

**The Congress**  
of Local and Regional Authorities



# **OFFICIAL REPORT OF DEBATES**

**24th Session (19-21 March 2013)**



**The Congress**  
of Local and Regional Authorities

**OFFICIAL REPORT OF DEBATES**

**24th Session (19-21 March 2013)**



Page

First sitting of the Congress Tuesday 19 March 2013.....	5
Sitting of the Chamber of Local Authorities Wednesday 20 March 2013.....	47
Sitting of the Chamber of Regions Wednesday 20 March 2013.....	69
Second sitting of the Congress Wednesday 20 March 2013.....	87
Third sitting of the Congress Thursday 21 March 2013.....	113



# FIRST SITTING OF THE CONGRESS

Tuesday 19 March 2013 at 11.00

## TABLE OF CONTENTS

	<u>Page</u>
1. Opening of the 24th Session.....	7
2. Verification of credentials of new members .....	8
3. Adoption of the draft agenda of the session .....	8
4. Adoption of the draft minutes of the last sitting of the 23rd Session (18 October 2012) .....	9
5. Adoption of the composition of the Congress committees.....	9
6. Communication by the President of the Congress.....	9
7. Statement by Thorbjørn Jagland, Secretary General of the Council of Europe .....	11
• Oral reply to written questions .....	13
8. Local and regional democracy in Georgia.....	17
• Statement by Tengiz Shergelashvili, First Deputy Minister for Regional Development and Infrastructure of Georgia .....	23
• Oral reply to written questions .....	24
9. The budget and resources of the Congress in 2014-2015.....	27
10. Local and regional democracy in Spain.....	29
11. Local and regional democracy in Italy .....	34
12. Fostering active citizenship .....	38
13. Date, time and agenda of the next sitting .....	46





## 1. OPENING OF THE 24th SESSION

*The session opened at 11.05 with Herwig van Staa (Austria, R, EPP/CCE) in the chair.*

*The participants stood to listen to the European anthem.*

**The PRESIDENT** (Austria, R, EPP/CCE) declared the 24th Session of the Congress of Local and Regional Authorities of the Council of Europe open, in accordance with Rule 17.1 of the Congress's Rules of Procedure.

The President announced that two members of the Congress of Local and Regional Authorities had died since the previous session in October 2012: Sabine Röhl, from the German delegation, had died on 7 December 2012 and Britt-Marie Lövgren, from the Swedish delegation, had died on 24 December 2012. He invited participants to observe a minute's silence.

*Congress members stood to observe a minute's silence.*

The President noted that it had been decided to devote most of the 2013 sessions to the theme "Europe in crisis – the challenges for local and regional democracy". For one of the top priorities at present was to try to deal with the financial crisis and the ensuing crisis of confidence in the political process. The crisis was affecting all member states and most of the communities in the Council of Europe. The Congress of Local and Regional Authorities had a duty to show support for those who were suffering the consequences of this crisis and a responsibility to seek solutions that it could share with its partners. That would be the main task for the Congress throughout this year, so the agenda for the 24th session was a fairly busy one.

There would also be a number of specific debates, including on fostering active citizenship and combating social exclusion. The Congress would also be inaugurating the European Alliance of Cities and Regions for Roma Inclusion, a project it had been working on since 2011. A number of debates would be held on this subject. The purpose of the Alliance was to support local and regional authorities in implementing inclusive policies for Roma. In another debate, participants would consider how ethical conduct could be promoted and corruption combated at local and regional level. The Chamber of Regions would be holding a round table on "regionalisation and devolution in Europe in a context of economic crisis". Follow-up reports on the state of local and regional democracy in Spain, Italy and Georgia, following the various visits to these countries, would be presented to the Congress and there would also be two debates on the outcome of the missions to observe elections in Armenia and Bosnia and Herzegovina.

The Congress would have the pleasure of welcoming some honoured guests: Valentina Matvienko, Chairperson of the Federation Council of the Federal Assembly of the Russian Federation and former mayor and governor of St Petersburg, Tengiz Shergelashvili, First Deputy-Minister for Regional Development and Infrastructure of Georgia, and Gilbert Saboya Sunyé, Minister for Foreign Affairs of Andorra. The President took this opportunity to thank the Andorran Government for inviting the Congress Bureau to the Principality of Andorra, where they had had a most rewarding meeting and very pleasant stay. Also among the guests would be Thorbjørn Jagland, Secretary General of the Council of Europe. The President thanked Mr Jagland for his loyal attendance at the Congress sessions.

A number of cultural and social events had been scheduled for this session, including notably exhibitions organised by the Principality of Andorra, the Republic of Tatarstan in Russia and the Republic of Moldova. There was also to be a reception hosted by Strasbourg city council, with the focus on Roma cuisine and music. At the end of the session, an event would be held by the Association of Local Democracy Agencies, which was planning to open a new agency in Dnipropetrovsk, Ukraine.

The President said that voting during the session would take place electronically and went on to explain a few practical arrangements regarding the electronic ballot boxes. He pointed out that any Congress members wishing to take part in the debates must register in advance using the form provided, and invited any members who had not yet done so to sign the statement confirming that they subscribed to the Council of Europe's principles.

## 2. VERIFICATION OF CREDENTIALS OF NEW MEMBERS

[CG(24)2PROV] (RES)

**The PRESIDENT** (Austria, R, EPP/CCE) said that at its meeting on Monday 18 March 2013, the Congress Bureau had examined the credentials of the new members. Following discussion, the draft resolution prepared by the Bureau would be put to the vote. The President began by inviting the rapporteurs to take the floor.

**Ludmila SFIRLOAGA** (Romania, R, SOC), rapporteur, noted that before the session could begin, the Congress must adopt the draft resolution on the verification of credentials of new members. This resolution was very short. The members of each national delegation had been appointed for a four-year term and could not be removed from office before the end of their local or regional mandate, in accordance with Rule 3.3 of the Rules of Procedure. Ms Sfirloaga said that all Congress members shared the Council of Europe's values and reminded them that they were required to sign a statement to this effect. Any members who had not done so could not be appointed rapporteurs or participate in election observation or monitoring missions. To date, 95 Congress members had yet to sign this statement.

Ms Sfirloaga noted that delegations from states which had a region or regions with legislative powers must include at least one delegate from one such region in the Chamber of Regions, under Rule 4.1 of the Rules of Procedure. This provision, which had been introduced in 2008, had not yet been fully observed. As part of the Congress reform, however, the Bureau had endeavoured to get delegations to comply with the rules, both old and new, as extensively as possible, whether these rules concerned the political balance between the different national parties within delegations, gender balance or geographical balance. A number of states had thus been asked to review their delegations in the light of these Rules of Procedure. Some delegations, which had struggled to meet the requirement laid down in Rule 4.1, the rapporteurs had therefore come to the conclusion that this clause needed to be reviewed. That in turn might lead to the Congress's Rules of Procedure being revised. The rapporteurs therefore suggested that before the next session, the national delegations, on a proposal from the Bureau, be approved by the Congress even if they were not fully compliant with the provisions on regions with legislative powers.

Lastly, Ms Sfirloaga expressed disappointment at the continuing absence of the Serbian delegation and said she hoped they would attend the next session of the Congress.

**The PRESIDENT** (Austria, R, EPP/CCE) observed that no-one had put their name down to speak in the debate and asked Anders Knappe, co-rapporteur, if he had anything to add to Ms Sfirloaga's comments.

**Anders KNAPE** (Sweden, L, EPP/CCE), rapporteur, said he had nothing to add.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked the rapporteurs for their work and said that the discussion was closed. No amendments having been tabled to the draft resolution, he proposed that Congress members vote on the text. A simple majority was required.

The draft resolution on the credentials of the new members was adopted.

## 3. ADOPTION OF THE DRAFT AGENDA OF THE SESSION

[CG(24)OJ1PROV]

**The PRESIDENT** (Austria, R, EPP/CCE) said it was time to adopt the draft agenda for the Congress and the Chambers. As far as the Chambers were concerned, it was only necessary to decide on the times and not the content of their meetings, as they were responsible for their own agenda. The President asked whether the Congress members had any objections to the proposals contained in notice no. 1.

The President noted that there were no objections.

The draft agenda was adopted.

4. ADOPTION OF THE DRAFT MINUTES OF THE LAST SITTING OF THE 23rd SESSION (18 OCTOBER 2012)

[CG(23)PV3am]

**The PRESIDENT** (Austria, R, EPP/CCE) said that the next item on the agenda was the adoption by the Congress of the draft minutes of the last sitting of the 23rd Session. This document was available at the document counter. The President inquired as to whether there were any objections.

The President noted that there were no objections.

The minutes of the sitting of 18 October 2012 of the 23rd Session were approved.

5. ADOPTION OF THE COMPOSITION OF THE CONGRESS COMMITTEES

[CG(24)3]

**The PRESIDENT** (Austria, R, EPP/CCE) invited Congress members to decide on the composition of the committees, as set out in Document CG(24)3.

The President noted that there were no objections.

The proposed composition of the committees was approved.

6. COMMUNICATION BY THE PRESIDENT OF THE CONGRESS

**The PRESIDENT** (Austria, R, EPP/CCE) noted that the current session was taking place at a time that was both challenging and promising for the Congress. Europe was facing multiple crises: economic and financial crisis, institutional crisis, a crisis of public confidence in institutions, and, lastly, a crisis of values and commitment to democratic processes, against a background of rising corruption, extremism, xenophobia and hate speech. That was why the Congress had chosen as the theme for both its sessions this year "Europe in crisis: challenges to local and regional democracy". The Secretary General of the Council of Europe, Thorbjørn Jagland, in his address to the Parliamentary Assembly in January, had stressed that the focus of our action must be on responding to these multiple crises and the challenges they represented.

This was also a promising time, however. Never before had there been so much recognition of the importance of local and regional democracy and of grassroots action in response to these challenges, giving us a truly historic opportunity to engage in concrete action together with national governments. Responses to the crisis required such concrete action, action that produced tangible results for citizens at all levels of governance. Becoming less theoretical and more practical, more operational, and more result-oriented was the idea behind the Council of Europe's comprehensive reform, and the Congress had embraced this thinking.

The Congress had not always been like this, nor had the Council of Europe, but times were changing and institutions needed to adjust to new realities. We could not respond to today's challenges with theory alone. The Congress needed to develop a practical vision of the situation and of ways of improving it. The world was changing fast, society was increasingly exposed to threats, and the Congress could not remain as it used to be. The Congress must become an actor in the field, on the ground, offering solutions.

The Council of Europe was currently discussing a matrix based on the pooling of knowledge and experiences of its constituent entities. This matrix would help national governments overcome specific problems, through co-operation programmes and action plans. The Congress must follow the same logic: it must develop co-operation with national as well as local and regional authorities to work on the problems identified during monitoring, election observation and post-monitoring dialogue. The Congress must make sure that its monitoring and post-monitoring activities were followed by concrete

follow-up action. Simply describing the situation was not enough: it was also important to change it through practical co-operation.

The President said that during his exchange of views with the Committee of Ministers in November 2012, he had stressed this focus of the Congress on translating the results of its monitoring into specific action, and on developing its operational capacity. The Congress had already made some progress in this direction. The co-operation project on strengthening local government structures in Albania had been officially launched in Tirana at the end of February this year, and an agreement had just been reached on a project with the Russian Federation as part of a forthcoming Council of Europe action plan. The Congress needed to become more deeply involved in implementing the local and regional dimension of the Council of Europe action plan for Ukraine. Likewise, it must continue its co-operation in the Mediterranean under Council of Europe action plans for Morocco and Tunisia.

At this session, the Congress would be launching the European Alliance of Cities and Regions for Roma Inclusion, the result of a year and a half of efforts. Just the previous week the Congress had launched an online platform for exchanging and showcasing best local and regional practices in support of the Pact of Towns and Regions to stop sexual violence against children. This Pact was part of the Congress's contribution to the Council of Europe's One in Five Campaign. The President took this opportunity to call on Congress members to encourage their municipalities and regions to join the Alliance for Roma Inclusion and to sign up to the Pact of Towns and Regions to stop sexual violence against children.

The President further noted that since its previous session, the Congress had pursued monitoring and election observation, with monitoring missions to Italy, Albania and Spain, a monitoring and a fact-finding mission to Georgia and a forthcoming mission to observe local elections in the "former Yugoslav Republic of Macedonia".

The President pointed out that we had never been so close to European consensus on the importance of local and regional democracy. All the chairmanships of the Committee of Ministers, beginning with Ukraine, had given a high priority to enhancing local and regional democracy. That meant six past, current and future chairmanships had chosen to actively pursue this goal.

In January this year, Monaco had ratified the European Charter of Local Self-Government, becoming the 46th member state of the Council of Europe to do so. As a result, the Charter now applied over almost the entire continent. Negotiations were under way with the Republic of San Marino, raising hopes that the last member state not to have done so would ratify the Charter in the course of the year. In addition, more countries were lifting their reservations to the Charter, and the slogan launched two years earlier by Jean-Claude Frécon, President of the Chamber of Local Authorities – 100 per cent Charter for 100 per cent of the continent – was becoming a reality. The Congress was on the verge of completing a pan-European legal space for local democracy. This represented a concrete and substantial contribution to consolidating the Council of Europe legal space and ensuring that the Organisation's standards were applied throughout Europe.

The President concluded that the current situation should be seen as an opportunity for the Congress to work with the Committee of Ministers, to further develop good working relations with national governments and to advance dialogue and co-operation between national and local and regional authorities in the member states. The President said he was confident that the Congress would seize this opportunity for the benefit of local and regional democracy and European citizens.

**The PRESIDENT** (Austria, R, EPP/CCE), opening the debate, gave the floor to Li Ligu, Secretary General of the China International Friendship Cities Association.

**LI LIGUO**, Secretary General of the China International Friendship Cities Association, said this was the first time he had attended a meeting of the Congress of Local and Regional Authorities as an observer. On behalf of the Chinese People's Association for Friendship with Foreign Countries and the China International Friendship Cities Association, he thanked the Congress and its President for giving him the opportunity to speak on the theme "China's international development needs, with particular reference to town planning – international vision and wisdom".

China must accomplish the process of economic transition by shifting the focus to quality, speed, environmental responsibility, human progress and sustainable development. China was an agricultural country yet since the early 1990s, its cities had been growing by 1 to 1.5% per year, and the urbanisation rate now stood at 50%. Experts predicted that by 2020 the urban population would account for 60% of China's total population. With increasing urbanisation came numerous challenges, including the question of how to bring about improvements in quality of life and the urban environment. What was needed therefore was a series of transitions and a process of development based on an industrial structure, employment, a propitious environment and social security. Drawing up the plans for such a future was not something that could be done behind closed doors, however: openness was vital. That was why China was hoping to learn from various international experiences.

The activities of China's "International Friendship Cities" dated back to 1973. Relations with "sister cities" had been established with 1 984 partner cities, 694 of which were situated in 40 European countries, covering almost the entire European Union. Close co-operation had been established in business, culture, education, science, technology and environmental protection. There were still some imbalances, however. For example, "sister cities" in numerous western European countries were working with Chinese cities in a variety of areas. With northern and south-eastern European countries, however, such arrangements were rare. In some cases, European countries and China had features in common, such as a dense population and limited resources. European cities had been experiencing urbanisation for centuries. The experiments carried out in the field of spatial planning, low-carbon development and urban governance could be highly instructive for Chinese cities. European urban development was an important reference point for China, therefore, in its quest to improve public services and facilities for migrant workers.

In taking part in this Congress session, Mr Liguó hoped to learn much about the pioneering ideas of European cities, to explore new forms of interchange between partner cities and to develop dialogue between Chinese and European cities. He expressed the hope that European and Chinese cities would thrive and prosper together, hand in hand.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Mr Liguó for coming. He recalled how eight years ago, he had visited China with a delegation from the Congress. When he had first become President of the Congress, ten years ago, a particular form of co-operation had been established with China, creating a special relationship that had endured ever since. The President was pleased that Chinese cities had managed to forge ties with numerous European countries. He hoped that China would press ahead with its social and economic development and continue working with all countries in the interest of global friendship and peace.

## 7. STATEMENT BY THORBJØRN JAGLAND, SECRETARY GENERAL OF THE COUNCIL OF EUROPE

[CG(24)13]

**The PRESIDENT** (Austria, R, EPP/CCE), speaking on behalf of the Congress, welcomed the Secretary General and thanked him for his regular attendance at the Congress sessions. In his address to the Parliamentary Assembly, Mr Jagland had set out the main priorities of the Council of Europe. The first of these was the fight against corruption and other forms of misuse of power. Corruption undermined citizens' trust in the rule of law and democracy. Corruption was the biggest threat to democracy, not only in Europe but also in the rest of the world. It diverted to private interests the meagre resources that society needed so badly. It particularly affected the poorest and most vulnerable citizens who needed public support. For that reason the Congress had decided to include this issue among its own priorities.

The second priority identified by Mr Jagland was the fight against intolerance and hate speech, while the third, which was closely related, was protecting minorities. Here again, the Congress had a key role to play and had included both of these themes among its priorities for the period 2013-2016, with special emphasis on the Roma.

The fourth priority mentioned by Mr Jagland was consolidation of the Council of Europe's legal area. There was a need to eliminate legal loopholes across Europe and to ensure that Council of

Europe standards applied all over the continent. The Congress, for its part, further to Resolution 330, was working hard to get all the member states to ratify the European Charter of Local Self-Government. The process was almost complete, with 46 ratifications out of a total of 47 states. The Congress hoped that San Marino would soon ratify the Charter as well. It also hoped that those states which had entered reservations to certain provisions of the Charter would gradually lift them. Congress members raised this issue with the national authorities every time they carried out a monitoring visit.

The Council of Europe's neighbourhood policy had been launched with great success under the auspices of Mr Jagland a year and a half earlier. Co-operation agreements had now been signed with Tunisia, Morocco and Jordan. The Congress was taking an active part in this policy and had established a close dialogue with these countries, offering them the benefit of its expertise for reforms involving local and regional self-government.

The President invited Mr Jagland to show the Congress the way so that it could go further in these areas and develop synergies not only within the Council of Europe but with other European and international partners as well.

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, welcomed the members of the Congress. The theme chosen for this session of the Congress "Europe in crisis – the challenges for local and regional democracy" reflected the fact that there were a number of worrying trends: resurgent nationalism and rising xenophobia. Mr Jagland observed that this was not the way to a more tolerant society, quite the reverse.

At the last session of the Parliamentary Assembly, Mr Jagland had outlined his vision of the crisis: Europe was facing an economic crisis but also an institutional one, with national and European institutions often seen as insufficiently equipped to deliver concrete responses. The institutional crisis was closely linked to another one, the decline of citizens' trust in European or national bodies and the entire political class. These various crises had led to a fourth one – a crisis of values, which could be seen in the rise of extremism, hate speech, nationalism, vilification of migrants and hatred of those who were different from ourselves. How should we respond to these multiple crises?

Corruption and other forms of misuse of power were the biggest threat to democracy today. They were spreading everywhere, a little more each day, as demonstrated by cases in Slovenia, Spain, Ukraine, Malta, Finland, Norway, etc. No country was immune. It would be too easy to discount this phenomenon, citing cultural factors. If corruption was to be tackled, structural improvements were required, such as developing an independent and trustworthy judiciary, ensuring freedom of the media and the crucial role played by parliaments in exercising oversight over the executive. At local and regional level, it was also important to have bodies capable of addressing these issues. GRECO and MONEYVAL were the Council of Europe's main tools here. Often, however, corruption at grassroots was the most visible and unjust. The Congress could play a special role in this area by designing and disseminating instruments and practices which curbed administrative discretion in municipalities, by raising the quality and the ethical standards of local and regional governance and by increasing citizen participation.

Another priority of the Council of Europe was the protection of minorities. The plight of the Roma, Europe's biggest minority, was a particular source of concern. Many continued to live in appalling housing conditions and attend segregated schools and they were regularly victims of violence and hate speech. This situation was the result of decades if not centuries of discrimination. The economic crisis also created fertile ground for anti-Roma rhetoric by populist politicians, deepening prejudice. In addition to initiatives to promote social inclusion, there was a need to work on policies that changed attitudes towards the Roma population. It was vital to combat this form of racism, and, more generally, intolerance and hate speech. Europe was a continent of diversity and if we wanted it to remain one, we must take a leading role in combating extremism and the hate speech that we heard and read every day, in particular on the Internet.

Democracy was not sustainable without its local dimension. At the end of the day, it was in our towns and regions that we were most effective in responding to challenges. It was in our cities and towns that we could inculcate democratic values in citizens and provide them with opportunities to put them into practice. It was in our municipalities that we could promote respect for diversity, foster

tolerance and counter extremism. It was on the basis of the work done by local elected representatives that people would gauge the transparency and effectiveness of governance, or the degree of institutional corruption.

Member states expected effective action from the Council of Europe. The Council must become more operational and more present in the field, more practical and less theoretical, not only setting norms but also helping to remove obstacles to their application.

Mr Jagland congratulated the Congress on its reforms aimed at strengthening its operational dimension and broadening co-operation with other Council of Europe bodies. He appreciated the recent steps undertaken by the Secretary General of the Congress to adapt the structures of the secretariat in order to reflect this growing operational dimension. He could already see evidence of this increased operational capacity in the assistance projects and the general co-operation programmes of the Council of Europe in the member states and neighbouring countries. Mr Jagland was pleased that after months of planning and consultations, the European Alliance of Cities and Regions for Roma Inclusion was now being launched. The role played by local and regional authorities in this area was crucial, and municipalities needed the Council of Europe's assistance here. This initiative was moreover an excellent example of how the Council of Europe could be more operational, more present and more practical.

Like its members states hit by the economic crisis, the Council of Europe and its entities were currently facing a difficult financial situation. The Congress had been called upon to play its part in overcoming these difficulties: it had been asked to do more – more monitoring and election observation, more targeted and result-oriented thematic action and co-operation activities – with fewer resources. Mr Jagland understood the concerns that many Congress members had on this subject. There were some major challenges and in the coming months, some tough decisions would have to be made. These were extraordinary times and the stakes were high. The Council of Europe must maintain credibility in this difficult climate in order to respond to the expectations of its members and partners. He was confident that it could do that. The history of Europe had proved it.

Given the crisis of values facing Europe, it was essential to make it known at every level that the job of the Council of Europe was to uphold the principles enshrined in three key documents: the European Convention on Human Rights, the European Social Charter and the European Charter of Local Self-Government, on which the Congress based its activities. These instruments reflected the European values shared by all citizens of Europe. In times of crisis, it was important to step up the protection of these principles on the ground so that these fundamental values were supported by the majority of the population. Mr Jagland said he was therefore counting on Congress members, as major stakeholders in European democracies, to work towards this goal in co-operation with national and European decision-makers.

#### ORAL REPLY TO WRITTEN QUESTIONS

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Mr Jagland for his statement and opened the debate. Mr Jagland would answer fourteen written questions submitted in advance by Congress members, provided that the individuals concerned were present in the debating chamber to put their questions orally.

**Irene LOIZIDOU** (Cyprus, L, EPP/CCE) said that the Congress attached great importance to the reform initiated by Mr Jagland to make the Council of Europe more effective and more focused on its priorities. With this aim in mind, the Congress was endeavouring to make its recommendations more practical so that member states could actually implement them. To this end, the Congress was devising action plans on the basis of its recommendations, in co-operation with the relevant Council of Europe bodies. Irene Loizidou asked Mr Jagland what he thought about this shift in the Congress's activities.

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, spoke of the rationale behind the reform launched across the Council of Europe as a whole. The aim of the process was to ensure that the various Council of Europe bodies worked together more, so as to improve the consistency of, and give greater prominence to, activities on the ground. Mr Jagland was pleased,

therefore, that the Congress was adopting this approach when launching initiatives in the member states.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) said that during the session, the Congress would be considering a draft resolution on "Congress post-monitoring and post-observation of elections: developing political dialogue". This resolution was aimed at building closer co-operation with authorities at central, regional and local levels in order to discuss with them how to implement the Congress's recommendations in an effective manner, and to agree on a roadmap for this purpose. At the same time, Mr Jagland was working on improving co-ordination of the Council of Europe's monitoring bodies so as to have a uniform procedure. Did he think that this new Congress initiative on post-monitoring was a step in the right direction, in the light of the arrangements he was planning to introduce in order to improve monitoring?

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, confirmed that he supported this initiative. Various types of monitoring existed within the Council of Europe: the permanent monitoring based on the conventions, the monitoring carried out by the Parliamentary Assembly, and the monitoring activities of the Congress. Information was also passed on by the European Court of Human Rights and by the human rights committees, as well as by other institutions which spotted problems in the member states. The aim was to make optimum use of this information, so that member states could explain how they planned to address the problems that had been identified. The Council of Europe could also help member states in this area. The idea therefore was to improve co-ordination between the various bodies that already existed. The work done by the Congress at local and regional level was very important from this point of view.

**Helen EADIE** (United Kingdom, R, SOC) said that back in 2011, the Congress had made it a priority to develop operational activities based on its recommendations on the implementation of the European Charter of Local Self-Government. Ms Eadie had recently been involved in the launch of a project to strengthen local and regional government in Albania. This project, conducted jointly with the Council of Europe's Centre of Expertise for Local Government Reform, paved the way for regular dialogue with central, regional and local authorities in Albania, as well as activities on the ground. She took this opportunity to thank Switzerland for the support it had given to the cause of local democracy and to this project in particular. She asked Mr Jagland whether he supported this new direction taken by the Congress and how it might fit into the future of the Council of Europe in the long term.

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, thought that this project was an excellent example of the sort of improved co-ordination that he wanted to see, including for activities conducted at local and regional levels.

**Jean-Claude FRECON** (France, L, SOC) said that Ms Orlova and himself, Congress rapporteurs for the budget, wished to thank Mr Jagland for his efforts to maintain the budget of the Council of Europe as a whole at a stable level. They wished to know about the budgetary outlook for 2014 and 2015, and the likely impact on the Council's activities and staff. In particular, Congress members needed to have competent staff on hand to assist them when they came to Strasbourg. The Congress had a good staffing costs to activities ratio and Mr Frécon hoped that it would be maintained.

**Svetlana ORLOVA** (Russian Federation, R, EPP/CCE) said that the themes mentioned by Mr Jagland, such as immigration, violence against children, the crisis and sustainable development echoed the priorities set by the Congress. The work done by the Congress was of direct benefit to citizens in the member states. The report on the crisis could be especially useful. In this context, Ms Orlova wished to know whether there was any end in sight to the cuts to the Congress's budget and pointed to the leading role played by this body.

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, noted that over the past two years, the Council of Europe had managed to achieve zero budget growth, something that many other international organisations had failed to do. The Council of Europe had introduced a large number of reforms, which had been appreciated by national governments. Most member states, however, had been badly hit by the economic crisis and this was likely to affect the next biannual budget which was currently being discussed. The Congress, of course, was an important Council of Europe body and its activities must be maintained but it was necessary to prioritise. It was also



important to seek possible synergies between the various Council bodies. For example, there were several secretariats within the Council of Europe and it looked as though there might be synergies between these different functions. It was essential to see the activities of the various entities through to successful completion, even if current staffing levels were not maintained. The financial situation was evolving, so it was up to the Council of Europe to make better use of the resources allocated.

**John WARMISHAM** (United Kingdom, L, SOC) announced the launch of the European Alliance of Cities and Regions for Roma Inclusion. He thanked Mr Jagland for backing this Council of Europe initiative, which was aimed at supporting local and regional authorities in the delivery of policies to promote the integration of the Roma population. How did Mr Jagland envision the role of the Alliance within the Council of Europe and its relations with other international partners?

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, said he appreciated the Congress's wholehearted commitment to this initiative. Most of the work to be done was on the ground, but this initiative should be seen in the context of the activities conducted by the European institutions. A close partnership had been forged with the European Union in this area. Mr Jagland would like more European Commission funds earmarked for Roma inclusion to be used in the member states. In addition, the Council of Europe was working with private partners such as George Soros, who was particularly involved in the education of Roma children. Mr Jagland had held talks with him and with most of the leaders of the Roma community to consider how to move forward in this area. All these activities were now being co-ordinated and Mr Jagland thanked the Congress for the role which it had played, especially where the European Alliance of Cities and Regions for Roma Inclusion was concerned.

**Yoomi RENSTRÖM** (Sweden, R, SOC) noted that the primary task of the Council of Europe was to stand up for vulnerable groups and that that included lesbian, gay, bisexual and transgender (LGBT) persons, who were seeing their basic rights, such as freedom of expression and the right to demonstrate, trampled on. The Congress had set about preparing a report on measures to ensure respect for the rights of LGBT persons, at local and regional levels. What did Mr Jagland think about the current position of LGBT persons in Europe and how did he hope to work with the Congress in this area?

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, said that the situation with regard to LGBT persons varied considerably depending on the country. Some states had made substantial progress in this area in a short period of time whereas in others, discrimination was still widespread. The Council of Europe must therefore continue its efforts in this area, not so that LGBT persons could get special treatment but so that they could enjoy the same rights as everyone else. Freedom of expression, including the freedom to state in public that one was lesbian, gay, bisexual or transgender, the right to demonstrate and freedom of assembly were basic rights enshrined in the European Convention on Human Rights and any failure to observe them must be condemned.

**Zinaida DRAGUNKINA** (Russian Federation, R, EPP/CCE) voiced concern over the plight of stateless children. During his visit to the Baltic countries, Nils Muižnieks, Council of Europe Commissioner for Human Rights, had declared that there should be no stateless children in Europe. Alluding to the continuing existence of this sad state of affairs in Council of Europe and EU member states, such as Latvia and Estonia, he had said that governments in these countries should stop foisting the blame on history, take steps to address statelessness and prioritise the best interests of the child. What action was the Council of Europe planning to take in the near future to eliminate statelessness among children in its own member states, given that this problem was tarnishing the image of the Council and its democratic norms?

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, felt that the Council of Europe's standards provided a solid framework for addressing this issue. Ratification and implementation of the relevant treaties and conventions were the responsibility of the member states, as he had repeatedly pointed out. It was particularly important to reiterate the core values enshrined in the European Convention on Human Rights. All children living in the member states were entitled to protection, and to lead a decent life, whatever identity papers they had. Responsibility for this matter lay with member states. It needed to be discharged specifically at local level and Mr Jagland invited Congress members to consider what action could be taken to this effect. The issue was becoming increasingly pressing in all the member states.

**Jolanta BARSKA** (Poland, L, NR) pointed out that there was a demographic crisis in Europe, where the population was shrinking. In Poland, municipalities were implementing measures to bolster the role of the family because, according to experts, the family was very important in the process of demographic transition. Was Mr Jagland planning to conduct any initiatives within the Council of Europe to help families and to improve the demographic situation?

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, recognised that the birth rate was falling in many European countries. The state could not demand that families have more children, of course, but there were ways in which governments and local authorities could make it easier for families to have more children. In Norway, for example, the birth rate was currently very high, and this was no doubt connected to the fact that women there were able to combine work with childcare responsibilities. Economic incentives were an important factor here. Local and regional authorities could take measures to make life easier for families, by setting up kindergartens for example.

**Dariusz WROBEL** (Poland, L, ECR) noted that in February and March 2013, Mr Jagland had met the Polish Minister and Deputy Minister for Foreign Affairs. How did he rate the degree of co-operation between the Council of Europe and Poland in the field of democracy and human rights protection and in other areas?

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, welcomed the co-operation that had grown up. Poland was an ardent supporter of the Council of Europe. The country was experiencing some problems which had been identified by the European Court of Human Rights but the Polish authorities were working hard to fix them.

**Gunn Marit HELGESEN** (Norway, R, EPP/CCE) asked Mr Jagland how, in the light of the efforts which had been made to strengthen the Council of Europe, he envisioned the role of the Congress of Local and Regional Authorities in the future.

**Ludmila SFIRLOAGA** (Romania, R, SOC) observed that reform of the Council of Europe had been the key priority of Mr Jagland's mandate. How did he rate co-operation with the Congress following the measures taken both by this body and by the Council as a whole, and what could be done to develop this co-operation further? On behalf of the Romanian delegation, Ms Sfirloaga also wished to thank the Secretary General for visiting Romania.

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, said that the Congress would always be integral to the work of the Council of Europe because local democracy was one of the cornerstones of democracy. In future, European states would have to introduce a range of policies in order to adapt to their citizens' needs, something that necessitated an extremely robust local and regional framework. Henry Ford had once said that a customer could have a car painted any colour he wanted so long as it was black. One could not give this response to citizens. States must adapt to the needs of their population, and only the level closest to citizens was capable of performing this function. It was essential therefore that local and regional authorities do their bit in supporting democracy, not only in the member states but also elsewhere in Europe.

**Luciano VECCHI** (Italy, R, SOC) noted that European public opinion had been taken aback by the moves by the Russian Federation to prevent LGBT persons from exercising their freedom of expression. Did the Secretary General consider that this legislation, and the action taken by the Russian authorities against LGBT persons and organisations, ran counter to Council of Europe standards and if so, what could be done to put an end to this discrimination based on sexual orientation?

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, said that the legislation in question was not compatible with the European Convention on Human Rights, as he had made clear to the Russian parliament and authorities. The draft law had not yet had a second reading in the Duma and he hoped it never would. Freedom of expression and freedom of assembly were universal rights that applied to all citizens, whatever their sexual orientation.

**Gaye DOGANOGLU** (Turkey, L, EPP/CCE) wished to address an issue relating to the family, as the basis for all social activity. In some member states, a growing number of children were being taken away from their biological parents and placed in institutions or with foster families. In some cases, arbitrary decisions were taken without a proper investigation into the allegations against the parents. The parents affected by these decisions were often immigrants and in some cases the children were placed with families from totally different cultural backgrounds. What could the Council of Europe do to tackle this problem, which posed a threat to social cohesion in the member states?

**Thorbjørn JAGLAND**, Secretary General of the Council of Europe, said that specific cases should be examined on an individual basis. The position of the Council of Europe, and indeed of the United Nations, was that children should remain with their families unless it was not in their interests to do so. Families experiencing difficulties should receive help from the state to enable them to meet their children's needs. Sometimes, though, the state had to step in to protect the child: the child's interests outweighed any other consideration.

**The PRESIDENT** (Austria, R, EPP/CCE) said the discussion was closed and thanked the Secretary General for taking part.

The President invited Congress members to attend the opening of the exhibition entitled "Andorra's parishes: land, country, state" followed by a reception hosted by the Andorran Chairmanship of the Committee of Ministers.

*The sitting rose at 12.40 pm.*

*The sitting resumed at 14.30 with Herwig van Staa (Austria, R, EPP/CCE), President of the Congress, in the chair.*

## 8. LOCAL AND REGIONAL DEMOCRACY IN GEORGIA

[CG(24)10PROV](REC)  
[CG(24)11]

**The PRESIDENT** (Austria, R, EPP/CCE) said that the next item on the agenda concerned the state of local and regional democracy in Georgia. A draft recommendation would be put to the vote. Congress members also had copies of a report on the fact-finding mission to Georgia which had taken place a fortnight earlier; this last document was for information only and would not be voted on. Following the rapporteurs' presentation, Georgia's First Deputy Minister for Regional Development and Infrastructure would address the Congress.

**Helena PIHLAJASAARI** (Finland, R, SOC), rapporteur, said that she and her former colleague, Ian Micallef, who was no longer a member of the Congress, had been instructed to visit Georgia and to report back on the state of local and regional self-government there. They had been assisted by Ilija Todorovski, a member of the Group of Independent Experts on the European Charter of Local Self-Government. Between 11 and 13 June 2012, the delegation had visited Tbilisi, Batumi and Rustavi. They had met with central, regional and local government officials, the President of the Constitutional Court, members of the parliamentary committees, academics, members of NGOs and representatives of the National Association of Local Authorities of Georgia (NALAG).

The delegation noted that since the previous monitoring visits, in 2002 and 2003, substantial progress had been made. Large-scale reform had taken place and had brought with it a change of attitude, especially where international co-operation and Georgia's integration with Europe was concerned. There was, it seemed, a willingness on the part of policy makers to take account of the Congress's recommendations and incorporate the basic principles of local self-government in domestic law. A very strong desire to co-operate with the Council of Europe had been observed. The consultation mechanisms were functioning well overall even though there had recently been a few problems with regard to NALAG's participation in negotiations with the national authorities. The rapporteurs hoped that this situation would improve.

The delegation had observed some interesting developments in the regions. The Autonomous Republic of Adjara, for instance, was an example of dynamic and ambitious development at regional level.

Fruitful discussions had taken place with government officials on those articles of the Charter which had not yet been ratified by Georgia. They concerned consultation with local authorities, protection of local borders, consultation on the redistribution of resources and local authorities' right to belong to an association/associations. The Congress delegation had appreciated the difficulties that stood in the way of the implementation of these articles in the Autonomous Republic of Abkhazia and South Ossetia but had tried to persuade the government to ratify these articles in any case and to include a proviso clearly stating that they would not apply to the two territories in question. In that way, other local authorities in Georgia could fully benefit from the provisions of the Charter. The government officials had said they were willing to reconsider the matter.

After the delegation's visit, and after the elections held in October 2012, a number of rather worrying developments concerning local authorities had come to the rapporteurs' attention. By decision of the Congress Bureau, Nigel Mermagen and Helena Pihlajasaari had returned to Georgia on 27 and 28 February 2013 to meet with senior officials and local elected representatives in an effort to discover whether there was any substance to the allegations about pressure being put on local government officials to step down.

**Nigel MERMAGEN** (United Kingdom, L, ILDG), rapporteur, confirmed that there had been profound shifts in the situation in Georgia over the past eight years. Legislative and structural changes had occurred and the country had adopted various measures to co-operate with international organisations and become integrated into Europe. More recently, Georgia's political landscape had been transformed when the coalition "Georgian Dream" won the October 2012 elections, with major repercussions for local democracy in what was the first peaceful transfer of powers since Georgia became independent. This upheaval had made the work of the fact-finding mission and its secretariat slightly more complicated. Mr Mermagen wished to pay tribute to Jean-Philippe Bozouls and Sedef Cankocak for the help they had given the rapporteurs.

The Congress delegation had noted a number of issues of concern. The first concerned the financial autonomy of local authorities. Although local authorities had some resources of their own, these accounted for not more than 20% of their total revenue, with the rest of the money coming from government transfers. Local authorities had relatively little say in how their funds were used, moreover. It was recommended that some changes be made to the equalisation procedure in order to help the weaker municipalities, and also to find a formula that would be fairer to the five biggest cities which apparently financed all the other towns and cities in the country. Municipalities were subject to administrative control in the form of cost-benefit audits. The situation with regard to the regions was not very clear, but a strategy for regional development had been put in place for the period 2011-2017 in order to create an enabling environment for the socio-economic development of the regions and to raise living standards.

Since November 2012, there had been numerous reports in the media about pressure being put on local elected officials to change political party or step down. In November, Mr Mermagen had attended NALAG's national conference, at which he had had occasion to hear several eye-witness accounts. He had therefore returned to Georgia with Ms Pihlajasaari on 27 and 28 February to investigate these allegations. The delegation had met with the President of Georgia, Mr Saakashvili, the Prime Minister, Mr Ivanishvili, the Speaker of the Georgian parliament, Mr Usupashvili, the Deputy Minister for Regional Development and Infrastructure, Mr Shergelashvili, who was here today, and the Mayor of Tbilisi, Mr Ugulava, who was also in attendance today, as well as a number of mayors, MPs, local councillors and members of NALAG. After hearing all the parties, the Congress delegation had pointed out that the independence of democratically elected local authorities must be upheld by all political stakeholders. On 18 March, the Congress Bureau had approved the report on the visit.

The Georgian government was preparing to adopt a wide-ranging local self-government reform in the near future. NALAG members were concerned that they had not been consulted about this. The representatives of the Congress of Local and Regional Authorities had drawn the attention of those with whom they had spoken to the importance of establishing a high-quality partnership between the government and representatives of local authorities.

The rapporteurs had proposed several amendments to their original recommendations, following their latest visit to the country. The recommendations which they were planning to make to the Georgian government were as follows:

- amend the Constitution so that the principle of subsidiarity is specifically recognised and streamline the legislation in this area;
- enhance the financial capacity of local governments and improve the financial equalisation procedure;
- revise the existing legislation with the aim of providing standards for auditing local authorities;
- continue the regional development efforts, ensuring a degree of continuity with regard to existing policies in this area;
- consider introducing direct elections for all mayors, after the example of Tbilisi;
- invite the Ministry of Regional Development to recognise NALAG as a partner and to involve it in the negotiations on all subjects relating to local and regional self-government;
- take immediate action to ensure the independence of local authorities and call on all political forces in the country to co-operate in the interest of properly functioning local government.

Nigel Mermagen invited Congress members to approve these recommendations.

**The PRESIDENT** (Austria, R, EPP/CCE) declared the discussion open.

**Sevdia UGREKHELIDZE** (Georgia, R, EPP/CCE) thanked the rapporteurs for their excellent report. Transitions were never easy and Georgia had been no exception. The new majority that had emerged from the 2012 election seemed to be under the illusion that the result of the parliamentary elections should, *ipso facto*, apply at municipal level too. It was clear that pressure had been brought to bear on opposition local elected officials, including in Tbilisi mayor's office. In this context, Ms Ugrekhelidze stressed the key role played by the Congress, in particular her colleagues from the EPP. The intervention of European institutions and the Congress's monitoring mission had served to draw public attention to the situation in Georgia, thus protecting the legitimate interests of local authorities.

**Mamuka ABULADZE** (Georgia, L, EPP/CCE) expressed his appreciation to the rapporteurs for the work they had done in Georgia. The content of the report and the recommendations made were well-balanced, in his view. Following the transfer of power at parliamentary level, Georgia was having its first-ever experience of "cohabitation". This situation posed a number of obstacles when it came to strengthening local democracy. Local authorities had come under pressure from various groups and had been prevented from freely discharging their duties, as mentioned in the report. The fact-finding visit to Georgia had, as it were, helped to protect local officials. As chair of NALAG and on behalf of the local elected representatives, Mr Abduladze wished to thank the Congress for the support it had shown Georgia's elected officials. He hoped that the Georgian government would honour its commitments. Local elected representatives were ready to work with the new government to promote local democracy and the principles enshrined in the European Charter of Local Self-Government.

