent disproportional interference by central government in the institutional life of local authorities;
- f. simplify the system of central supervision of local government so as to avoid duplication and reduce excessive bureaucratisation;
- g. legally introduce mandatory consultation of local communities prior to changes to the boundaries of local authorities;
- h. revise the level and criteria of the equalisation fund and increase the predictability of the state's contribution to the Equalisation Fund, to facilitate municipalities' ability to plan and reduce current inter-regional and inter-municipality disparities;
- i. sign and ratify the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority, of 16 November 2009 (CETS No. 207).

6. The Congress calls on the Committee of Ministers and the Parliamentary Assembly of the Council of Europe to take account of this recommendation on the monitoring of the European Charter of Local Self-Government in Latvia and the accompanying explanatory memorandum in their activities relating to this member State.