**George UGULAVA** (Georgia, R, EPP/CCE) also thanked the members of the fact-finding mission for their report. This text would serve as a reference document for local authorities in Georgia and for the central government. Mr Ugulava said that the peaceful transfer of power that had taken place in Georgia in the autumn 2012 had raised many hopes. After all, this was the first time such a situation had arisen since independence. The ensuing events, however, were cause for serious concern, as the amendments to the report indicated. Mr Ugulava felt that the common objective of local authorities and central government should be to achieve peaceful cohabitation in a context of properly functioning local authorities. Unfortunately, the government had preferred to adopt a simple "winner takes all" approach. In all the districts, the seats held by local officials had passed to the other party, and these events had been orchestrated by the new leaders of the parliamentary majority. Mr Ugulava stressed the importance, for democracy in Georgia, of ensuring a peaceful transfer of power. He congratulated the new ruling coalition but said that clear rules on cohabitation between central government and local authorities needed to be established. The new government had embarked on a series of local government reforms, and local elected representatives would like to be more involved in this process so as to secure the best possible outcomes. Over the past nine years, much had been

done in Tbilisi and also in the regions to develop local self-government and care must be taken not to jeopardise that.

**Igor SHUBIN** (Russian Federation, R, ILDG), speaking as a member of the Monitoring Committee, thanked the rapporteurs for listening to suggestions and producing recommendations that took account of the geopolitical realities. They had done sterling work.

**Gaye DOGANOGLU** (Turkey, L, EPP/CCE), addressing Georgia's Deputy Minister for Regional Development and Infrastructure, thanked him for coming. Ms Doganoglu had been in Georgia in November 2012 and had herself witnessed the pressure put on local councillors in one Georgian town. Large numbers of activists from Georgian Dream had broken into the town hall and thrown the mayor's chair out the window. Had the individuals concerned been prosecuted and if not, why not?

**The PRESIDENT** (Austria, R, EPP/CCE) pointed out that for the time being, the Congress was examining the report before it. Any questions for the Minister would be dealt with under the next item. The President asked the rapporteurs if they wished to respond to the last statements.

**Nigel MERMAGEN** (United Kingdom, L, ILDG), rapporteur, said he was pleased that the report had been well received by the majority of the speakers and that he had nothing to add.

**Helena PIHLAJASAARI** (Finland, R, SOC), rapporteur, concurred.

**The PRESIDENT** (Austria, R, EPP/CCE) asked the Chair of the Monitoring Committee whether he wished to speak.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) said he agreed with the comments made by the Georgian delegation.

**The PRESIDENT** (Austria, R, EPP/CCE) said there were 13 amendments to the draft recommendation.

**Nigel MERMAGEN** (United Kingdom, L, ILDG), rapporteur, said that Amendment No. 1 was purely factual in nature: it stated that there had been a fact-finding mission to Georgia in February 2013.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) said he approved this amendment.

**The PRESIDENT** (Austria, R, EPP/CCE) put Amendment No. 1 to the vote.

Amendment No. 1 was adopted.

**Helena PIHLAJASAARI** (Finland, R, SOC), rapporteur, explained that amendment No. 2 involved deleting a paragraph on consultation procedures. This paragraph would be replaced by the paragraph presented in Amendment No. 4. The aim was to explain the state of relations between the Georgian government and NALAG.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) said he approved this amendment.

**The PRESIDENT** (Austria, R, EPP/CCE) put Amendment No. 2 to the vote.

Amendment No. 2 was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) invited Mr Tkemaladze to defend Amendment No. 11.

**George TKEMALADZE** (Georgia, R, ILDG) said that this amendment concerned the proposals that had been submitted by the Georgian government and approved by parliament: the structure of Georgian local authorities would be reviewed in 2014 or 2015.

**The PRESIDENT** (Austria, R, EPP/CCE) announced that an oral sub-amendment to Amendment No. 11 had been tabled. After paragraph 4*d*, a new paragraph was to be added: “the new government, formed after the parliamentary elections of 2012, have expressed their willingness to further develop and decentralise local government, indicating that the principles that drive their reform strategy are subsidiarity, financial autonomy and citizen participation in local government.”

The President noted that there were no objections to this sub-amendment and declared it admissible in accordance with Rule 26.4 of the Rules of Procedure. The President put this sub-amendment to the vote.

The oral sub-amendment was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that the rapporteurs and the Chair of the Monitoring Committee were in favour of Amendment No.11, as amended. He put Amendment No. 11 to the vote.

Amendment No. 11, as amended, was adopted.

**Helena PIHLAJASAARI** (Finland, R, SOC), rapporteur, presented Amendment No. 3. While on its fact-finding mission, the Congress delegation had learnt that the abolition of the Ministry of Regional Development was no longer on the agenda, which was a good sign. The purpose of the amendment, therefore, was to rephrase point 4 to express the Congress’s satisfaction.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 3 was adopted.

**Nigel MERMAGEN** (United Kingdom, L, ILDG), rapporteur, said that the purpose of amendment No. 4 was to elaborate on the information that had been deleted by Amendment No. 2, with due regard for the mission’s findings.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 4 was adopted.

**Helena PIHLAJASAARI** (Finland, R, SOC), rapporteur, said that Amendment No. 5 was merely intended to provide clarification so as to make the text easier to read.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 5 was adopted.

**Helena PIHLAJASAARI** (Finland, R, SOC), rapporteur, explained that Amendment No. 6 was related to Amendment No. 3: it was designed to rectify information that was now obsolete since it had been decided not to proceed with the plans to abolish the Ministry of Regional Development.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 6 was adopted.

**George TKEMALADZE** (Georgia, R, ILDG) presented Amendment No. 12, which was prompted by the fact that the decisions taken by central government encroached on the powers of local authorities in the budgetary sphere and/or in matters relating to spatial development when in fact the central authorities were not in a position to respond to people's needs with due regard for local features.

**The PRESIDENT** (Austria, R, EPP/CCE) said that the rapporteurs had proposed a sub-amendment in order to clarify the wording of Amendment No. 12. At the end of paragraph 5.a, it was proposed that the following be added: "Substantial progress is still to be made through institutional and legislative changes, as regards decentralisation, local autonomy and accountability".

**Nigel MERMAGEN** (United Kingdom, L, ILDG), rapporteur, confirmed that this sub-amendment was merely a new version of the amendment proposed by Mr Tkemaladze.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this sub-amendment and declared it admissible in accordance with Rule 26.4 of the Rules of Procedure. The President put this sub-amendment to the vote.

The sub-amendment was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that the rapporteurs and the Chair of the Monitoring Committee were in favour of Amendment No. 12, as amended. He put this amendment to the vote.

Amendment No. 12, as amended, was adopted.

**Helena PIHLAJASAARI** (Finland, R, SOC), rapporteur, said that Amendment No. 7 was merely intended to clarify the text.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 7 was adopted.

**Nigel MERMAGEN** (United Kingdom, L, ILDG), rapporteur, presented Amendment No. 8, which was related to Amendments Nos. 2 and 4. The idea was to highlight the importance attached by the Congress to the National Association of Local Authorities of Georgia, which should be a key partner for the government.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 8 was adopted.

**Helena PIHLAJASAARI** (Finland, R, SOC), rapporteur, said that Amendment No. 9 arose from the observations made by the fact-finding mission.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 9 was adopted.

**Nigel MERMAGEN** (United Kingdom, L, ILDG), rapporteur, explained that the purpose of Amendment No. 10 was to correct certain items of information that were no longer relevant.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 10 was adopted.



**George TKEMALADZE** (Georgia, R, ILDG) presented Amendment No. 13 which made the point that in order to carry out the ambitious reforms which were planned, it was vital that local authorities and their associations, and indeed all of the stakeholders, be consulted.

**The PRESIDENT** (Austria, R, EPP/CCE) said that an oral sub-amendment had been tabled by the rapporteurs, to clarify the wording of Amendment No. 13. At the end of paragraph 6.b, it was proposed that the following be added: “ensuring at the same time the engagement of a wide range of stakeholders representing local government, as well as their territorial, thematic and professional associations”.

The President noted that there were no objections to this sub-amendment and declared it admissible in accordance with Rule 26.4 of the Rules of Procedure.

**Nigel MERMAGEN** (United Kingdom, L, ILDG), rapporteur, said that the rapporteurs agreed with the substance of Mr Tkemaladze’s amendment but wished to rephrase it slightly.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) seconded this proposal.

**The PRESIDENT** (Austria, R, EPP/CCE) put this sub-amendment to the vote.

The sub-amendment was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) noted that there were no objections to amendment No. 13 as amended, which had the support of the rapporteurs and the Chair of the Monitoring Committee. He put this amendment to the vote.

Amendment No. 13, as amended, was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) put the draft recommendation to the vote. He pointed out that a two-thirds majority was required to adopt a recommendation.

The draft recommendation set out in Document [CG(24)10], as amended, was adopted.

STATEMENT BY TENGIZ SHERGELASHVILI, FIRST DEPUTY MINISTER FOR REGIONAL DEVELOPMENT AND INFRASTRUCTURE OF GEORGIA

**The PRESIDENT** (Austria, R, EPP/CCE) announced Mr Shergelashvili’s statement, saying that afterwards, he would reply to the written questions tabled by Congress members. The President hoped that he would also agree to answer the oral question put by Ms Doganoglu. Mr Shergelashvili was an economist who had spent years studying local government issues, first as an expert and later as a policy maker. In February 2013, he had met the fact-finding mission so he was aware of the Congress’s concerns over the situation with regard to local authorities in Georgia. The President thanked Mr Shergelashvili for coming and hoped that the discussion would prove fruitful.

**Tengiz SHERGELASHVILI**, Georgia’s First Deputy Minister for Regional Development and Infrastructure, said he was pleased to have this opportunity to talk to members of the Congress.

Mr Shergelashvili wished to present the Georgian government’s views on local self-government. On 25 October 2012, the Georgian parliament had passed a vote of confidence in the new government formed after the 2012 parliamentary elections. This confidence had also extended to the main aspects of the reform, in particular greater decentralisation.

In 2013, the government had adopted a strategy for decentralisation and regionalisation. A document had been prepared and consultations launched with representatives of local authorities, civil society and experts so as to draft a series of legislative measures which would then be submitted to parliament. Extensive efforts had been made since 1999 to strengthen local self-government and establish authorities that would be accountable to the public. Unfortunately, these efforts had not really succeeded because Georgia was still living in a post-Soviet world, where local authorities were

not genuinely accountable to the public, and answered first and foremost to central government. For about ten years, there had been no real change in this situation, for institutional, political and historical reasons.

Through various discussions, the government had heard about problems that had occurred after the October 2012 elections and signs of protest on the part of the local population. Such protests had in fact occurred but the fact was that 70% of local elected officials had voluntarily changed their political affiliation after the elections. The government was aware that elections at national level did not necessarily mean changes at local level. What had happened, however, was due to the absence of a sense of responsibility on the part of local authorities. After twenty years during which attempts had been made to introduce reform, it was clear that local self-government was still not really entrenched and a number of local officials had acted in a populist manner, trying to fit in with central government policy.

The government intended to carry out radical reforms in order to give local authorities more autonomy. Local government structures needed to be reformed. At present, there were 69 local government units, which was considerably less than the several hundred that had existed ten years earlier. Local authorities had been given extra resources but not the possibility of managing them independently, and the government wanted to change this. As things stood, municipalities were unable to introduce their own policies, according to their own specific features, yet the fact was that depending on their size, and depending on whether they were urban or rural, different local communities had different needs.

An electoral system should aim to truly reflect the wishes of the population. Reform along these lines was essential therefore. With regard to the executive, direct elections were held only in the capital. The government wanted to introduce direct elections in other towns and cities as well. There were no regional authorities at present but the government was planning to merge the regional councils and give them financial resources of their own, along with powers and responsibilities. Not all the measures planned could be introduced overnight, of course. There would have to be a lengthy transition period. And all the reforms would be doomed to failure if they did not give local and regional authorities the means to exercise their powers and responsibilities, in keeping with the principle of subsidiarity. It was vital that this principle be put into practice.

The past ten years had seen attempts to transfer some resources to local authorities but without much success. Additional instruments were needed therefore. All municipalities were being offered forms of public consultation: meetings, civic participation, direct contact with the public. Consultations were being launched by the government with the participation of local authorities. These consultations were set to widen. Local elections would be held in 2014 and the government was planning to introduce legal reforms before then.

The Georgian government had repeatedly stated that it regarded the reforms as a priority. Over the last twenty years, its predecessors had made a number of mistakes, not least because in Tbilisi, obstacles inherited from the past continued to exist at central level. A process of decentralisation should have been launched ten or fifteen years ago but that had not happened and all the problems could still be traced back to the centre. The government was trying to change this, not least through reforms concerning fiscal equalisation.

Mr Shergelashvili went on to say that unfortunately the government did not have control over the entire territory of Georgia, as Abkhazia and South Ossetia were occupied but he hoped that it would one day be possible to introduce reforms with the people living in these areas too.

Mr Shergelashvili thanked the Congress delegations who had travelled to Georgia and the Congress President for inviting him.

#### ORAL REPLY TO WRITTEN QUESTIONS

**The PRESIDENT** (Austria, R, EPP/CCE) said there were seven questions from Congress members.

**Marc COOLS** (Belgium, L, ILDG) observed that Georgia had just gone through a rather tense period following the October 2012 elections. According to the report, and as mentioned by Ms Doganoglu, there had been incidents in some municipalities, where activists from a party opposed to the one the local mayors belonged to had surrounded the town halls and prevented them from going about their business, putting pressure on elected officials to step down. In one case, following a siege lasting 28 days, the mayor's chair had been thrown out of the window. The situation seemed to be calming down now. What steps did the government intend to take to prevent any recurrence of such incidents, in particular in the local elections scheduled for 2014, and to ensure that, in future, local elected officials were able to do their jobs in peace?

**Tengiz SHERGELASHVILI**, First Deputy Minister for Development and Infrastructure of Georgia, acknowledged that in a few municipalities, there had indeed been protests on the part of local authorities in response to the changes requested by the government. In some cases, this had led to some rather unpleasant incidents. After the legislation was introduced, the Minister of the Interior had stepped in and there had been no further incidents of this kind. Public order had been restored. Mr Shergelashvili explained that the role of his ministry was to enter into individual agreements with each municipality. Each of these municipalities had had the opportunity to present its plans and projects. Discussions were under way in order to translate these into action. Mr Shergelashvili noted that often, at the meetings he attended, he did not know what the political leanings were of the local leaders to whom he spoke. The ministry concerned itself with practical issues and endeavoured to take account, as far as possible, of the points of view expressed by local representatives. Consultations had been held with regional governments and central authorities. Under Georgian law, local authorities now had the right to present plans and to have dealings on an equal footing with central government. There had been some difficulty initially but the new system was now up and running.

**Marie-Madeleine MIALOT MULLER** (France, R, SOC) noted that the Georgian government was in the early stages of a large-scale reform of local government. How did the Minister envision regional democracy developing in the future? The Congress of Local and Regional Authorities was willing to lend its support in this difficult but exciting task. What role could the Congress play in this regard?

**Tengiz SHERGELASHVILI**, First Deputy Minister for Development and Infrastructure of Georgia, felt that Georgia's relations with the Congress represented a real opportunity. Legislative changes were being prepared at government level and the Congress members' comments would be taken on board. Learning from one another's experiences was a key element and could help Georgia choose between the various possible options to ensure that the reform proceeded as smoothly as possible. International forums could be held in Georgia on the development of local government and the Congress could play a major role here. Even though the current legislation was not totally incompatible with the European Charter of Local Self-Government, it was nevertheless important for the government to take account of the Congress's recommendations and to mark a departure from the post-Soviet status quo.

**Anders KNAPE** (Sweden, L, EPP/CCE) believed that one of the basic rules for properly functioning local democracy was the establishment of ongoing dialogue between local and central government. This was one of the cornerstones of the European Charter of Local Self-Government. Such dialogue should include regular consultations with national associations of local authorities, particularly with regard to governmental reforms on issues that were of direct relevance to them. Had such dialogue really been put in place in Georgia?

**Tengiz SHERGELASHVILI**, First Deputy Minister for Development and Infrastructure of Georgia, said that since the government had announced its intention to introduce genuine local self-government, some concrete steps had been taken. Discussions had been held with representatives of local NGOs and the government had taken care to ensure that representatives of local authorities and their associations were involved. Such dialogue was vital for preparing the forthcoming parliamentary debate on the reforms. Direct dealings with local authorities were a crucial element. Even though such relationships were not without their problems, the government was open to discussion and willing to abide by the rules laid down. A competitive environment was essential if the various bodies were to function properly. Maintaining ongoing dialogue with local authorities was an integral part of the reform.

**Mihkel JUHKAMI** (Estonia, L, EPP/CCE) thanked the Minister for his very interesting statement on the planned local government reform. He himself had been a member of the Congress delegation that had monitored the local elections in Georgia in 2010. In the Congress's view, those elections had been a clear sign that Georgia was moving down the path to local democracy. In 2010, one of the leaders of the coalition that had recently come to power, Mr Alassania, had formally congratulated the newly elected mayor of Tbilisi. Congress members were somewhat surprised, therefore, to learn that the new government was questioning the mandates of local elected officials and putting pressure on the administration to re-examine the results of the 2010 election. Did Mr Shergelashvili recognise the results of those elections and if so, what measures would be taken to protect democratically elected representatives from any political pressure?

**Tengiz SHERGELASHVILI**, First Deputy Minister for Regional Development and Infrastructure of Georgia, said the Georgian government had made no statement about recognising or not recognising the result of the 2010 elections. It did not consider it necessary to comment on this issue. The government believed there was no need to intervene at local government level. All the incidents referred to were protests by Georgian citizens at local level. The local leaders in the municipalities were part of a political system which had given rise to human rights violations and which had put pressure on institutions. The political changes that had occurred at central government level had sparked a desire among citizens to institute similar changes at local level. It was the responsibility of the government, however, to ensure that no one got hurt.

**Mamuka ABULADZE** (Georgia, L, EPP/CCE) said he had had the pleasure of meeting the Minister in Georgia and of discussing the prospects for local democracy. The National Association of Local Authorities of Georgia (NALAG) welcomed the new government's statement about continuing the process of decentralisation and conferring more powers on local authorities. What were the Minister's views on this subject and how did he plan to involve NALAG in the process of local government reform?

**Tengiz SHERGELASHVILI**, First Deputy Minister for Development and Infrastructure of Georgia, said that the Georgian government intended to hold consultations in connection with these reforms and would see to it that all local government representatives were involved in the discussions. This was a unique opportunity to canvas a wide range of opinions at various levels and Mr Shergelashvili believed that NALAG could assist the government in this task. The opinions expressed would be taken on board, even if they did not accord with the government's own views.

**Gaye DOGANOGLU** (Turkey, L, EPP/CCE) thanked the Minister once again for addressing the Congress and repeated the question that she had put earlier.

**Tengiz SHERGELASHVILI**, First Deputy Minister for Development and Infrastructure of Georgia, said that 200 activists from Georgian Dream had been implicated in the incident in question. What had happened in Martvili in the days following the elections was not necessarily related to political affiliation, however: it was more a case of the local population expressing its views. Obviously what had occurred was very unpleasant but once the situation showed signs of getting out of control, the Ministry of the Interior and the law-enforcement agencies had stepped in. After a few weeks, stability had been restored at local level and this process of stabilisation was continuing. Regular contacts had been established with elected officials. The law enforcement agencies were doing their job, namely maintaining law and order.

**Gintautas GEGUZINSKAS** (Lithuania, R, EPP/CCE) wished to know more about the plans to optimise the country's territorial structure. How was the government planning to organise consultations with the municipalities? Georgia had recognised Article 5 of the European Charter of Local Self-Government which required that municipalities and local and regional authorities be involved in the process if changes were made to their territorial boundaries.

**Tengiz SHERGELASHVILI**, First Deputy Minister for Development and Infrastructure of Georgia, confirmed that this was a very important aspect of the reform. The first step was to introduce legislative amendments in order to create a legal framework. Not everything could be covered in the framework legislation, however. The law would identify a number of demographic and other criteria, and on the basis of these criteria, various options would be put forward which would then be

considered with the parties concerned. There would be discussions involving local authorities in all the villages concerned and, afterwards, the information gathered during the consultations would be examined and the government would take the appropriate action. Mr Shergelashvili stressed that, without decentralisation, the efforts to optimise the territorial structure of local authorities would not work. Over the past few years, the central authorities had taken a number of measures without, however, improving the lot of the local population and the new government did not intend to fail as its predecessors had done. Not everything would be decentralised, however: the idea was to build bridges with local authorities so as to work as effectively and efficiently as possible, with a considerable degree of autonomy at local and regional level, but with central government retaining responsibility for a number of areas.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked the Minister for his replies and reiterated the basic rule that election results must be respected. The Congress had confirmed the 2010 results and the local officials had been voted into office for four years. The President noted that the Minister had given an assurance that no pressure would be put on local elected officials. He hoped that the Congress would be able to work in close co-operation with the Georgian government and wished them every success with their planned reforms, which would bring the country more closely into line with the European Charter of Local Self-Government. The Congress would work with the Georgian government but would also remain in close contact with the country's local elected representatives.

#### 9. THE BUDGET AND RESOURCES OF THE CONGRESS IN 2014-2015

[CG(24)5PROV](REC)

**The PRESIDENT** (Austria, R, EPP/CCE) said that the rapporteurs would now present the Congress's budget forecasts for 2014-2015. He pointed out that, in his statement that morning, the Secretary General of the Council of Europe had already provided some information on this subject.

**Jean-Claude FRECON** (France, L, SOC), rapporteur, said that when implementing its reform in 2008 and then again in 2010, the Congress had deployed extra resources for priority activities, by reallocating available resources, so as to focus on the Council of Europe's core values. The priorities which the Congress had set itself for the period 2013-2016 were fully in line with the Council of Europe's priorities, as set out by its Secretary General, Thorbjørn Jagland, in his speech to the Parliamentary Assembly on 22 January 2013. It was in the light of several years' experience of tough budgetary conditions for the Council of Europe as a whole, and as part of a coherent strategic framework, that the co-rapporteurs had prepared this report on the budget and resources of the Congress in 2014-2015.

Mr Frécon reminded participants that the Committee of Ministers allocated the Congress a global biannual budget and that it was then for the Secretary General of the Congress to manage the funds. Since 2010, like every other Council of Europe body, the Congress had borne its share of cuts to the operational budget and the staff budget. In proportion to its size, the Congress had been hit harder than other entities and had seen numerous posts eliminated. The 2012-2013 budget had therefore seen a significant reduction in the allocation for temporary staff for the sessions. Despite the budget squeeze, a special effort had been made for priority activities, namely monitoring the European Charter of Local Self-Government and observing local and regional elections, and for activities related to European Local Democracy Week. Particular effort had been put into developing co-operation activities aimed at implementing the recommendations made in connection with monitoring compliance with the Charter or election observation, and also into setting up the European Alliance of Cities and Regions for Roma Inclusion.

By the end of 2012, it appeared that 99.29% of the Congress's budget had been spent, the highest utilisation rate recorded in recent years. This showed that, thanks to its restructuring, the Congress secretariat was now more effective and efficient. Mr Frécon wished to thank all the staff in the secretariat, i.e. Andreas Kiefer and all his colleagues.

The ordinary budget, although smaller in real terms in recent years, had been sufficient to enable the Congress to perform its specific role by carrying out its statutory activities. In Mr Frécon's opinion, however, the Congress had the potential to do far more if it could obtain access to additional resources. It was essential, therefore, firstly to maintain the current level of human and financial

resources in the ordinary budget and secondly, to seek extra-budgetary resources so that the Congress could pursue operational activities in addition to its consultative and statutory work.

The rapporteurs therefore proposed that the Congress ask the Committee of Ministers:

- to adopt a 2014-2015 budget for the Congress based on the principle of zero growth, at least in real terms, as compared with the 2012-2013 budget;
- encourage member states to consider funding, by means of voluntary contributions and/or seconded officials, targeted co-operation activities based on the monitoring by the Congress of compliance with the European Charter of Local Self-Government and on the observation of local and regional elections, as well as on shared Congress/Council of Europe priorities.

Mr Frécon thanked the Swiss authorities for their voluntary contribution towards financing co-operation activities in Albania, and the Austrian authorities for assigning officials to the team in charge of the European Alliance of Cities and Regions for Roma Inclusion.

Mr Frécon then asked Congress members to forward this report to their ambassadors in Strasbourg or, where appropriate, to their ministers, so that all the governments could acquaint themselves with the Congress's activities.

**Svetlana ORLOVA** (Russian Federation, R, EPP/CCE), rapporteur, endorsed what Mr Frécon had said. Little by little, the Congress had tried to reduce risks and increase resources. The budget reflected those issues that were of foremost concern to towns and cities today. The Congress would most certainly be supporting Local Democracy Week, a very important event where local elected representatives could speak freely about their concerns. Increasingly, the Congress was speaking to a global audience. Even in the smaller towns in Russia, local mayors knew about the Congress and took note of the recommendations made by it in connection with monitoring or election observation missions, or with regard to the environment, child welfare, etc.

All the political groups had taken an active part in preparing the budget. The rapporteurs had had to make choices. The committees and the experts had become even more professional and efficient in terms of how they operated. Professionalism, moreover, was a useful weapon in the fight against corruption: the more professional and competent staff were, the less corruption there would be. Obviously, some might feel it was a pity that the Congress did not have more money at its disposal but sources of finance, including extra-budgetary funds, were difficult to come by. The Congress must streamline its work. The Congress's activities were becoming increasingly visible, as demonstrated by the visits by Chinese and Japanese delegations, eager to benefit from its experience. More openness could only be a good thing.

Ms Orlova said the rapporteurs had always been open to discussion and invited Congress members to adopt the draft recommendation.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked the rapporteurs and declared the debate open.

**Beat HIRS** (Switzerland, L, ILDG) was pleased to see that following the overhaul of the Congress, the new structures were working well, enabling full use to be made of available resources. The report stated that the Congress had sufficient funds to carry out its basic tasks, but that there was not enough money for post-monitoring missions, which was a great pity. Mr Hirs wondered what was the point of in-depth monitoring reports and the discussions that followed if the states concerned then received no help with implementing the recommendations. He said he would like to see a list of the activities that would be needed to ensure proper monitoring, together with their cost, in order to highlight the impact of the cuts. Such a document could strengthen the Congress's position in the budget negotiations.

**The PRESIDENT** (Austria, R, EPP/CCE) said that some of Mr Hirs's comments had already been taken into consideration and incorporated in the co-operation agreements. The Secretary General, moreover, had forwarded them to the committees. The President thanked Mr Hirs for his comments, saying they had been most pertinent.

The President noted that no one else wished to speak and took this as a sign that the rapporteurs' viewpoint was broadly shared by Congress members.

The President put the rapporteurs' recommendation to the vote. No amendments had been tabled.

The draft recommendation set out in Document [CG(24)5] was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) said he had to leave owing to an important engagement and asked Mr Knape, Vice-President, to stand in for him.

*Anders Knape (Sweden, L, EPP/CCE) took the chair at 16.20.*

#### 10. LOCAL AND REGIONAL DEMOCRACY IN SPAIN

[CG(24)6PROV](REC)

**The PRESIDENT** (Sweden, L, EPP/CCE) gave the floor to the rapporteurs on local and regional democracy in Spain.

**Marc COOLS** (Belgium, L, ILDGD), rapporteur, said that the co-rapporteur, Leen Verbeek, and himself had travelled to Spain twice. In June 2012, they had visited Seville, Madrid and Toledo, returning to Madrid in January 2013. Both times, they had been accompanied by Professor Francesco Merloni, Chair of the Congress's Group of Independent Experts, and by Ms Poirel from the Congress secretariat, both of whom had been very helpful in drawing up the report. He thanked all the Spanish authorities which the delegation had met, and in particular the Secretary of State for Public Administration, Mr Beteta Barreda, who had explained very clearly the objectives of the planned reorganisation of local authorities.

The rapporteurs had observed that Spain was a very democratic country. Fundamental freedoms and the exercise of democratic rights were guaranteed by the Constitution. Like other European countries, Spain was facing a very serious economic, social and financial crisis, forcing it to clean up its public finance sector. The resulting reduction in public expenditure had had severe consequences for citizens in some cases. In an effort to get their financial house in order but also to improve the efficacy of service delivery, the Spanish authorities had decided to embark on a process of comprehensive local government reform.

Various pieces of legislation had already been passed, such as the so-called stability law, under which tasks could not be transferred to local level without the concomitant funding. Other texts were in the process of being drafted or discussed. Over the years, the autonomous communities had given the municipalities powers and responsibilities which they were not always able to exercise, especially in the case of small municipalities, or which could be exercised more cost-effectively by other policy-making levels, mainly the permanent provincial deputations. The government said that the reform was driven by a concern for efficiency and respect for the principle of subsidiarity. Mr Cools pointed out that care must be taken, however, to ensure that this reform which went under the slogan "one competence, one administration" did in fact lead to the principle of subsidiarity being implemented in practice.

Spain had a large number of very small municipalities and there was considerable cultural resistance to merging them. There had been four voluntary mergers but these were very much the exception. There were no plans, under the proposed reforms, to impose mergers. In some cases, however, a merger between municipalities would prevent powers and responsibilities from being passed on to the permanent provincial deputation, an indirectly elected body, and would thus bolster citizens' rights. Mr Cools felt that the Spanish authorities should think about the kind of incentives that could be introduced to encourage mergers. While economies of scale dictated that certain powers be transferred from municipal to other policy-making levels, other powers could be kept at local level if the permanent deputations provided assistance in the exercise of these powers.

Although there was close consultation between the Spanish authorities and the Spanish Federation of Municipalities and Provinces (FEMP), it was not yet enshrined in law. Moves in this direction were planned and would be most welcome. Within each autonomous community, there were

also mechanisms for consultation between local authorities and the government of the autonomous community. These arrangements could be improved.

Due to the legacy of its past, Spain had a complex institutional system which granted a large measure of autonomy to the country's 17 autonomous communities. Consultation between central government and these communities was achieved mainly through the Conference of Presidents of autonomous communities, chaired by the head of the Spanish government. This conference, which dealt with major political issues, did not convene very often however (five times since 2004) and more regular meetings would no doubt be helpful. There were also sectoral conferences on specific topics, bringing together officials from various departments, both of the central government and of the autonomous communities. It would be good if these conferences could be placed on a more formal footing.

There were plans to introduce changes to the way the criteria governing the funding of autonomous communities and the use of these funds were determined. Consultation was essential here, and also with regard to sharing the burden of meeting the objectives of the European Stability Pact.

Spain had not signed the additional protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority. In order to sign this protocol, Spain – which already applied it extensively in practice – needed the approval of the autonomous communities. It would be good if this matter could be raised with the Conference of Presidents of Autonomous Communities.

Madrid had special capital-city status, enabling it to perform the tasks assigned to it.

Lastly, the role and composition of the Senate had been under discussion for many years now. The question was whether the Senate could change so as to give the autonomous communities and local authorities more say in it, rather like Germany's Bundesrat, in keeping with the "territorial chamber" role conferred on the Senate under the Constitution.

Mr Cools ended by saying that times of crisis were an opportunity for public institutions to take a long, hard look at themselves and improve the way they operated. That was the path that had been chosen by Spain. The implementation of this process merited close attention from the Congress.

**Leen VERBEEK** (Netherlands, R, SOC), rapporteur, said that both visits by the Congress delegation had been very rewarding, and mentioned the excellent co-operation with the people responsible for assisting the delegation. He was disappointed, however, that the rapporteurs had not been able to meet as many elected officials as they would have liked, and that of those they had met, few were from the Socialist Party. Some representatives of this party had, however, sent comments to the rapporteurs, making for a more balanced approach.

The rapporteurs had made a few specific recommendations that could be implemented by the Spanish authorities fairly quickly. They were aware, however, that major reforms were under way. Mr Verbeek asked that a senior Spanish official come and talk about the decisions adopted at a forthcoming session of the Congress.

The rapporteurs felt it was crucial to take concrete measures to eliminate the duplication of competences between different levels of government in order to improve the efficiency of public services. This was a task for the Commission for Reform of Public Administration which had been set up. The rapporteurs would be following the work of this commission with close interest. Another recommendation concerned the governmental reforms to transform the Spanish administration into a system in which "one competence corresponds to one administration": this reform must be conducted in accordance with the principle of subsidiarity.

The rapporteurs further recommended that the law be amended to set a minimum and maximum threshold for remunerating local elected officials in accordance with Article 7.2 of the European Charter of Local Self-Government. The same applied to deputies' allowances in regional parliaments, which had been reduced. The rapporteurs did not have an issue with pay cuts for elected officials, whether local or regional – such cuts were understandable in periods of economic crisis – but



wished to make sure that the remuneration was sufficient to offset the costs involved in doing these various jobs.

The rapporteurs emphasised the need to check that every transfer of powers to local authorities was accompanied by adequate financial resources, a recommendation that was made to almost all member states. The measures taken to ensure the fiscal autonomy of municipalities in Spain had so far been utterly ineffective, with the result that local authorities were dependent on transfers from central or regional government. It was essential to boost municipalities' fiscal autonomy in order to ensure that local authorities had sustainable funding. The rapporteurs asked the national authorities to strengthen the capacity of public administrations to control their own expenditure, and to ensure that smaller municipalities received more managerial support from the provincial administration. They recommended introducing a system of equalisation between municipalities, to help the poorest towns and villages, in line with Article 9.5 of the Charter.

There was also a need to reform the Senate, in order to confer on this institution a real role in terms of territorial representation. Lastly, the rapporteurs recommended that the Spanish authorities 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.

Mr Verbeek ended by inviting Congress members to adopt this draft recommendation. He said he was completely confident that the reform currently under way in Spain was in keeping with the spirit of the Charter.

**The PRESIDENT** (Sweden, L, EPP/CCE) opened the discussion.

**Iñigo DE LA SERNA HERNAIZ** (Spain, L, EPP/CCE), speaking on behalf of the Spanish delegation, thanked the rapporteurs for their work. The process of reform in Spain had begun in 2012. It had been in the pipeline for twenty years. The current regulatory arrangements regarding local authorities were of an exceptional and provisional nature. The dialogue between the Spanish Federation of Municipalities and Provinces and the government had paved the way for a new type of procedure. Changes were being made to the draft legislation presented in July 2012. Various aspects of the reform had already been modified somewhat to take account of this new draft law which was to be introduced. Mr de la Serna Hernáiz thought that the Congress's recommendation could be taken on board, enabling additions to be made to the final text.

Mr de la Serna Hernáiz said that one of the main aims of the reform was to clarify the powers and responsibilities of local authorities, on the principle of "one competence = one administration", so as to avoid any overlap in this regard. The Spanish delegation was pleased with the progress made, despite the fact that certain items of expenditure relating to the regional administration could be transferred to local level. A second aim was to establish new local government structures in order to enhance the role of the deputations and municipal councils. Mr de la Serna Hernáiz felt that certain functions performed by municipalities with fewer than 1 000 inhabitants should be covered by adequate remuneration, which was not yet the case. He disagreed with what the rapporteurs had said about the smaller municipalities being poorly managed: on the contrary, given the economic situation, it was clear that these municipalities had managed very well. More rigorous financial controls should be introduced, however, in order to meet the financial targets that had been set, and in respect of which firm commitments had been given.

Lastly, Mr de la Serna Hernáiz referred to the steps taken by the government of Castilla-La Mancha to reduce the pay of elected officials and drew the rapporteurs' attention to the fact that these deputies could also claim for expenses.

To conclude, he invited the Congress delegation to return to Spain once the reform had been introduced in order to present a revised report that would accurately reflect the new circumstances of Spain's municipalities.

**Carolina HERNANDEZ TORRES** (Spain, R, EPP/CCE) felt that the report was not sufficiently objective. The document on which the Congress was asked to vote today was not the same as the one that had been sent to the Spanish Federation of Municipalities and Provinces. The Spanish delegation had proposed some amendments and the rapporteurs had incorporated these, but they

had then added further comments (paragraphs 125, 127, 128 and 208) which had not been verified. Ms Hernandez Torres was concerned that the rapporteurs had listened to the opinion of a representative of the Socialist Party alone, rather than the opinion of the Spanish local authorities, and, what was more, without informing them. A formal complaint had been lodged with the Monitoring Committee, to no avail.

The Spanish delegation had submitted four amendments, mainly in order to defend the point of view of the government of Castilla-La Mancha. Also, the rapporteurs had made personal value judgments in paragraph 127, maintaining that the situation in Castilla-La Mancha was not in keeping with Article 7 of the Charter, which was untrue as the deputies in question received an allowance for attending meetings, to cover their transport costs. The system of remuneration that applied to them was the same as that used in other communities. Ms Torres said that these substantive errors showed a lack of attention to detail and a lack of transparency.

**The PRESIDENT** (Sweden, L, EPP/CCE) proposed that the list of speakers be closed, owing to lack of time. There were four more speakers to go. The President invited any other Congress members who would have liked to speak to submit written statements.

**Ibone BENGOTXEA OTAOLEA** (Spain, L, ILDG) congratulated the rapporteurs on their monitoring work in Spain. She pointed out that she was speaking on behalf of the Association of Basque Municipalities. Paragraph 38 of the report stated that the Basque community supported the merging of municipalities yet the fact was that the Association of Basque Municipalities had not been consulted about this. An amendment had been tabled concerning this point of the recommendation, with a view to including a paragraph stating that the local administration rationalisation law would take account of the specific features of the Basque Country. After all, the special character of the Basque Country was enshrined in the Spanish Constitution. The previous month, moreover, the Spanish parliament had approved this proposal by a substantial majority. Ms Bengoetxea Otaolea called on Congress members to support her amendment. The arrangements governing financial controls that applied in the Basque Country were completely different from those found in the rest of the country owing to the special status of the Basque Country. The report must take account of these distinctive features.

**Ana Isabel ALOS LOPEZ** (Spain, L, EPP/CCE) said that for decades Spanish municipalities had been calling for a change in the law in order to clarify their powers and responsibilities and their means of support. For years, the municipalities had exercised powers that belonged to the regional authorities, but because of the crisis, the remuneration received for these services had been reduced. The government had therefore pledged to introduce local government reform on the principle "one competence, one administration". It was also planned to transfer powers from the autonomous communities, with financing guaranteed over five years. The process of adopting this reform was now over, and the Spanish delegation was satisfied with the legislation that was to be put in place over the coming months. Citizens should thus benefit from the guarantee that they would have access to appropriate services.

Ms Alos Lopez pointed out that Spain was engaged in a process aimed at reducing the public deficit while at the same time trying to maintain citizens' prosperity. It was vital therefore to improve the way all the administrations were run. The reform would help to increase the efficiency of public services and improve the circumstances of local authorities. She hoped that later on, a post-monitoring mission would be sent to Spain to see how the reform was being implemented on the ground.

**Anna MAGYAR** (Hungary, R, EPP/CCE) said that, as a member of the Monitoring Committee, she had taken part in the debate on local and regional democracy in Spain which had been held in Caminha, Portugal. There having been some objections to the report from the Spanish members, she had tried to understand why. In her view, the report was too heavily based on the former legal system, rather than on the current legislation. The Spanish delegation had tried to draw attention to a number of developments that were not mentioned in the report, but to no avail. Monitoring reports were supposed to be accurate and objective but Ms Magyar was not sure that this one fitted that description and that all the facts cited in the report had been properly established.

**Francis LEC** (France, L, SOC) felt that the report on Spain was extremely important because it concerned an exemplary country which had been making considerable efforts in terms of local self-government and democracy for years. He supported the rapporteurs, saying that they had had a difficult job. The rapporteurs had not been able to contact some of Spain's elected officials, in particular those from the Socialist Party, but they had nevertheless managed to identify a number of problems. The first of these was that, in these times of economic crisis, local authorities were feeling the impact and that was the situation in Spain at present. The notion of governments foisting responsibility for the crisis on to local or regional level was very much a reality in Spain. It was important to clearly separate the different responsibilities and to guard against any attempts to undermine local government.

Mr Lec further endorsed what the report had to say about the need to give municipalities greater fiscal autonomy and about equalisation between authorities. He also highlighted the need for local elected representatives to have certain conditions of service to ensure that they were able to perform their duties. In Spain, local elected representatives had seen their status undermined, through reductions in their allowances, for example. Mr Lec therefore invited Congress members to approve the report, but also to adopt the proposal for a post-monitoring mission. Such a mission would help to ascertain whether the warnings contained in the report had been heeded by the Spanish government, including where respect for the conditions of service of elected representatives was concerned.

**The PRESIDENT** (Sweden, L, EPP/CCE) gave the floor to the Chair of the Monitoring Committee.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) assured members that he attached the utmost importance to compliance with procedures in the Monitoring Committee. In this particular instance, the procedure followed when preparing the report had been fully in keeping with Resolution 307 of 2010. Everyone the rapporteurs had spoken to had received a copy of the preliminary draft version of the report indicating the deadline for submitting comments, as was the practice with all countries. Some replies had been received but others, including notably members of the Spanish delegation, had not replied, even though the secretariat had sent out reminders. The comments received had been carefully studied by the rapporteurs and, where appropriate, incorporated in the report. Next, at a meeting in Caminha, the Monitoring Committee had examined the text proposed by the rapporteurs. Mr Molin said he would be happy to provide further explanations to any Congress members who still had doubts about whether the correct procedure had been followed.

**Marc COOLS** (Belgium, L, ILDG), rapporteur, said he fully supported the proposal to introduce post-monitoring, to study the legislation that was to be passed in Spain and to see how it was being implemented. He further recognised that the reference to the "poor management" of municipalities was liable to cause confusion and that a better choice of words would be "difficulties of management". An amendment had been tabled to this effect. Some of the smaller municipalities were well run while others were not. The rapporteurs had wanted to draw attention to the difficulties currently facing the smaller municipalities in carrying out their tasks.

Mr Cools did, however, wish to take issue with Ms Hernandez Torres's claim that the report was not objective. The criticisms made, moreover, related to only two paragraphs, in a report that ran to 49 pages. Just because she did not agree with one of the observations made in the report did not entitle her to question the objectivity of the entire document. Mr Cools said that the rapporteurs had tried to meet all the parties involved. He himself had met the representative of the Generalitat de Catalunya and the representative of the Basque Country in Brussels. In Madrid, the rapporteurs had met as many people as possible, including a Congress member from the Socialist Party who had later sent in contributions.

Mr Cools said that the concerns voiced by the representative of the Basque association would be partly addressed in Amendment No. 2 tabled by the rapporteurs, the individual in question having failed, it seemed, to table her amendment in the proper manner.

Mr Cools said he agreed with Mr Lec about the status of elected representatives. Referring back to the criticisms levelled by Ms Hernandez Torres, he said there had been a genuine debate in Caminha. In the course of this debate, he had pointed out that "democracy has a price" when

attention had turned to the conditions of service of elected representatives. Mr Cools felt that there should be a discussion in Spain about fair pay for elected officials.

**Leen VERBEEK** (Netherlands, R, SOC), rapporteur, said that he agreed with Mr Cools.

**The PRESIDENT** (Sweden, L, EPP/CCE) announced that the rapporteurs had decided to withdraw Amendment No. 1 which had been tabled by them.

Amendment No. 1 was withdrawn.

**The PRESIDENT** (Sweden, L, EPP/CCE) asked the Congress to examine an oral amendment first. Mr Cools proposed that, in paragraph 4.f, the words “poor management” be replaced by “difficulties of management”. The President invited the Chair of the Monitoring Committee to speak on this subject.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) expressed support for the amendment, saying that it served to clarify the text.

**The PRESIDENT** (Sweden, L, EPP/CCE) declared the amendment admissible in accordance with the Rules of Procedure.

**Marc COOLS** (Belgium, L, ILDG), rapporteur, said that the intention was to highlight the financial difficulties facing the smaller municipalities and not to question mayors’ management skills. The new wording was more in keeping with the spirit of the report.

**The PRESIDENT** (Sweden, L, EPP/CCE) noted that there were no objections to the amendment and put it to the vote.

The oral amendment was adopted.

**Marc COOLS** (Belgium, L, ILDG), rapporteur, presented Amendment No. 2, saying that it affirmed the need to continue consultation efforts in the preparatory work on the draft law on the rationalisation of local government. Such consultation was already carried out with the Spanish Federation of Municipalities and Provinces and should be extended to include the various autonomous communities, having regard, as far as possible, to the special institutional and historic features of some of these communities. The rapporteurs had not wanted to specifically mention the autonomous community of the Basque Country, because other autonomous communities also had special status, such as Catalonia, Andalusia and Galicia.

**The PRESIDENT** (Sweden, L, EPP/CCE) noted that there were no objections to the amendment.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) felt that this amendment contained information that was wholly relevant.

**The PRESIDENT** (Sweden, L, EPP/CCE) put the amendment to the vote.

Amendment No. 2 was adopted.

**The PRESIDENT** (Sweden, L, EPP/CCE) put the draft recommendation to the vote and pointed out that a two-thirds majority was needed to pass it.

The draft recommendation set out in Document [CG(24)6], as amended, was adopted.

# 11. LOCAL AND REGIONAL DEMOCRACY IN ITALY

[CG(24)8PROV](REC)

**The PRESIDENT** (Sweden, L, EPP/CCE) invited the rapporteurs to present the report on local and regional democracy in Italy.

**Marina BESPALOVA** (Russian Federation, L, EPP/CCE), rapporteur, said that the draft recommendation prepared by the rapporteurs had been approved by the Monitoring Committee in February 2013, after a very interesting discussion on the reform and the elections. The rapporteurs, assisted by Chris Himsworth, from the Group of Independent Experts, had carried out two visits to Italy, one in November 2001 and the other in December 2012, during which they had travelled to Rome, Milan and Bari. They had had meetings with local elected officials from these cities and from Lazio, Lombardy and Apulia, as well as with representatives of five ministries, the Supreme Administrative Court, members of parliamentary committees, experts, academics, the human rights ombudsman for Rome, representatives of the National Association of Italian Municipalities and regional, provincial and municipal associations. The discussions with both local and central government officials had been very fruitful.

The basic principle of local self-government had been enshrined in Italian law through an amendment to the Constitution. In March 2011, a law on the funding of local authorities had been passed. This law called for a portion of national taxes to be allocated to local authorities, to compensate for certain state transfers which had been abolished. In 2009, a law on fiscal federalism had laid down the fundamental principles for the co-ordination of public finances and the tax system. This legislation was a genuine step forward. The regions now had the right to institute proceedings in the Constitutional Court, which was a very positive development.

The division of powers and responsibilities between local and regional authorities still presented a number of problems, however. The reform begun a decade or so ago needed to be developed further and local authorities needed to be given full and exclusive powers.

**Knud ANDERSEN** (Denmark, R, ILDG), rapporteur, noted that there had been extensive reform in Italy in the field of local and regional democracy, as indeed there had been in other states, the crisis having triggered major changes in Europe. In Italy, much had changed on the political front in the space of a year. Following the rapporteurs' first visit, Berlusconi had resigned and been replaced by Mario Monti and after their second visit, Mario Monti had resigned and Silvio Berlusconi had made a comeback on the political stage.

In their recommendation, the rapporteurs asked the Italian authorities to complete the reforms launched with the constitutional amendments more than a decade earlier and continued with the 2009 legislation, in order to achieve genuine fiscal federalism. The rapporteurs were concerned that local authorities had no control over a substantial portion of their budget. The national authorities should guarantee the maintenance of a substantial share of public functions for local and regional authorities, which should be full and exclusive powers, as prescribed by the European Charter of Local Self-Government.

Another recommendation concerned the importance of keeping direct elections at all levels, in particular as regarded the planned structural reforms at provincial level. Mr Andersen emphasised the need for local and regional authorities to have adequate funding if they were to function properly. The use of equalisation procedures was also considered a crucial element. The machinery for consulting local authorities needed to be improved, in keeping with Article 9.6 of the Charter. Under Article 11 of the Charter, local authorities could apply directly to the courts and it was important that this rule be applied to Italy's provinces and municipalities.

It was also vital to pursue and step up anti-corruption measures, in order to ensure a high standard of local and regional democracy. Lastly, Mr Andersen asked the Italian government to 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.

The rapporteurs invited Congress members to adopt this recommendation, saying that it accurately reflected the state of local and regional democracy in Italy at the time of their visit.

**The PRESIDENT** (Sweden, L, EPP/CCE) declared the debate open.

**Marco MONESI** (Italy, L, SOC) thanked the rapporteurs for their work. Italian local elected officials felt that the report was relatively generous towards Italy's central government. The fact was that it was difficult to really grasp the complexity of the country's finance and taxation laws. The

Constitution had certainly been amended for the better, but one after another, subsequent governments had virtually cancelled out the benefits of this reform through legislation.

Quite apart from these more general issues, local authorities and ordinary citizens faced numerous difficulties. Mr Monesi said that the Italian elected representatives in the Congress were primarily concerned about the services they wished to provide to their fellow citizens: they were not here solely to criticise the Italian government, but first and foremost to try to improve the arrangements governing the provision by municipalities of local services and infrastructure for the local population. Mr Monesi thought that Italy should try to get out of its commitments under the Internal Stability Pact because the latter was no longer in alignment with its aims. Perhaps action could be taken through the Association of Municipalities and Regions to try to give fresh impetus to the Italian economy. Some municipalities were seeing their funding frozen because of silly rules. Mr Monesi said it was difficult for him to explain clearly in such a short amount of time what the failings of the Italian system were. In the name of the crisis, the powers of local authorities and hence too the rights of ordinary citizens were being undermined. Over the past few years, local authorities had contributed 6.4 million euros to the national cause, far more than central government had done.

**The PRESIDENT** (Sweden, L, EPP/CCE) said that four more people had put their names down to speak and that he must now close the list. He invited any Congress members who had not had the opportunity to speak to submit written statements so that they could be appended to the summary record.

**Luciano VECCHI** (Italy, R, SOC) congratulated the rapporteurs on their analysis of what was an extremely complex and constantly evolving situation. The members of the Italian delegation had rather mixed feelings about the issues at hand. They were proud that Italy's municipalities, provinces and regions had managed to build a form of participatory local democracy that was the envy of many. Some innovative policies had been introduced, on the social, cultural and environmental front. Local authorities had also proven far more adept at financial management than central government, which accounted for over 90% of the country's public debt. Over the years, a form of consultation had developed between central government and regional governments and in some cases even local governments, thereby helping not only to eliminate conflicts of authority, but also to move forward in terms of policy measures.

Since 2010, however, the situation had changed completely. Mr Vecchi recognised that Italy needed to clean up its finances but he did not see why local entities should have to shoulder the entire burden. The current state of affairs was undermining the foundations of the division of powers and was hitting the weakest members of society particularly hard as social welfare policies were administered by the regions and municipalities. The capacity for economic recovery was also being affected, because under the Internal Stability Pact many fiscally responsible local authorities had seen some of their funding, amounting to several billions euros, frozen.

Mr Vecchi felt that the current situation in Italy might apply to other countries as well. It was essential therefore to reverse this negative trend which, as the report showed, was not unique to Italy.

**Agnese UGUES** (Italy, L, EPP/CCE) wished to talk about recommendation 5.a. She said that the 2009 legislation on fiscal federalism had not been implemented insofar as there had been a shift towards fiscal centralisation which was leading to the disappearance of Italian *comuni*, of which there were around 8 000. The economic crisis was hitting Italian families hard. As a result, the number of citizens seeking financial assistance from municipal authorities was constantly increasing, but because of government-imposed budget cuts, municipalities were less and less able to help. Under the terms of the stability pact, moreover, there could be no capital spending, not even on safety upgrades for schools.

Citizens were protesting and signs of hostility to government policy were beginning to emerge. All this was sapping public confidence in local mayors, hitherto valued by citizens for the work they did on the ground. Italy was now getting a new government, which would have to complete the process of accession to the European Charter of Local Self-Government. Ms Ugues was in favour, therefore, of sending a post-monitoring mission to see what action had been taken by this new government.

**Angelo MUZIO** (Italy, L, SOC) said that curbing the powers of municipalities and local authorities was tantamount to curbing democracy because it undermined the institution that was closest to citizens. In paragraphs 5.e and 5.f, the rapporteurs expressed certain concerns and urged the Italian authorities to be vigilant. Ms Ugues had said she was in favour of sending a post-monitoring mission. Ms Muzio wished to know what courses of action were open to the Congress to ensure that its recommendations had been implemented. The situation in Italy demanded very close attention. For the stability pact was having a direct impact on people's lives in terms of education, health, welfare, transport and employment. All these rights related to citizenship had implications for human dignity. The stability pact was a threat to the very role of local authorities, distancing citizens from political life. The contract between citizens and institutions had been broken, and this was eroding social cohesion. The Congress must take action to ensure that its recommendations were actually heeded, and this would be a major challenge for it in the years ahead.

**Emilio VERRENGIA** (Italy, L, EPP/CCE) listed the positive points that had been noted by the Monitoring Committee: human rights were being observed in Italy, including Roma rights, thanks to the commitment of local authorities, and Italy's municipalities, provinces and regions had coped very well with the fallout from the Arab Spring. The committee had also identified one ongoing violation of the European Charter of Local Self-Government, however. He was referring here to the reforms introduced by successive governments over the past ten years. All of these reforms had been blocked by the Senate for over ten years.

Mr Verrengia hoped that the new government would manage to complete the reorganisation of local authorities. A number of fundamental principles stipulated in the Charter were not being observed, such as direct elections. Some of the planned reforms called into question the notion of direct participation by citizens at provincial level. Nor was there any guarantee that citizens would be involved through associations when it came to implementing the local government reforms.

Mr Verrengia also cited Article 9 of the Charter, concerning resources. €9 million worth of municipal funds and €2 billion worth of provincial funds as well as funds belonging to the regions had been frozen when in fact they could have been put to good use, helping to provide solutions to the issues facing ordinary citizens. Mr Verrengia called for the recommendations made by the Monitoring Committee to be quickly forwarded to the Committee of Ministers, which should pass them on to the Italian government, and said he hoped that the next Chair of the Council of Europe Committee of Ministers would put these items on the agenda. Local authorities must continue to exist because they were close to citizens and could act swiftly to address their needs in terms of education, social services, transport, etc. Mr Verrengia also emphasised that it was important that the Congress continue this post-monitoring activity.

**THE PRESIDENT** (Sweden, L, EPP/CCE) invited the rapporteurs to reply to the speakers.

**Marina BESPALOVA** (Russian Federation, L, EPP/CCE), rapporteur, thanked the members of the Italian delegation for their statements. The rapporteurs were aware of the complexity of the situation in Italy, especially in terms of local government structures. They hoped that their recommendations would be taken on board, in particular 5.a. The problems facing local and regional authorities could be resolved but it was important that the reforms which had been launched ten years earlier be completed. Funding was still a problem, of course, but that was all the more reason to make efficient use of what resources there were and to eliminate any waste. It was important, therefore, that central government as well as regional and local government play a part in fixing problems so that municipal services could function properly.

**Knud ANDERSEN** (Denmark, R, ILDG), rapporteur, thanked Italy's local and regional authorities for their co-operation. The Congress's recommendations were sometimes perceived as a threat, whereas in Italy, everyone the rapporteurs had spoken to had seen this mission as an opportunity to move forward. Mr Andersen said he had met people who truly believed in the importance of local and regional government. Between the delegation's first and second visit to Italy, local authorities had suffered drastic cuts to their budgets. Far from being disillusioned, however, the local elected officials whom the rapporteurs spoke to on their second visit had been determined to find solutions. It had been a very rewarding experience.

Referring to one speaker's suggestion that the Congress should institute a post-monitoring procedure for Italy, Mr Andersen said that if the recommendation were approved by the Congress, it would be forwarded to the Italian authorities and to various organisations which could examine it, and that that would then be the appropriate time for dialogue in the context of a post-monitoring activity. Things were moving fast in Italy so such monitoring might allow the Congress to help ensure that they moved in the right direction.

**The PRESIDENT** (Sweden, L, EPP/CCE) gave the floor to the Chair of the Monitoring Committee.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) felt that the report provided a very balanced picture of the situation in Italy. The rapporteurs had not had an easy task, given the numerous political changes that had occurred during their mission. The members of the Monitoring Committee were of the view that this was an excellent report. The important thing now was that the rapporteurs continue their discussions with the members of the Italian delegation to the Congress in order to monitor the situation in Italy and perhaps continue the dialogue with political representatives in Italy.

**The PRESIDENT** (Sweden, L, EPP/CCE) put the draft recommendation to the vote, no amendments having been tabled.

The draft recommendation set out in Document [CG(24)8] was adopted.

**The PRESIDENT** (Sweden, L, EPP/CCE) announced that he was handing over the chair to the President of the Chamber of Local Authorities, Mr Frécon.

*Jean-Claude Frécon (France, L, SOC) took the chair at 17.40.*

## 12. FOSTERING ACTIVE CITIZENSHIP

**The PRESIDENT** (France, L, SOC) reminded members that the chosen theme for the 2013 sessions of the Congress was "Europe in crisis – the challenges for local and regional democracy". The Congress Bureau had chosen this theme because it believed that Europe was currently facing a crisis on numerous fronts, not only economic and financial, but also a crisis of public confidence in democratic institutions, a crisis of solidarity, a crisis that was causing people to become disillusioned with democratic values. This crisis was having a severe impact on all levels of governance, but it was at local level, in the towns and regions, that it was being felt the most. Extremism, hate speech, corruption and violence were also consequences of the crisis. All these problems posed serious challenges for local and regional democracy, undermining social cohesion and threatening the very foundations of democratic societies.

The President urged members not to despair, however, because solutions needed to be found at local and regional level. Local elected representatives must find ways of re-engaging citizens in the process of democracy building. That was why this first current affairs debate was being devoted to fostering active citizenship. The vital importance of this issue was also recognised by the European Union which had declared 2013 "European Year of Citizens".

In October 2011, the Congress had adopted its first recommendations on fostering active citizenship at local and regional level and on education for democratic citizenship. Fostering active citizenship required numerous actors and partners: public authorities, civil society, the voluntary sector, in particular through youth organisations and educational institutions. Today's debate therefore, was being held with representatives from a wide range of backgrounds, in order to benefit from their experience, both of the problems encountered and of ways of dealing with them.

The debate would be split into two parts. The first entitled "Making local democracy thrive" would focus on the challenges and good practices at local and regional level. The second part of the debate, entitled "Involving the community: new forms of democratic participation" would look at the specific problems facing young people and volunteers.



## MAKING LOCAL DEMOCRACY THRIVE

**The PRESIDENT** (France, L, SOC) introduced the first speaker, Blanca Solans Garcia, from the regional government of Aragon which had introduced a strategy called “Aragón Participa” to create an open and transparent form of governance.

**Blanca SOLANS GARCIA**, Director General of Citizen Participation, External Activities and Co-operation, Government of Aragon, Spain, thanked the Congress for inviting her. Aragon had embarked on a process of democratic regeneration. The political disaffection felt by citizens, the distrust towards institutions and the emergence of social, political, cultural and economic difficulties called for a new way of governing, and a radical change in the values, organisation and activities of public authorities.

As early as 2001, the White Paper on European Governance had called for citizens to be involved in public decisions, on the principle that the management of public affairs should not be the preserve of public authorities alone and that it was important to recognise the many different agents who might be involved. Encouraging citizen participation was now a legal requirement, moreover. The Treaty of Lisbon provided the necessary framework for meeting citizens’ expectations. Article 9.2 of the Spanish Constitution stated that public authorities must facilitate the participation of all citizens in political, economic, cultural and social life. Article 23 recognised the basic right to participate in public affairs. The Statute of Autonomy of Aragon, adopted in 2007, as the founding text of the autonomous community of Aragon, proclaimed, in Article 15, the right to participation and encouraged public authorities to promote citizen participation in the preparation and implementation of public policies.

The government of Aragon took the view that greater citizen participation made for a more representative system. Over the past few years, therefore, it had developed some innovative strategies along these lines. The autonomous community of Aragon had a population of 1.2 million and comprised several local entities: provinces, cantons and municipal councils. The “Aragón Participa” strategy introduced in 2007 was designed to promote new forms of public decision making and covered two spheres of action. Firstly, it encouraged citizens’ participation in the policies of the Aragon government and secondly, it supported local entities in their efforts to innovate in this area. The aim was to promote two-way communication: the authorities must engage in discussions with all the economic and social agencies. This strategy was supported by all the political groups. The effectiveness of the project depended on consensus and continuity over time.

Before taking public decisions, the government of Aragon initiated a process of participation divided into three phases: the information phase, the discussion phase and the feedback phase. Discussions must be public and transparent. A website had been created, on which citizens could see how the process was evolving and read the various contributions. The government of Aragon also supported the concept of multi-level governance, promoting co-operation between the various public administrations within its territory.

The support given to local authorities for boosting citizen participation included technical assistance: the government entered into an agreement with the local authorities that signed up to the initiative. It was planned to gradually extend this arrangement to include more local authorities. It included drawing up a diagnosis about citizen participation in the local strategy and in other fields as well, such as transport, environment, town planning, tourism, etc. The Forum for Citizen Participation in the Local Sphere had been set up: it was made up of the government of Aragon, the FEMP (Spanish Federation of Municipalities and Provinces) and the 29 local entities which had signed up to the scheme. New technologies were being used to enable citizens to exercise their right to participation: e-democracy channels meant that all citizens, wherever they were, could contribute to public policy.

Another crucial factor in the success of the “Aragón Participa” strategy was the emergence of a new political culture. To this end, training courses for elected officials, technicians and members of the public had been developed. Seminars were being held to explain the strategy and provide information about the various instruments for citizen participation. Training for children and teenagers was also important: starting in school, young people needed to be encouraged to get involved in

issues that affected them. The government of Aragon therefore wished to set up children's councils to canvas their opinions and organise debates with young people.

To conclude, Ms Solans García spoke of the need to improve transparency in order to ensure real participation. As well as the "Aragón Participa" website, another site would allow citizens to access key items of public information. The government of Aragon was also working on a draft law on governance and transparency.

**The PRESIDENT** (France, L, SOC) thanked Ms Solans García and introduced the second speaker, Ms Wallenborg, a municipal commissioner from Huddinge. With a population of 100 000, Huddinge was the second-largest municipality in Sweden. In 2012, it had decided to become one of the "12-star cities" in European Local Democracy Week. Huddinge had developed various practices to promote citizen participation in the democratic process, including the publication of a handbook in which all the various forms of participation open to residents were clearly explained.

**Katharina WALLENBORG**, municipal commissioner with responsibility for democracy and equality, Huddinge, Sweden, said that last year Huddinge had decided to become one of the most attractive municipalities in Stockholm county. In Sweden, 38 000 people out of a population of 9.5 million were local elected representatives. Huddinge had only 250 elected officials, i.e. 0.25% of its population. The individuals concerned were very active but Ms Wallenborg said she would like to see their numbers greatly increase. On the positive side, several thousand people were active in non-profit organisations. A Council for Democracy and Equality had been set up. It had 19 members, drawn from nine of the ten parties represented on the municipal council. Of these ten parties, eight were represented in the Swedish parliament and two were local parties. There were 290 municipalities in Sweden, of which 145 had local parties.

Huddinge had implemented a long-term strategy based on three keywords: openness, meaningfulness and clarity. Openness meant acting in a way that was transparent, by providing high-quality information and creating conditions so that everyone could participate. Meaningfulness meant getting citizens involved at a very early stage in the decision-making process. And lastly, clarity meant being clear about the actual ways in which citizens could bring their influence to bear and the different forms of participation available.

Fostering active citizenship was of fundamental importance for the municipality of Huddinge. The subject featured in a document entitled "Goals and budgets" on which a decision was taken every year and which was used in various contexts, by committees, administrations and local authority staff.

Ms Wallenborg gave some specific examples. The municipality was currently developing a playground programme and talking to children in the neighbourhood in order to canvas their opinions. Local residents were being invited to comment, via focus groups, on the construction of a new access road from the motorway, which would include industrial and business zones, parks, sports facilities, etc. The municipality was also working on a framework plan for Huddinge that extended to the year 2030, and was inviting residents to express their views on a range of issues (housing, roads, environment, etc.). All these suggestions would be compiled into a document for publication the following autumn. The municipality was of course making intensive use of the Internet and developing new on-line services. A presence on social networking sites was essential in order to encourage active civic participation, especially among the young. The importance of working with the elderly and other persons in need of assistance had not been overlooked. In order to achieve these goals, elected officials were being offered training. The municipality also operated on the principle that people must be able to combine political life with family life, even though that was not always easy.

Besides inviting local residents and associations, the municipality also worked with higher education institutions and entrepreneurs. Various councils had been set up, on which various sections of the public were represented, such as the elderly, people with disabilities, the police, etc. A feasibility study was to be carried out with a view to creating a digital meeting place for young people. The municipality of Huddinge supported various education associations and had chosen "youth power" as its theme for 2013.

In connection with European Democracy Week, the culture and leisure committee would be working with youngsters on two activities chosen by them. Local state secondary schools would be

taking part in the event. The previous year, elected representatives had met some 1 100 pupils to discuss various issues that affected them directly (school meals, what could be done to make schools better, crime prevention, finding a place to live when they left home, etc.). The municipality was eager to meet with pupils at other times during the year as well. It had also been decided that schoolchildren from Huddinge would travel to the Youth Centre in Strasbourg to talk about their experiences.

Ms Wallenborg went on to cite some of the goals set by the municipality, for the period up to 2030. Huddinge's work in the field of citizen participation should become a model for other municipalities. Interaction with civil society was seen as being an integral part of the democratic system. The turnout in the last elections had been 78.6% and the target for 2030 was 85%. Also on the local council's agenda was making it easier for immigrants to vote. To this end, information on the elections would be translated into several languages. The municipality's website was available in English and Finnish, moreover.

**The PRESIDENT** (France, L, SOC) thanked the speaker and declared the debate open.

**Jon HERMANS-VLOEDBELD** (Netherlands, L, ILDG) said that in the Netherlands, active civic participation was a key issue for many municipalities. Citizenship was closely bound up with culture. In the Netherlands, large numbers of people were involved in voluntary activities and the level of participation was among the highest in Europe. Citizen participation was important for many reasons: public policies were better when citizens helped shape them, there was no need for municipalities to do everything themselves, and the decision-making process had greater legitimacy if citizens were involved in it. The Dutch ombudsman had published guidelines on this subject. There were a number of ways in which citizens could participate in municipal decision making, with a "laddered" system in which each rung corresponded to a greater degree of involvement: collecting ideas, citizen initiatives, etc. Citizens' plans and proposals received genuine consideration. (*see full text below*)

**Ann BESKOW** (Sweden, L, SOC) felt that fostering active citizenship required local infrastructure that enabled dreams to be turned into reality. In order to become socially engaged, people needed to believe in the possibility of having a second or even third chance in life. Individuals must be able to develop on a personal level but also participate in the development of a knowledge-based society, built on lifelong learning. In the Swedish city of Gothenburg, for example, schools had introduced a scheme whereby children of all ages, teachers and architects could work together to develop the urban environment. The children were allowed to make suggestions and could see with their own eyes how the city was changing, thanks in part to their input. In this way, Gothenburg was building the future with citizens who were already accustomed to being part of a society over which they had some influence. Fostering active citizenship meant providing tools for development and changing attitudes.

**Mikhail GULEVSKIY** (Russian Federation, L, ILDG) said that in many cases, there were no arrangements for active citizen participation. Clearly, though, there were various forces at work in Europe, organising events and galvanising citizens into action. Local authorities needed to introduce new forms of co-operation with the public. In Russia, numerous movements and political parties were emerging. Municipalities must take account of this and work with young people as well. There were large numbers of schemes aimed at young people. Municipalities needed to consider not only local residents but also local businesses and, more broadly, all the legal entities and private individuals within its territory. For two years now, the population had been taking an active part in municipal decision making and the initial effects could already be seen in Russia's towns.

**Nina COSTIUC** (Republic of Moldova, L, ILDG) said that in Moldova, fostering active citizenship had always been a foremost concern for local authorities. The crisis, both political and economic, had led the electorate to express its dissatisfaction and to take action, leading to social instability. The Republic of Moldova needed to overcome the legacy of its Soviet past, where the freedom to own property and freedom of movement, among other things, had been restricted. Elected representatives must work day in day out to uphold the freedoms won by the Moldovan people. The opening of borders was another crucial factor because there were still many obstacles in this regard. Co-operation with the rest of Europe, a world without dividing lines, that was the dream of many Moldovans and it must not be allowed to wither. Mayors must face up to their responsibilities in this respect. In the words of Voltaire, "We must cultivate our own garden", that was the kind of Europe Ms

Costiuc wished to see flourish. Towns and cities across Moldova were engaged in cross-border projects which ought to be developed further. Transparency and access to information were crucial. Elected officials from Sweden in particular were providing assistance to their Moldovan counterparts and a partnership had been set up to enable children to spend their holidays abroad. Ms Costiuc called on the 47 member states of the Council of Europe to share their best practice in this area. She said that 20 people had come from Moldova to attend the proceedings of the 24th Session of the Congress.

**Sergiy CHERNOV** (Ukraine, R, EPP/CCE) felt that active citizenship was a highly topical issue at a time when all local and regional authorities were going through a crisis. The way to achieve greater democracy was through wider participation. Each local and regional authority was trying to find its own way to achieve this. The President of Ukraine had set up a co-ordination council to involve local authorities in the community. A number of standard-setting documents had been drafted and a strategy adopted to involve citizens in public life, while setting out fundamental freedoms and rights. It was important to remember that Ukraine had a history of ideologies being imposed by the centre. At local level, arrangements had been put in place not only to inform citizens but also to enable them to provide feedback. National policy, on the other hand, had a tendency to politicise debate and, through the media, to engage in “brainwashing”. Surveys had shown that over the past ten or fifteen years, the information disseminated in Ukraine had become poorer than before. Discussion was not encouraged. The purpose of communication was to get people to assimilate ideas dictated from above. Civic initiative, however, was something that should be encouraged. The process should be facilitated so that it became a feature of everyday life. In particular, youth participation should be developed and to do that, it was vital to explain to young people that it was up to them to build democracy, stability and peace.

**Nataliya ROMANOVA** (Ukraine, R, ILDG) reminded members that 2013 had been designated “European Year of Citizens”. European Local Democracy Week was very important. The additional protocol to the European Charter of Local Self-Government on citizens’ participation must be ratified by as many countries as possible, as Ukraine had done a year earlier. Ms Romanova felt it was vital that the principle of civic participation be enshrined in law. At present in Ukraine, legislation on local referendums was being discussed. On 14 March, a wide debate had been held in which parliament, the main political leaders and representatives of NGOs, including numerous ambassadors for the younger generation, had taken part. Their assessment of the draft law, which had been passed at its first reading, had been very positive. Ms Romanova hoped it would be enacted soon as it would enable ordinary citizens to have a direct say in policy making.

Full written statement by Jon HERMANS-VLOEDBELD (Netherlands, L, ILDG) that was not presented due to lack of time (Rule 30.6 of the Rules of Procedure)

In the Netherlands, actively involving our citizens is a priority in many municipalities. Citizen participation and active citizenship is important, because the policy often gets better when citizens are involved and share their expertise and knowledge of their living environment. It can also increase the legitimacy of the council decisions if all layers of society have contributed to it and it can that way generate mutual trust. I also believe that there are sufficient citizens that wish to take care of their own neighbourhood and there are increasingly more autonomous initiatives: the municipality and citizens need to do it together.

The Dutch ombudsman published a “participation guideline” with rules for citizen participation. One of the most important pieces of advice is that as a municipality you should motivate your decision to involve or not your population in decision-making on a particular topic and how you wish to do that. The municipality should be genuinely interested in what citizens put forward and communication is very important: the municipality should make visible how they have included the input of the population.

The “participation stairs” have been designed in which each of the 5 steps means a more genuine form of citizenship: they range from asking citizens for their opinion, or ideas and solutions, to co-creation, mutual accountability and even facilitation of the implementation of citizen projects. The final stair is, in my opinion, genuine citizenship.

As a practical example from my own municipality, I would like to mention the “Poverty-pact of Almelo”. Inhabitants, organisations and entrepreneurs work together to strive against poverty in the city, through the development of cultural, educational and aid programmes, both financially and materially. Homeless people are also included as target group. The ultimate target of these programmes is that it leads to work contracts for the people involved. Through this project, a new and inspiring coalition has been created in our city. The local government facilitates this initiative generously and warmly.

There are also challenges. Citizen participation costs money, time and energy. Besides, processes lead to expectations that cannot always be met. Finally, it is difficult to ensure that consultations include the vision and voice of representatives of all layers of society.

Our inhabitants have the right to participate in our local democracy and that is why I believe that we should really do our utmost to facilitate this. Thank you.

### INVOLVING THE COMMUNITY: NEW FORMS OF DEMOCRATIC PARTICIPATION

**The PRESIDENT** (France, L, SOC) introduced Joe Irvin, who had been Chief Executive of the UK’s National Association for Voluntary and Community Action since December 2011. His previous positions included adviser to the Deputy Prime Minister John Prescott and Director of Policy at the Transport and General Workers Union. The President said that the voluntary sector played a major role in building co-operation between citizens and public authorities at local level. The Council of Europe Charter on Education for Democratic Citizenship and Human Rights Education, adopted in 2010, had identified civil society as a key partner in fostering active citizenship. The Congress was looking at ways of strengthening this partnership.

**Joe IRVIN**, Chief Executive of NAVCA (the National Association for Voluntary and Community Action), United Kingdom, said that in times of economic crisis, disengagement could take an even more dangerous turn. The “Third Sector”, i.e. voluntary organisations, charities and other not-for-profit groups, could play a positive role in this area. There were three ways in which the Third Sector could assist in encouraging active citizenship: active citizenship on the part of individuals, strengthening the communities in which individuals lived and forming partnerships with public authorities.

Active citizenship was expressed in various ways. It was not just a question of participating in elections now and then. Rather, it was about getting involved in community life, for example by setting up a charity or supporting an initiative. Millions of people gave up their time for causes they held dear. In the 2012 London Olympics, for example, 70 000 volunteers had brought an extra dimension to the Games. A quarter of the UK’s population volunteered each year. Some charities were well-known, such as Citizens’ Advice, which offered legal advice, the Red Cross or the Royal Society for the Protection of Birds which had more members than all the political parties in the UK put together. The majority of charities were small and local, however. In the World Giving Index, which measured donations, volunteering and “how likely we are to help a stranger” the UK ranked 8<sup>th</sup> in the world and 3<sup>rd</sup> in Europe. Third Sector bodies could also foster civic participation within a particular group or community. For example, youth parliaments had been set up by municipalities.

The second way to foster citizenship was to strengthen the communities in which individuals lived. It involved helping these communities to articulate their needs and to develop their ability to organise themselves. Through sports or cultural activity, charities – such as migrant organisations – strengthened the bonds that held communities together and fostered solidarity.

Lastly, numerous charities worked in partnership with local authorities. Such charities were increasingly involved in the delivery of public services: between 2000 and 2010, contracts to deliver public services by charities had risen by 150%. Close to service users and more flexible than municipal services, charities operated for example in mental health and drug addiction and offered support to young parents. They were often pioneering. In 1982, for example, the Terrence Higgins Trust was set up to raise awareness of HIV[-AIDS]. There was a law in the UK which meant that public sector commissioners of services must consider the added “social value” a service provider could bring to a contract. Mr Irvin recommended that all Council of Europe members think about introducing similar legislation.

To conclude, Mr Irvin said that local council spending in England and Wales would be cut in the coming years even as the need for childcare, care for the elderly and other forms of social assistance grew. Some feared this would mean that there would be no room to support voluntary action. Mr Irvin said that the challenges that lay ahead could not be overcome by the public sector alone: it was essential that everyone (public sector, Third Sector, individuals and businesses) come together to meet these challenges. He called on Congress members to ask themselves this question: were they doing everything they could to maximise the role the Third Sector could play in fostering active citizenship in their locality?

**The PRESIDENT** (France, L, SOC) noted that no discussion on the subject of active citizenship would be complete without some mention of the role of young people. The next speaker, Fionn Greig, was a participant in the "Enter!" long-term training course run by the Council of Europe's Youth Sector. He was here to present the viewpoint of young people and youth workers.

**Fionn GREIG**, youth worker, United Kingdom, described the training course run under the "Enter!" project. This project, which had been set up in 2009, was being conducted by the Council of Europe's Youth Sector in co-operation with the Congress of Local and Regional Authorities. It aimed to promote access to social rights for young people, in particular for those at risk of exclusion, discrimination or violence. Measures would be put in place through local, national or European action involving policy makers, youth workers and young people.

The project included training activities for youth workers operating at local level to help youngsters experiencing difficulties. Seminars would be held on topics such as the social integration of young people and access to social rights. A long-term training course had begun in March 2013 and would continue until 2014. Thirty-two youth workers, from various countries, were taking part and would be developing specific projects over the course of the session.

Mr Greig spoke of the benefits of this approach which brought together youth workers from different geographical and social backgrounds, and who were all working with conviction and passion to improve the lives of young people. These workers were in close contact with young people and their families, in their neighbourhoods or villages. They helped them find somewhere to live and/or training, and provided assistance in developing projects. Mr Greig cited numerous examples. In Azerbaijan, youth workers visited young people in prison and informed them about their rights. In Italy, a programme was under way in schools to encourage pupil participation. In Ireland, efforts were being made to ensure that young workers received equal treatment. In Macedonia, youth workers were working alongside Roma, while in Lithuania, they were providing support for asylum seekers.

Mr Greig wanted to see a society where everyone's human rights were respected, an alternative society based on what united people, not what divided them. In times of crisis, young people often found themselves excluded from society. Citizenship meant being able to take part in public debates and decisions, being listened to and judged on the contribution one made to society. Young people needed information and training so that they could make their own choices. Intergenerational conflicts were unavoidable and should be seen as a learning opportunity. Youth workers showed young people that they would always be there to support them, even when they made mistakes. They provided them with a space where they could exist, learn to reflect and get back up when they fell.

On behalf of youth workers, Ms Greig asked the Congress of Local and Regional Authorities to take positive action: to encourage governments to actively promote social rights for all, to create platforms for local co-operation between young people and social actors, and to talk to young people, in order to tell them about the policies put in place, etc. He appealed to Congress members, asking them, when they returned home, to run projects to help young people, to listen to them, and to use their position to try to improve the lot of young people worldwide. Through hope, faith, humility and love, everyone who so wished could work together to advance the cause of young people.

**The PRESIDENT** (France, L, SOC) thanked Mr Greig for his rejuvenating speech and asked Congress members not to forget young people.

**Galyna GEREGA** (Ukraine, L, EPE/CCE) said that in order to build a solid, stable state in Ukraine, it was vital to involve all citizens and in particular young people. Kyiv already had

considerable experience in this area. There were 4 000 officially registered NGOs, covering a whole range of activities that touched on people's everyday lives. In Kyiv, one in seven people belonged to an NGO. Such arrangements helped to build bridges between citizens and to institute co-operation between local residents and local authorities. Within the municipal council, elected officials had an opportunity to actively engage with young people and NGOs. A civic forum had been launched and had helped bring together 300 people of all ages to devise a development project for the capital. Local residents had come up with around 400 suggestions. Youth participation was a key concern of the municipal authorities, which were eager to include them in various areas of their work.

**Josef NEUMANN** (Germany, R, SOC) described the policy put in place by North Rhine-Westphalia, Germany's biggest state with 18 million inhabitants and 396 municipalities. Two projects had been launched to combat exclusion. A prize was awarded to municipalities that initiated activities with their local communities so that everyone could avail themselves of the various opportunities that existed at European level regarding knowledge transfer, voluntary work and measures to combat exclusion. The second project was designed to combat exclusion among people with disabilities, through an action plan entitled "Nothing without us". An inclusion committee had been set up to involve people with disabilities and/or disability organisations in the policy-making process. Both of these examples showed the importance of volunteering, but also the need for public support if projects were to be sustainable in the long term. (*see full text below*)

**Rositsa YANAKIEVA** (Bulgaria, L, SOC) noted that citizens were the lifeblood of democracy and that they had a constitutional right to participate in the everyday life of the community. Their participation was a guarantee of openness, and they also played a part in preventing corruption. Discussions and debates provided an opportunity for local residents to participate in decision making within municipalities, especially where major infrastructure projects and budgets were concerned. Municipal councils were working with young people, and addressing issues related to sport, the environment and other topics of direct concern to citizens. Some urban planning projects put forward by local residents were being funded from the municipal budget. In recent months, people in Bulgaria had shown signs of being more engaged, expressing their discontent at the fact that, because of the crisis, they could no longer afford heating during cold spells. There had been street demonstrations as people sought to express their powerlessness to influence decisions that nevertheless had a direct impact on their everyday lives. The social sphere and the economic sphere were not exclusively the preserve of central government. For many years now, local government had been involved as well. The public had realised that they could make a show of strength whenever decisions were taken at national level against the advice of local councils.

**Andreas GALSTER** (Germany, L, EPP/CCE) wished to make a distinction between citizens' participation in the decision-making processes of public authorities and the voluntary work undertaken by some citizens. Volunteering played a crucial role for many activities could not be funded from the public purse and Mr Galster wished to thank people such as Mr Greig who gave up their time in this way.

Studies carried out in Germany on volunteering and citizen participation in the decision-making process had shown that specific projects carried out on the ground bred success: an increase in civic engagement had been observed. Many initiatives, however, lacked structure and organisation. The municipality of Baiersdorf had therefore decided to employ an outside firm and to develop a clearly defined process. Citizens, including young people, had been invited to talk about how they envisioned their town in twenty years' time. Seventy local residents met over three days to draw up a list of projects. The local council had initially been sceptical about the initiative but it had produced some very interesting ideas. Mr Galster concluded by saying that structured work conducted with citizens was in all likelihood the best way to increase participation.

**Andrzej PRUSZKOWSKI** (Poland, R, ECR) noted that as representatives of local and regional authorities, Congress members must take care to maintain genuine democracy, which required that as many people as possible be involved in public life. In Poland, people were showing an interest in the development of local communities. The number of NGOs was rising and they were extremely active, as were the churches. Caritas, a Catholic charity, was particularly active in the social field.

Polish local authorities provided support for various people and were anxious for young people to get more involved. Youth initiatives were encouraged and councils for the elderly had been set up. New district councils were being set up in towns and cities every year and local and regional authorities had annual co-operation programmes with NGOs. Public funds were available for pupils to enable them to conduct various projects. Poor turnout at elections was undermining democracy in Poland but there were numerous municipal initiatives, which were taken on board at parliamentary level. Mr Pruszkowski ended by inviting Congress members to pursue closer co-operation with Polish NGOs.

Full written statement by Josef NEUMANN (Germany, R, SOC) that was not presented due to lack of time (Rule 30.6 of the Rules of Procedure)

Ladies and Gentlemen, dear Colleagues, inclusion being the main focus of my work, I've been following the debate with particular interest. Before introducing you to an exemplary instrument we use in Northrhine-Westphalia to implement inclusion in the labour market, let me put Northrhine-Westphalia into an European context. With 18 million inhabitants, NRW has the highest population of all federal states in Germany. Referring to the subject of inclusion, it is important to know that 2.6 million of our citizens are handicapped, 1.7 of them even severely so. Unfortunately, the general positive development of the German labour market has had no positive impact on the situation of the handicapped people at all!

Now, let me present to you a concrete instrument with which we try to implement inclusion in the labour market in NRW. This instrument is called "Integrationsunternehmen" (Integration Enterprise).

- About 200 of those Integration Enterprises have been created within the last decade.
- Those companies provide for 5,000 jobs, 2,300 of them for handicapped people.
- At least 40% of the total workforce has to be handicapped people.
- All employees are paid collectively agreed wages.

Following general economic principles with common market conditions, Integration Enterprises run restaurants, hotels, ice pavilions, metal-businesses or laundry shops – just to name a few. The self-esteem and pride of the employees of these Integration Enterprises is invaluable as well as a wholly new experience. Hence, and notwithstanding these first achievements in the field of inclusion, there is still much to do. I shall be delighted if those Integration Enterprises were to be emulated by our European partners.

Thank you for your attention.

### 13. DATE, TIME AND AGENDA OF THE NEXT SITTING

**The PRESIDENT** (France, L, SOC) thanked the Congress's interpreters for agreeing to work longer so that Congress members could complete their business. He invited the members to attend the reception to mark the opening of an exhibition on the XXVII Summer Universiade (Student Olympic Games) in Kazan, Tatarstan.

The President said that the Chamber of Regions and the Chamber of Local Authorities would meet the following day from 9.00 to 12.00. The next plenary sitting of the Congress would be held the same day at 14.30, with an agenda in keeping with the order of business adopted by the Congress at the start of this first sitting.

Agreed.

*The sitting rose at 19.05.*



**SITTING OF THE CHAMBER OF LOCAL AUTHORITIES****Wednesday 20 March 2013 at 9.00**

---

**TABLE OF CONTENTS**

	<u>Page</u>
1. Opening by the President of the Chamber .....	49
2. Adoption of the draft agenda of the Chamber .....	49
3. Communication by the President of the Chamber.....	49
4. Declaration by the Congress Bureau on Azerbaijan .....	50
5. Local by-elections in Armenia.....	52
6. Local elections in Bosnia and Herzegovina.....	59
7. Smart cities: new technologies serving democracy.....	61
8. Close by the President of the Chamber .....	67



1. OPENING BY THE PRESIDENT OF THE CHAMBER

*The sitting was opened at 9.10 with Jean-Claude FRECON (France, SOC), President of the Chamber, in the chair.*

**THE PRESIDENT** (France, SOC) declared the 24th Session of the Congress's Chamber of Local Authorities open, under Rule 17.1 of the Rules of Procedure.

2. ADOPTION OF THE DRAFT AGENDA OF THE CHAMBER

[CPL(24)OJ1PROV]

**The PRESIDENT** (France, SOC) said that the first item of business was the adoption of the agenda for the Chamber of Local Authorities, as set out in Document [CPL(24)OJ1PROV].

**Michel GUEGAN** (France, NR) moved that an item be added to the agenda: the arrest on 4 February 2013 of Ilgar Mammadov, director of the Baku School of Political Studies in Azerbaijan. Mr Guégan said that this was a very serious and worrying development. The previous day, moreover, the Congress Bureau had adopted a declaration on the subject. Mr Mammadov had established close co-operation with the Council of Europe and had done much to promote local democracy in Azerbaijan. Mr Guégan wished to know where the Bureau stood in this matter.

**The PRESIDENT** (France, SOC) confirmed that the Bureau had in fact adopted a declaration on Mr Mammadov's arrest. He proposed that the Chamber of Local Authorities be given a copy of the declaration and that this item be added to the agenda after the "communication by the President of the Chamber". This change to the agenda had to be put to the members of the Chamber. The President accordingly asked whether any of them had any objections.

The President noted that there were no objections to this agenda change.

The change to the agenda was adopted.

**The PRESIDENT** (France, SOC) put the whole of the draft agenda, as amended, to the vote.

The draft agenda, as amended, was adopted.

3. COMMUNICATION BY THE PRESIDENT OF THE CHAMBER

[CPL(24)1]

**The PRESIDENT** (France, SOC) said that when he was elected President of the Chamber, he had expressed his intention to devote his time in office to increasing the number of states that had signed up to the European Charter of Local Self-Government. His ambition was clear: 100% support for the Charter among Council of Europe member states.

The President announced that the Principality of Monaco had just joined the family of signatories to the Charter and thanked the Monegasque delegation, saying it had played a crucial role in this decision. San Marino, the only remaining country not to have signed the Charter, was currently considering the possibility and the President said he was confident that the necessary political will was there. The San Marino delegation to the Congress was making active efforts to this end, moreover.

This final signature would be a major step towards harmonising European policies on local self-government. The entire continent would thus be able to benefit from the advantages of the European Charter of Local Self-Government.

The President's goal was to ensure not only that 100% of the member states signed up to the Charter, but also that they signed up to all of the Charter. When ratifying the instrument, several countries had entered reservations regarding one or more articles. During the monitoring visits carried out on a regular basis in each of the 47 member states, the Congress delegations asked the national authorities to reconsider these reservations, which had been made several years previously, to see

whether they were still valid. Over the past two years, numerous countries had accordingly begun to lift some or all of their reservations.

The President very much hoped that before long, the Charter would be fully operative across the whole of Europe. This would be the crowning achievement of the years of effort by Congress members, and it would also ensure that the Congress's role within the Council of Europe had a future. The President said he was optimistic about the future, therefore, but that members of the Chamber of Local Authorities needed to open up longer-term prospects for their authorities.

To this end, there was to be a debate on a subject that had the potential to transform the future of local authorities, namely the use of new technologies in the exercise of local democracy. New technologies were not just new tools which improved our capacities, speeded up communications and encouraged an open attitude to the world: they also caused upheavals in every economic and social sphere and profoundly affected societies' culture. They had an impact on our democratic culture and opened up new prospects for the very exercise of that democracy. The old forms of representative democracy, inherited from the 19<sup>th</sup> and 20<sup>th</sup> centuries, and which were traditionally organised around universal suffrage, were now being called into question, if not simply ignored.

The decline in political participation, the rise of extremist parties and the decline in collective forms of action by associations and trade unions, etc. were having far-reaching effects on the functioning of our democratic model. Local elected representatives had a duty to seek by every means possible to set that model on new foundations and breathe new life into it, so that it was once again shared by the greatest number.

New technologies pointed to a promising avenue to explore in these discussions. Thanks to social networks, new forms of collective solidarity were being exercised, not just on a global basis, stretching from one continent to another, but also on a neighbourhood basis. What we experienced on these networks opened up prospects for new communities, linking citizens to their territory, successfully bringing together within that territory, in a specific place, thousands of people who would no longer be attracted to traditional-style gatherings. When an invitation to attend an event was issued via a major social network, it might result in hundreds or even thousands of people gathering, even to the point of creating serious public safety problems.

Congress members could not ignore this development and should use the potential of new technologies to improve democracy. Otherwise, there would be a split between a tired representative democracy that had lost its capacity to mobilise people, and a civil society disconnected from the political sphere.

That was the issue in the debate scheduled for this sitting. The President said he saw this debate as the start of a process of reflection, and invited the committees to give some thought to the many experiments taking place across Europe. This development should help us to give a new dimension to democracy and new life. In these times of crisis, the Chamber of Local Authorities was initiating a far-reaching debate, as indeed was its duty.

The President stressed that this was a crucial issue for all local authorities. If local elected officials did not make use of new technologies, they would be failing in their role as providers of information to their fellow citizens.

The President suggested moving to the next item of the amended agenda, namely the Bureau's declaration on Azerbaijan.

#### 4. DECLARATION BY THE CONGRESS BUREAU ON AZERBAIJAN

**The PRESIDENT** (France, SOC) read out the declaration unanimously adopted by the Congress Bureau on 18 March 2013, concerning the arrest of Ilgar Mammadov.

"The Bureau of the Congress of Local and Regional Authorities wishes to express its deep concern at the recent arrest of Ilgar Mammadov, Director of the Baku School of Political Studies, as well as the decision taken by the Baku Court of Appeal on 8 March not to release him. We wish to

point out that the Baku School of Political Studies, under the directorship of Ilgar Mammadov, has established close co-operation with the whole of the Council of Europe, and has contributed to the necessary promotion of local democracy in Azerbaijan. The Congress Bureau joins the Council of Europe authorities and other European institutions, as well as representatives of civil society, in calling on the authorities of Azerbaijan to respect the fundamental principles and legally-binding standards of the European Convention on Human Rights, which they undertook to uphold when joining the Council of Europe. It also draws attention to the recommendation regarding the situation of local and regional democracy in Azerbaijan adopted in October 2012, after a monitoring visit to the country which stressed the virtual non-existence of local self-government and the strong supervision of municipalities by state bodies.”

The President added that the Congress Bureau, in calling on the Azerbaijani authorities to respect the European Convention on Human Rights, was concerned both about an individual and the organisation that he headed, the Baku School of Political Studies, which was supported by the Council of Europe. The imprisonment of its director directly impinged on the functioning of the Council of Europe. The Secretary General of the Council of Europe, Thorbjørn Jagland, had likewise made a statement on this subject on 8 February:

“I am concerned by the recent events in Azerbaijan and the heavy-handed response of the police to protests. I am particularly disturbed by the arrest on 4 February of Tofiq Yagublu and Ilgar Mammadov, in relation to recent events in Ismayilli. Mr Mammadov is the Director of the Baku School of Political Studies, a close co-operation partner of the Council of Europe. Today's decision of the Baku Court of Appeal not to release these two men and its refusal to allow the Council of Europe's representative to be present during the Court proceedings is of particular gravity. I call on the authorities of Azerbaijan to respect the fundamental principles and legally-binding standards of the European Convention on Human Rights, which they have undertaken to uphold when joining the Council of Europe”.

The President said that the European Union had likewise voiced concern over these events in a statement on 9 February. The spokespersons for Catherine Ashton, EU High Representative for Foreign Affairs and Security Policy, and Štefan Füle, Commissioner responsible for enlargement and European neighbourhood policy, had also published a statement condemning the arrest and 2- month detention ordered by a court of appeal.

The President hoped that this answered Mr Guégan's query and invited any members of the Chamber who so wished to express their views.

**Abulfaz BABAYEV** (Azerbaijan, EPP/CCE) spoke of his country's economic achievements over the past few decades. Positive results had been obtained thanks to various measures introduced by the Azerbaijani government after the example of other European states. These measures had helped to create greater stability in the country, especially on the economic front, and this had gone down well with investors. Thanks to its natural resources, Azerbaijan was self-sufficient in energy. In recent years, it had adopted various measures which had been well received. In particular, Baku was to host the first edition of the European Games. Some, however, who were opposed to Azerbaijan's integration into Europe, were unhappy about these developments.

Mr Babayev noted that the President had spoken about Ilgar Mammadov as someone who was well-known at the Council of Europe yet in the seven years that he had been attending sessions of the Congress he personally had not come across this person. He did not know who Mr Mammadov was or what his role at the Council of Europe might be.

Mr Babayev pointed out that across the member states, people broke the law every day and that when they did so, they were placed in detention until the case came to trial. No mention was made of all these other arrests in international fora. Mr Babayev felt that this matter had no place in Council of Europe discussions, in either a legal or social context. The Azerbaijani delegation was very surprised that such an item has been put on the agenda and needed time to familiarise itself with the case.

Every state had the right to conduct investigations within its own territory to ascertain whether the actions of a particular citizen were lawful or otherwise. Investigations took time. To

include this item in the agenda was to put pressure on the judiciary, and that was not part of the Congress's remit.

Mr Babayev therefore called on members of the Chamber of Local Authorities to behave in a democratic manner. This case involving an ordinary citizen of Azerbaijan was a purely internal matter and should never have been raised in this forum.

**The PRESIDENT** (France, SOC) said that the item in question had been included in the agenda at the request of one of the members of the Chamber. The President had read out the declaration made by the Congress Bureau. He understood if the Azerbaijani delegation was not yet ready to discuss the matter because it was not sufficiently familiar with the case. He said that the economic aspect, mentioned by Mr Babayev, was not at issue. The point was that there had been a human rights violation against someone who was an ally of the Council of Europe in Azerbaijan. That was why the Council of Europe had reacted.

**Anar IBRAHIMOV** (Azerbaijan, R, EPP/CCE) wished to speak as head of the Azerbaijani delegation to the Congress. As he saw it, the Congress had been given false information, as he had already stated at a meeting of the EPP. He invited members of the audience to look Mr Mammadov up on the Internet, in which case they would see that he had nothing to do with local and regional democracy. Mr Ibrahimov said that, on a personal level, he too was opposed to Mr Mammadov's detention, but that his case was of no relevance to local and regional democracy. Why was the Congress concerning itself with the fate of a person who had no connection with local and regional democracy? The fact was that there were some in the Congress who wanted to put pressure on Azerbaijan, in a way that was wholly at odds with the principles of the Congress and of local and regional democracy. Mr Ibrahimov invited his audience to make up their own minds and not to allow themselves to be misled.

**The PRESIDENT** (France, SOC) said that if Congress members were mistaken about this matter, that meant the Secretary General of the Council of Europe and the European Union officials were mistaken too. He felt that the argument presented was not very convincing. The arrest was a violation of human rights. Mr Mammadov was the director of the Baku School of Political Studies, in which the Council of Europe was involved. So it could hardly be said that he had no connection with the Council of Europe.

The President observed that he had passed on the information which he had received to members of the Chamber and that this information was not consistent with that which the Azerbaijan delegation had in their possession. He took note of this discrepancy.

## 5. LOCAL BY-ELECTIONS IN ARMENIA

[CPL(24)2PROV] (RES and REC)

**The PRESIDENT** (France, SOC) gave the floor to the rapporteur on the local by-elections in Armenia. The report was accompanied by a draft resolution and draft recommendation which would be put to the vote.

**Henry FERAL** (France, EPP/CCE), rapporteur, introduced himself briefly, saying that he was the mayor of a rural community, which belonged to the association of the most beautiful villages in France. He also sat on the steering committee of the French National Association of Mayors and was a former senior public servant.

Mr Féral thanked the President for appointing him to observe the local elections in Armenia, which had taken place on 9 and 23 September 2012. The Congress delegation had been joined by a delegation from the EU Committee of the Regions (CoR), led by Brian Meaney, who had been happy to share his experience with the observers from the Congress. Because of the dual nature of the delegation, Mr Féral had attended the CIVEX (Commission for Citizenship, Governance, Institutional Affairs and External Affairs of the Committee of the Regions) meeting in Brussels on 10 February, when the report on the two missions was presented. The same day, in Andorra, the Congress Bureau had also discussed this matter.

The two missions had taken place in a calm political and social environment, but against the backdrop of a very busy electoral agenda, with four by-elections taking place between February and October 2012, parliamentary elections on 6 May 2012, followed by presidential elections on 18 February 2013, plus, on 5 May 2013, a by-election in Yerevan. This last election was based on the 2011 electoral code, which included special provisions for the capital, under which the municipal council was to be elected first and would then appoint the mayor. This, it seemed, would be followed by a 3-year lull, giving the new government an opportunity to introduce reforms in this area.

The Congress delegation had carried out observations on the ground and had had meetings with politicians from both the ruling party and the opposition, as well as representatives of the diplomatic corps, NGOs, trade unions and the media, enabling it to compile a set of findings.

Overall, the practical organisation of the poll was satisfactory and the polling stations had functioned normally, although there were some shortcomings. The polling booths did a fairly good job of ensuring that voters had the necessary privacy. The polling stations, however, were not easily accessible to people with disabilities. The delegation had found only one polling station, in a recently renovated school, that met the standards in terms of access. Many elderly people, it seemed, were given rather more assistance than they required when filling out the ballot papers. Women were well represented on local electoral commissions but there were few women candidates for the office of municipal councillor and still fewer for the office of mayor. The figures needed to be checked but it appeared that in the two polls in question, ten women had been elected as mayors, in the smaller municipalities, equating to 1.6% of all mayors.

The Congress delegation had heard talk of possible vote buying but had not witnessed any itself. The current economic climate might account for the existence of such practices, even if it did not excuse them.

The observers had noted that there were too many people in the polling stations at once. The observations took place in rural areas where elections were something of a social event but that did not make this finding any less pertinent.

The turnout was close to 50% for both polls, following a very quiet election campaign. Various reasons might account for this lack of interest: doubts that any real changes would come about as a result of the elections, lack of trust, busy time for farmers, or the fact that the term of office of the mayor did not coincide with that of the municipal councillor, a situation that could cause political tensions between mayors and their municipal councils. Lastly, it should be noted that rural areas carried little electoral weight in comparison with the capital, which was home to 40% of the population. This imbalance had a political impact. The media had not given much attention to the elections, with little coverage of events in rural areas. The political parties had not campaigned much, mainly because most preferred to save what little money they had for the presidential elections. Of the 24 parties that could have fielded candidates, according to the figures provided by the central electoral commission, 10 did not field any and a further 10 fielded fewer than 10 candidates. This lack of interest did not apply to everyone, however: in one small mountain village, the local authorities had laid on transport for voters who had moved down to the plain.

Following these observations, the Congress delegation had made the following recommendations:

- increase women's participation in politics;
- place emphasis on training and the qualities required by the chairs of electoral commissions, in particular as regarded keeping an eye on voters, some of whom had turned up with more than one passport;
- limit the number of people present in polling stations at any one time;
- make polling stations accessible to people with disabilities;
- speed up the process of vote counting;
- eradicate certain supposedly "traditional" practices such as handing out money inside polling stations.

Mr Féral said it was essential that Armenia, in keeping with the principles of local democracy, create the necessary conditions for genuine political pluralism through the emergence of an opposition

force. He recommended that the Congress follow the progress of the new government formed after the last presidential elections to see how it dealt with these issues.

He concluded that the joint exercise with the Committee of the Regions had been very rewarding for both institutions, and hoped there would be more contact of this kind in the future.

**The PRESIDENT** (France, SOC) invited Mr Meaney, under an agreement with the EU Committee of the Regions, to take the floor to present his organisation's position.

**Brian MEANEY**, speaking on behalf of the Committee of the Regions members who had taken part in the observation mission, said that he would not go over any of the points raised by Mr Féral. The Committee of the Regions had underlined that the current situation in Armenia had to be understood in the context of the country's religious heritage and troubled history, which included the traumatic experience of genocide in the early part of the 20<sup>th</sup> century. This was a quotation from the late Teet Kallasvee, who had been a member of the Committee of the Regions and rapporteur on Armenia. The observation carried out by the Committee of the Regions had consisted of two parts: a 6-member mission to observe the local elections which took place in five regions on 9 September 2012, and a team of twenty people to observe the elections on 23 September.

Mr Meaney said he was aware that democracy was like an impossible standard where 100% of the electorate voted freely and fairly, with full awareness of the policy positions of all the candidates and where those policy positions were all rational and in the interests of the citizen. That never happened, but in all democracies it was the standard to strive for. Indeed, the experience of the members of the Committee of the Regions in Armenia had caused them to have a higher regard for their own electoral process. All the members of the delegation had previous experience of this type of mission: Mr Meaney himself had observed elections in Azerbaijan and Ukraine, Väino Hallikmägi in Serbia, Moldova and Armenia, and Jerzy Zajacka in Bosnia and Herzegovina and in Moldova.

A press conference after the debriefing for the second mission had been attended by all the members of the Committee of the Regions and the majority of the Congress members. The members of the Committee of the Regions had expressed their agreement with the press release, after it was amended.

A number of problems had been observed during the voting: too many people present in polling stations at the same time, irregularities in terms of campaign materials, lack of engagement by the media, tense atmosphere outside some polling stations, questions about police activity, few women candidates, lack of disabled access and the need for a strong head of electoral commission in each polling station.

Mr Meaney observed that after the briefing by the Ambassadors, members of the various national delegations had spent time in conversation with their national embassy staff and that this had delayed the meeting. This point should be taken into account when planning future missions.

The observers had noted that in polling stations where the head of the electoral commission had a strong presence and a good knowledge of the electoral code, the polling stations were well organised. They recommended that when conducting future elections, emphasis be placed on identifying and training the head of electoral commission in each polling station. The observers had further noted, with regret, the lack of interest by the media and some political parties. Although some progress had been made in the conduct of elections in Armenia and although generally speaking voting took place in a serious and calm manner, the members of the Committee of the Regions had identified a number of breaches of the electoral code and these had been communicated to the Congress secretariat.

Generally speaking, the conduct of voting had been free and fair. The issue of vote buying had been raised by a number of stakeholders but no evidence of this had been provided. The members of the Committee of the Regions wished to thank the Congress for allowing them to participate in the observation mission and were eager to pursue the relationship further.

**The PRESIDENT** (France, SOC) declared the debate open.



**Emin YERITSYAN** (Armenia, EPP/CCE) thanked the Congress delegation and the Committee of the Regions for their mission to Armenia. For Armenian elected representatives, such missions were beneficial: the Congress's recommendations must be acted on and not simply discussed at meetings. Mr Yeritsyan said that, overall, he had no objections to the content of the report, although that did not mean he fully agreed with all the points made or that he was entirely satisfied. Some of the points mentioned in the report were of no relevance for Armenian local elected officials. The observation mission provided a snapshot of the situation at a particular moment in time, but that snapshot might not be taken from the right angle. The report mentioned a turnout of 50%, which was a respectable figure in comparison with European countries. If allowance were made for the fact that 25 to 30% of the electorate were migrant workers, the figure rose to 75%. It was inaccurate, therefore, to say there was a lack of interest among voters. There had been intense competition between the various parties. Twenty-three parties had contested the elections on 9 September and 17 the elections on 23 September, and there had been a great many candidates. Mayors and municipal councillors stood and were elected on an individual basis. There were no party lists, even though there were many representatives of political parties among the candidates.

Returning to the criticisms made by the observers, Mr Yeritsyan said that there had in fact been large numbers of people present in the polling stations, and that this was due to the nature of the electoral system: if 30 people ran for election to the municipal council, each of them was entitled to have an observer present in the polling station. Mr Yeritsyan did not see the lack of media presence as a problem, pointing out that the elections had taken place outside the capital. Despite this, the media had provided daily coverage of the elections, either in a general manner or with reference to a particular situation. As far as the participation of women was concerned, new legislation had been passed in 2009 and a new electoral system based on proportional representation had been introduced in Yerevan, with a requirement that women make up at least 20% of the candidates on electoral lists. The first-past-the-post system of voting did not offer the same possibilities. Mr Yeritsyan did not think there were any cultural barriers in Armenia to prevent women from getting elected and suggested that the results observed were attributable to the first-past-the-post system.

Mr Yeritsyan said that before each election, the people who were to make up the electoral commission were given training. The last presidential elections, for instance, had gone very smoothly. Because, however, there were large numbers of people present in the polling stations, it was difficult at times to manage the situation properly. There was still room for improvement in this area.

Mr Yeritsyan also took issue with the comments about political pluralism, saying that the political parties were not subject to any restrictions. Every party had the right to field candidates. 60% of the candidates, however, had not run on party lists so the issue of political pluralism had not arisen. To conclude, Mr Yeritsyan said he was not satisfied with the text of the report but that work on these issues would continue and that there would be fresh opportunities to continue this conversation. On 5 May there would be elections in Yerevan and the Armenian authorities had sent an official invitation to the Congress, asking it to observe them.

**Fleur BUTLER** (United Kingdom, ECR) thanked the Armenian authorities for their hospitality during the visit by the Congress delegation. Thanks to their openness, the mission had been able to observe certain aspects which could no doubt stand to be improved. Ms Butler said she agreed with Mr Féral's report, which clearly identified a number of areas for improvement. Some electoral commissions really needed help to ensure that the polling station functioned properly. The training given to members of these commissions must be reviewed if a number of problems were to be avoided, such as people turning up with passports belonging to other family members and trying to vote on their behalf. Ms Butler expressed disappointment that there had not been more women candidates given that there were plenty of women in Armenia who were perfectly capable of doing the jobs in question. The buildings were not accessible to people with disabilities, and some elderly people had had problems getting to the polling stations. Improvements needed to be made to the infrastructure to enable such people to vote and to avoid all this commotion in polling stations. In rural areas, the observers had indeed been concerned about the lack of media presence, but the people they spoke to had assured them that this was not a sign of lack of interest on the part of the press. Ms Butler ended by thanking Armenia for its openness and its efforts to introduce genuine democracy.

**The PRESIDENT** (France, SOC) thanked Ms Butler but pointed out that those who had taken part in the observation mission were not supposed to speak, as the rapporteur had delivered a report on behalf of the whole delegation.

**Line Skøii VENNESLAND** (Norway, ECR) felt that observation missions of this kind were very instructive. They served to shine a light on different cultures and practices. The Armenian authorities had supported the Congress delegation, of which Ms Vennesland had been part, during its mission. The Armenian elected officials had said that they did not agree with everything in the report, but this document should be seen as an instrument for improving certain shortcomings. After the last Congress mission to Norway, for example, the country had made a number of changes to its electoral code. Armenians should treat this report as an opportunity to learn and improve their practices.

**Nigel MERMAGEN** (United Kingdom, ILDG) said he had been the Congress rapporteur at the time of the May 2009 elections in Yerevan, when the city got its first directly elected mayor. There had been some progress since then, although Mr Mermagen was disappointed at the small number of women who had stood or been elected, which was lower than before. Women must be represented at all levels of local government. Mr Mermagen hoped that the Armenian authorities would heed the Congress's recommendation about increasing women's participation in politics. Such participation, moreover, was required under the country's new electoral code.

**Viacheslav ROGOV** (Russian Federation, ILDG) said he had taken part in the mission to observe the very first elections in Armenia, in the late 1990s. The Congress delegation at the time had included western Europeans and others from the former Soviet republics, and various, sometimes even conflicting, approaches had emerged. Gradually, as they talked, members of the delegation had come to understand one another. At the time, the Armenians had wanted elections but had not known how to organise them. Today, the head of the Armenian delegation to the Congress had acknowledged the need for criticism, but felt that the Congress report did not focus on the most important points. Mr Rogov noted that Armenia had made significant progress over the years since his visit. Back then, the state of local and regional democracy in the country had given rise to heated debate. Today, the report stated that voting rights were being violated, in particular where people with disabilities were concerned. Mr Rogov pointed out that in Armenia, a number of dilapidated public buildings had not been renovated not because local authorities did not want to, but because they could not afford to. They could hardly be blamed for these shortcomings, therefore. Turnout in the mayoral elections had been over 80%, which was a tremendous achievement. There had been mention of pressure being brought to bear by the Party but in Mr Rogov's view, such accusations were unfounded: the voters had made their choice freely. In his view, Armenia was on the right track where respect for democracy was concerned.

**The PRESIDENT** (France, SOC) invited Mr Féral to reply to the speakers.

**Henry FERAL** (France, EPP/CCE), rapporteur, thanked the speakers. In reply to Mr Rogov, he said that the draft recommendation did of course mention issues of concern, but that it also drew attention to the efforts made by Armenia. The observers were aware that some improvements, in particular with regard to access to buildings, could only be made gradually. Mr Féral thanked Mr Yeritsyan for his comments and stressed that in preparing his report, he had been guided by a desire to be of service to local democracy in Armenia. The amendments that he would be presenting were also aimed at helping Armenia down the thorny path to democracy.

**The PRESIDENT** (France, SOC) asked members to turn their attention to the draft resolution, as set out in Document [CPL (24)2PROV]. Four amendments had been tabled, all by the rapporteur.

**Henry FERAL** (France, EPP/CCE), rapporteur, said Amendment No. 1 was to provide clarification on the Armenian Constitution which had been adopted in 1995 and revised in 2005.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 1 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, presented Amendment No. 2. In the original version, the resolution had referred to intermunicipal co-operation, a key approach recommended by the Congress, but the drafters had then wanted to place this issue in a wider context. The new version of paragraph 4 of the resolution was accordingly worded in such a way as to encompass all reforms aimed at improving local democracy.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 2 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, said that Amendment No. 3 was to correct the translation of the word “mitigé” in English by employing the expression “lukewarm interest”.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 3 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, said that the purpose of Amendment No. 4 was to replace the words “Association of Municipalities of Armenia” with the more accurate “Union of Local Communities of Armenia”.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 4 was adopted.

**The PRESIDENT** (France, SOC) put the whole of the draft resolution, as amended, to the vote. A simple majority was required in order to adopt a resolution.

The draft resolution set out in Document [CPL(24)2PROV], as amended, was approved.

**The PRESIDENT** (France, SOC) suggested moving on to the draft recommendation. Eight amendments had been tabled.

**Henry FERAL** (France, EPP/CCE), rapporteur, said that the purpose of Amendment No. 1 was to add in paragraph 6, for accuracy's sake, the words “visited by the delegation” so as to avoid giving the impression that the Congress was making a judgment about all the polling stations.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 1 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, said that likewise the purpose of Amendment No. 2 was to add the word “visited” when referring to the polling stations.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 2 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, presented Amendment No. 3. The new, more general wording was prompted by the fact that having large numbers of people in the polling stations could cause tension among voters, and even among candidates.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 3 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, presented Amendment No. 4. The recommendation invited the Armenian authorities to make all polling stations, the built environment and transport in general accessible and to “pursue their efforts”, since the observers were aware that such results could not be achieved in a few months or even years.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 4 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, said that the purpose of Amendment No. 5 was to emphasise political pluralism as a democratic principle. The recommendation asked the Armenian authorities to offer voters a real choice, meaning that they must be able to choose from a range of candidates.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 5 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, said that Amendment No. 6 reminded returning officers of the absolute necessity of checking the identity of each voter against their own personal passport. The system of proxies did not exist in Armenia.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 6 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, said that Amendment No. 7 invited the Armenian authorities to systematically punish practices involving the distribution of money observed in certain polling stations.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 7 was adopted.

**Henry FERAL** (France, EPP/CCE), rapporteur, presented Amendment No. 8 and took this opportunity to thank the Armenian delegation for its open-minded attitude and for understanding that the Congress’s recommendations were intended solely to improve Armenia’s electoral system. The decision to replace the word “study” with the word “explore” was a reflection of this.

**The PRESIDENT** (France, SOC) noted that there were no objections to this amendment and put it to the vote.

Amendment No. 8 was adopted.

**The PRESIDENT** (France, SOC) put the whole of the draft recommendation, as amended, to the vote, pointing out that a two-thirds majority was required to adopt a recommendation.

The draft recommendation set out in Document [CPL(24)2PROV], as amended, was approved.

## 6. LOCAL ELECTIONS IN BOSNIA AND HERZEGOVINA

[CPL(24)3PROV] (RES and REC)

**The PRESIDENT** (France, SOC) invited Amy Koopmanschap to present the report on the observation of local elections in Bosnia and Herzegovina. The report was accompanied by a draft resolution and draft recommendation on which Congress members would be asked to vote.

**Amy KOOPMANSCHAP** (Netherlands, SOC), rapporteur, said that the mission to observe the elections in Bosnia and Herzegovina had been organised in conjunction with the EU Committee of the Regions, and she welcomed Uno Silberg, member of the CoR delegation, who was also going to speak about the mission.

The delegation had observed the local elections on 7 October 2012. Generally speaking, the observers had found that the elections were well-prepared, conducted in an orderly manner and organised in accordance with international standards. The central electoral commission of Bosnia and Herzegovina had conducted an information campaign, and had provided sufficient materials and reference texts. The Congress delegation had been pleased to hear that the campaign had been lively, with a healthy spirit of competition compared with previous years, a sign that democracy was moving forward.

The Congress delegation had, however, identified some areas for improvement:

- the liberal nature of the process of voter registration. For example, registered voters were allowed to cast their ballot other than in their constituency and first-time voters and “new residents” were allowed to participate in the elections even if they had not registered within the prescribed time;
- the “tender ballot” system which applied to unregistered voters such as first-time voters, out-of-country voters and “new residents”. Such a system was liable to create uncertainty as to voter numbers and confusion when counting the votes;
- the presence of political parties in the polling stations: members of polling station commissions were nominated by the political parties and these same parties also sent domestic observers;
- the provision whereby certain voters with disabilities could be given assistance, a practice that could lead to abuse of the ballot.

The main recommendations made by the Congress delegation were as follows:

- revise the existing system of voter registration, including the so-called tender ballot system;
- involve more competent and better trained election officials in the management of polling stations and reduce the degree of party control;
- review existing arrangements for voters who need assistance;
- revise the legislation allowing citizens not permanently resident in a municipality to take part in local elections; the Congress noted that in many Council of Europe member states, place of residence was the sole criterion for entitlement to vote in local elections;
- look again at the proposal, currently under consideration, to hold different elections on one and the same day. Experience in other countries showed that in such cases, local ballots were often overshadowed by national ones.

Lastly, Ms Koopmanschap noted that the number of women elected as mayors had fallen, from six to five, and that much still remained to be done in this area. She ended by thanking everyone who had assisted the delegation in its mission.

**The PRESIDENT** (France, SOC) gave the floor to Uno Silberg, member of the Committee of the Regions, who had taken part in the observation mission to Bosnia and Herzegovina.

**Uno SILBERG**, on behalf of the members of the Committee of the Regions who had taken part in this observation mission, thanked the Congress for inviting the CoR to participate in the mission to observe the elections in Bosnia and Herzegovina. He believed it was fundamental to observe and support the evolving democratic process. He was pleased to have this opportunity to talk with members of the Congress and welcomed the experience-sharing that had developed between the Congress and CIVEX.

The electoral mission itself had taken place from 4 to 8 October 2012. 19 members had taken part, 14 from the Congress and 5 from the Committee of the Regions. The elections had been held for 78 municipal councils and 139 mayorships in the Federation of Bosnia and Herzegovina, 61 municipal assemblies in the Republika Srpska and the assembly and mayorship of the city of Banja Luka in Republika Srpska. A pre-electoral assessment mission had been deployed beforehand to Sarajevo, on 18 and 19 September 2012. On election day, members of the delegation had observed the voting in 174 polling stations. A number of weak points had been noted: the influence of parties on the composition of polling station commissions and the role of domestic observers, the voter registration process, the issue of assistance for voters who were not able to vote on their own and family voting.

Mr Silberg said that the electoral process had been relatively clear, and the central electoral commission's work well organised. The polling had been conducted in a peaceful atmosphere in accordance with Council of Europe standards. He concluded by expressing the hope that the co-operation between the Congress and the Committee of the Regions would continue.

**The PRESIDENT** (France, SOC) declared the debate open.

**Viacheslav ROGOV** (Russian Federation, ILDG) said he had monitored the elections in Banja Luka. In his view, the elections had been organised in a satisfactory manner but had not attracted huge numbers of voters, for various reasons. In Banja Luka, there had been signs of political tension, but this was nothing to do with the election. It was, rather, an inherent feature of the situation in Republic Srpska. The attitude of the local population to the elections had been positive, however. The role of the Congress observers had been well perceived and the political process as a whole had been satisfactory.

**Divna ANICIC** (Bosnia and Herzegovina, NR) thanked the Congress delegation for travelling to Bosnia and Herzegovina and Amy Koopmanschap in particular for the changes made to the report and for her concern about women mayors. She said there had been no real announcement of a final verdict and expressed the wish that the election results be posted on the relevant website: [www.izbori.ba](http://www.izbori.ba).

**Gaye DOGANOGLU** (Turkey, EPP/CCE) said she had taken part in this mission to Bosnia and Herzegovina which was a developing country, politically and socially speaking, just like Turkey, in fact. On election day, she had found herself in one of the most politically sensitive spots. The voters had just received their ID cards and had arrived in busloads, under police supervision. The town had a population of 1 000 inhabitants yet 3 000 people had turned up to vote. The situation had not been easy and signs of inter-ethnic rivalry could be detected. Ms Doganoglu hoped that in future, more people would be trained so as to ensure that elections went smoothly and suggested that some assistance from the Congress or possibly neighbouring countries might be helpful.

**The PRESIDENT** (France, SOC) invited the rapporteur to reply to the speakers.

**Amy KOOPMANSCHAP** (Netherlands, SOC) rapporteur, in reply to Ms Anicic, observed that there was indeed some room for technical changes in order to flesh out the report. Going back to the situation in Srebrenica mentioned by Ms Doganoglu, she said that for those in charge of organising the elections, the situation had in fact been rather challenging. It had taken two months to ascertain the final outcome of the election. Such difficulties were specific to Srebrenica and had not been observed elsewhere in the country. Ms Koopmanschap felt that the Bosnian authorities and the central commission were to be congratulated in this regard.

**The PRESIDENT** (France, SOC) put the draft resolution, to which no amendments had been tabled, to the vote.

The draft resolution set out in Document [CPL(24)3PROV] was approved.

**The PRESIDENT** (France, SOC) put the draft recommendation, to which no amendments had been tabled, to the vote. The requisite majority was two thirds of the votes cast.

The draft recommendation set out in Document [CPL(24)3PROV] was approved.

## 7. SMART CITIES: NEW TECHNOLOGIES SERVING DEMOCRACY

**The PRESIDENT** (France, SOC) noted that the next item on the agenda was a debate on the subject “smart cities: new technologies serving democracy”. He welcomed the deputy mayor of the city of Tartu, Raimond Tamm. Tartu was the second-largest city in Estonia, with a population of just over 100 000 inhabitants. Mr Tamm was the leader of the INTERREG IV project entitled “Towards citizen-centred eGovernment in European cities and regions”. An ardent supporter of e-participation, he was going to tell Congress members about his city’s experience of using new technologies to deliver public services, such as transport and urban planning. Tartu had even introduced an electronic award system for members of the public who did the best job of clearing snow outside their house. Tartu had also pioneered a scheme that allowed people to use their mobile phones to pay for bus travel, parking, etc. or to report any maintenance issues. The city’s website carried the slogan “City of Good Thoughts” and the President invited Mr Tamm to share some of these thoughts with the members of the Chamber.

**Raimond TAMM**, Deputy Mayor of the city of Tartu, Estonia, thanked the Chamber of Local Authorities for inviting him. Estonia was one of the most advanced e-societies in the world. As a university city, 50% of whose population was under the age of 35, Tartu had always been eager to innovate in the field of e-solutions. Co-operation between the city authorities and the communication technologies sector had helped to produce a range of e-solutions for the benefit of local residents.

Discussion with citizens was essential for the city of Tartu. It had observed that people were increasingly suffering from information overload, and that one way to reach people more easily was to make public information more entertaining. The use of electronic solutions was not an end in itself, however: e- and m-tools were used to involve citizens in the life of the community and needed to be very easy to use. The success of this process depended to a large degree on choosing the right tools. It was important to be aware that a new generation had been born with the advent of the information society. Social media gave people more power. Different channels must be used to reach different target groups. To engage the younger generation, for instance, new technologies were often the most effective tools whereas in the case of older people, face-to-face meetings might work better.

E-democracy was directly related to the level of Internet and mobile phone penetration. It was quite clear that the use of mobile phones was increasing at a faster rate than Internet use so the city of Tartu was focusing on developing mobile applications as a way of involving its citizens.

The main challenge for municipalities was to deliver the best possible services to its citizens. Tartu was therefore working to modernise public services, with the aim of making them as accessible as possible. In Estonia, about 80% of the population aged between 16 and 74 years used the Internet and 71% of households had access to the Internet. There were also more mobile phone contracts than residents – 139 per 100 people. It made perfect sense, therefore, to concentrate on developing electronic services.

The development of e-solutions rested on the notion of open data, i.e. data that was freely available to everyone to use and republish as they wished. Easy and free access to data enabled municipalities and their partners to provide electronic services at a lower cost.

The services in question were very wide-ranging and covered public parking, transport, street lighting, various types of payments, communication with schools and teachers, library services, city

council meetings, neighbourhood watch, etc. Other applications were in the pipeline, such as an electronic information system to help involve citizens in the law-making process, or in local budgeting.

Budget cuts in Estonia had affected the introduction of e-solutions. For the smaller municipalities in particular, the costs involved in developing these applications were sometimes prohibitive in relation to the expected benefits. Mr Tamm felt it was important therefore to concentrate on more centralised development of e- and m-tools, which could then be adopted by municipalities at reasonable cost.

Mr Tamm wished to highlight one recent development which had enabled his city to take the smart city concept even further. In 2012 a new cluster called the Smart City Lab had been set up in Tartu to create an innovative environment that would help boost companies' competitive edge by bringing together businesses, citizens, public authorities and R&D institutes. The main activity of the cluster was testing e- and m- applications, which could eventually be introduced in other towns and cities around the world. In this context, an assessment of the public services provided by the city of Tartu had been carried out, following which it had been decided to concentrate on development activities related to new technology networks and infrastructure, intelligent transport solutions, digital TV, services related to tourism and urban life, and last but not least inclusive governance services. The aim of the Living Lab was to test various applications on a community of at least 1 000 users, i.e. 1% of the city's population.

Learning from one another's experiences was another way of introducing new solutions. The city of Tartu had recently taken part in an international project entitled "eCitizen II – Towards citizen-centered eGovernment in European cities and regions". The aim of this project was to support European cities and regions in their efforts to introduce e-governance, through sharing good practice. Improved interaction between citizens and public authorities was an integral part of the project, leading to the publication of a pan-European best practice manual on eParticipation. The manual was available on [www.eparticipation.eu](http://www.eparticipation.eu). All cities were welcome to post details of their own experiences in this area.

Mr Tamm ended by pointing out that policy support measures were needed in order to initiate and implement e-solutions, so as to end up with active, well-informed citizens who were happy to participate in public life. The opportunities were there and it was for local elected representatives to grasp them.

**The PRESIDENT** (France, SOC) thanked the speaker and introduced Ilmar Reepalu, Mayor of Malmö, who had chaired various commissions at the EU Committee of the Regions and who had represented the European Union at the Rio de Janeiro and Durban summits. He was well-known for his commitment to building a sustainable society and improving living conditions for the people of Malmö. Malmö had been the first municipality in Sweden to introduce e-petitions, using a method which was now known as the "Malmö initiative".

**Ilmar REEPALU**, Mayor of the city of Malmö, Sweden, outlined the background to his city's decision to go down the e-democracy route. In Sweden, 24% of people aged between 19 and 28 years thought that democracy was a bad, or even very bad, way of organising society. Studies carried out in various European countries showed that between 25 and 50% of the younger generation thought that democracy was not the best way of running society. Young people felt excluded from society, something that was partly to do with the high unemployment among this section of the population. It was important therefore that every citizen feel that democracy covered all the issues that he or she cared about. In research carried out in Europe, some young people reported being willing to sell their votes while others said they would like to see a strong leader come to power, one who would disregard the views of parliament. Such a state of affairs was extremely dangerous.

Through e-democracy, the city of Malmö was trying to get more in touch with its citizens, in particular young people. For many years, Malmö had been taking innovative action in this area. It was partly a question of delivering public services in a more accessible way and partly about creating a dialogue with citizens. This dialogue needed to be ongoing, and not just something that happened at election time. Participatory democracy was based on dialogue with citizens. Addressing the Congress the previous day, Katharina Wallenborg had talked about how the city of Huddinge was trying to improve youth engagement in policy making. The elected representatives were still the ones



taking the decisions but such practices made it possible to have an in-depth discussion with young people first.

The “Malmö initiative” was a web-based platform where citizens could make suggestions and comments concerning the city. It was not a decision-making body but a forum to initiate debate regarding various political issues. Citizens could express support for initiatives and/or give their opinions on various topics. Anyone could take part, including local elected officials. Where an idea drew hundreds of expressions of support, the local council concerned would examine the proposal, without any obligation, of course. Interesting proposals might emerge and be examined at local council meetings. The Malmö initiative had been among the first of its kind in Sweden. Many of the proposals came from what were undoubtedly the most dynamic communities in the city but other people managed to make their voices heard as well. To ensure the success of this tool, it was essential that local elected officials respond to the ideas that came in and inform the people who presented them about how these ideas were followed up.

Another local initiative was the so-called “Malmö panel”. Initially, an invitation had been sent out to a number of local residents, asking them to represent the city. The panel consisted of around 1 600 participants who were consulted several times a year. For example, when a municipal committee had to decide where to site a new sports ground, it would ask the panel for its opinion. Sometimes, issues required in-depth discussion and members of the panel would then be asked to attend face-to-face meetings. Members of the panel voted anonymously: only the overall result of the consultation was made known. The panel was a way for local elected representatives to keep abreast of current thinking. For example, the local authorities had been planning to install surveillance cameras in streets where there had been a large number of crimes. The debate focused on issues such as safety, privacy and helping police investigations. The vast majority of those consulted were in favour of the cameras and local policy makers decided to proceed with the plans. CCTV proved to be an excellent way of combating crime. The local elected officials made no assumptions about what local opinion might be. Instead, they actually listened to what people had to say and then discussed it in committee. The city of Malmö was anxious to avoid the mistake made by some policy makers, who discussed matters only among themselves and had no idea what the rest of the community wanted.

Mr Reepalu went on to talk about something that was a problem for many young people in Sweden, namely housing, which was both very expensive and not always suited to the needs of the younger generation. The city of Malmö had invited young people and architects to post suggestions on the city website. 60 000 replies had been received. The municipality had contacted companies that might be able to use some of these ideas, which were highly innovative and workable. In this way, young people could see that democracy allowed them to participate in the life of the community. Local elected officials, meanwhile, must make sure that citizens' voices were clearly heard.

**The PRESIDENT** (France, SOC) thanked both speakers for their statements, saying that they provided food for thought and seemed to have sparked quite a response from the audience. He declared the debate open and gave the floor to Galyna Gerega.

**Galyna GEREGA** (Ukraine, EPP/CCE) said that modern cities offered real potential for innovation. As deputy head of the city of Kyiv, she explained that the Ukrainian capital had adopted a system of e-management for the city: an e-service centre had been set up, with a web portal providing information about all the municipal services and enabling users to download all the necessary administrative documents. At the same time, inter-agency automated data sharing had been introduced, thus helping to improve the operation of administrative services and the management of public affairs while at the same time reducing costs. An e-signature and e-ID verification system was to be introduced soon, together with databases for the city's capital spending projects. Kyiv was aiming to achieve the kind of quality e-services found in other municipalities in developed European countries. Ms Gerega said it was her belief that the future of cities depended heavily on the use of electronic technologies.

**Luzette WAGENAAR-KROON** (Netherlands, EPP/CCE) said that many municipalities in the Netherlands were looking at how social media could help to boost citizen participation in public life and contribute to better public service delivery. The use of social media by municipal authorities had increased greatly in recent years and guidelines had been issued in this area. Ms Wagenaar-Kroon cited various examples. Municipalities, via social media, were giving citizens the opportunity to air

their views on public policy. The municipality of Leiden, for instance, had used Twitter to start a conversation between Internet users, local elected officials and partners from educational institutions with a view to developing a local arts policy. On-line media were more effective than traditional methods when it came to reaching the younger generation. Various towns and cities were also using digital platforms to inform young people and/or invite them to join on-line panels for expressing their views on local council plans. Citizen participation in local democracy was thus increasing, paving the way for a different kind of decision-making. Some municipalities were holding discussions on Twitter while others had introduced mobile applications for certain services.

Ms Wagenaar-Kroon pointed out that using social networks without any kind of guidelines was risky, however. Discussions on Twitter must be organised. She ended by saying that she would like to hear about other countries' experiences in this area.

**Ann BESKOW** (Sweden, SOC) noted that Mr Reepalu had mentioned a web platform where anyone could share their opinion. Some sections of society did not use modern communication technologies, however. What could be done to ensure that the voices of those who did not have access to the Internet were heard? Were the online discussions followed up by public meetings?

**Jos WIENEN** (Netherlands, EPP/CCE) had a question for Mr Tamm. He wished to know how the people of Tartu had reacted to the city council's initiatives regarding the use of electronic media. For example, in the case of webcasts of city council meetings, was there any way of knowing how many people regularly followed these events?

**Fleur BUTLER** (United Kingdom, ECR) expressed keen interest in the Malmö initiative. In her view, such tools were very useful as long as they were not hijacked by lobby groups. What could be done to avoid this? Also, could Mr Reepalu give some examples of proposals that had garnered a hundred or more signatures and been acted on by the city authorities? Of all the proposals, which had received the most signatures?

**Barbara TOCE** (Italy, SOC), going back to Tartu city council's use of smartphone-accessible services in areas such as transport, education, etc., asked Mr Tamm which services worked the best and were the most popular with the public.

**Dario GHISLETTA** (Switzerland, SOC) said that "smart cities" was a very interesting and complex subject. In Europe, it had been found that older people were the ones most likely to participate in elections, yet they were relatively out of touch with new technologies. This was something that needed to be considered. Mr Ghisletta was aware of the major role that social media could play. He also felt, however, that there was a risk that social media might supplant other means of communication such as the print media, television, radio, political meetings, etc. In some European countries, there were politicians who communicated purely via social media. In Italy, for example, one political movement had announced that it wished to discuss matters exclusively through social media. Mr Ghisletta felt that such an approach presented a real problem.

**Marc COOLS** (Belgium, ILDG) believed that all the local elected representatives in the Congress wanted to be in constant touch with their citizens. He was trying to introduce participatory democracy in his own town. There were numerous mechanisms in Belgium for canvassing public opinion, e.g. for town planning projects, but sometimes when it came to siting schools, bus stops, etc. people had a "not-in-my-backyard" mentality. Elected representatives needed to be able to deal with this kind of reaction. At public meetings, they could explain the benefits of a particular scheme. If they received petitions, they could respond to them, but how were they supposed to deal with these reactions via social media? Mr Cools observed that discussions on social media sites were sometimes very simplistic. How was one meant to respond to comments like "this town planning scheme is hideous"? How did the city councils in Tartu and Malmö deal with this problem? Did they have enough staff who were capable of conducting a conversation on social media sites?

**Andrea PELLIZZARI** (Italy, EPP/CCE) confirmed what Dario Ghisletta had said about there being a party in Italy which wanted to forego traditional methods of communication completely, preferring to connect with people directly via the Internet. Such an approach had a number of advantages, of course, allowing direct contact with citizens, but it also presented a number of problems. In Mr Pellizzari's view, it could help achieve certain objectives, but not all. You could not

tell people that they could vote online in place of the local council which was responsible for making decisions. Interaction of this kind was a major asset in building democracy, however.

Social media could also be an invaluable tool in the civil defence sphere. A few days earlier, for example, the town of Arzignano had experienced a minor earthquake, and the local council had been able to communicate directly with local residents via Facebook and Twitter. The same applied when there were heavy snowfalls. Such methods had met with a very positive response from members of the public who liked the fact that the mayor and his staff were accessible and receptive to criticism. Mr Pellizzari said that on social networks, a certain attitude tended to prevail, which served to weed out those who were only interested in making disparaging remarks. Transparency paid off, therefore. That said, not all problems in the field of public administration could be resolved this way.

Mr Pellizzari invited all the members present to visit the Facebook and Twitter pages of the town of Arzignano and to talk about their own experiences. He said that young people were used to travelling and using the Internet. When it came to the younger generation who had been born in the digital era, it was important to change the way citizens interacted with their elected representatives, otherwise the latter would soon become a relic of a bygone age.

**Matej GOMBOSI** (Slovenia, EPP/CCE) said he was mayor of a town with a population of just under 9 000 people and an IT specialist by training. There was no question that information technology made for more efficient local government and more accessible information and had the potential to generate savings. E-services were very popular with citizens. Numerous administrative procedures could be completed online, and local residents had access to a range of information about current projects and what the local council was doing. Internet and mobile phones could be used to facilitate interaction with the public and social integration, by giving citizens the chance to make comments and suggestions. The municipality of Beltinci was trying to gradually introduce such services, in the interest of both the local community and municipal services. It was involved in European projects in the field of new technologies. A scheme was also being run with the computer science faculty to allow local residents to see exactly how much solar energy their property could generate and the return that they could expect to get from installing solar panels.

**Vittorio BROCCOLI** (San Marino, NR) said that his town, Chiesanuova, had launched a whole series of activities to involve local residents: events, public meetings, etc. The use of new technologies had not been overlooked and a website and Facebook page had been created to tell people about the activities being organised by the local council. How, though, he wondered, to reach everyone: young people were receptive to online communication but there was a whole section of the population, not just elderly people, who were not familiar with the Internet and new technologies in general. What instruments could be used to involve this section of the population in community life?

**Dariusz WROBEL** (Poland, ECR) said that many urban communities in Poland wanted to become "smart cities". Schemes were being introduced in fields such as road traffic management, public transport and security systems. The use of security devices had created a number of problems, however: digital recording of people and properties raised the issue of personal data protection. In order to ensure this protection, use of the system was confined to the local police. Mr Wrobel thought that, in order to improve efficiency, the system should be available for other local services as well. It was planned to change Polish law in this area. Mr Wrobel asked the two speakers whether they had any suggestions here.

**Gaye DOGANOGLU** (Turkey, EPP/CCE) congratulated all of those gathered today who were making use of smart solutions. She suggested that they set up a network using their Twitter addresses in order to facilitate further discussion.

**The PRESIDENT** (France, SOC) invited Mr Tamm and Mr Reepalu to answer the various questions put by Congress members.

**Raimond TAMM**, Deputy Mayor of Tartu, Estonia, answered the question about how the people of Tartu had reacted to these various services. Before introducing a new service, the local council consulted local residents to make sure that it did in fact fit a particular local need. The number of people who followed local council meetings online varied according to what was being discussed,

but there was no question that this facility had helped boost public interest: it was estimated that about 1% of the population followed these meetings, which seemed to be a very respectable figure.

Mr Tamm went on to give some examples of services introduced in Tartu. Mobile services facilitated communication between schools and parents. All the schools in Tartu were involved in the project, and the teachers were keen for it to continue, providing them, as it did, with an easy means of informing parents about, say, school trips or their children's progress, etc. It was planned to extend the scheme to kindergartens.

Something else that had been introduced by the municipality was a neighbourhood watch scheme. Anyone wishing to take part could receive text messages from the police or participating security companies, asking them to be extra vigilant, if there had been a car theft, for example. The system was not yet widely used, but it was proving effective and had helped to find stolen cars.

A hotline had been set up and Tartu residents could now send text messages to report faulty street lighting or other problems with municipal services. Members of the public only had to memorise one number and the message was transferred to the relevant department.

Another application concerned sports facilities and public parks: if someone wished to use a facility or park after 10 pm, they could send a text message and the lighting would be left on.

Mr Tamm said that Tartu mayor's office was also concerned about those sections of the population that did not use e-services and had therefore decided to continue sending out letters by post.

Referring lastly to social networks, Mr Tamm said that while these gave individuals more power, they could also be dangerous. In Estonia, for example, there had been cases where politicians had failed to respond to comments posted on social networking sites. In one instance, 4 000 people had criticised the activities of a particular politician. Facebook was a powerful tool, but it was dangerous too. Public institutions should realise the value of this instrument, but must not ignore the risks.

**Ilmar REEPALU**, Mayor of the city of Malmö, Sweden, noted that it was important to be aware that democracy was about more than just decision making. Participatory democracy was about the stage prior to decision making: how to interact with the local community, how to work out solutions. The cities of Tartu and Malmö had found a way of ensuring greater citizen participation. Granted, not everyone was comfortable with computers, which was why the Malmö panel still dealt with some matters by post. The Malmö initiative, however, was only accessible online.

One concern expressed by the speakers concerned the risk of abuse. Mr Reepalu said that while there was always the possibility that certain people might want to stir up controversy whilst remaining anonymous, no such instances had been reported. It had been found that virtual communication made people want to meet their interlocutors face-to-face in order to continue the discussion, reigniting interest in political gatherings. Social media were a good way of stimulating people's curiosity about how their town was run.

Mr Reepalu noted that when one drew up a blueprint over a twenty or thirty year timeframe, one was essentially articulating a vision and it was important that as many local residents as possible be involved in the process, in particular young people. Visits to schools should be organised, and pupils asked about the kind of society they wanted to live in. Such methods also helped to educate children and teenagers about democratic principles. Mr Reepalu felt that democracy was not so much about finding a perfect solution as it was about being willing to listen and constructing a compromise that was acceptable to everyone. There was plenty of room for variety in an approach of this kind. Mr Reepalu observed that what the city of Malmö was offering was not a solution, but rather an instrument for greater participation. Society was facing numerous problems at present and it was important that individuals feel included, that their opinion mattered and that they were part of the future.

**The PRESIDENT** (France, SOC) wished to conclude this discussion by expressing his thanks, beginning with his fellow Bureau members with whom he had chosen the theme of today's debate.

The numerous statements by Congress members were proof that they had made the right choice. He thanked the two representatives from the city of Tartu and Malmö for agreeing to talk about their experiences, in an area that involved numerous technical aspects. There was more to be said on this subject, moreover. The President also thanked the audience and everyone who had spoken in the debate and pointed out that this discussion was merely the start of a process. He invited the chairs of the three Congress committees to continue working on this theme in committee. The Chamber of Local Authorities would also be returning to the subject.

Lastly, the President noted that the discussions should not be confined to meetings and encouraged all members of the Chamber to carry on the conversation via social networks. Such discussions could only lead to better public services and increased citizen participation in community life. People were showing less and less interest in their local assemblies, society was evolving and local elected representatives must not only adapt but also become a driving force for change.

8. CLOSE BY THE PRESIDENT OF THE CHAMBER

**The PRESIDENT** (France, SOC) drew members' attention to the "Smile" exhibition being staged by the Republic of Moldova and which featured a collection of caricatures of the heads of Congress delegations.

The President announced that the 25th Session of the Chamber of Local Authorities would be held at the same time as the 25th Session of the Congress, from 29 to 31 October 2013.

The President declared the 24th Session of the Chamber of Local Authorities closed.

*The sitting rose at 12.10.*



**SITTING OF THE CHAMBER OF REGIONS****Wednesday 20 March 2013 at 9.00**

---

**CONTENTS**

	<u>Page</u>
1. Opening by the President of the Chamber .....	71
2. Communication by the President of the Chamber.....	71
3. Adoption of the draft agenda of the Chamber .....	72
4. Round table on regionalisation and devolution in Europe in a context of economic crisis.....	72
5. Close by the President of the Chamber .....	85





## 1. OPENING BY THE PRESIDENT OF THE CHAMBER

*The sitting opened at 9.10 with Ms Nataliya Romanova (Ukraine, ILDG), President of the Chamber, in the chair.*

**The PRESIDENT** (Ukraine, ILDG) declared the 24th Session of the Chamber of Regions open, in accordance with Rule 17.1 of the Rules of Procedure.

## 2. COMMUNICATION BY THE PRESIDENT OF THE CHAMBER

[CPR(24)1]

**The PRESIDENT** (Ukraine, ILDG) said that vital issues for all member states would be debated during the sitting.

She proposed beginning with an update on the activities carried out by the Chamber of Regions since October 2012, when she had become President, and then moving on to projects for the future.

At the meeting in October 2012, the Chamber had adopted two reports on subjects which she believed were priorities. The first had been on the governance of macro-regions in Europe and the second on action to combat sexual exploitation and abuse of children. In this connection, the Congress had been very active in the launch of the Council of Europe's "One in Five" campaign. The campaign was gathering momentum in all European countries, which was a sign that the issue was very topical.

In October 2012, the Chamber of Regions had altered its approach slightly so as always to focus on the political events occurring at regional level in Europe. For instance, the Bureau had worked on the results of the latest regional elections in the Czech Republic, Italy, Portugal, Spain, Austria and Germany. It had discussed the election of a new parliament in Catalonia and the decision to hold a referendum on independence in Scotland. Another very interesting subject, on which a presentation would be given at the round table, was the proposed single authority for Alsace.

The Chamber of Regions had been represented at several events of interest to European regions. The President herself had taken part in the International Conference on the Role of Decentralisation in the Consolidation of Democracy in Albania and European Integration held in Tirana in October 2012. She had also represented the Chamber of Regions at the annual conference of the Association of European Border Regions in Berlin in November 2012.

The Congress and the Chamber of Regions had taken part in the seminar held in Turku in Finland by the EU Committee of the Regions on the theme of the Baltic region and the Russian Federation, the general assembly of the Conference of European Regional Legislative Assemblies in Merida in Spain in November 2012 and the conference on "Youth as a source and a lever of regional growth in times of crisis" held in Warsaw on 8 March 2013 by the Assembly of European Regions.

As far as the future was concerned, a number of priorities were vital. The Chamber of Regions would seek to implement the Congress' priorities, in line with the Council of Europe's objectives, in close co-operation with all its partners. Regional democracy and regionalisation were key challenges. The reference framework agreed for regional democracy should continue to serve as a model for governments engaged in processes of regionalisation or reform of their regional structures.

The Bureau of the Chamber of Regions was currently analysing the trends in regionalisation in Europe. Many calls for greater regional autonomy were being made, sometimes even including demands for secession. It was necessary to assess the extent to which these developments were linked to the current context, in other words, the crisis and the efforts to find new ways of tackling the challenges facing European countries. Moreover, inter-regional co-operation projects and cross-border co-operation, which were key priorities of the Congress, should be central to the Chamber's concerns.

The Chamber of Regions was willing to work in close co-operation with the European Union, as well as the associations which represented regions. Co-operation with civil society was just as important: it was necessary to respond quickly to any initiatives it developed. The previous day, the Secretary General of the Council of Europe had referred to social cohesion and citizen participation in his address to the Congress, making the theme one of the key focuses of the Council of Europe's work.

To perform its task successfully, the Chamber of Regions needed the support of all its members and the citizens they represented.

The President asked for comments. As no one wished to speak, she called the next item on the agenda.

### 3. ADOPTION OF THE DRAFT AGENDA OF THE CHAMBER

[CPR(24)OJ1PROV]

**The PRESIDENT** (Ukraine, ILDG) asked the members of the Chamber if they wished to present any amendments to the draft agenda set out in Document CPR(24)OJ1PROV.

There were no proposed amendments.

The draft agenda was adopted.

### 4. ROUND TABLE ON REGIONALISATION AND DEVOLUTION IN EUROPE IN A CONTEXT OF ECONOMIC CRISIS

[CPR(24)2]

**The PRESIDENT** (Ukraine, ILDG) drew members' attention to the importance of the issue to be discussed: regionalisation and devolution in Europe in a context of economic crisis. The round table tied in perfectly with the theme adopted by the 24th Session of the Congress, namely Europe in crisis. The crisis had forced many local and regional authorities to cut some of their services, in particular social services. At the same time, a trend towards devolution was becoming ever clearer.

Contrary to the oft-quoted slogan, "think global, act local", European policymakers had not taken a global approach and the public were now suffering the consequences, hence the current crisis of confidence in governments. However, the crisis could also open up opportunities for carrying through reforms. For instance, in France, reforms of local and regional government had been initiated, with a view to simplifying the various tiers. A further trend which had been observed in Europe in recent months had been a resurgence in regional nationalism. How should these trends be interpreted?

She asked Herwig van Staa, President of the Congress, to open the round table. For her part, Ulrike Guerot, would discuss the trend towards regional nationalism, while Michèle Sabban, speaking on behalf of the Assembly of European Regions, would look at the way in which regions were tackling the crisis. Françoise Dupuis would present the position of the Conference of European Regional Legislative Assemblies and then Jean-Marie Belliard would give details of the plans for a single territorial authority for Alsace. Two rapporteurs would present their recommendations: Bruno Marziano, Congress Rapporteur on Regions with Special status, and Marie-Madeleine Mialot Muller, Rapporteur on Regionalisation. Other speakers had also added their names to the list.

**Herwig VAN STAA** (Austria, EPP/CCE), President of the Congress of Local and Regional Authorities, said that the situation of Europe's regions had repercussions for their ability to tackle the current crisis, which was both an economic crisis and a crisis of society. There was a resurgence in nationalist movements and, although some were only very small groups, others were particularly virulent. They all based their arguments on fear, whereas solidarity was vital for tackling the crisis.

The members of the Congress could draw on some fundamental texts, the foremost of which being the European Charter of Local Self-Government. It was most unfortunate that the Congress had been unable to push through a Charter of Regional Self-Government, which the nation states had

prevented. It had only been possible to adopt a reference framework for regional democracy, a purely internal document which was not binding on the member states.

Two issues arose in this area: the establishment of authorities at regional level and the arrangements for cross-border co-operation. A number of regions with special status existed throughout Europe, including the Basque Country, Catalonia, the Azores, the Åland Islands, Scotland and Northern Ireland. Most were based on demographic or historical factors. Europe also had several highly regionalised countries, where regions had relatively extensive legislative powers and, in some of these countries, certain regions had very particular powers, as was the case in Spain.

In the case of cross-border co-operation, an important part could be played by European Groupings of Territorial Co-operation (EGTCs), which had considerable potential for expanding cross-border economic cooperation. EGTCs had been set up by the European Union in 2006, as transfrontier co-operation as provided for in the Madrid Convention and the three additional protocols had not really been effective since a number of states had not ratified the convention and others had entered many reservations. The new framework established with EGTCs enabled regions or local authorities to enter into co-operation projects with entities which were not in the European Union but were in Council of Europe member countries. Programmes supported with EU funds could be set up under the scheme.

Lastly, macro-regions such as those in the Baltic and the Danube region enabled strategies involving many states to be put in place. Although the European Union had not allocated any specific funding to them, several existing budget lines could be used to support macro regions. Some non-EU countries such as Switzerland, Liechtenstein and Monaco were seeking to become involved in the various schemes. He had always been in favour of maximum openness in the regulations on EGTCs. In recent contacts with the European Commissioner, Johannes Hahn, he had called for the next EU financial framework, covering the period up to 2020, to include funding possibilities for this purpose and for regions which were underdeveloped.

Regions with special status could play a very specific role in tackling the crisis. They had great budgetary autonomy and extensive powers, in particular concerning co-ordination of action by the lower tier, namely local authorities. This meant that they were able to act at grassroots level. He urged members of the Chamber to refer to the work done by their colleague, Karl-Heinz Lambertz, in this area. The regions concerned needed to step up their co-operation with local authorities still further. It was at that level and through joint efforts that responses to the crisis had to be found. In co-operation with its partners, the Congress was currently considering the drafting of a charter for multilevel governance.

**Ulrike GUEROT** (Germany), Director of the Berlin Office of the European Council on Foreign Relations (ECFR), said that regionalisation and calls for regional autonomy were nothing new in Europe. Over the past decades, militant and separatist groups such as the Basque and Corsican movements had come to the fore. The powers of regions varied from country to country. Some large countries such as Germany and Italy had federal structures, while France, with a more centralised administrative structure, was an exception. Historically, it could be said that Europe had been a Europe of regions before becoming a Europe of nation states. The establishment of nation states had mainly occurred in the 19th century and had sometimes been accompanied by wars and revolutions. Border regions such as Alsace, Saarland and Silesia had often changed hands.

With the general trend towards globalisation, the importance of regions was growing again and the process was being speeded up by the economic crisis. Some peripheral regions were suffering economically, in particular all regions confronted with a sharp decline in population. The economic crisis had produced feelings of anxiety, leading people to rediscover values such as regional identity. At the same time, the aim of the wealthier regions was to put an end to transfer payments to poorer regions, as could be seen at present in the case of Bavaria, Scotland and Catalonia. All these regions were net contributors to the fiscal harmonisation regimes of their various countries. For instance, Catalonia transferred €12-€16 billion, or 6% to 8% of its GDP, to the rest of Spain. While Bavaria only transferred 0.9% of its GDP to the German federal state, it had joined with Hessen in lodging an appeal with the Constitutional Court against these transfers. One of the main arguments put forward was that social standards in other Länder in Germany were higher, which meant that Hessen was indirectly paying for their prosperity.

Scotland was preparing a referendum on independence to be held in 2014, which was posing serious problems for the United Kingdom, in particular in the context of the referendum due to be held by 2017 on continued EU membership. An analysis by the Scottish Government showed that Scotland had the lowest deficit in the United Kingdom in proportional terms. Scotland's legal position in the event of independence remained completely unclear. The European Union did not have any legal provisions covering such an eventuality. Scotland had declared its interest in joining the European Union in its own right. In Flanders, a similar situation had arisen after the N-VA party had become the strongest party in the local elections in Antwerp. However, its political ambitions went no further than a loose confederation. The result of the disagreements had been that the Belgian state had remained without a government for 10 months.

To sum up, Europe's political economy was currently caught between two conflicting trends. There was a growing divide between urban and rural areas, with dynamic towns and built-up areas on the one hand and increasingly deserted rural areas on the other. This could be seen particularly clearly in the eastern part of Germany, although there were some islands of prosperity. There was also a divide in the distribution of wealth between the north and south of Europe. The distribution of wealth within the European Union was uneven, even though the industrial value chain was European. In other words, production was transnational, but social distribution was not, for various reasons relating to solidarity and constitutional barriers. The redistribution system in Europe depended on member states' negotiating powers when the EU budget was drawn up. The distribution of wealth at regional level was then decided upon by each member state on a national basis. In an ideal world, in the eurozone in particular, redistribution should take the form of transfers from growth regions to disadvantaged regions. The French Government had proposed that redistribution should be achieved through unemployment insurance. The European Commission had already set up a working group on the matter.

There were, however, two prerequisites for the establishment of a system of this kind. Firstly, European citizens would have to understand that "Euroland" already was a single economy and should be administered as such. Common economic and social rules and minimum rights should be drawn up at pan-European level. Europe needed a new social contract. This did not mean that there should be no competition between European regions in terms of economic performance and attractiveness, but it should take place on the basis of similar rules so as to avoid distortions. Needless to say, however, the current mind-set of European citizens was far from perceiving Europe as a single economy.

The second prerequisite was that, while regional powers and self-determination should be strengthened in the institutional system, for instance by recognising regional participation in the European Union's future parliamentary structure, it was necessary to avoid promoting any separatism on the part of richer regions, whose sole aim was to free themselves from poorer neighbouring regions. It would be completely wrong for them to believe that they could survive as islands of prosperity in the midst of declining regions affected by social unrest. There was already an interesting example of South/North migration with young Spaniards moving to Germany looking for work.

In conclusion, one of her friends, an artist, was running a project on how to link regions more effectively. A flyer describing her work was available for Congress members.

**The PRESIDENT** (Ukraine, ILDG) said that Ms Guerot had painted a very broad picture of the trends in Europe and presented most interesting conclusions.

**Michèle SABBAN** (France, SOC), President of the Assembly of European Regions, said that she agreed entirely with the comments by Herwig van Staa, who had referred to an economic crisis and a crisis of society. In her view, it would be appropriate to talk about a change in civilisation, given the speed of technological change.

The crisis was persisting. The initial symptoms which had appeared in 2008 with the banking crisis had been replaced by a deeper problem which affected the real economy. Against this background, states were cornered by the supranational model and were being forced to adopt structural measures as the only means of preventing the crisis recurring in future. At the same time, they were allowing the link with their citizens to erode, while uncertainty hung over the health of

Europe. Regions could and should make up for these shortcomings by asserting their role as the key link between the authorities and the public. They could take advantage of their diversity to foster innovation and identify driving forces for growth. A large number of small-scale steps could prove more effective than big international plans. That was the message which the Assembly of European Regions had been putting across in recent months, in particular during the series of conferences held on the issue of regions' role in tackling the crisis.

In this connection, several powers which needed to be exercised at local level had been highlighted. For instance, regions had to support employment policies, in particular those for young people, as it was they who bore the promise of a strong and balanced Europe. By adapting training to employers' needs and putting schooling on a sounder footing through responses tailored to each situation, regions would succeed in improving youth employability. The Eurodyssy programme established by the Assembly of European Regions for that purpose was becoming more successful every year.

The "green" economy was also a major challenge which regions needed to take up. For far too long, the public authorities had failed to recognise the scale of the need for economic reconversion. Nevertheless, regions did have the necessary instruments for shifting funding towards sectors with a high green growth potential.

Lastly, a third area for consideration concerned the benefits of the specific features of small and medium-sized enterprises. Without denying the importance of major firms, which provided employment and growth, it was important not to hide the fact that 99% of European companies were SMEs and that 90% of them were micro-businesses with fewer than 10 staff. It had been agreed that there was a need to compare respective experiences of support policies, identify the most promising sectors and introduce innovative funding and guarantee mechanisms. It was necessary to involve all the relevant stakeholders, namely the authorities, banks, voluntary networks and universities, in order to bring about fruitful co-operation. The establishment of a public investment bank in France modelled on its German counterpart was the sign of a shared conviction that the local level was the best level for investing in small and medium-sized enterprises.

Regions could therefore offer practical responses to the problems facing Europe, but they could not act without the support of national governments or EU institutions, on the basis of co-ordinated multilevel governance. If regions were to succeed in implementing growth policies, they had to be able to rely on European Commission funding. Martin Schulz, the President of the European Parliament, had recently underlined that there was an urgent need to establish direct relations between the European Union and local and regional authorities. Recognising this need, several governments had begun to reform their local and regional authorities. In Romania, for instance, a plan to merge counties (*judete*) into larger regions was under way with a view to giving them critical mass. The country's regional presidents were expecting much from this reform, which would enable them to make better use of EU funds while achieving economies of scale. For its part, Hungary had chosen to exercise the principle of subsidiarity in a specific way, believing that regional authorities had to act as economic driving forces. They could be assigned a key role in managing the structural funds. However, the Assembly of European Regions was opposed to any macroeconomic conditions: regions' access to the structural funds must not depend on national budgetary policies in which they had no say. The European Commission was receptive to those arguments. It was therefore up to states, which alone were responsible for the use of the structural funds, to take the necessary steps to enable regions to administer them as efficiently as possible.

Moreover, against the background of heated debate between the European Council and the European Parliament about the cohesion policy, the Assembly of European Regions had reiterated its commitment to the policy, which it believed was the main tool for achieving the goals of inclusive, smart and sustainable growth. The European budget should be an instrument for unity and solidarity between the regions of Europe. Regions needed fully to recognise their specific characteristics in terms of their closeness to the public.

Regional presidents should assert their identity as responsible public leaders freed from the pitfalls of national interests so that they could perform their task as social and economic links with their citizens to the full. Lastly, she invited participants to attend the last summit being held in Paris in May

to round up the Assembly of European Regions' work on the issue. A declaration of 10 principles would be presented to set out regions' solutions for tackling the crisis.

**The PRESIDENT** (Ukraine, ILDG) thanked Ms Sabban for the invitation and also for her contribution geared towards a fairer future based on dialogue with citizens. She also welcomed the strengthening of the co-operation between the Council of Europe and the European Union.

**Françoise DUPUIS** (Belgium), President of the Conference of European Regional Legislative Assemblies (CALRE), began by describing CALRE, which had been set up in Oviedo in 1997 and brought together 74 presidents of European regional legislative assemblies, including Spanish autonomous communities, Italian regions, German and Austrian Länder, the Portuguese regions of the Azores and Madeira, Scotland and Northern Ireland, Belgian communities and regions and other entities. The regional assemblies in the CALRE had legislative powers in many areas. CALRE's aims were to contribute to democratic participation in the European Union and to strengthen relations between regional assemblies. It supported cross-border co-operation projects. It currently had six working groups, one of which dealt with financial federalism. In particular, the work programme included the impact of national anti-crisis measures on local authority budgets and best practice in terms of financial federalism.

Regions had been hit directly by the economic and financial crisis. Regional public finances were caught between growing social needs and reduced revenues. They were also constrained by European rules on public deficits, which restricted their scope for action. The situation generated tension between federal and federate entities and between federate entities themselves regarding the distribution of tax revenues. Regions could play an active role in the area of employment and economic recovery, but these issues were overwhelming them, as was also true of states themselves, given the global nature of the crisis.

Well-planned devolution had to go hand in hand with strengthening of social cohesion at European level, support for regions in difficulty and ambitious economic convergence programmes.

In this connection, CALRE's programme for 2013 underlined the need for an ambitious financial framework for the European Union for the period from 2014 to 2020 so as to allow proper funding of European regional policies. Devolution, in other words the assignment of responsibilities to regions, needed to be accompanied by adequate financial resources so as to prevent the dilution of solidarity and, ultimately, the weakening of democracy.

CALRE also stressed the need for the budgetary pact to be accompanied by measures designed to avoid excessive austerity. Steps needed to be taken to bring about economic recovery in Europe. Nobody now believed that the key to economic development lay in a pure mix of the free market and drastic cuts in public expenditure. The big banks, which sometimes had advocated this approach in the past, had been the first to call for government and EU intervention to save them from bankruptcy. The European Union had a duty to adopt mechanisms to ensure a high level of social protection for all its citizens.

Many disparities existed between regional economies. Effective devolution should not heighten them but, instead, should avoid creating economically unviable marginalised regional entities that were sources of instability. Europe had to move away from that approach, or its citizens would turn their backs on the hopes it had generated. While immigration could be an opportunity for ageing regions, greater economic divergences between regions, combined with the principle of free movement, could also trigger internal migration flows within the EU and lead to social tension and, once again, public rejection.

CALRE defended the principle of subsidiarity, which meant that decisions had to be taken at the most effective level and that each level of authority should have suitable means of initiative and oversight.

Lastly, the democratic deficit of the European Union was a constant concern of CALRE. The divide between the public and European institutions was regularly condemned. CALRE would support any measures to boost the democratic legitimacy of the European Union and would pay particular attention to the 2014 European elections.

She then referred to the situation of Brussels-Capital Region, whose parliament she presided over. It illustrated the issues related to this debate in many ways. After five reforms of the Belgian state, the region had various exclusive powers. As the seat of many international institutions, the region was in the paradoxical situation of being very rich in terms of value added, while a quarter of its population suffered social hardship and youth unemployment was very high. One of the main problems involved the relations between the city centre and the suburbs. The high-income urban households tended to live on the outskirts outside the actual region, which affected the resources of Brussels-Capital, which were partly based on personal income tax that depended on place of residence.

The principles of a sixth reform of the Belgian state had been agreed in December 2011. This would assign even greater responsibilities to the regions, but would reduce some forms of inter-regional solidarity in the long term.

Brussels Region intended making the most of the opportunities offered by the reform, which would significantly increase its powers. She was, however, watchful concerning some difficulties which might be caused by the change in legislation and which related to transfers of burdens between federate entities, competitive tax cuts, the critical mass for solidarity mechanisms and services and increased competition between regions. The devolution of certain aspects of national social security, such as family allowances and care for the elderly, also had to be backed up with sufficient financial resources to ensure fair treatment for all.

It was important not be afraid of change, but to take control of it. The crisis was the expression of an imbalance in the system and hence of a profound need for change. Its extent should not be played down. If the systemic imbalance was recognised and corrected in a way that fostered the integration of all citizens, the crisis could be an opportunity for Europe's regions and their citizens.

**The PRESIDENT** (Ukraine, ILDG) thanked the speaker and said that the "great European dream" now depended on the future models which would be adopted. Naturally, inter-regional solidarity could play a major part here.

**Jean-Marie BELLIARD** (France, EPP/CCE), President of the Commission on Cross-border and Decentralised Co-operation of the Regional Council of Alsace, began by underlining that the plans in Alsace had nothing at all to do with the concepts of separatist movements and nationalism that had been mentioned during the debate. The plans merely consisted in establishing a new authority, to replace three existing ones, in accordance with French law. Alsace was an integral part of the French Republic, which was not a federal state.

At a time when Europe was undergoing profound economic, social, cultural and environmental changes, it was vital for public action to remain focused and be geared towards achieving priority objectives. Equally, at a time when local authorities were having to adapt their spending to unprecedented cuts in revenues, it was important to pool resources and allocate them to what really mattered, to build greater synergy between public policies and to establish a lasting basis for the proper management of public funds. That was the purpose of the process to establish a single authority for Alsace.

French *départements* had been established at the end of the 18th century as part of the revolutionary movement, whereas the regions had come into being as part of a process of devolution in the late 20th century. Since then, various reforms had brought about successive advances. Act III in the process was now about to take place.

Alsace had regularly shown initiative and tried out new approaches in this area. The local authorities had demonstrated their relevance and efficiency every time central government had transferred blocks of powers to them. In its municipalities, groupings of municipalities, *département* councils and regional council, Alsace had taken full advantage of the devolution process. Everyone could see the positive effects, whether in the fields of education, culture, social cohesion or economic action.

But what would be the position in the future? The economic, financial and social crisis in Europe was calling into question the foundations on which public authorities, both central governments and local and regional authorities, had operated for decades.

The allocation of blocks of powers initially designed to keep authorities specialised in particular areas of action had not prevented cases of overlapping powers or competition between different authorities. The increase in the number of local bodies made things unclear for citizens and also reduced the efficiency of public action.

In a changing world with big regions that were becoming stronger and developing all over Europe, Alsace's elected representatives had felt that they needed an even stronger region in order to be able to protect their fellow citizens more effectively, deliver high-quality public services to them and make the regional economy more competitive, while retaining the benefits of grassroots action.

The law of 16 December 2010 on the reform of local and regional authorities had introduced the possibility of creating new authorities with a specific status, by merging regions and the *départements* which made them up. It was up to the relevant local and regional authorities to agree to propose such mergers, after which referendums had to be held. The government would only approve proposed mergers if they obtained an absolute majority of the votes cast, comprising at least a quarter of the voters registered in the *départements* concerned. Any merger would then be promulgated by law, along with the arrangements for the administration of the new authority. The latter could be set up at the time of the next elections, in 2015.

On 1 December 2011, the Congress of Alsace – comprising the regional assembly and the two *département* assemblies – had seized the opportunity and officially declared its desire to set up a new single authority for Alsace, combining the Alsace regional council and the Bas-Rhin and Haut-Rhin *département* councils.

The planned merger was designed to meet several objectives:

- make things simpler and clearer for the public;
- make Alsace more effective in implementing public policies by simplifying decision making and administrative arrangements;
- boost the region's profile and influence at national level and play a full part in expanding cross-border co-operation within the Rhine region;
- improve the distribution of roles between Alsace's main towns and cities and the implementation of public policies throughout Alsace;
- have new powers and resources transferred from central government on the basis of a system of contracts so as to try out a new phase in devolution.

Many regions in France were awaiting the outcome of developments in Alsace and the process could also serve as a model in Europe.

It was not just a matter of considering the current situation but of coming up with a model for the decades ahead: what was the best and most effective way of running Alsace, France's smallest region in geographical terms? The region's elected representatives wanted to build an authority which was fully in tune with the needs of Alsace and Alsatians, their aspirations, their specific characteristics and the diversity of the areas they lived in – a dynamic Alsace that had influence throughout France and Europe.

The people of Alsace would have their say on the plans on 7 April. That would be a founding moment for Alsace and, more broadly, for France, as the process would lead to an unprecedented reform of the country's institutions and methods of governance.

**The PRESIDENT** (Ukraine, ILDG) thanked Mr Belliard for describing this ambitious plan for Alsace with such great passion. There was a need for greater synergy between central government and the local and regional level. Devolution should be seen as a tool for greater efficiency. The Chamber of Regions would keep a close eye on this bold project. Transparency, the establishment of efficient structural arrangements, the use of cross-border co-operation and public support seemed to be the keys to success.



**Bruno MARZIANO** (Italy, SOC), Member of the Regional Assembly of Sicily, said that the Congress Governance Committee had asked him to prepare a report, in co-operation with Professor Palermo, on regions with special status in Europe. The report would be debated by the Congress in plenary when it was completed.

Many regions with special status existed throughout the Council of Europe. They had been established to take account of particular requirements relating to geography, culture, language or history, as was the case with Sicily. In the aftermath of the Second World War, there had been serious economic and social problems in Sicily, which had led to the emergence of a powerful independence movement. The authorities of the Italian state had concluded that granting Sicily special autonomy was the only means of stemming the separatist tendencies.

Regions with special status had extensive legislative, administrative and financial powers. These could be exercised both on an exclusive basis and on a shared basis, which meant that they could in some cases influence national legislation significantly. The relevant special statuses were often recognised by the constitutions of the countries concerned, which was the case of Sicily. The President of the Region of Sicily had ministerial status and could take part in cabinet meetings whenever issues concerning Sicily were discussed.

These regions with special status enjoyed better protection of the principles of regional democracy than other regions did. Political autonomy was exercised through direct elections. While the powers varied from region to region, all the regions concerned had responsibilities in the area of international, inter-regional and cross-border co-operation. They had greater financial powers. They were usually responsible for areas such as employment and regional or spatial development. The special statuses had to be the subject of careful compromises between different constitutional principles.

However, these regions' powers had been restricted in the context of the European Union. Sicily had initially had exclusive powers in key areas such as agriculture, industry and public works. Subsequently, the adoption of European standards had greatly restricted the region's legislative autonomy. Under a reform of the Italian Constitution in 2001, the powers of regions with ordinary status had been reviewed and new rules had been introduced for regions with special status. The areas of shared central government/regional powers had been expanded to the extent that it had been said that the rights of regions with special status had been reduced, although, at the same time, the role of regions in the Italian institutional system had been recognised.

Sicily's status had in some ways been a pioneering one. As far back as 1946, the abolition of provinces and the grouping together of municipalities had been considered. Recently, these ideas had come back into favour in connection with the efforts to reduce public expenditure. The previous day, Sicily had accordingly decided to abolish provinces and grant municipalities or groupings of municipalities new powers.

Reviewing public expenditure and streamlining central government and regional institutions were necessary in order to consolidate the finances of European states, in particular Italy. However, the strictness of the Stability Pact had certain negative consequences, in particular by putting a brake on investment, which had a dramatic impact on the real economy. For instance, it was an obstacle to the use of European funds, as that required co-financing. Moreover, the public authorities were no longer able to pay firms which had done work, causing the latter to build up debts. There was also a real credit crunch, which was hitting SMEs particularly hard. There was a real risk of SMEs going out of business and of the destruction of the industrial fabric, leading to a recession with tragic consequences. The alarm had to be sounded here, and there were a number of options for overcoming the constraints of the Stability Pact without undermining the consolidation of public finances.

Firstly, expenditure by local and regional authorities on activities co-financed with European funds should be excluded from the Stability Pact. In return for strict control of current expenditure, the European Union should allow debt limits to be exceeded for investments performed by companies on behalf of public authorities.

Secondly, the use of the JEREMIE and JESSICA European funds should be simplified and they should be accessible directly without the involvement of banks.

Thirdly, in terms of vertical stability, regions should provide local authorities with a share of their resources for investments in a number of areas such as spatial development and school building, etc.

He was aware that it would not be easy to implement all of these proposals, but Europe had been built after 1945 to spare future generations the suffering caused by war. It was vital to find ways of overcoming this serious crisis, restoring public hope and safeguarding the future of the younger generations.

**The PRESIDENT** (Ukraine, ILDG) said that Bruno Marziano had addressed vital issues. The previous day, the Congress of Local and Regional Authorities had adopted recommendations concerning Italy following a very lively debate. Regions with special status had always played a substantial role in Europe. Powers should be apportioned in such a way as to provide citizens with the most effective services at the level closest to them.

**Marie-Madeleine MIALOT MULLER** (France, SOC), Vice-President of the Regional Council of the Centre Region, said that she had been appointed Congress Rapporteur on Regionalisation in Council of Europe member states. A group of experts had been appointed to discuss the issue in the context of a study that was broader than the report.

The study concerned regional tiers regarded as sub-national territories with their own institutions and powers, whose executives accounted for their actions before an elected assembly. Indicators had been adopted to measure regionalisation. For instance, they concerned the way in which powers were defined, whether they were exclusive or shared and the resources available to regions, etc. The study also addressed the forms of supervision exercised by central government, the legal protection which regions enjoyed and the effects of the crisis on regional authorities. In particular, the experts would attempt to determine whether the crisis had caused a shift in the balance of power between central and regional governments. Specific regional characteristics, economic disparities and the effect of integration into the European Union were also among the issues to be dealt with.

**The PRESIDENT** (Ukraine, ILDG) said that the speaker's comments opened up several avenues for discussion. She hoped that the discussions would lead to more effective governance models at regional level, with which the challenges posed by the crisis could be tackled.

She opened the debate.

**Sergey LISOVSKY** (Russian Federation, SOC) said that governments and local authorities now needed to react differently than during stable periods. While central governments were tempted to reduce powers at local level, there was also an upsurge in separatist tendencies. As a multi-ethnic, federal country, Russia had had to deal with challenges of this kind many times in the course of its history. It had to be recognised that the crisis was affecting the whole economic system. Multinational companies often squeezed out small businesses and had a negative impact on regional budgets. In the course of its monitoring process, the Congress should ask national governments to change their economic model – otherwise, it was to be feared that the spectre of unrestrained capitalism would continue to haunt Europe and that the continent would again be engulfed by the revolutions it had experienced in the early 20th century.

In Russia, relationships between central government and local and regional authorities were governed by a range of laws. The allocation of the budget had been altered recently. Russia's vast size meant that it was faced with very specific problems, but it had recently joined the WTO (World Trade Organisation) and had a duty to think in tune with the rest of the world.

Given the great diversity of Russia's regions, central government had to take account of the specific characteristics of the local level. For instance, central government had attempted to reduce fishing quotas in the Yakutsk region, although fishing was practically the region's only resource. Regions therefore tried to make their voices heard. A decree issued at the end of 2012 required

regions to adopt programmes with proper budgets. The programmes would be drawn up by the regions and then approved by central government.

While Russia's accession to the WTO was to be welcomed, it was to be feared that the regions might come under some pressure. Devolution, which had begun only around 10 years previously in Russia, was moving forward positively but was often going hand in hand with reduced budgets. In the agricultural sector for instance, activities such as forestry and veterinary controls had been transferred to the regions without the funding that should have gone with them. In fact, this problem was not specific to Russia and there were other regions in Europe which did not have the resources to carry out proper veterinary controls. This could lead to various scandals, such as the recent one surrounding horsemeat. Those scandals could undermine confidence and trigger protectionist responses.

In his view, the current crisis was linked to speculative capital's domination of productive capital. These issues had to be properly understood if solutions were to be found.

**The PRESIDENT** (Ukraine, ILDG) noted the importance of taking account of geopolitical balance when determining the solutions that were most suitable in individual countries. Devolution and the principle of subsidiarity had to be properly thought through. In addition, in order to build a genuinely ecological society, reforms had to consider the way in which human beings lived in their environment.

**Andrew BOFF** (United Kingdom, CRE) returned to the concept of separatism, which previous speakers had seemed to regard as a bad thing. In the course of their history, the Slovaks, the Irish and the Estonians had had to struggle to express their separatism and democrats had backed them. Separatism was not always a danger. It should also be seen as the democratic aspiration of people for some kind of identity. Although local elected representatives spoke a lot about subsidiarity, some still thought that the European Union should adopt common standards on minimum wages and tax levels, etc. That was a very centralising view of Europe. It was an approach which led him and some of his compatriots to want to leave the European Union or just hand over their membership to Turkey. The more decisions were taken away from people, the more likely they were to try and escape the centralising tendencies. Separatism was a healthy reaction to excessive centralisation.

In times of crisis, calls were often made for economies of scale. Yet centralisation had the effect of increasing administrative expenditure to the detriment of investment in local services. Elected representatives often gave the impression of having all the answers, for instance about where regional boundaries should be and how regions should operate, etc. But who should be making the decisions? In his view, it should be the people themselves. Regions and regional boundaries were mostly accidents of history, and if changes had to be made, it was at grassroots level that the decisions should be taken. One example was that of three London boroughs which had decided to merge their administrations without actually merging their councils. Economies of scale had therefore been achieved by consent, while local democracy had been preserved.

In conclusion, it should not be said that every single form of separatism was necessarily wrong. For instance, nobody could decide for the Scots what their future would be. The members present should give thought to how the principle of subsidiarity was implemented in practice in their own regions, in respect of lower tiers of administration. There could be no doubt that villages would outlive regional governments.

**The PRESIDENT** (Ukraine, ILDG) said that Andrew Boff defended his beliefs with great passion. The issues were indeed particularly sensitive. In her view, the balance between central government and the regions was based on synergies which had to remain positive for the benefit of the public.

**Vanessa CHURCHMAN** (United Kingdom, ILDG) said that, unlike globalisation, families and villages were instinctive concepts. In times of crisis, people reverted back to that "tribal" feeling because it gave them confidence and enabled them to take responsibility for their own lives. Governments' inability to resolve the current problems was clear. Levels of population growth were high, while natural resources were diminishing. The pattern had to be reversed: decisions should no longer be top-down, but bottom-up with the involvement of the people. In the Internet era, arbitrary

decisions were no longer accepted. Borders presented a real problem in the world today. In a perfect world, administrative areas would have natural boundaries with people all speaking the same language, but that did not happen. Even in a small community like the Isle of Wight, there were substantial divisions within the population.

In conclusion, it was necessary to go back to a grassroots approach and to conduct democratic education campaigns to persuade people that progress could be achieved by being united.

**The PRESIDENT** (Ukraine, ILDG) said that the speaker's comments had tied in with the theme of citizen participation which had been discussed the previous day in the Congress. Members should listen to the views of their fellow citizens.

**Clemens LAMMERSKITTEN** (Germany, EPP/CCE) raised an important aspect of the consequences of the crisis for local democracy in Germany, namely the impact on regions' tax revenues. According to the *Süddeutsche Zeitung*, between 2008 and 2012, there had been a shortfall of 500 billion euros in revenues, 50% of which should have gone to the Länder and municipalities. In other words, those tiers faced a major revenue shortfall. The impact was long term, as the tax base had declined because of the crisis. The consequences for Länder and municipalities were immediate and they were having to adjust their objectives. To offset the shortfall, some authorities would have to increase the fees for services. However, that solution placed the burden on the public alone and did not seem the most appropriate. One possibility might be a tax on financial transactions, and consideration should be given to the advantages and disadvantages of such a tax. It would be raised at national level and could therefore also weaken the budgetary autonomy of local governments. But the revenues for Länder and municipalities would depend less on the economic cycle. At national level, it was vital to achieve fair distribution of tax revenues. Member states should do everything in their power to bring about renewed growth so as to ensure additional tax revenues. An austerity policy without growth would not meet the needs of regions and municipalities.

**The PRESIDENT** (Ukraine, ILDG) added that it was vital to make sure that the subsidiarity principle was complied with.

**Rogier VAN DER SANDE** (Netherlands, ILDG) said that regionalisation, as discussed so far during the session, concerned regions within the architecture of nation states. However, there was also regionalisation within provinces such as Brabant. In the final analysis, that province had more in common with its Belgian neighbours than with the other regions in the Netherlands. There were extensive areas of cross-border co-operation, for instance in nature reserves on both sides of the border and joint management of waterways, etc. Processes of decentralisation and co-operation between provinces or parts of provinces had to be fluid and dynamic. An approach of that kind could fundamentally alter the way of looking at regionalisation and even the architecture of nation states.

**The PRESIDENT** (Ukraine, ILDG) thanked Mr Van der Sande for his comments and said that all speakers had now been heard. She proposed that the guests who had made presentations reply to the statements to close the debate.

**Ulrike GUEROT** (Germany), Director of the Berlin Office of the European Council on Foreign Relations (ECFR), wished to return to the issue of separatist tendencies, in particular in Scotland. In her view, a distinction had to be made between the countries in the eurozone and those outside, given the process of economic integration that existed within the eurozone. Although she was not a great supporter of harmonisation, if the single market was to succeed, member states needed to adopt the same standards. At present, if German firms set up their headquarters in Dublin, they would pay much lower taxes than in Germany. To win over the public to the European Union, it was necessary not to abolish competition between Europe's different regions but to ensure that competition was subject to common rules.

She then returned to the issue of the distribution of wealth within the eurozone. The process should not merely involve negotiations between the member states. Poor regions could exist within rich countries. That was true of eastern Germany, where there were some very disadvantaged regions. Regional solidarity mechanisms needed to be reviewed. Indeed, a number of speakers had called for EU funds to go directly to regions without passing through the national tier. The speaker from the Netherlands had also referred to transnational regional co-operation machinery. The nation

state was the least appropriate entity for organising the distribution of resources. Building democracy around a single currency, namely the euro, entailed many difficulties. The examples of Greece and Cyprus showed that national economies were competing within the eurozone. European democracy could be underpinned by entities like regions or states, but she was against regions which sought to shirk the solidarity that was needed in Europe.

**Michèle SABBAN** (France, SOC), President of the Assembly of European Regions, wanted to reply to Andrew Boff. Europe was in crisis and some people were looking for the causes, but she believed that it was more important to look for solutions. Andrew Boff had said that the public should be at the heart of all decision making. That process was called participatory democracy, one example of which was the region of Alsace, which was giving the public the right to decide whether or not to establish a new authority. She was against the argument which went along the lines of “Europe is in crisis, so we should think about withdrawing”. Europe needed solidarity from its regions to be strong. Europe should play its role as a continental power in relation to the United States, China and India not only in economic but also in social terms. In spite of the various crises, Europe should continue to move forward and open up to others. Turkey had a part to play in Europe, for instance. Although that was a controversial issue, the right questions had to be asked.

She was fully in favour of giving the public a central role. Europe was faced with very sensitive issues and Europeans should unite to tackle them.

**Françoise DUPUIS** (Belgium), President of the Conference of European Regional Legislative Assemblies (CALRE), referred to her country's national motto, “Unity is strength”, which, given the political situation in Belgium, showed just how difficult unity was. A number of aspects arising from the crisis gave grounds for fearing negative developments throughout Europe. She was opposed to simplistic visions of separatism or calls for independence, as there were as many different possible approaches as there were attempts to bring decision-making closer to the public. It was better to be cautious with analyses and instead to look for “guiding strands” for tackling the crisis. One such “guiding strand” would be to agree about a reference framework. For CALRE, the European institutions were the reference framework. Adopting a single reference framework could mean following a number of stages in a political process. In her view, a “guiding strand” that everybody would sign up to would be to preserve the peace which had prevailed in Europe since the Second World War.

**Jean-Marie BELLIARD** (France, EPP/CCE), President of the Commission on Cross-border and Decentralised Co-operation of the Regional Council of Alsace, said that each authority bore a share of responsibility at its level for building Europe. If local elected representatives were not capable of taking practical action at grassroots level, they would not be capable of implementing policies on a larger scale. Alsace had started its reform process out of a concern for efficiency and simplification of overlapping administrative arrangements. If everyone sought to make savings at their level, it would be possible to achieve great things together.

**Bruno MARZIANO** (Italy, SOC), Member of the Regional Assembly of Sicily, wished to reply to the British speaker who had referred to regions as accidents of history. It was true that some regional structures had been imposed from above. But there were regions which were older than nation states and regions where the sense of regional belonging took precedence over national identity. There were very many different situations.

For the residents of Sicily, regional identity was very strong, even though they also felt Italian. Sicily had chosen the path of autonomy, which enabled account to be taken of regional characteristics without imposing a split from the Italian state. The public had to remain the key focus of the various institutions, and the problem then was determining a fair distribution of governance. Every level of authority should exercise the powers which it was capable of exercising more efficiently than the other tiers of governance. If that principle was properly implemented, multilevel governance could be established and people could feel that they simultaneously belonged to several communities: their town, region and state.

Sicily needed to fit into a broader context. For years, the region had been a port of entry for migrants wishing to settle in Europe. It could not deal with that on its own. In some cases, a higher tier did have to be involved.

**Sergey LISOVSKY** (Russian Federation, SOC) rejected the distinction some people made between a united Europe and an enlarged Europe. Russia regarded itself as an integral part of Europe as a whole. The Congress of Local and Regional Authorities was a platform where it was possible to move away from tactical issues, which were matters for governments, and take a strategic view of the challenges facing society as a whole. Economic science was still based on the work of the 18th-century economist, Adam Smith, who had said that all economic activity was devoted to the need to meet people's needs. Nowadays, everybody spoke about free competition, capitalism and even fair capitalism. In his view, these concepts were unrealistic. In Russia, a hectare of land was worth 4 euros; elsewhere in Europe it would be 430 euros. No comparison was possible. Fair competition was a myth. It was therefore necessary to protect regions from globalisation so as to preserve their diversity and identity.

Corruption was another important issue. Apart from ordinary corruption, which was generally referred to in connection with countries which had recently become democracies, there were other types of corruption, for instance among European officials. Some decisions were not taken because people wanted to keep their jobs and their privileges. This type of corruption was extremely dangerous and was very difficult to detect and punish. It was vital to resolve this issue, which concerned all European countries.

Russia had to be part of Europe, as its economy was now inextricably linked with that of the rest of Europe. It was vital to think globally.

**The PRESIDENT** (Ukraine, ILDG) announced that a new speaker had been added to the list and gave him the floor.

**Konstantinos AGORASTOS** (Greece, EPP/CCE) said that the crisis was affecting the whole world and had consequences for the functioning of democracy. The crisis was destroying the industrial fabric and affecting the ability of small firms and the self-employed to be competitive. At present, there seemed to be no real solution. The world was paying the price for inequality. The rich countries should understand that they could not live in a vacuum. In this context, regions could be a positive power for change. Everybody had to come together and it was necessary to consider how European citizens would react in the elections and what would happen in communities. It was vital to consider how to avoid dramatic repercussions in Europe. Building a Europe of full employment, prosperity and solidarity between citizens was the great challenge for the future.

**The PRESIDENT** (Ukraine, ILDG) thanked all the participants in the round table and asked Ms Mialot Muller to sum up the discussions.

**Marie-Madeleine MIALOT MULLER** (France, SOC), Vice-President of the Regional Council of the Centre Region, Congress Rapporteur on Regionalisation, said that the round table had been geared to analysing the impact of the crisis on the regionalisation process, the potential role of the regions in pinpointing responses to the recession and the problem of social exclusion, and lastly the possible connection between the crisis and the development of regional nationalism.

All the speakers had highlighted the deterioration in the economic and financial situation and its consequences, including declining fiscal resources, increasing inequality between rural and urban areas and between the core of Europe and peripheral regions, tensions between federal states and their federate entities, and feelings of anxiety creating social instability, which all explained the rediscovery of regional identity. Regional identity was also asserted by richer regions which were actually seeking to stop transferring resources to less well-off regions.

Several speakers had referred to the difficulties facing small and medium-sized enterprises. The issues relating to company relocations had also been mentioned, along with their consequences in terms of unemployment and despair, leading to a risk of citizens rejecting Europe.

European planners had been unable to adopt any comprehensive approach, and the local level was suffering the consequences. What responsibility should therefore be assigned to the various levels of governance? The subsidiarity principle was a cardinal issue. Regions had to be a positive factor for change: several examples had been given by various speakers. Regions, too, had to be

able to call themselves into question, as demonstrated by the Region of Alsace. The aims of the proposed reform there could be taken on board by all European regions. Efforts to achieve economies of scale needed to be fostered, while bearing in mind that any transfers of powers had to be accompanied by transfers of financial resources.

She thanked Bruno Marziano for his presentation concerning regions with special status, which could serve as an antidote to separatism. Conflicting views about the subject had been expressed during the round table. The credit crunch, which was a very serious problem because it prevented all growth, the limits of the banking system and the constraints of the Stability Pact had been discussed at length. The issue of employment and vocational training, areas in which regions could play a fundamental part, had also been covered. Regions could support SMEs in creating jobs and boosting economic development. By networking, SMEs could gain greater weight in negotiations with suppliers and their bankers. Furthermore, regions could facilitate access to credit by providing guarantees.

The effect of European integration on regions had been another of the issues raised. It was not possible to disregard EU funding, with which Council of Europe member states were also associated. Bruno Marziano had put forward very interesting proposals for overcoming the difficulties: a moratorium on internal constraints linked to the Stability Pact, simplification of the use of EU funding and a vertical stability pact for local investment. Such proposals could be further developed and taken on board by the Congress of Local and Regional Authorities. For his part, Mr Lammerskitten had called for revenue stability, noting that increasing local taxes would only compound the difficulties facing citizens and adding that a better system for the distribution of revenues was needed.

All the participants had agreed that the role of regions in Europe should be reinforced on both the institutional and the economic fronts, and concurred with Mr van Staa that the reference framework could be made more efficient. However, as Ulrike Guerot had said, there could be no question of promoting separatism in the more prosperous regions to the detriment of less well-off ones.

In conclusion, the regions that were suffering needed solidarity above all. As Ms Dupuis had said, diluting solidarity weakened democracy. Regions needed to mobilise to strengthen social cohesion at the European level and restore young people's hope.

Democracy required the observance of clear and comprehensive rules of law, which were the *sine qua non* for stability and preventing a further crisis in the future. Stepping up co-operation between the European Union and the Council of Europe, fostering in-depth exchanges between regions to work on practical responses from them to the crisis, and acting in co-operation with national governments and European institutions were the lines of action available to the Congress.

**The PRESIDENT** (Ukraine, ILDG) said that the round table which had closed this session of the Chamber of Regions had covered vital issues. The Secretary General of the Council of Europe, who had addressed the Congress the previous day, and the President of the Congress had both underlined the fundamental principles of cohesion, efficiency and unity. The Chamber of Regions would have an opportunity during its debates to come back to these concepts. She thanked all the speakers for coming and sharing with the members of the Chamber their analyses and proposals for tackling the crisis.

## 5. CLOSE BY THE PRESIDENT OF THE CHAMBER

**The PRESIDENT** invited the participants to attend a presentation being held by the Assembly of European Regions.

She announced that the 25th Session of the Chamber of Regions would be held to coincide with the 25th Session of the Congress of Local and Regional Authorities, from 29 to 31 October 2013.

The President declared the 24th Session of the Chamber of Regions closed.

*The sitting rose at 11.55.*





**SECOND SITTING OF THE CONGRESS****Wednesday 20 March 2013 at 14.30**

---

**CONTENTS**

	<u>Page</u>
1. Russia-Council of Europe: Building a Europe of democracy and prosperity together .....	89
2. Congress post-monitoring and post-observation of elections: Developing political dialogue.....	94
3. The situation of local and regional politicians in Turkey.....	96
4. Combating social exclusion.....	100
5. Launch of the European Alliance of Cities and Regions for Roma Inclusion.....	106
6. Adoption of the minutes of the sittings of the Congress on 19 March 2013 .....	110
7. Ceremony awarding the Congress Medal to honorary members .....	110
8. Date and time of the next sitting.....	112



*The sitting opened at 14.35, with Herwig van Staa (Austria, R, EPP/CCE), President of the Congress, in the chair.*

1. RUSSIA-COUNCIL OF EUROPE: BUILDING A EUROPE OF DEMOCRACY AND PROSPERITY TOGETHER

[CG(24)15]

**The PRESIDENT** (Austria, R, EPP/CCE) welcomed Ms Valentina Matvienko, Chairperson of the Council of the Federation of the Federal Assembly of the Russian Federation, the upper house of the Russian Parliament. He said that Ms Matvienko had already addressed the Congress of Local and Regional Authorities in May 2006, in her capacity as Governor of St Petersburg. She had also taken part in a session of the Parliamentary Assembly of the Council of Europe when she had been Deputy Prime Minister responsible for social affairs.

The Congress of Local and Regional Authorities had been actively involved in the development of Russian federalism, even before Russia had joined the Council of Europe in 1996. In October 2010, the Congress had adopted a recommendation on improving the implementation of the European Charter of Local Self-Government in Russia, which had ratified it in 1998. However, the Congress wanted not only to play an advisory role but also to offer practical assistance to member states' authorities to help them address existing difficulties and shortcomings. In this respect, the Congress had recently developed a project aimed at strengthening local government in Russia. The project would be implemented in partnership with the Council of Europe Centre of Expertise on Local Government Reform, as one of the priorities adopted for co-operation with the Russian Federation in 2013 and 2014.

The main aims of the project were to improve the quality of governance at local and regional level, to modernise public services, to make local government more efficient, to promote sustainable development policies, to facilitate access to public services and to increase the public accountability of the relevant authorities, while fostering citizen participation in local public life. The project, which had been developed in close co-operation with the Russian Ministry for Regional Development, had been submitted to possible funders, and it was hoped that voluntary contributions would be received from member states. He urged Ms Matvienko to support the project, which would give fresh impetus to the relations between the Congress and the Russian Federation.

**Valentina MATVIENKO**, Chairperson of the Council of the Federation of the Federal Assembly of the Russian Federation, underlined that the Council of Europe had considerable influence on democratic transformations in Russia. Co-operation with the Congress had enabled Russian local authorities to incorporate the experience of other member states in local authority management. Russia was a dynamically developing democratic state. Over a period of less than two decades, Russia had laid the foundations for its democratic system. The process was now irreversible.

Russians were seeking to improve the functioning of democracy while taking account of their own traditions, specific conditions, experience and level of development, as well, of course, as European democratic standards. The reform process was often difficult. In particular, Russian history was very complex. According to the 2010 census, over 200 ethnic groups were present in Russia and over 100 languages and dialects were spoken there. While drawing up standards and passing legislation was one thing, having them accepted by the population was quite another. Nevertheless, the Russian authorities were pushing ahead with determination here.

Current Russian legislation on elections and political parties was fully in line with European democratic standards. A federal law taking account of Congress Resolution 297 of 28 October 2010 on the reintroduction of direct elections for regional governors had come into force on 1 January 2012. The role of municipal structures had been enhanced. Nominations for posts as governors had to be supported by the members of municipal councils. The first elections under the new law had already been held in five constituent entities of the Russian Federation. Arrangements for the registration of political parties had also been simplified. 59 parties had been registered to date. The requirement to collect signatures to take part in the elections to the Duma (the lower house of parliament) and the legislative assemblies of the entities of the Russian Federation had been abolished and the number of signatures needed to be able to stand in presidential elections had been reduced. New procedures had been introduced for the appointment of the members of the Federation Council: senators

representing executive bodies and holding powers in local and regional assemblies would be elected by the population of the relevant regions along with the governors.

The Russian President had recently introduced a draft law under which members of the Duma would be elected under a mixed electoral system: half of the members would be elected under the majority voting system and the other half through party list voting.

Transparency had been increased through the establishment of public and review councils in federal and regional bodies. There was more public debate, draft legislation was discussed online and more and more sittings of Parliament were open to the public and were broadcast online. Russian parliamentarians were listening to civil society.

Another issue of importance was the fight against corruption. Russia had become a fully-fledged member of GRECO, the Group of States against Corruption, and had ratified the UN Convention against Corruption and the Council of Europe Criminal Law Convention on Corruption. The Russian Federation had also passed a law on monitoring correspondence between the spending and incomes of state officials, deputies and senators. The legal framework had therefore been reformed at central and also at local and regional level.

The legal framework for local self-government was also a priority. A system of state support for local self-government on both federal and regional level had been established, in particular with the setting up of a Council for the Development of Local Self-Government. 21 April had been proclaimed Local Self-Government Day, and the Council of Europe's Local Democracy Week was a great success in Russia.

The Council for the Development of Local Self-Government had the task of representing municipalities' interests vis-à-vis the President of the Russian Federation. It co-operated closely with the All-Russian Congress of Municipalities, which was a partner of the Congress of Local and Regional Authorities. She invited Congress members to take part in the meetings of the Council for the Development of Local Self-Government. The next meeting in autumn 2013 would focus on the 15th anniversary of Russia's ratification of the European Charter of Local Self-Government. The Charter principles had served as the basis for the law on local self-government passed in 2003. Russia was currently studying the possibility of signing the Additional Protocol to the Charter on the right to participate in the affairs of a local authority.

Progress still had to be made in enhancing the financial independence of regions and municipalities. For the period up to 2020, approximately €130 billion would be allocated from the federal budget to programmes aimed at developing a common regional policy, enhancing the financial independence of local and regional authorities and enabling them to perform their tasks.

It had to be stressed that the scale of the problems faced by practically all developed countries as a result of the economic and financial crisis had turned out to be much greater than expected and demonstrated the extent of globalisation. Russia was very interested in European experience in this area, but was also taking its own steps to tackle the crisis. A number of measures had been taken to offset the consequences of the financial crisis. Approximately 10% of GDP had been allocated to supporting the economic and banking sector. Unlike some other European countries, Russia had not made welfare cuts. On the contrary, some benefits had been increased, including pensions, family allowances, teachers' and doctors' salaries, unemployment benefits and schemes for getting people back into work. All these measures had brought about a return to growth. GDP had grown by 3.4% in 2012, while public debt, at 10.5% of GDP, was amongst the lowest in developed or emerging economies, whereas it stood at over 80% in countries like Germany, France and Spain. Inflation had been reduced, investment had increased and real wages had grown by approximately 9%. Unemployment stood at only 1.4% of the working population.

President Putin had presented a new economic and social development strategy, focusing on modernisation of the economy, high technology, the green economy and support for SMEs. These sources of growth would be motors for regional development and in future perhaps European development. Approximately 50% of Russia's trade was with European Union countries.

One of Russia's main priorities was the health and prosperity of the population. Regional programmes for healthcare modernisation had amounted to €17.5 billion in recent years. Life expectancy had risen by an average of five years and now stood at 70 years. Total mortality had fallen by 20% and infant mortality by 34%. Health and education spending had grown rapidly throughout the country. Programmes to improve the quality of life of elderly persons had been launched, the Convention on the Rights of Persons with Disabilities had been ratified and a new support mechanism for disadvantaged groups had been introduced.

A national strategy had been adopted concerning children, who were a priority for Russia. Russia had signed the Council of Europe Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse. The institution of a children's ombudsman had been established in all regions. In addition, a network of schools was being set up where children with disabilities could study together with children who did not have disabilities. Particular emphasis was placed on orphans, and families were encouraged to adopt children. Support was also provided for foster families. There was a guardianship system to help families in difficulty. 18 cities took part in the UNICEF Child Friendly Cities global initiative and Russia was taking part in the Council of Europe's One in Five campaign.

There were still some shortcomings in various areas, however. For instance, there was still the problem of one-factory towns, and the Russian economy was still too dependent on hydrocarbons (oil and gas), but steps were being taken to promote the high-tech sector.

The Council of Europe ensured the unity of Europe's legal and humanitarian space. Article 1 of its Statute provided that its aim was to achieve "a greater unity between its members", which meant that member states should rise above their short-term interests. The Council enabled unique co-operation machinery to be put in place at European level. It was, however, vital to strengthen the effectiveness of Council of Europe conventions by modernising them. The MEDICRIME convention signed in Moscow on 28 October 2011 was a perfect example here.

The Russian Federation urged member states to resist the destructive logic of dividing Europe. All countries should seek to find common responses to the current challenges: terrorism, uncontrolled migration, drug trafficking, extremism and ethnic, religious, cultural or other types of discrimination. Belarus was the only European state which had not yet joined the Council of Europe. Admittedly, some Council of Europe standards were still not respected in that country, but she believed that Belarus could make progress with democratic processes if it was offered assistance, for instance through monitoring programmes. It was good that the Congress of Local and Regional Authorities regularly invited Belarusian representatives to its sessions.

In recent years, the Congress had adopted more effective methods and it was now seeking open and constructive dialogue. The Russian Federation welcomed the work done by the Congress in monitoring the implementation of the European Charter of Local Self-Government. The monitoring had become systematic over the past two years and was based on clear criteria. Moreover, the Congress monitoring procedures could serve as an example for the Parliamentary Assembly.

She thanked the Congress for the assistance provided to Russia during implementation of the municipal reforms and hoped that the co-operation would continue. It was vital to continue tackling the effects of the crisis and exchanging experience in the areas of modernisation and sustainable development, child protection and the rights of people with disabilities. In adopting its priorities for 2013-2016, the Congress had taken account of the proposals made by the Russian delegation.

The Congress had been able to witness the democratic and social and economic changes which had taken place in Russia. Many Congress meetings had been held in the country, and several Russian regions had made presentations at the Congress in 2006. Cross-border co-operation between regions and municipalities was encouraged, and Russia had borders with 18 countries, including nine Council of Europe member states. Russian local and regional authorities took part in the activities of 11 Euroregions, and there were many twinning arrangements. Russia also played an active part in inter-parliamentary organisations and a number of international forums.

Russia had a very rich history and culture and had made a great contribution to global civilisation. Indeed, 2014 would be declared Year of Culture in Russia. As Dostoevsky had said, Russians had two motherlands: Russia and Europe. He had regarded the two as a single indivisible

territory. For both Russia and Europe, the real wealth of states lay in their people. The more leaders took account of citizens' interests, the more successfully democracy would develop. And that would make it possible to join together in building the Greater Europe of democracy and prosperity.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Ms Matvienko most warmly and proposed that the Congress move on to the written questions tabled by members.

#### ORAL REPLY TO WRITTEN QUESTIONS

**Knud ANDERSEN** (Denmark (R, ILDG) said that, in 2009, Russia had passed a law enabling the dismissal of mayors by municipal councils at the initiative of regional governors. The Congress believed that this could raise issues in the light of the European Charter of Local Self-Government. He asked Ms Matvienko whether there were legal safeguards to ensure that local authorities were not subject to excessive supervision by higher levels of governance.

**Valentina MATVIENKO**, Chairperson of the Council of the Federation of the Federal Assembly of the Russian Federation, said that the legislation was fully in line with the Charter. Central government was not entitled to interfere in the internal affairs of local or regional governments. Mayors could only be dismissed in specific and extremely limited cases, in particular if public services were unsatisfactory or the mayors were incompetent, and the decisions were taken by courts. It would be preferable for dismissals to take place at the initiative of the population itself, but a procedure of that kind was difficult to implement. Russian lawmakers had therefore had to introduce this measure, which allowed for relatively swift dismissals, to prevent the public suffering as a result of the inaction or incompetence of certain mayors. The measure, which clearly was not absolutely perfect, could be improved and she would take account of the Congress' recommendations.

**Leen VERBEEK** (Netherlands, R, SOC) said that the good functioning of local and regional democracy required a substantial degree of autonomy for self-governing bodies and, of course, political pluralism. Yet the "vertical of power" concept in force in Russia at present resulted in the subordination of power structures and increasingly resembled one-party rule. He asked how the "vertical of power" could be reconciled with local and regional democracy.

**Valentina MATVIENKO**, Chairperson of the Council of the Federation of the Federal Assembly of the Russian Federation, said that the "vertical of power" formula was obsolete. Many democratic reforms had been carried out and the process was continuing. The Russian constitution, in particular Article 12, and all the legislation were fully in conformity with international standards. State power stopped in the regions. Local and regional governments had more and more independence, although there were substantial disparities in terms of the resources at their disposal and the level of training of their staff. In her previous duties in the region of St Petersburg, she had had no right whatsoever to interfere in municipal affairs.

**Michael O'BRIEN** (Ireland, R, SOC) said that, by its Recommendation 297 of 2010, the Congress had recommended that Russia reintroduce direct elections for regional governors. Although a law to this effect had been signed by President Medvedev, many observers believed that the presidential filter still remained and had not been removed with the law. He asked whether any initiatives were under way to make Russian legislation fully compliant with the European Charter of Local Self-Government.

**Valentina MATVIENKO**, Chairperson of the Council of the Federation of the Federal Assembly of the Russian Federation, confirmed that the law had reintroduced the direct election of governors, in line with the recommendations of the Congress and also the demands of society. There was no "filter", but account had to be taken of the specific features of every region and of different languages and different ethnic groups, etc. As the guarantor of the constitution, the President could hold consultations with parties or independent candidates. That was a democratic process of co-operation between the head of state and the various political groupings in the country. On the other hand, the role of municipalities was particularly important, as candidates for governorships had to attract the support of 5-10% of the municipal councillors in the relevant region. This type of mechanism existed in France and other European countries, and the arrangements established in Russia could possibly serve as a model for other states.

**Nataliya ROMANOVA** (Ukraine, R, ILDG) thanked Ms Matvienko for taking part in the Congress session, which demonstrated the Russian Federation's involvement in the work of the Congress. The Russian delegation had joined with other members in making great efforts in implementing the reform of the Congress. Local and regional democracy had been included in the priorities of the co-operation project with the Russian Federation for the period 2013-2014. The Congress would accordingly contribute to the project on the reform of Russian local government, the aim of which was to increase the effectiveness of local policies, while facilitating public access to decision-making. She asked whether the project was supported by the authorities of the Russian Federation at the highest level.

**Valentina MATVIENKO**, Chairperson of the Council of the Federation of the Federal Assembly of the Russian Federation, confirmed that Russia was very interested in the experience of the Council of Europe and the Congress in particular. The programme mentioned by Ms Romanova had been approved by the highest authorities in the Russian Federation. It was now necessary to make funding arrangements. The Federation Council believed that municipalities should be an integral part of the decision-making process. To this end, the Local Self-Government Council had been set up and a legal and organisational framework had been put in place to support the implementation of the co-operation programme.

**Clemens LAMMERSKITTEN** (Germany, R, EPP/CCE) said that Russia had in October 2012 signed the Lanzarote Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse. The head of the Russian delegation to the Congress, Ms Orlova, had been very active in promoting the Council of Europe's One in Five campaign, which had been launched in Moscow and St Petersburg. The Congress had adopted a resolution and a recommendation calling on regions to implement the Lanzarote Convention and carry out activities within their areas of responsibility. What was the future of the convention in Russia and were there plans to involve other Russian regions in the One in Five campaign?

**Valentina MATVIENKO**, Chairperson of the Council of the Federation of the Federal Assembly of the Russian Federation, said that the Federation Council had supported Russia's signing of the convention, which would be ratified shortly and would enter into force very quickly. Russia had been working in accordance with the spirit of the convention for many years: a national strategy for children had been adopted, and a co-ordination group was responsible for its implementation, while the government had launched an emergency action plan. Russian legislation would be brought into line with the standards of international law in this area. All regions in the Russian Federation were involved and had adopted their own strategies. Childhood issues were a priority for Russia.

**Andrew BOFF** (United Kingdom, R, ECR) said that Ms Matvienko had mentioned the possibility of the dismissal of mayors who had not performed their tasks. What criteria applied here?

**Valentina MATVIENKO**, Chairperson of the Council of the Federation of the Federal Assembly of the Russian Federation, explained that the federal law on the general principles of the organisation of local self-government in Russia provided that a local or regional government leader could be dismissed by a court only if they had proclaimed a legal act or taken a measure that breached the legislation of the Russian Federation. Dismissal was also possible, again by a court, when the person concerned had violated the rights and freedoms of citizens, represented a threat to territorial integrity and unity or national security or had been involved in corruption. Russian lawmakers would consider possible improvements to these arrangements by studying experience in other European countries. Consulting the public by referendum about removing a mayor from office was difficult, as the necessary quorum was often not achieved.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Ms Matvienko for the very useful exchange of views.

2. CONGRESS POST-MONITORING AND POST-OBSERVATION OF ELECTIONS:  
DEVELOPING POLITICAL DIALOGUE

[CG(24)7PROV](RES)

**The PRESIDENT** (Austria, R, EPP/CCE) said that the next item on the agenda concerned the development of political dialogue in the context of Congress post-monitoring and post-observation of elections.

He underlined that the Congress set particular store by dialogue with the authorities in Council of Europe member states, at all levels of governance. Developing political dialogue after a monitoring visit or local or regional election observation exercise facilitated the implementation of the Congress' recommendations. The draft resolution submitted for discussion formally assigned this new activity to the Congress as part of its remit and sought to formalise the arrangements for it.

**Jean-Marie BELLIARD** (France, R, EPP/CCE), rapporteur, presented the draft resolution, which called for improved political consultation with the authorities at all levels in Council of Europe member states, in connection with the Congress' two major activities, namely monitoring of the European Charter of Local Self-Government and the observation of local and regional elections. The text, which had been approved unanimously by the Monitoring Committee, provided a formal basis for a new method of operation geared towards practical implementation of the Congress' recommendations.

The Congress adopted resolutions and recommendations after a lengthy process in the course of which Congress rapporteurs visited member states and held discussions with the authorities of the countries concerned before drafting reports. The rapporteurs were totally committed to their task of improving the situation of local and regional democracy. But what happened once the texts had been adopted? All too often, Congress members really did not know. The texts were addressed to the Committee of Ministers of the Council of Europe, which passed them on to the governments of the states concerned so that they took account of the recommendations. Should that be the end of the process? In the course of its reform, the Congress had sought to achieve greater effectiveness in the implementation of its recommendations. Yet in order to make sure that the recommendations were applied, it was necessary to maintain contacts with the authorities in the countries concerned. The Secretary General of the Council of Europe was currently working on a matrix for improving the institution's monitoring machinery. It was vital for the Congress' approach to be in line with that matrix. Political dialogue had to be developed so as to keep up the exchanges initiated during monitoring or election observation processes. A constructive relationship had to be established, leading to the implementation of the Congress' recommendations on the basis of a timetable agreed between Congress representatives and the authorities of the countries concerned, representing the various levels of governance.

He urged Congress members to adopt the draft resolution, which was a great step forward for the Congress in terms of achieving greater effectiveness.

**The PRESIDENT** (Austria, R, EPP/CCE) opened the debate.

**Marc COOLS** (Belgium, L, ILDG) welcomed the resolution, as he believed that post-monitoring and post-election observation visits were very important, especially since there was sometimes a lapse of 10 years between two monitoring visits to an individual country. For instance, when the report on Spain had been presented, the President of the Spanish Federation of Municipalities and Provinces had asked for the Congress delegation to return to his country to consider how the laws currently under discussion would be implemented. Post-monitoring or post-election observation visits would really enable the Congress to perform its role of supporting the member states. However, as the resolution made provision for the post-monitoring procedure to be initiated at the request of the national authorities, he wondered whether, in the long term, it might not be appropriate to extend this possibility and provide for visits of this kind to be undertaken on the initiative of the Congress in certain cases.

**Philippe RECEVEUR** (Switzerland, R, EPP/CCE) said that the resolution would fill a gap in the range of instruments which the Congress had at its disposal for promoting the Council of Europe's values in practice. As part of the far-reaching reform at the Council of Europe, the Congress had



decided to focus on its core task of monitoring local democracy in practical terms. The Swiss delegation believed that post-monitoring was the necessary corollary to monitoring. The resolution would provide the Congress with a standard shared with the member states, which could be used to measure the progress each of them had made at the end of a monitoring process to which they were all subjected. When it had adopted its 2013-2016 priorities, the Congress had decided to focus particular efforts on strengthening local and regional democracy and human rights. It was necessary to measure the extent to which these objectives had been achieved. If only from a budgetary point of view, it had to be ensured that the Congress made the most of what it put into promoting local and regional democracy. The Swiss delegation would therefore support the text.

**Francis LEC** (France, L, SOC) said that the French delegation would support this outstanding report. During the last session, he had presented a report on the Republic of Moldova, which had demonstrated the substantial efforts made by the country in moving along the road to democracy. In the morning, he had met the Moldovan delegation, which had requested post-monitoring. He agreed with the comments by Marc Cools, and proposed that the Congress amend sub-paragraph 2.f, which provided for action by the Congress on the request of national authorities. He suggested stating that the Congress was ready to initiate dialogue following election observation at the joint request of the national authorities and the Council of Europe. This was because states were sometimes reluctant to act here. It would therefore be possible for the Council of Europe and the state concerned to agree together on proposing this supplementary monitoring.

**The PRESIDENT** (Austria, R, EPP/CCE) asked the rapporteur to reply to the speakers.

**Jean-Marie BELLIARD** (France, R, EPP/CCE), rapporteur, thanked the speakers who had supported the motion. The support showed that there was a real desire to start this political dialogue: discussion should not be unilateral, but should give rise to genuine exchanges. The speakers had said that a procedure of this kind should not only be initiated at the request of authorities of the state concerned and had suggested a joint approach: the Congress could propose post-monitoring to the government and, if it agreed, start the procedure. He would propose a corresponding oral amendment.

**The PRESIDENT** (Austria, R, EPP/CCE) called the Chair of the Monitoring Committee.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) said he agreed with the proposal which had just been made.

**The PRESIDENT** (Austria, R, EPP/CCE) proposed that the Congress consider the draft resolution, to which two amendments had been tabled.

**Johan VAN DEN HOUT** (Netherlands, R, SOC) presented Amendment No. 1. The Netherlands delegation welcomed the draft resolution. However, the Congress had decided to focus on its core tasks and it was important that these new activities did not lead to an excessive workload for the secretariat. It would therefore be desirable for the programmes to be implemented to be carried out in close co-operation with other Council of Europe bodies such as the Centre of Expertise. The amendment tabled was supported by the German, British and Finnish delegations.

**The PRESIDENT** (Austria, R, EPP/CCE) said that there were no objections to the amendment. He asked the rapporteur and the Chair of the Monitoring Committee for their views.

**Jean-Marie BELLIARD** (France, R, EPP/CCE), rapporteur, said that the amendment merely involved rewording and did not change the substance of the text. He could therefore accept it.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) said that the amendment was acceptable, as it underlined the importance of drawing up the co-operation programmes together.

**The PRESIDENT** (Austria, R, EPP/CCE) put Amendment No. 1 to the vote.

Amendment No. 1 was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) said that the rapporteur had proposed an oral sub-amendment to Amendment No. 2. It was to delete the word “if” from the amendment.

**Jean-Marie BELLIARD** (France, R, EPP/CCE), rapporteur, said that the purpose of the sub-amendment was to word Amendment No. 2 as follows: “mainly financed externally”. As the budget had been presented the previous day, the condition originally provided for no longer applied.

**The PRESIDENT** (Austria, R, EPP/CCE) asked the Chair of the Monitoring Committee to comment on the oral sub-amendment.

**Lars O MOLIN** (Sweden, L, EPP/CCE) said that the purpose of the sub-amendment was to take account of the situation as it was now and he could accept it.

**The PRESIDENT** (Austria, R, EPP/CCE) said that there was no objection to the oral sub-amendment and put it to the vote.

The oral sub-amendment was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) called Mr Van Den Hout to present Amendment No. 2.

**Johan VAN DEN HOUT** (Netherlands, R, SOC) said that the reasons for Amendment No. 2 were the same as for Amendment No. 1.

**The PRESIDENT** (Austria, R, EPP/CCE) put Amendment No. 2, as amended, to the vote.

Amendment No. 2, as amended, was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) said that the rapporteur wished to propose an oral amendment.

**Jean-Marie BELLIARD** (France, R, EPP/CCE), rapporteur, having heard various speakers request that it be possible for the political dialogue to be started on the initiative of the Congress, proposed that the following be added to paragraph f: “at the joint request of the Congress and the national authorities”.

**The PRESIDENT** (Austria, R, EPP/CCE) said that the amendment was admissible. There were no objections to it and the Chair of the Monitoring Committee was in favour.

The President put the oral amendment to the vote.

The oral amendment was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) put the entire draft resolution, as amended, to the vote. A simple majority was required.

The draft resolution set out in Document CG(24)7PROV, as amended, was adopted.

### 3. THE SITUATION OF LOCAL AND REGIONAL POLITICIANS IN TURKEY

[CG(24)17] (DEC)

**The PRESIDENT** (Austria, R, EPP/CCE) said that the next item on the agenda was the debate on the situation of local and regional politicians in Turkey. The debate had been requested by several national delegations. On 18 March 2013, the Bureau had adopted a declaration, which would be put to the Congress for adoption.

For several years, the Congress had been following very closely the situation of a large number of local and regional elected representatives in Turkey who were being detained even though most of them had not been found guilty of any offence. In most cases, the relevant court proceedings had been going on for years. Some of those concerned had been imprisoned for over three years.

The attention of the Congress had focused, in particular, on Leyla Güven, mayor of Viransehir and former member of the Congress, who had, in fact, raised the issue herself at the 2009 session only a few weeks before her own arrest. The Congress' concern extended beyond this individual case, however.

In its latest report on Turkey, the Congress had expressed its concern about the impact of these mass detentions and large-scale trials on the functioning of local democracy in Turkey. The issues were also the subject of extensive debate in Turkey. Various constitutional and judicial reform projects were currently under discussion and proposals had been made for a fundamental overhaul of the system of local self-government. Above all, a new peace process was under way, which was a sign of hope for the coming months. Nevertheless, such hopes had already been disappointed several times in the past.

The draft declaration would be presented by Ms Koopmanschap on the Bureau's behalf. The debate would then be opened. Following the debate, the text and the amendments would be considered. If the text was adopted, it would become a Congress declaration.

**Amy KOOPMANSCHAP** (Netherlands, L, SOC), rapporteur, said that the Bureau of the Congress had undertaken to propose a draft declaration based on a text circulated in October 2012. To this end, the Bureau had contacted several delegations and consulted Ms Doganoglu, head of the Turkish delegation, who had made several constructive comments.

Many elected representatives had been dismissed and were being held in detention in Turkey. Leyla Güven had been imprisoned because of alleged links to a terrorist organisation. The 2012 Council of Europe report referred to 75 mayors who had been suspended and many individuals who were being detained, in particular the elected mayor of a pilot town taking part in a project on governance in co-operation with municipalities from the Netherlands. Elected representatives were also often prevented from carrying out their tasks, which greatly weakened democracy.

The Bureau recognised that substantial progress had been achieved since the recommendations made by the Congress to the Turkish authorities. In particular, Kurdish could now be used in the courts in Diyarbakir, and dialogue had been initiated through the Imrali process. The Bureau hoped that this process would lead to freedom of expression for the local elected representatives and enable them to perform their mandates without restriction.

Leyla Güven was a symbol of the struggle being led by the Congress. The Congress was following the Diyarbakir trial closely in order to highlight any breaches of the principles of the European Charter of Local Self-Government. From this perspective, the Congress wished the Turkish authorities to allow it to make a second visit to Leyla Güven. The Bureau hoped that a second fact-finding visit would be made to Turkey to see whether there had been breaches of the Charter and whether the Congress' recommendations had been implemented.

However, the Bureau was not focusing solely on Turkey. The Monitoring Committee had asked the Governance Committee to review the situation in all Council of Europe member states where elected representatives were prevented from performing their tasks freely. The Congress was ready to take up the challenge of protecting local democracy.

**The PRESIDENT** (Austria, R, EPP/CCE) opened the debate.

**Edibe SAHIN** (Turkey, L, NR) thanked the Congress for its support for Ms Leyla Güven and 18 mayors and 56 members of municipal councils who were currently being detained. A deputy mayor from the province which she represented was currently being detained during his trial. For his part, Osman Baydemir, the mayor of Diyarbakir, was banned from travelling abroad. Other examples could be quoted. Some mayors were currently being prosecuted.

The centralised system of governance was problematic: for instance, municipal council decisions had to be approved by deputy governors. Lack of financial resources also meant that it was difficult to implement some public services: municipalities depended on funding allocated by central government.

A solution had to be found to the Kurdish problem. The proposals which had been made here had been welcomed by public opinion. Some mayors who had been detained had been released recently. She hoped that the same would be true of Leyla Güven and that the peace process would bear fruit, which would help to improve democracy.

**Anar IBRAHIMOV** (Azerbaijan, R, EPP/CCE) said that he was following the “Leyla Güven affair” very closely. As he lived in a region that bordered on Turkey, he had seen for himself the extent to which Turkey had developed in economic and political terms over the last 10 to 15 years, especially in eastern Anatolia. The public had benefited as a result. It was vital not to forget the substantial reforms that had recently been carried out in Turkey. It was important to make sure that the signals sent out by the Congress were not misinterpreted by the forces which used terrorism as a political method. It was also important not to undermine the work done by the supporters of democracy and political dialogue. The Turkish authorities had amended the legislation, thereby enabling suspects to use their own language in the courts. Ms Güven’s troubles could therefore be settled in court. He urged Congress members not to turn issues relating to Turkish domestic legislation into a political process and not to enter into the dead end of adopting a declaration of this kind.

**Philippe RECEVEUR** (Switzerland, R, EPP/CCE) said that the Congress had voiced concern about the situation of local and regional elected representatives in eastern Turkey several times in recent years, following the detention of some of them. While the Swiss delegation strongly condemned any type of terrorism or violence, it was worried about the uncertainty hanging over the fate of the elected representatives concerned, in particular the Congress member, Leyla Güven. It was not a matter of interfering in the domestic affairs of a member state or of taking sides in a domestic political dispute. However, it fell within the remit of the Congress to take an interest in the conditions in which local and regional democracy was exercised and hence also in what became of elected representatives, especially when they were members of the Congress. The Swiss delegation welcomed the progress made by Turkey and the openness shown by the Turkish delegation during the preparatory dialogue for the declaration submitted to the Congress. Even though there were still some areas of divergence, the Swiss delegation supported the text, which it believed reflected a high degree of consensus.

The members of the Swiss delegation wished everything possible to be done, in co-operation with Turkey, to cast light on the situation of Leyla Güven and the other local and regional elected representatives currently being detained. To that end, it was necessary to visit the region and meet the people concerned, to make sure that the principles of the rule of law were complied with. The Swiss delegation was therefore opposed to the first amendment, which proposed that sub-paragraph 5.a of the declaration be deleted, but for the sake of achieving a balanced text, accepted the second amendment, which had been put forward by the Turkish delegation.

**Fritz WAGNER** (Germany, L, SOC) said that Leyla Güven, a former member of the Congress of Local and Regional Authorities, had been detained on remand for three years because of alleged links to Kurdistan groups. According to the German Foreign Ministry, the proceedings concerned 158 people, 97 of whom had been detained on remand without being heard. In 2011, the Bureau of the Congress had estimated that over 3 000 elected representatives and human rights activists were being held in Turkish prisons. Many Kurdish mayors were afraid of not being able to perform their duties properly. Local elected representatives like Leyla Güven were accused of being members of a terrorist organisation. In general, however, mayors were individuals who had close ties with their local areas and had been elected because they represented the interests of the public, not terrorist movements. Mayors represented the pluralism of society at municipal level, and there could be no stable democracy without pluralism. The coexistence between different political forces was an illustration of fundamental rights.

The role of the Congress was to observe the state of democracy in the member states and make recommendations. In a letter to the Secretary General of the Congress, Mr Kiefer, the Permanent Representation of Turkey to the Council of Europe had criticised the fact that the issue of Ms Güven was being examined by the Congress. Studying cases of this kind was, however, a major contribution by the Congress to local democracy. The German delegation therefore asked the Congress to continue following up the matter and to initiate a monitoring exercise to study the current situation of local democracy in Turkey.

**Leen VERBEEK** (Netherlands, R, SOC) said that he had been a member of the delegation which had visited Leyla Güven and seen how vulnerable her position was. As the Congress' role was to defend local and regional democracy, Congress members had a duty to set an example here. That position was very uncomfortable for some of them and could even land them in prison, as was the case of Ms Güven. Leen Verbeek asked all Congress members to express solidarity with her by approving the declaration and rejecting the amendments tabled, which would call the substance of the text into question.

**Gaye DOGANOGLU** (Turkey, L, EPP/CCE) noted that Congress members were worried about the duration of detention on remand. As Vice-President of the Congress and a Turkish elected representative, she shared this concern. The Turkish authorities and population also shared the same concern. The Ministry of Justice had therefore undertaken a series of reforms to bring Turkish criminal procedure into line with European standards. The Council of Europe was co-operating with the Turkish authorities in this connection. New legislation on courts had been introduced in the Turkish Parliament on 7 March. It broadened the concept of freedom of expression and restricted the definition of activity related to a terrorist organisation.

She called on Congress members not to interfere in on-going legal proceedings and expressed total disagreement with the draft declaration. In particular, it was unacceptable that the text did not condemn a terrorist organisation which had been imposing great suffering on the Turkish population for decades. She also did not believe that it was legitimate to treat Ms Güven as a symbol. The Congress also had a duty to respect the statutory resolution adopted by the Committee of Ministers. At present, a process of dialogue had started in Turkey with a view to putting an end to terrorism and a series of measures had been proposed to restrict the range of terrorist offences. Against this background, she was afraid that the declaration would undermine the constructive dialogue which was emerging in Turkey.

**Jos WIENEN** (Netherlands, L, EPP/CCE) said that the declaration did not concern terrorism and did not only deal with the case of Ms Güven. It addressed the serious problem of the situation of elected representatives belonging to a national minority. The head of the Turkish delegation had referred to positive signals and the declaration did mention their existence. He hoped that Ms Güven and all the other local elected representatives would soon be released and that the situation would improve. However, the declaration was entirely justified as a means of trying to move forward here. The Congress had to do everything in its power so that local elected representatives could exercise their duties in full.

**The PRESIDENT** (Austria, R, EPP/CCE) called the rapporteur to reply to the speakers.

**Amy KOOPMANSCHAP** (Netherlands, L, SOC), rapporteur, thanked the speakers who had supported her, in particular Ms Sahin, who had taken over Ms Güven's former seat in the Congress. She also thanked Ms Doganoglu for saying that she shared the same concern about detention on remand in Turkey. The Turkish authorities were, indeed, making many efforts to try and improve the situation. The declaration should be seen as a message of encouragement to all those in Turkey and elsewhere who were seeking to make progress in this area.

**The PRESIDENT** (Austria, R, EPP/CCE) closed the debate and proposed that the Congress consider the draft declaration, to which two amendments had been tabled.

**Enes OZKARSLI** (Turkey, R, EPP/CCE) presented Amendment No. 1, which was to delete sub-paragraph 5.a. In his view, a fact-finding visit could have been considered at the very outset of the events described, but the situation had now evolved favourably. Dialogue had been initiated and new legislation was being examined.

**The PRESIDENT** (Austria, R, EPP/CCE) said that there were no objections to the amendment and asked the rapporteur to comment.

**Amy KOOPMANSCHAP** (Netherlands, L, SOC), rapporteur, was against the deletion of the sub-paragraph. It was up to the Monitoring Committee to decide whether or not a fact-finding visit was necessary.

**The PRESIDENT** (Austria, R, EPP/CCE) put Amendment No. 1 to the vote.

Amendment No. 1 was rejected.

**Merita JEGENI YILDIZ** (Turkey, R, EPP/CCE) said that Amendment No. 2 was to delete the expression “whom the Congress considers a symbol of the imprisoned local elected representatives in Turkey”. Nobody could be regarded as a symbol, or consideration would have to be given to the criteria to be met to claim to be a symbol. As an institution, the Congress should avoid any subjective stances.

**The PRESIDENT** (Austria, R, EPP/CCE) said that there were no objections to the amendment and asked the rapporteur to comment.

**Amy KOOPMANSCHAP** (Netherlands, L, SOC), rapporteur, was against the amendment, as Ms Güven had been a symbol for some years now on account of her situation.

**The PRESIDENT** (Austria, R, EPP/CCE) put Amendment No. 2 to the vote.

Amendment No. 2 was rejected.

**The PRESIDENT** (Austria, R, EPP/CCE) put the entire draft declaration to the vote. A simple majority was required for its adoption.

The draft declaration set out in Document CG(24)17 was adopted.

**The PRESIDENT** (Austria, R, EPP/CCE) asked Mr O'Brien to take the chair.

*Michael O'Brien (Ireland, R, SOC) took the chair at 16.35.*

#### 4. COMBATING SOCIAL EXCLUSION

**The PRESIDENT** (Ireland, R, SOC) said that the second debate in the sitting was on combating social exclusion at local and regional level. At the end of the debate, the European Alliance of Cities and Regions for Roma Inclusion would be launched.

The current economic and financial crisis had had a double impact on local and regional authorities: on the one hand, they were faced with shrinking revenues and rising debts, often resulting from toxic loans, on the other, they were struggling to fulfil their social responsibilities, in particular towards especially vulnerable groups, whose situation had worsened seriously. Maintaining social assistance programmes during this time of crisis was a huge challenge. It was necessary to act to prevent the exclusion of population groups who were becoming increasingly marginalised: minorities, migrants, elderly people and young people. Various examples of experience at local level could provide inspiration for all Congress members. To this end, he called the first speaker, Ms Andrikopoulou-Rouvali.

**Maria ANDRIKOPOULOU-ROUVALI**, Deputy Mayor of Patras, Greece, thanked the Congress for inviting her and said she would describe some of the action taken by Patras to promote social cohesion and solidarity. As Greece's third-largest city, Patras had approximately 220 000 inhabitants and was a metropolis for southern Greece. The city had decided to use its multicultural character as a development tool. Patras was home to several migrant communities from Europe, including Albanians, Romanians, Bulgarians and Russians, as well as African migrants. Since 2008, the municipality of Patras had been an active member of the Network of Intercultural Cities, a mainly European network, which had also, however, established relations with Canada, the United States, Mexico and Japan.

In Patras, management of intercultural issues was co-ordinated by the gender equality committee and supported by the Patras municipal association (ADEP). Several activities were carried out in the fields of education, training and culture for particularly vulnerable population groups such as migrants, women and young people. The municipality sought to promote the expression of migrants' views at local level with the support of the migrant integration council. Various performances, events

and sports activities were organised in co-operation with voluntary associations. The municipality also distributed food and clothing to 250 migrants who had no financial resources.

Noting that more and more people were slipping into poverty, the municipal council had decided to focus on community solidarity, involving voluntary work. A group of approximately 650 volunteers had been set up and supported all the municipality's social measures, including the municipal clothes bank, established with the support of shop owners and all Patras citizens, and the social pharmacy, which operated in co-operation with pharmacists who provided free medicines. A medical welfare centre was operating with the support of the university and an association of doctors, and the same applied to a paediatrician's practice. A network had been set up to help pupils from vulnerable groups with their homework. Several new projects would be launched in 2013 thanks to national funding, for instance, a social grocery, donations of clothes, books and toys, social and psychological support, the distribution of meals and municipal vegetable plots. There was also a time bank, which was an alternative system of transactions for exchanging goods and services without payment.

The co-operation between the various municipal departments and voluntary organisations was vital for the success of the projects. The network established was very dynamic and was open to anyone who wished to become involved in the activities.

Women were particularly vulnerable: female unemployment had reached 28.9% in Greece in December 2012, and 65.24% among young women. Youth unemployment averaged 56.6%. The municipality of Patras had signed the Council of Europe Municipalities and Regions' European Charter for Equality of Women and Men in Local Life. It ran a shelter for abused women and had implemented the Progress 2012 project aimed at ensuring gender equality in municipal strategies.

Other projects were under way, in particular for Roma and unemployed engineers and social workers to help them get back in to work.

Patras wished to build on its experience at local and at European level in order to establish active partnerships, and was open to constructive exchanges on all levels.

**The PRESIDENT** (Ireland, R, SOC) thanked Ms Andrikopoulou-Rouvali for her contribution, which demonstrated how municipalities were seeking to maintain social services during the current crisis.

He introduced the following speaker, Mr Damien Egan, representing Lewisham Council. The Council and Mayor of Lewisham had sought to reconcile budget cuts with maintaining assistance programmes for citizens. Lewisham also took part in the Network of Intercultural Cities. It had introduced innovative practices, including, for instance, the election of a youth mayor and a deputy youth mayor since 2004.

**Damien EGAN**, Cabinet Member for Strategy and Communications, Lewisham Council, United Kingdom, was pleased to share some ideas concerning social exclusion, an issue that was of great interest to Lewisham Council. Great Britain had amongst the highest levels of social exclusion and poverty in Europe. Inequality was all too clear to see, especially in London. Unfortunately, these issues were not being addressed by national government. Polling showed that social exclusion and inequality did not appear on the list of top issues that concerned voters, yet local councillors could see the harsh realities that social exclusion brought.

The borough of Lewisham, in South East London, had a population of 275 000, in which ethnic minorities outnumbered the white British population. However, just eight of the 54 elected councillors were from ethnic minorities. Average male life expectancy in Lewisham was 72 years, as against 85 years in the wealthiest parts of London. The highest levels of youth unemployment in London were in Lewisham.

But social exclusion was about more than statistics. It was different from poverty and inequality, but yet it combined the two. It was about access to education, employment and training, as well as suitable transport links. It was about the standard of people's homes, of their communities. It

was about race, gender and age. It was about whether children would have a better chance in life, and whether the older generation could continue to live independently but not alone.

For the Labour Party administration in Lewisham, social exclusion was one of the key priorities. One key area of concern was the exclusion of young people from the job market. And this was one area where the council had had some success through its new apprenticeship scheme. The scheme had been set up by Sir Steve Bullock, the Mayor of Lewisham, in 2009 and since then 214 young people aged 18 to 24 had already been placed in starter jobs in the council and in local businesses. Local government services could provide many different opportunities for young people, for instance as communications assistants, food hygiene inspectors and gardeners, etc. The scheme gave the young people experience to add to their CVs, but the council did have to pay an annual salary of over £11 000. One third of young people in Lewisham grew up in poverty, so unpaid "internships" were not an option for them. 75% of the young apprentices were from minority communities, many from the most deprived parts of the borough. The scheme opened doors to them that would never usually be opened.

Tackling social diversity started with elected representatives in their own districts. Unfortunately, there was a lack of diversity in political governance. Many leaders who were active at local level, who were bright and who were strong advocates for their communities did not think of standing in elections because it was something other people did. This had led the council to set up a programme alongside a campaigning organisation called Operation Black Vote to encourage members of ethnic minorities to stand for election. The programme had cost around £100 000, but involved training, over a year, for 40 residents. The participants were provided with an insight into local government, for instance by shadowing elected councillors in their daily activities. This type of programme involved investing money and investing time, but the efforts all paid off when some of the participants sought selection to stand in the next local elections.

In the 1970s and 80s, Lewisham had set up trailblazing schemes to resolve gender equality, which today's generation was now seeing the results of. Of the current Labour group of councillors, 18 out of 40 were women, and three of the five members of the senior leadership team at the council were women. The council was now using similar schemes to promote black and minority communities. The apprentice scheme and civic leadership programme addressed issues of social exclusion in a practical way. Over the last 40 years, social exclusion had kept on growing in Britain. In Lewisham, the council believed that it had a responsibility to change that situation from the bottom up, by empowering communities and providing opportunities for residents to thrive.

**The PRESIDENT** (Ireland, R, SOC) thanked the speaker and hoped that the experience of Lewisham could serve as a good example for other local authorities. The next speaker was Mr Bernard Muller, Mayor of Commercy in France. French local authorities were grappling with the issues of debt, diminishing budgets and growing social pressure. Yet, for Commercy, maintaining social action was of crucial importance for cementing the community and improving ways of living together.

**Bernard MULLER**, Mayor of Commercy, France, said that as Mayor of Commercy, a municipality with 6 600 inhabitants, and leader of the Commercy community of municipalities, with over 12 000 inhabitants, he was faced every day with the difficulty of maintaining social action in the current context and avoiding the marginalisation of a section of the population who did not correspond to the dominant social model. Every day, he received people who were living in hardship, as a result of unemployment, substandard housing, addictions, single parenthood, health problems or isolation, etc. The situations concerned were often caused by fairly sudden breakdowns in social ties. These increasingly complex situations demanded a multidisciplinary professional approach. Moreover, rural municipalities were now facing the same problems as urban areas, for instance the use of hard drugs. At the same time, psychological problems and cases of depression were on the increase, but the care responses were too limited or unsuitable. Lastly, increasing general levels of poverty, including among the elderly, and a sharp rise in poverty among the working population were further problems.

Against this background, the municipality had several tools at its disposal, the main one of which was the municipal welfare centre (CCAS). While this was responsible for statutory social assistance, he had also chosen to expand optional social assistance measures. For instance, the centre ran a crèche for children aged two months to 6 years. Under an agreement signed with the



family benefits fund, this was available to all families. Financial assistance was also granted to families for pupils in nursery and primary schools so that they could take school meals, receive help with homework and go on school trips. Commercy had a special centre for children aged under 12 years and also offered activities for teenagers during school holidays. The municipal welfare centre helped the poorest families in this case, too.

Combating social exclusion also involved giving everybody access to culture and sport. The municipality provided funding for over 72 cultural, sporting, charitable and leisure associations because they played an active part in local life and helped to create bonds between different social groups and generations.

In the case of elderly people, the main factor in social exclusion was isolation, whether geographical, psychological or social. This problem was compounded when it went hand-in-hand with low income. For 35 years, the municipal welfare centre had been running a sheltered housing scheme with 34 flats for people who were still able bodied and independent. It enabled social ties to be maintained. At the same time, the municipality organised many intergenerational activities, in particular, introductions to computing and the Internet. Two very active pensioners' associations received funding from the municipal welfare centre.

Since 2006, the municipal welfare centre had been running a social grocery. This involved both the distribution of food aid and also integration workshops. Its purpose was to meet the food needs of people in great hardship, to empower people living in financial insecurity, to combat isolation and loneliness, to reduce debt levels and to develop networking with several social partners. From April to November 2012, for instance, 126 families comprising 304 individuals had been helped by the scheme. The beneficiaries paid 10% of the amount granted to them and could take part in various integration workshops, including cooking workshops, gardening workshops, craft and chat workshops and art workshops, as well as various ad hoc events at which issues such as health, housing, families, energy saving and budget management, etc, were discussed. Educational trips were also arranged. To carry out these activities, the council drew on a strong partnership with the institutions present in the municipality and also with local associations.

The presence of high-quality multidisciplinary medical care at local level was also important. In this connection, he had fought to keep a mammography unit in the local hospital.

In conclusion, political activity involved making choices. The municipal council had chosen to defer some investments in road repairs and the renovation of historic buildings. Commercy had "chosen human beings", as towns' most beautiful monuments were the people who inhabited them.

**The PRESIDENT** (Ireland, R, SOC) thanked the speaker and said that the three successive speeches had given very interesting examples.

**Alexandru AMBROS** (Republic of Moldova, L, ILDG) said that municipalities in Moldova had taken various steps to combat social exclusion, especially among Roma. In a survey, 70% of those polled had said that they would agree to have Roma as neighbours and 30% had been against the idea. Local authorities therefore had efforts to make to foster Roma inclusion and improve civic education. The general image of the Roma community in Moldova showed that they had an important role to play as artists, doctors and intellectuals. In spite of the general image of the situation in Moldova in the media, which sometimes showed houses that looked like Hindu temples, there were also aspects that were much less attractive and conditions in some places where Roma lived were very difficult. In 2011, the government had approved an action plan for Roma for 2011-2015. It was planned to appoint Roma mediators in the 44 communities with the highest Roma population so as to foster their social integration. The exact number of Roma remained an enigma for the authorities because the Roma often hid their true identity. This situation involved an added difficulty when it came to planning social inclusion activities.

On behalf of the delegation of the Republic of Moldova, he thanked the Congress for its initiative in setting up the European Alliance of Cities and Regions for Roma Inclusion. Moldova wished to take part in the alliance.

**Jolanta BARSKA** (Poland, L, NR) said that the fight against social exclusion in Poland was multifaceted. However, unemployment remained the main cause of social exclusion. Long-term unemployment was particularly worrying because it led to dependency on social assistance. Local authorities had therefore decided to organise retraining activities. People who were fit to work on account of their age and state of health had to sign agreements in order to receive assistance, in return for which they did 10 hours a week of work for the community. This meant that jobseekers did not get out of the habit of working and did not lose their social contacts. She asked what practices were followed in other European countries regarding long-term unemployment and dependency on social assistance.

**Mikhail GULEVSKIY** (Russian Federation, L, ILDG) said that social exclusion was currently a very topical issue and that the well-being of society as a whole depended on the problem being resolved. In Lipetsk, approximately 60 000 people were disabled, for instance because they were blind or were unable to walk. They were all socially isolated. The municipal council had made streets wheelchair friendly, buses had disabled access and there was a fund that could be used for adapting dwellings, schools or sports facilities. A special pool for people with disabilities had been built at the swimming pool. Similar steps had been taken at the sports centre. A special sports complex for children in difficulties had been built and was run by specialist staff. IT access was also facilitated. To make travel easier, buses for people with disabilities had been provided during the elections. Various measures had also been taken to help the elderly. Social isolation was a very serious problem, which had to be overcome by showing tolerance, seeking compromises and combating a degree of indifference that was emerging in society.

**Jon HERMANS-VLOEDBELD** (Netherlands, L, ILDG) said that the debate would have been more effective if the key issues had been sent to Congress members in advance, which would have enabled them to target their comments. Preventing social exclusion had to be one of the core priorities of municipalities, especially in these times of crisis. There was a clear relationship between combating social exclusion, access to democratic processes and public safety and happiness. Combating social exclusion meant building a society where there was a place for minorities and an inclusive society which fought racism. It was necessary to strengthen the social fabric by facilitating participation by people with disabilities, the chronically ill, LGBT people, elderly people and young people so that they had access to educational, cultural and sports programmes. Particular attention had to be paid to involving the poorest members of society. In Almelo in the Netherlands, for instance, the municipal council ran various cultural projects for homeless persons, who were able to stage their own plays, which raised both their self-esteem and their profile in society and gave them a rightful place in the community.

**Nawel RAFIK-ELMRINI** (France, L, SOC) said that it was not possible to talk about combating social exclusion without mentioning the situation of the Roma community. The Roma had been an integral part of European civilisation for over a millennium. Their total number in Europe was put at between 10 and 12 million, which meant that they were the largest ethnic minority. Most of them were citizens of the European Union. However, all over Europe, many of them continued to suffer discrimination and deep-rooted social exclusion. When the Council of Europe had joined with the European Commission in summer 2010 to launch a number of initiatives to promote Roma inclusion, the city of Strasbourg had supported them. Efforts had to be made at all levels, local, national and European, to change attitudes and produce practical results for the benefit of all citizens, as the aim was to promote social cohesion.

The presence of Roma families in Strasbourg dated back to the 1990s. About 10 sites were occupied illegally by members of the Roma community, mostly of Romanian origin, some of whom lived in total poverty. Since 2008, Strasbourg municipal council had been trying to improve the situation of that community. For instance, a transitional integration site had been opened at the end of 2011 and now accommodated around 100 people. A comprehensive approach was taken here: the families were offered decent housing, as well as tuition for their children, access to care, food aid and, above all, support with vocational integration. The positive results of the project had led the city to extend the site at the beginning of 2013, so as to put an end to illegal and substandard encampments.

Open-mindedness and exchanges were vital for combating prejudice. To be effective, it was necessary to establish mutual trust with Roma groups. She was sure that co-ordinating everybody's efforts would make it possible to help change attitudes and improve the situation of the Roma. She

welcomed the launch of the European Alliance of Cities and Regions for Roma Inclusion. Combating discrimination and improving the situation of Roma communities was absolutely vital for the sake of human dignity with a view to building a more tolerant, more inclusive and more socially committed Europe.

**Konstantinos AGORASTOS** (Greece, R, EPP/CCE) hoped that the European Alliance of Cities and Regions for Roma Inclusion would not only be the start of a dialogue but would also bring about a lasting solution. Unfortunately, several other measures had not produced tangible or lasting results. The prefecture of the region of Thessaly, which had 1 million inhabitants, had seven Roma sites and had taken various measures of its own. Several projects totalling €12 million had been initiated to improve the environment in which Roma lived, to give them access to school and to enable them to live in safety in decent conditions. In co-operation with municipal councils, the prefecture had set up social groceries and pharmacies and other facilities, with the support of the church, so that disadvantaged groups could consult doctors, psychologists or social services. However, in the absence of action to produce practical results, the measures to combat social exclusion would remain ineffective. It was vital to support employment, which was a pre-requisite for integration into society. Otherwise, the number of people living in hardship was bound to increase. The pillar of employment was vital as a means of underpinning society. There was no point wasting efforts on seminars or training courses for people who would have no chance of obtaining employment afterwards.

It was absolutely essential to restore confidence, as no measures would produce results without it. Everyone bore some share of responsibility at their level. Pooling all efforts would make it possible to build a fair and independent Europe in which everyone found his or her place.

**The PRESIDENT** (Ireland, R, SOC) asked the three speakers to reply to the various comments.

**Maria ANDRIKOPOULOU-ROUVALI**, Deputy Mayor of Patras, Greece, said that her municipality was trying to establish networks with the assistance of social advisers to facilitate access to employment. Employment was indeed a major problem. The municipality was trying to develop programmes to help the unemployed find jobs but, at the same time, companies were having to lay off staff who already had jobs.

**Damien EGAN**, Cabinet Member for Strategy and Communications, Lewisham Council, United Kingdom, referred to the situation of the Roma community. In London, the community was mainly made up of Irish Travellers. Several sites existed in Lewisham. In 2010, a proposal by the council to establish a site for Travellers had been the subject of great controversy. The council had given up the project. However, once camps had been established for some time, things calmed down. The community had to integrate in its new site. Initially, people in the neighbourhood complained about the Travellers' dogs and children and some claimed that they held extreme Catholic beliefs. In Lewisham, the population had initially rejected the Roma community. However, the broader community away from the immediate neighbourhood of Roma sites was more tolerant.

The main challenge was not so much finding ideas to combat exclusion as putting them into practice. Interesting projects concerning young people had produced practical results, but local government was often constrained by drastic budget cuts. Lewisham's budget had been cut by up to 40% over four years. It was all the more essential to spend wisely, and the council was very strict about the outcomes achieved with its programmes.

**The PRESIDENT** (Ireland, R, SOC) asked Congress members for any comments.

**Vanessa CHURCHMAN** (United Kingdom, R, ILDG) said that, unfortunately, people felt threatened when new communities came into their areas. Certainly in England, it was very difficult to get people to mix. However, new communities did manage to integrate gradually. If social integration was to succeed, it was necessary to start with young children. It was essential to explain to schoolchildren that everyone should have equal opportunities. Equality was impossible, but everyone had to start off with the same opportunities. It was working with children aged four, five or six that made it possible to foster social integration.

**Charikleia OUSOULTZOGLOU** (Greece, L, SOC) said that, in view of the current situation in Greece, mayors were trying to do what they could to help people who came looking for assistance. While local measures could be taken to deal with problems on an ad hoc basis, it was economic development that remained vital. As long as the problem of unemployment remained unresolved, there could be no hope of achieving practical results in the long term. Roma children had to go to school so that they could be integrated into society and, at the same time, it was necessary to introduce policies to foster economic development.

**The PRESIDENT** (Ireland, R, SOC) thanked everyone who had contributed to the debate, especially the three guest speakers for their very stimulating presentations.

*Herwig van Staa (Austria, R, EPP/CCE), President of the Congress, took the chair at 17.45.*

## 5. LAUNCH OF THE EUROPEAN ALLIANCE OF CITIES AND REGIONS FOR ROMA INCLUSION

**The PRESIDENT** (Austria, R, EPP/CCE) said that it was now time to launch the European Alliance of Cities and Regions for Roma Inclusion. The alliance, which was the result of several years of efforts, was a co-operation framework for towns, cities and regions that were seeking to foster the integration of the Roma community at local and regional level. As a body which dealt with issues such as human rights and equality, the Council of Europe could not ignore the situation of 12 million people who belonged to the Roma community. It was up to the representatives of local and regional authorities present in the Chamber to make sure that Roma, as fully-fledged European citizens, enjoyed the same rights as all other Europeans and were able fully to participate in the life of their towns and regions. It was on the basis of that conviction that the idea of the alliance had been born.

The idea had been put forward at the Summit of Mayors on Roma, which had been jointly organised by the Congress of Local and Regional Authorities and the Special Representative of the Secretary General for Roma Issues in September 2011. The initiative of setting up the alliance had been presented and then developed by local and regional authorities. It was at grassroots level where the problems occurred that the most practical solutions could be found. It was local and regional authorities that implemented national strategies and they could bring about a real change in perceptions of Roma groups among the rest of the population. The alliance would enable all efforts in this area to be pooled.

The European Alliance of Cities and Regions for Roma Inclusion was now to be officially launched. To date, around 100 towns, cities and regions all over Europe had confirmed their intention of taking part in its activities. He was sure that the alliance would soon develop and expand.

The alliance programme involved a wide range of activities. The member towns, cities and regions would be informed about all the events planned. The alliance would provide networking and ensure an ongoing flow of information between its members. Member towns, cities and regions which were prepared to be more closely involved could take part in an intensive cycle of activities, during which local consultations, workshops and study visits would be organised.

The Congress of Local and Regional Authorities was firmly committed to the alliance. It wished to continue strengthening co-operation between municipalities and regions in Europe to enable them to achieve common objectives, including the integration of the Roma community into public life. He was confident that the launch was only the start of what would be a very fruitful process and wished the European Alliance of Cities and Regions for Roma Inclusion every success.

He then gave the floor to the Deputy Secretary General of the Council of Europe, Ms Gabriella Battaini-Dragoni, to open the launch ceremony for the European Alliance of Cities and Regions for Roma Inclusion.

**Gabriella BATTAINI-DRAGONI**, Deputy Secretary General of the Council of Europe, greeted all members and said that she was pleased to launch the European Alliance of Cities and Regions for Roma Inclusion. The previous day, Mr Jagland, the Secretary General of the Council of Europe, had outlined to the Congress his vision on how to counter several worrying trends in Europe, such as the rise in extremism and hate speech, new nationalism and vilification of immigration, and had underlined

the importance he attached to Roma issues. The current situation of Roma in Europe was a disgrace for the entire continent. Roma were fellow Europeans and there were no valid reasons for Roma children not to achieve as well as any other children. Yet the statistics showed that they were far more likely to underperform. There were no valid reasons for Roma not to be as healthy as other people, yet life expectancy for Roma men was 10 years below the average.

Over the past several years, the Council of Europe had put a lot of energy and resources into improving the living conditions of Roma and promoting Roma inclusion and full respect for their rights. Practical action had been taken and would continue. In October 2010, the Council of Europe member states had adopted the Strasbourg declaration, which acknowledged the crucial role of local and regional authorities in this area. The Council of Europe had chosen to work at local level, in particular through a programme for training Roma mediators, known as the ROMED programme. Through this Council of Europe/European Commission joint programme, over 1 000 mediators had been trained in over 20 countries. Hundreds of local and regional authorities had been involved in the training sessions. As the programme advanced, it had been seen that there was a real need to build the capacities of municipalities and regions so that they could develop effective Roma inclusion policies. Against this background, a Summit of Mayors on Roma had been held in September 2011 and had led to the decision to establish the European Alliance of Cities and Regions for Roma Inclusion.

She was delighted that, 16 months later, the time had come to launch the alliance. It was a great example of the crosscutting nature of the work of the Council of Europe: it had received the support of the Committee of Ministers and would be carried out in close co-operation with the Special Representative of the Secretary General for Roma Issues, as well as with other Council of Europe bodies. This crosscutting approach should not, however, be confined to the Council of Europe, but should involve other partners. The European Commission had expressed interest in the project, for instance. It was important for international organisations to co-operate in order to mobilise as much energy as possible at local and regional level. Most Council of Europe member states had adopted national Roma inclusion strategies. It was necessary to make sure that these strategies were translated into action at local level. Many municipalities were committed to that, but they needed support, expertise and resources. The Council of Europe should help them to get that. She therefore welcomed the establishment of an international coalition, of which the alliance would be the operational pillar, which would bring together the Council of Europe, the European Commission, the United Nations Development Programme, the World Bank and the Council of Europe Development Bank with a view to fostering Roma inclusion. Pooling resources and ideas offered the best chance of succeeding.

In the 21st century on the continent that had invented the concept of human rights, Roma still lived in appalling conditions, which violated Council of Europe standards: they attended segregated schools, had no access to many public services and were victims of discrimination. All Council of Europe members together had a duty to make the alliance succeed. She wished it every success and said that she would support the project with determination.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Ms Gabriella Battaini-Dragoni for her particularly inspiring contribution. The Congress would now hear a video message from the European Commissioner for Regional Policy, Mr Johannes Hahn.

**Johannes HAHN**, European Commissioner for Regional Policy (video message), said that the role of local and regional authorities as the administrative unit closest to the citizen was very important. They were best placed to identify problems that affected everyday lives and come up with solutions. In this context, the involvement of the members of the Congress of Local and Regional Authorities in promoting socio-economic inclusion was crucial. He congratulated the Council of Europe on the launch of the European Alliance of Cities and Regions for Roma Inclusion. The alliance would serve as a platform for co-operation and exchanges of experience. Cities and regions would be able to further develop their action in support of this marginalised group.

The objectives of the alliance were in line with the EU Framework for National Roma Integration Strategies. That was designed to implement the Europe 2020 objectives of smart, sustainable and inclusive growth. However, such objectives required co-ordinated action by all partners. The European Commission had therefore worked closely with the United Nations Development Programme and the World Bank in developing data collection and monitoring methods.

These tools had made it possible to develop evidence-based policies on Roma inclusion so that investments from the structural funds could be better targeted. It was clear that an integrated approach was needed here so that account could be taken of the various aspects such as housing, education, health and employment. Unless the housing problem was resolved, none of the action in the other fields would be effective. A housing pilot project in nine EU member states supported by the structural funds had already produced some very encouraging results. It had also helped participants understand that local authorities needed a great deal of expertise concerning socio-economic policies for Roma.

With this in mind, the European Commission had, in January 2013, looked into establishing an international coalition to provide technical assistance to local authorities. The coalition would consist of international organisations active in Roma inclusion issues, bringing together the EU, the Congress of Local and Regional Authorities of the Council of Europe, the World Bank, the United Nations Development Programme and the Council of Europe Development Bank. The members of the Congress of Local and Regional Authorities had a special role to play in the coalition, representing the local and regional authorities that sought to deliver socio-economic integration strategies. He was sure that, together, they would all make Europe more inclusive.

**The PRESIDENT** (Austria, R, EPP/CCE) gave the floor to the President of the European Roma and Travellers Forum, Mr Rudko Kawczynski.

**Rudko KAWCZYNSKI**, President of the European Roma and Travellers Forum, said that it was a great privilege to take part in the launching of the European Alliance of Cities and Regions for Roma Inclusion. Roma were the most marginalised ethnic group in Europe. They faced discrimination in access to housing, education, healthcare and employment. These were all areas where local and regional authorities had key responsibilities. The majority of European Roma lived in the poorest regions. There were some 30 000 Roma slums in Europe and the figure was rising constantly. This highlighted the need to mobilise local and regional action to improve the conditions in which Roma lived. In the Strasbourg declaration of October 2010, Council of Europe member states had underlined both that local and regional action was crucial for the implementation of national strategies and also that they needed to be supported by international organisations. The Council of Europe had taken up this role through the alliance.

The European Roma and Travellers Forum was convinced that local and regional authorities had a crucial role to play in improving the situation of Roma. It was in towns and regions that relationship issues between Roma and non-Roma arose. The public authorities had a part to play here, often against a background of tension and outright hostility. The alliance was an opportunity for working together to find solutions. The number of municipalities and regions taking part in the initiative was growing.

He hoped that the tragic events of the past would not become common practice in the municipalities where Roma lived. The European Roma and Travellers Forum would offer its expertise in putting the alliance programmes into practice. The situation of Roma remained an affront to democratic ideals. Under its new programming period beginning in 2014, the European Social Fund would be focusing on the involvement of local and regional authorities in Roma inclusion. However, all these efforts would come to nothing unless local and regional authorities were politically committed to making radical reforms. Cosmetic changes intended to please the Roma without displeasing the general public were not enough. Real change was needed, through the political will of local leaders. The European Roma and Travellers Forum would give those involved in the alliance its full support.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Mr Kawczynski and said that the alliance would definitely work in close co-operation with the Roma community and the European Roma and Travellers Forum.

Some cities had been actively involved in the establishment of the alliance ever since the idea had been put forward. Heraklion was one of them, and he gave the floor to its Deputy Mayor, Ms Syggelaki.

**Despoina SYGGELAKI**, Deputy Mayor of Heraklion (member of the Alliance Project Group), Greece, was pleased to be taking part in the launch of the European Alliance of Cities and Regions for

Roma Inclusion. Heraklion had supported the initiative from the outset at the Summit of Mayors in September 2011. The alliance was based on a unique programme, which the cities and regions had begun drawing up after the Summit of Mayors. A project group comprising several cities had been set up and a questionnaire had been sent to all participating cities to determine their respective needs. The alliance had been established on the basis of the findings, but many problems remained unresolved.

During the current period of serious economic and social crisis both in Greece and throughout Europe, it was vulnerable groups who suffered most. Crime levels were rising, as were xenophobic tendencies and even fascism. The first victims were migrants and Roma, as well as all vulnerable groups such as women and children. Greek municipalities, no doubt like those elsewhere in Europe, were short of funding. But the levels of assistance needed by the public were increasing. Against this background, this initiative by the Council of Europe and local authorities concerned Roma, their needs, their rights and duties, but also highlighted solidarity on the part of European citizens. In spite of its financial difficulties, Heraklion was seeking to combat social discrimination and made sure that all children were vaccinated and fed. It was trying to help Roma and foreigners and illegal immigrants, as well as everyone in need of assistance.

The alliance would have to help municipalities to harness all available resources. The needs were substantial and all European institutions had to play a part in helping local and regional authorities. Heraklion would do everything it could to strengthen social cohesion and preserve law and order. However, the key role here lay with national decision-makers. The launch of the European Alliance of Cities and Regions for Roma Inclusion was only the start of a long process and she urged all representatives of local and regional authorities to join it.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Ms Syggelaki and said that Madrid also played a very important part in the alliance. He gave the floor to Mr Ramirez, Director of the Rehousing and Social Integration Institute.

**Francisco Javier RAMIREZ**, Director of the Rehousing and Social Integration Institute, Region of Madrid (member of the Alliance Project Group), Spain, thanked the Congress for inviting the Autonomous Community of Madrid, which he represented, to participate in the launching of the European Alliance of Cities and Regions for Roma Inclusion, to whose establishment Madrid had actively contributed. The Madrid regional government was keeping to its commitment to dismantle all shanty towns and rehouse the families concerned, most of which were of Roma origin, in an urban environment, with the objective of integrating families that were excluded from mainstream society. This political commitment, which had required a major financial effort in spite of the crisis, had been very successful in dismantling over 100 shanty towns. Now only three shanty towns still had to be dismantled. Over 8 500 people had been freed from social exclusion and allocated housing in a more normal environment.

The model could be seen as a benchmark at national and international level. 95% of the families that had been rehoused had been integrated into Madrid society. The Council of Europe had recognised the work by awarding the Rehousing and Social Integration Institute the Dosta! Prize in 2011. The prize was awarded for good practice in integrating the Roma population. This year, the Autonomous Community of Madrid had taken part in the UN International Good Practices Competition on the theme of social integration and had been placed in the "good" category for the work done by ASIVECAM, a neighbourhood assistance service aimed at improving neighbourly co-existence. Since 2011, the Autonomous Community of Madrid had been actively involved in setting up the European Alliance of Cities and Regions for Roma Inclusion with a view to establishing a co-operation framework for sharing constructive experiences of Roma social inclusion.

The Autonomous Community of Madrid was determined to continue working in the alliance to promote its values, namely equal opportunities, shared rights and duties, tolerance and harmonious coexistence, while seeking new ways to help improve the situation of Roma in Europe.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Mr Ramirez for his contribution, which brought the launch ceremony to a close. He invited all the participants to take part in the reception being held in the evening by the city of Strasbourg in co-operation with the alliance.

6. ADOPTION OF THE MINUTES OF THE SITTINGS OF THE CONGRESS ON  
19 MARCH 2013

[CG(24)PV1am] and [CG(24)PV1pm]

**The PRESIDENT** (Austria, R, EPP/CCE) said that the next item was the adoption of the minutes of the sittings of the Congress on 19 March 2013, set out in documents CG(24)PV1am and CG(24)PV1pm.

There were no objections to the adoption of the two sets of minutes.

The minutes of the sittings of the Congress on 19 March 2013 were adopted.

7. CEREMONY AWARDING THE CONGRESS MEDAL TO HONORARY MEMBERS

**The PRESIDENT** (Austria, R, EPP/CCE) said that the next item was the presentation of the Congress medal to three former members. He first welcomed Mr Valery Kadokhov, former member of the Congress from the Republic of North Ossetia-Alania in the Russian Federation. Mr Kadokhov had been a very active member of the Russian delegation for over 10 years until October 2012. He had been Chair of the Committee on Sustainable Development, a member of the Committee on Culture and Education, the Working Group on Interregional Co-operation and, more recently, the Governance Committee and the Monitoring Committee. In Russia, he had represented the Parliament of North Ossetia-Alania in the Federation Council.

On behalf of the Congress, the President thanked Mr Kadokhov for his many contributions to the work of the Congress and for the years of effort and energy he had put into the institution.

The second medal would be awarded to Fabio Pellegrini, former Vice-President of the Congress. Fabio Pellegrini had been the living embodiment of efforts to promote local and regional democracy in Europe. He had been a member of the Congress since its establishment in 1994 and, before then, had been a member of the Standing Conference. As a member of the Italian section of the Council of European Municipalities and Regions, he had always sought to raise the Congress' profile. He had contributed his great experience and knowledge of Italy's towns, provinces and regions to several Congress committees. Lastly, he had ended his mandate in style at the October 2012 session, sharing with his colleagues some delicious Brunello di Montalcino wine from his native Tuscany.

The President said that the Congress was grateful to Mr Pellegrini for his many years of commitment to local self-government.

Lastly, the President said that the third medal was going to his predecessor, Keith Whitmore, former President of the Congress. When the House of Lords had held a debate on local democracy the previous month, several of its members had warmly paid tribute to the great work Keith Whitmore had done for local democracy and his role in steering the reforms at the Congress. In Austria in 2012, the Emperor Maximilian Prize had been awarded to Keith Whitmore for his contribution to regional and local politics.

During his presidency of the Congress, which had overlapped with the British Chairmanship of the Committee of Ministers of the Council of Europe, Keith Whitmore had exercised his diplomatic skills and made unrelenting efforts to build good relations with the Congress' institutional partners. During his 16 years at the Congress, Keith Whitmore had been chair of the British delegation, chair of the Liberal Group and chair of the Institutional Committee. As a member of many networks such as the Council of European Municipalities and Regions and the EU Committee of the Regions, he had played a vital role. It was to him that the Congress owed European Local Democracy Week and, more recently, he had contributed to the Congress measures to support the Roma community.

The members of the Bureau would greatly miss Keith Whitmore's wit and humour

He gave the floor to Mr Kadokhov.



**Valery KADOKHOV**, Russian Federation, former member of the Congress, said that the ceremony was an honour for the Russian Federation delegation, which he had headed and which had prepared many in-depth reports on local democracy and social cohesion.

When he had arrived at the Chamber of Regions, the political debates had involved extremely heated discussion of interfaith and interethnic issues. The discussions had then been taken forward, however, and the participants had succeeded in drawing up guidelines that took a common approach. Congress members were not only representatives of their respective countries but also delegates of the Council of Europe in their own countries. They managed to improve their domestic legislation on the basis of the principles adopted by the Congress and of very interesting debates between different local and regional authorities. All local authority leaders sought to improve the quality of life of their fellow citizens, but fundamental rights had to be more than declarations of intent: they had to be translated into practical action, and that was the objective of the Congress' recommendations. Being an ardent supporter of human rights and the values of the Council of Europe was not always easy. The Council of Europe needed to be a real vector for development by combating all threats, whether of an economic, terrorist or other kind.

Dozens of leading companies from more developed countries like Germany, France and Italy had invested in Russia because local and regional authorities defended their interests. In the Arctic region and in Siberia, many companies were involved in drilling. The expansion of foreign firms in Russia had been made possible by local authorities. At the same time, tens of thousands of Russians travelled throughout Europe. Unfortunately, the Schengen agreements made that difficult. He urged members to consider the matter.

**The PRESIDENT** (Austria, R, EPP/CCE) said how much he had enjoyed working with Mr Kadokhov and gave the floor to Mr Pellegrini.

**Fabio PELLEGRINI**, Italy, former Vice-President of the Congress, said that he had spent almost 26 years at the Congress of Local and Regional Authorities and its predecessor, the Standing Conference. He had always been committed to asserting the political nature of the institution. It had originally been regarded as an assembly of experts, but its members had lobbied for it only to be made up of local and regional elected representatives, which had made it more political and given it greater weight within the Council of Europe. He also referred to his work in the CEMR to bring about the establishment of the Committee of the Regions at the European Union in 1994. He had then returned to the Congress of Local and Regional Authorities, while continuing to serve as a mayor in Italy for 20 years.

The years which he had spent at the Congress had left a great mark on him. The years following the fall of the Berlin Wall had been the most exciting. It had been necessary to lay the foundations of democracy in central and east European countries. He disagreed with those who claimed that the enlargement of the European Union to those countries had been premature. It had been necessary to enable those countries first to join the Council of Europe and then the European Union so as to give them a degree of stability and help them build democracy. The groups in power at the time had thus acquired a degree of credibility in respect of their democratic commitment. However, this enlargement of the European Union ought to have been accompanied at the same time by a deepening of European democracy, with greater institutional, political and economic integration.

He had visited different countries many times on behalf of the Council of Europe, the Italian government and the European Union. During those great years, he had established personal relationships with many colleagues from Council of Europe member states who had become friends. This had given him the impression of being a citizen of those various countries.

He referred to particularly eventful visits in the 1990s, to the former Yugoslavia and Albania. In November 1997, he had visited Albania, which had been in the midst of an armed rebellion, in spite of the dangers. The aim had been to promote institutional co-operation. Four or five years later, he had been moved to see that houses had been rebuilt and fields were being cultivated again, which was a sign that the Congress' work had not been in vain.

The work of the Congress was now entering a new phase. Peace, freedom and democracy could never be taken for granted. A lot had to be done to stabilise democracy, for example in certain

states in the Caucasus. It was important for Russia, the Council of Europe and the European Union to co-operate so as to avoid creating tension in certain countries. The task ahead was substantial. Progress would also have to be made within the Council of Europe itself, between the Congress of Local and Regional Authorities and governments, so that the principles of the European Charter of Local Self-Government were properly implemented. There had also been work on a draft Charter of Regional Self-Government, which raised many issues. The Congress had to focus on all these political aspects. It also had to promote co-operation with the other side of the Mediterranean.

His experience in the Congress had been vital. He was not ready to retire yet and hoped to have other opportunities to meet Congress members.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Mr Pellegrini and gave the floor to Mr Whitmore.

**Keith WHITMORE**, United Kingdom, former President of the Congress, thanked the Congress for the honour. He was very proud to have been involved in the transformation of the Congress into an operational body of the Council of Europe, which was fully engaged in co-operation with the intergovernmental sector and which had set improving governance and citizens' quality of life as its main objective. He had been involved in the work of the Congress for 17 years and had seen it develop into a major partner within the Council of Europe, a partner which worked in close co-operation with the Committee of Ministers, the Parliamentary Assembly, the European Court of Human Rights and the Commissioner for Human Rights. Over the years, he had served the Congress as Chair of the Committee on Sustainable Development, Chair of the Institutional Committee and then President of the Congress.

He had made many friends in the Congress and the secretariat. After 33 years of service to the city of Manchester, he had also left the city council in 2012. However, as an honorary member of the Congress and an honorary member of Manchester Council, he would, in a way, remain close to his former colleagues and looked forward to being able to continue offering the Congress support. He wished to mention two highlights in his recent career. Firstly, he thanked the Congress President for awarding him the Emperor Maximilian Prize in Innsbruck. The second highlight had been when he had at last seen Manchester City's name at the top of the Premier League.

In conclusion, he underlined how greatly he had appreciated being able to work in the Congress. He would continue to do everything he could to support it in its task.

**The PRESIDENT** (Austria, R, EPP/CCE) presented the medals to the three new honorary members of the Congress.

#### 8. DATE AND TIME OF THE NEXT SITTING

**The PRESIDENT** (Austria, R, EPP/CCE) invited Congress members to attend the ceremony being hosted at the Town Hall by the City of Strasbourg, Bas-Rhin Council and the Strasbourg Roma community.

The next sitting of the Congress of Local and Regional Authorities would be held the following day, 21 March, at 9.30.

Agreed.

*The sitting rose at 18.50.*

# **THIRD SITTING OF THE CONGRESS**

**Thursday 21 March 2013 at 9.30**

---

## **CONTENT**

### Page

1. Formal adoption of texts approved by the chambers.....	115
2. Adoption of the minutes of the sittings of the Congress and the chambers of 20 March 2013 .....	115
3. Andorran Chairmanship of the Committee of Ministers the Council of Europe (November 2012 – May 2013) .....	115
• Oral reply to written questions .....	117
4. Promoting ethics, preventing corruption.....	119
5. Close of the 24th Session of the Congress.....	128



*The sitting opened at 9.30, with Herwig van Staa (Austria, R, EPP/CCE), President of the Congress in the Chair.*

1. FORMAL ADOPTION OF THE TEXTS APPROVED BY THE CHAMBERS

[CG(24)9]

**The PRESIDENT** (Austria, R, EPP/CCE) said that, at its sitting on 20 March, the Chamber of Local Authorities had approved two texts, which were listed in Document [CG(24)9]. He proposed that the Congress officially adopt these texts, in keeping with Rule 21 of the Rules of Procedure.

The President did not note any objections to the adoption of these texts.

The texts mentioned in Document [CG(24)9] were adopted.

2. ADOPTION OF THE MINUTES OF THE SITTINGS OF THE CONGRESS AND OF THE CHAMBERS OF 20 MARCH 2013

[CG(24)PV2], [CPL(24)PV1] and [CPR(24)PV1]

**The PRESIDENT** (Austria, R, EPP/CCE) said that the minutes of the previous plenary sitting and the minutes of the sittings of the two chambers were available at the document counter. He proposed to the members of the Congress that they adopt these documents.

The President did not note any objections to the adoption of the minutes.

The minutes of the sittings of the Congress and chambers on 20 March 2013 were adopted.

3. ANDORRAN CHAIRMANSHIP OF THE COMMITTEE OF MINISTERS OF THE COUNCIL OF EUROPE (NOVEMBER 2012 – MAY 2013)

[CG(24)16]

**The PRESIDENT** (Austria, R, EPP/CCE) welcomed Mr Gilbert Saboya Sunyé, Andorran Minister for Foreign Affairs, who had been Chair of the Committee of Ministers of the Council of Europe since 9 November 2012. It was the first time Andorra had taken on this role. In the context of its chairmanship it had set itself a series of objectives in the field of human rights, democracy and the rule of law. Concrete activities had been planned in connection with education for democratic citizenship, human rights promotion and youth.

Like Albania, which had held the chairmanship before Andorra, and in consultation with Armenia and Austria, the Andorran Government had also made the promotion of local and regional democracy one of the priorities of its chairmanship, the next two countries to hold the chairmanship. This was not surprising as there was a long tradition of local self-government in the Principality of Andorra. Andorra had only recently signed the European Charter of Local Self-Government but it had long met the conditions.

The Bureau of the Congress had met in Andorra la Vella on 11 February 2013, which had provided the opportunity to hold exchanges with Andorran elected representatives and political leaders. Jean-Claude Frécon, Vice-President of the Congress, had taken part in the conference held in Andorra on the subject "Competences for a culture of democracy and intercultural dialogue: a political challenge and values", to help prepare the conference of ministers of education. The Conference was to be held in Helsinki on 26 and 27 April 2013, and Vice-President Frécon would represent the Congress.

The Congress had been an active partner throughout the Andorran Chairmanship of the Committee of Ministers, and would continue to be so. It would continue its dialogue with all of the member states in the context of the monitoring of the European Charter of Local Self-Government, with the aim of lifting any reservations they had made when they had ratified the Charter. In its reply to Recommendation 314-2011 of the Congress on 13 March 2013, the Committee of Ministers, invited member states to extend the number of articles by which they had considered themselves bound when acceding to the Charter.

The President invited Mr Saboya Sunyé to present the priorities of the Andorran Chairmanship.

**Gilbert SABOYA SUNYÉ**, Andorran Minister of Foreign Affairs, said that the Andorran Chairmanship had chosen to include the promotion of local and regional democracy amongst its priorities. The responsibilities of local and regional authorities covered a wide panoply of issues, as Andorra, despite, or precisely because of its small size, was aware from its daily experience. Andorra was in practice divided into seven authorities (known as parishes), and a section of the Constitution (Title VI) was dedicated to local government.

He mentioned the recent initiatives taken by the Committee of Ministers. The European Committee on Local and Regional Democracy (CDLR) had been instructed to carry out four specific tasks in co-ordination with the Congress and the other relevant Council of Europe bodies. Firstly, to analyse the impact of changing economic fortunes on local budgets and to propose appropriate policy responses on the basis of the "Kyiv Guidelines". Secondly, to prepare proposals to strengthen awareness of the human rights dimension of local and regional governance. Thirdly, to examine how the principles of good democratic governance at local and regional level could be promoted and applied in the practices of local and regional authorities; and finally, to consider how obstacles to transfrontier co-operation could be overcome.

The Committee of Ministers had also recently adopted several replies to Congress recommendations, including those concerning "The changes underway in the Arab countries – opportunities for local and regional democracy", "The right of local authorities to be consulted by other levels of government", "The governance of macro-regions in Europe" and "Second-tier local authorities – intermediate governance in Europe".

Gilbert Saboya Sunyé noted that the Congress had chosen as a theme for its 2013 sessions "the crisis in Europe and the challenges of local and regional democracy". Indeed, in several countries, the economic crisis had already caused or was likely to cause a serious social crisis.

The recent conference "Poverty and inequality in societies of human rights: paradox of democracies" had been a perfect illustration of the situation. The conference had highlighted the consequences of the restrictions of the access to social and political rights. Such a process affected the values on which Europe was based. One of the conference's main conclusions had been that it was essential to strengthen local capacities in order to reduce poverty and inequalities in Europe's towns and cities, and that could not be done unless citizens played their part.

Political representatives at all levels had to demonstrate that they were equal to the challenges facing them. Particular attention had to be given to the protection of democratic processes and social cohesion, in the knowledge that both could be victims of the negative consequences of the current economic climate.

In setting its priorities, the Chairmanship of the Committee of Ministers had drawn on the history of Andorra and its cultural and linguistic diversity. Andorra was aware of the need to uphold diversity and to respect differences. The first priority of the Andorran Chairmanship was therefore to promote education for democratic citizenship, i.e. the principles of human rights, democracy and the rule of law, on which the Council of Europe was based. The promotion of non-discrimination, of respect for those who were different, was essential. Such education was also necessary to create interest in the functioning of democratic institutions, in response to the disenchantment if not loss of confidence in them.

In this context, The Andorran Chairmanship had held three conferences. The first, in November 2013, had concerned the impact of the European Charter on education for democratic citizenship and human rights. The theme of the second, which had taken place in Andorra la Vella on 7 and 8 February 2013, had been the culture of democracy and intercultural dialogue. The third was the 24<sup>th</sup> Conference of Ministers of Education, which would take place in Helsinki on 26 and 27 April 2013, on the subject of "Governance and Quality Education". Similarly, in April, gatherings of the Young Ambassadors for Peace would take place in Andorra. This event would go hand-in-hand with mediation training for young Andorrans who work with young people.

The Andorran Chairmanship had also just launched a campaign to promote the European Convention for Human Rights by using social networks and co-operating with youth organisations, to raise public awareness of human rights protection. There would be a special web page on the Convention on the Council of Europe website. Participants were asked to publicise the Convention to family, friends and colleagues. All of the 800 million people living in Greater Europe were responsible for nurturing human rights and he urged all the participants to take part in the campaign. If these efforts were to be successful, commitment and engagement from all levels of government were required, not least at the local and regional level. The Congress could play an important role in education for democratic citizenship at local level. In this connection he mentioned the lively interest in Andorra for “smart cities” as an instrument for citizens’ participation in public life, a subject which the Congress had discussed at the session.

The increased risk of social exclusion was another consequence of the current economic climate. Combating inequalities and exclusion had to remain a priority, even when resources were scarce, to establish a more cohesive society. They had a duty to continue to protect the most vulnerable, in particular young people, many of whom were destabilised by the current economic climate, and other social groups who were victims of discrimination and confronted with specific difficulties in integrating society. In this connection, he congratulated the Congress on its commitment to improving the situation of Roma communities throughout Europe. The Committee of Ministers welcomed the official launch the day before of the European Alliance of Cities and Regions for Roma Inclusion, which had already carried out some significant work.

Promoting ethics and preventing corruption was another subject which would be debated during the session, later that morning, in fact. It was essential to fight against corruption, a challenge faced by all European countries, to maintain citizens’ confidence in democratic institutions.

Gilbert Saboya Sunyé called on all the participants to take an active part to help the Council of Europe play out its core mission of protecting human rights, democracy and the rule of law across the Continent, and paid tribute to the work done by the Congress to achieve this aim.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked the Minister and proposed that he answer the written questions submitted by members of the Congress.

#### ORAL REPLY TO WRITTEN QUESTIONS

**Jos WIENEN** (Netherlands, L, EPP/CCE) said that what the Minister had said had been very interesting and he drew attention to the exhibition on local self-government in Andorra. The Congress sought to ensure that the European Charter of Local Self-Government was fully applied in Council of Europe member states. During monitoring visits, the Congress delegations took advantage of meetings with representatives of national governments to try to persuade them to lift the reservations their country had made when ratifying the Charter. Did Mr Saboya Sunyé think that this harmonisation of standards on the European continent was of value to the Committee of Ministers? What could the Committee of Ministers do to encourage member states to extend their commitments pursuant to Articles 12, 13 and 16 of the Charter?

**Gilbert SABOYA SUNYÉ**, thought that the Congress’ dialogue with member states on the subject of the ratification of the Charter was indeed important. The previous week, in a reply to a Congress recommendation, the Committee of Ministers had invited the Congress to raise the issue of lifting reservations during discussions with the signatories of the Charter. He encouraged the Congress to continue its work in this direction.

**Lars O. MOLIN** (Sweden, L, EPP/CCE) said that during this session, the Congress had adopted a resolution on developing post-monitoring and post-observation of elections. The aim of the resolution was to improve the effectiveness of the implementation of Congress recommendations. Did the Committee of Ministers intend to use the outcome of the dialogue within its Rapporteur Group on Democracy (GR-DEM) to facilitate the implementation of the Congress’ recommendations?

**Gilbert SABOYA SUNYÉ** said that the Committee of Ministers was pleased that the Congress intended to develop political dialogue with member states in the context of the post-monitoring process. This initiative would help to improve the implementation of Council of Europe standards. It

would be up to the Committee of Ministers to decide to establish a monitoring process if necessary, depending on the outcome of the political dialogue. It would however carefully consider any proposal the Congress might submit to it.

**Philippe RECEVEUR** (Switzerland, R, EPP/CCE) said that the Congress had geared its work to fit in with the Council of Europe policy of supporting democratic transition in countries in the immediate neighbourhood, for example Morocco and Tunisia. In the resolution it had adopted in October 2012, the Congress had envisaged introducing the status of “partner for local democracy”, drawing on the example of that introduced by the Parliamentary Assembly in 2010. He asked Mr Saboya Sunyé whether he thought that the special status for non-member states proposed by the Secretary General of the Council of Europe and currently being discussed by the Committee of Ministers could be usefully complemented by such a status.

**Gilbert SABOYA SUNYÉ** said that, in reply to the Congress recommendation, the Committee of Ministers had said that the transition of Council of Europe neighbouring countries towards a genuinely democratic system called for a certain degree of decentralisation. It had therefore included the local and regional dimension in its neighbourhood policy and welcomed the Congress’ contribution to this new Council of Europe policy. It was admittedly up to the Congress to decide whether it wished to introduce a “partner for local democracy” status, but it was also important to co-ordinate this initiative with those which had already been taken in this field or where currently being discussed by the Council of Europe, so that the organisation could speak with a single voice and avoid problems in the practical arrangements. The Committee of Ministers would be discussing the new status in the coming weeks and he invited the Congress to take account of the outcome of the discussions at its forthcoming meetings.

**Anders KNAPE** (Sweden, L, EPP/CCE) noted that in reply to the Congress recommendation on “the right of local authorities to be consulted by other levels of government”, the Committee of Ministers had stressed that the consultation of local authorities on subjects concerning them was an important aspect of democracy. The Congress wished to increase its action in this field by implementing a strategy for improving the consultation process, with the aim of developing models of multi-level governance. Anders Knapé asked Mr Saboya Sunyé if he would give his backing to this Congress activity.

**Gilbert SABOYA SUNYÉ** said that ensuring that local and regional authorities were consulted in an appropriate and constructive manner was a requirement of good governance. Elected authorities had responsibility for protecting democracy and social cohesion, which were currently threatened. Among the institutions in Andorra, the local and regional authorities played an essential role. More consultation of local authorities helped to improve the quality of legislation and public policies. The initiative taken by the Congress could only be welcomed by the Committee of Ministers, which was impatient to see how the Congress would develop this strategy.

**Jean-Claude FRECON** (France, L, SOC) thanked the Committee of Ministers for the political support it gave to the activities of the Congress. However, he feared that further cuts in jobs at the Council would oblige the Congress to reduce its basic activities. Was the Committee of Ministers prepared to support the Congress when budgetary choices were made to preserve a minimum core of statutory activities? The Congress, for its part, was seeking external funding. He pointed out that of all Council of Europe bodies the Congress offered excellent value for money, given the large number of activities and the limited number of staff.

**Gilbert SABOYA SUNYÉ** said that the Committee of Ministers appreciated the efforts the Congress made to manage the resources it had as well as possible and to refocus on its core activities. The Committee of Ministers would give an opinion by the end of the year on the budgetary context for 2014-2015. The Secretary General would shortly present his priorities, which would be examined before the summer. On this basis, a draft budget for 2014-2015 would be submitted to the Committee of Ministers in the autumn. The decision would necessarily reflect the very difficult economic and budgetary context in most member states. Gilbert Saboya Sunyé nevertheless congratulated the Congress on the progress made over recent years to increase its efficiency and its interaction with the other Council of Europe bodies. The Committee of Ministers encouraged the Congress to continue its reforms in this field.



**John WARMISHAM** (United Kingdom, L, SOC) noted that the reforms carried out by the Congress had led it to collaborate more closely with its partners, in particular the Committee of Ministers. The Congress Bureau had also appointed a co-ordinator for co-operation with the intergovernmental sector of the Council of Europe. He was pleased that the promotion of local and regional democracy was one of the priorities of the Chairmanship. The Congress Bureau had thought about what could be done to strengthen co-operation with the Committee of Ministers and had come up with the idea of providing it with an annual cross-sectoral analysis of recurring problems it identified during its monitoring visits. He asked Mr Saboya Sunyé if he would agree to set this process in motion during his chairmanship.

**Gilbert SABOYA SUNYÉ** said that the Committee of Ministers appreciated the Congress' efforts to work more closely with the intergovernmental sector. Such initiatives helped to improve interaction between the different sectors of the Council of Europe. The idea of providing an annual cross-sectoral analysis of the recurring problems identified during its monitoring visits was very interesting and would be discussed by the Committee of Ministers, particularly in the context of the discussion on ways of improving the impact of the Council of Europe's monitoring bodies.

**Alexander SOKOLOV** (Russian Federation, L, EPP/CCE) said that in Russia it was customary to give great attention to issues concerning culture. In April 2013 a Council of Europe Conference of Ministers of Culture would take place in Moscow and 2014 would be declared "Year of Culture" in Russia. He asked what the Committee of Ministers intended to do to strengthen this essential aspect of the Council of Europe's work, as well as the other fields of inter-sectoral co-operation between member states.

**Gilbert SABOYA SUNYÉ** thought that culture was a very important dimension of contemporary Europe. Intercultural dialogue was an essential aspect of education for democratic citizenship, which was one of the Chairmanship's priorities. The Council of Europe's programme of activities focused on all of these cross-sectoral approaches.

Culture was also a means of personal self-fulfilment for European citizens. The Committee of Ministers considered promoting access to culture to be a vital field of action, and new technologies and social media offered new possibilities of expression. This highly topical issue would be examined in Moscow at the forthcoming Council of Europe Conference of Ministers of Culture. The Committee of Ministers would study the conclusions of the conference with great interest.

**Vladimir VARNAVSKIY** (Russian Federation, R, ILDG) mentioned the legislative initiative taken by the Latvian authorities aimed at citizens called on to carry out their national service during the Second World War. This project was tantamount to equating soldiers who had fought Nazism with former members of the Waffen SS found guilty during the Nuremberg Trials. What steps could the Committee of Ministers take if Latvia adopted this law?

**Gilbert SABOYA SUNYÉ** said that the Committee of Ministers had not discussed this draft legislation. Nor had it been debated in the Latvian Parliament. Without anticipating the stance which the Committee of Ministers might take, he nevertheless thought it was unlikely that this draft legislation would be criticised. It aimed to provide welfare assistance to persons who had been incorporated into the German army against their will and it expressly excluded persons responsible for war crimes or crimes against humanity, or persons who had collaborated with repressive Nazi or Soviet institutions.

**The PRESIDENT** (Austria, R, EPP/CCE) thanked Mr Saboya Sunyé, Andorran Minister for Foreign Affairs, for taking part in the session and for his co-operation with the Congress.

#### 4. PROMOTING ETHICS, PREVENTING CORRUPTION

**The PRESIDENT** (Austria, R, EPP/CCE) said that he had asked Mr Frécon, President of the Chamber of Local Authorities, to chair the sitting as he wished to take part in the next debate.

*Jean-Claude Frécon (France, L, SOC) took the President's place in the chair at 10.20.*

**The PRESIDENT** (France, L, SOC) announced the theme of the debate: "Promoting ethics, preventing corruption". All levels of governance in Europe were seeking ways of overcoming the crisis.

Combatting corruption should be an immediate priority as it affected the entire economy. There was less investment in countries affected by corruption. Poor management of public resources was increasingly painful for citizens, whose dissatisfaction was increasing and threatening democracy. The Council of Europe had several instruments for promoting ethics and had adopted a legal framework to combat corruption, such as the conventions monitored by GRECO, the Group of States against Corruption. Local authorities also had a vital role to play in this field, as they managed significant amounts of public funding. The Congress had already adopted the European Code of Conduct for the Political Integrity of Local and Regional Elected Representatives.

He presented the first speaker, Mr Marcin Mrčela, Chair of GRECO, whose training and experience as a researcher in the field of criminal law was of value to GRECO. Over the last two years the Congress had engaged in fruitful co-operation with this body. It now wished to move on to the operational phase of its activities and counted on GRECO's practical support in future initiatives.

**Marin MRČELA**, Chair of the Council of Europe Group of States against Corruption (GRECO), was delighted that "preventing corruption" had been chosen as one of the themes for the Congress' debates. In 1971 Gerald Ford, former President of the United States, had declared that : "In a political sense there is one problem that currently underlies all other problems: making governments sufficiently responsive to the people. If we don't make it responsive to the people, we don't make it believable. We must make the government believable if we are to have a functioning democracy."

In the nineteen-seventies there had been various calls for a responsive government, including in Council of Europe member states. The central governments of some countries were considered to be corrupt and alienated from the citizens' real concerns. By contrast, autonomous political structures were seen to be better at catering for local needs. In the nineteen-eighties, the process of decentralisation had spread across the globe and had led to the transfer of powers to a level that was closer to the grassroots. Self-government was now regarded as a touchstone for real democracy. Decentralisation had helped to meet people's needs but by adding a further tier of administrative bureaucracy, it had led to a number of less desirable attributes such as corruption. Unfortunately, statistics showed that local authorities were sometimes the prime level of corruption. In some countries, corruption was even more widespread at local than national level.

Several causes of potential corruption had been identified: dispersed control over local finances, lack of transparency in the recruitment and dismissal of staff, proximity to the recipients of services, opaque relations with contractors, the power of patronage networks, and the relative lack of capacity and effective oversight. According to the most recent Eurobarometer survey in EU countries, an average of 8% of EU nationals responding to an opinion poll had said that they had been confronted with bribery in 2011. Areas such as public tenders or the issuing of permits seemed to be particularly open to corruption. Corruption clearly undermined people's confidence in local and regional levels of governance.

GRECO comprised the 47 member states of the Council of Europe, plus Belarus and the United States. It monitored member states' compliance with the criminal law convention on corruption, as well as the civil law convention on corruption. The monitoring carried out by GRECO comprised two stages. The evaluation procedure comprised on-site visits and the preparation of a report containing a number of recommendations. In the following 18 months, the compliance procedure consisted in assessing the measures adopted by the state concerned to implement these recommendations. To date GRECO had focused on national anti-corruption policies, even if the principles set out by GRECO applied directly to sub-national level. A number of the recommendations had specifically concerned corruption at local and regional levels.

Marcin Mrčela thought that the co-operation between GRECO and the Congress could increase the effectiveness of local and regional authorities' action. GRECO worked at two levels: the values of governance, in other words the main principles such as transparency, ethics, accountability, and efficiency values, i.e. the way in which authorities put certain arrangements for applying these principles into practice.

Clientelism and the absence of competition between political movements could sometimes undermine pluralism. The Committee of Ministers had adopted a recommendation on common rules against corruption, concerning, among other things, the financing of political parties and election

campaigns. GRECO had carried out an evaluation of the way in which political parties were financed in each of the member states and had recommended revising some national regulations to increase transparency, for example in Denmark, the Netherlands and Spain.

It also appeared necessary to combat the climate of impunity. GRECO had therefore recommended ensuring that fewer people benefited from immunity so that they could be prosecuted in cases of corruption. It also advocated disciplinary measures against persons who had committed acts not liable to criminal sanctions. In a number of public authorities, the effectiveness of disciplinary measures needed to be improved.

GRECO promoted ethical and anti-corruption measures within public authorities at all levels. All persons working in public service should be liable to punishment in the event of fraud. It was essential that codes of conduct be adopted at all levels of administration.

GRECO had also recommended that some states establish a system for assessing the risks of corruption so as to identify the sectors or levels of administration most exposed to the problem.

GRECO had contributed to the transparency of decision-making procedures at all levels. Administrative procedures, particularly where the authorities had a broad margin of discretion, could create an environment that was conducive to corruption. Increased transparency seemed to be the best way to prevent corruption. GRECO advocated large-scale decentralisation so that the public were better informed about public procedures at local level. By increasing the responsibilities of local elected representatives, such decentralisation had led to the channelling of significant amounts of public money to the sub-national level, heightening the risks of corruption. It was essential that GRECO and the Congress of Local and Regional Authorities join forces to ensure that local and regional authorities were worthy of the citizens' trust.

**The PRESIDENT** (France, L, SOC) thanked the speaker and welcomed Mr Jean-Pierre Guis, who had recently been elected President of ANTICOR, a French association of elected representatives and citizens seeking to prevent corruption. It appeared absolutely necessary to involve civil society if the fight against corruption was to be won. Mr Guis, who had political responsibilities in the Paris administrative authorities was therefore also confronted with the problems of local and regional authorities.

**Jean-Pierre GUIIS** thanked the Congress for its invitation which, he supposed had been made not only as a result of the hearing that the ANTICOR association had succeeded in obtaining but also owing to the originality of its ideas and working methods.

The association had been founded ten years ago as a result of the determination of a number of elected representatives of all political persuasions, who were concerned at growing abstention at elections and at the level of voting for populist and extremist parties. Such extremist votes were more numerous in towns or regions where there had been cases of corruption. The situation had not improved over the previous ten years and democracy was suffering because they had been unable to overcome the problem of the poor reputation of elected representatives. Politicians' disrepute was caused mainly by specific cases of corruption which undermined them, the accompanying silence on the subject and the resulting public indignation.

About a year ago, the *TNS Sofres* institute had published a survey claiming that 72% of French people thought that their elected representatives were either very or somewhat corrupt. Only 19% considered them more likely to be honest than corrupt. Jean-Pierre Guis considered this situation to be explosive. Bid-rigging, influence peddling, fictitious jobs, misappropriation of special funds, off-shore accounts, lavish subsistence expenses, etc. All these practices could be considered to be examples of corruption.

Some elected representatives had forgotten that on account of their mandate they had a duty to set a good example. Being elected should be both an honour and a pleasure, the pleasure of working for the common good and orienting policies in a direction that corresponded to one's own values. A small number of dishonest politicians were, unfortunately, enough to discredit dozens of thousands of elected representatives who wished to serve their fellow citizens, with often admirable selflessness and willingness to serve their constituents. Corrupt politicians were in the minority but

because of them and those who turned a blind eye to their excesses, the reputation of all politicians was tarnished and democracy was under threat.

In France, corruption was a subject that was completely off limits. Political leaders often considered the members of ANTICOR irresponsible or *agents provocateurs*. Most political parties behaved as if corruption were a fantasy in the minds of a number of mentally deranged people.

The ethical approach taken by ANTICOR aimed to restore faith in public action by accelerating the downfall of elected representatives who bring politics into disrepute and by putting an end to all sorts of excesses. Corruption prospered as a result of the dysfunctioning of democratic systems: insufficient and sometimes deliberately circumvented prevention measures, and a culture of tolerance towards corrupt elected representatives. Corruption was therefore never accidental or purely personal but systemic and tolerated and sometimes even took place with the consent of other parties.

ANTICOR now had several thousand active members and supporters. Several tens of thousands of people followed the association's activities via the Internet. In most French *départements* there were local groups promoting ANTICOR's proposals, fighting at local level for greater transparency, and monitoring the actions of political representatives. The originality of the association lay in its cross-cutting approach with regard to political parties: its members were elected representatives and citizens of all political persuasions, with the exception of extremist parties.

The association used several types of action. In terms of prevention, it proposed that candidates at the different elections sign an extremely demanding charter of ethics, which was a commitment between candidates and the citizens they represented. ANTICOR regularly presented proposals at seminars or congresses and was invited to hearings by parliamentary committees or ministerial offices. The association's Internet site proposed a number of tools for those who wished to scrutinise the activities of their elected representatives. Every year ANTICOR issued "shame awards" to political representatives who had been sentenced or investigated and "ethics prizes" to courageous journalists, whistle-blowers, parliamentarians who submitted draft legislation against corruption, or to political representatives who took initiatives to increase transparency.

Although its main activity was preventing corruption, ANTICOR also initiated legal proceedings. The local groups reported to public prosecutors when they were given credible information concerning financial malpractice at municipal, *départemental* or regional level. Some ANTICOR members laid individual complaints. Finally, at national level, the association lodged complaints regarding emblematic cases, either because legal proceedings were not spontaneously set in motion or because there was no civil party to the proceedings. For example, ANTICOR had helped ensure that the proceedings which had led to the sentencing of a former President of the Republic to a suspended two-year prison sentence were conducted normally, whereas the prosecutor's office had proposed that the charges be dropped. On the occasion of the World Day against Corruption, ANTICOR had appeared as plaintiff against the President of a French *département* who had been accused of participating in a crime syndicate.

ANTICOR had made numerous proposals for legislative reform, of which Jean-Pierre Guis gave several examples:

- make it compulsory for political representatives to undergo training in good management practices;
- limit possibilities for MPs to hold more than one office or post concurrently and limit the number of successive mandates, as they often resulted in routine and cronyism: in France, nine out of ten political representatives who had been sentenced had held several offices concurrently;
- give the opposition more rights and more access to public accounts: ANTICOR proposed that tender committees in public authorities should be systematically chaired by a member of the opposition;
- foster participative democracy so that citizens were involved in monitoring the work of political representatives;

- give more resources and prerogatives to regional courts of auditors, which for the time being could do no more than find that there had been financial wrongdoing, and also to other monitoring bodies;
- restrict if not forbid lobbying practices;
- forbid the award of public service contracts to companies based in tax havens, directly or via their branches;
- forbid political representatives who had been sentenced for corruption or embezzlement of public funds to stand for further election; in France, if a public servant had been found guilty of embezzlement, he or she could no longer hold public office; the same ought to apply to political representatives, given that they represented voters and ought to be exemplary.

Jean-Pierre Guis emphasised the latter requirement, which was essential if political ethics were to be restored. Such a measure had also recently been adopted in Brazil under public pressure: a petition demanding this rule had been signed by two million people. He called on the French public to do likewise and ended by saying that the best weapon for fighting corruption was undeniably democracy.

**The PRESIDENT** (France, L, SOC) thanked the speaker and welcomed Petra Kneuer, representative of the European Commission's European Anti-Fraud Office, who was in charge of investigations into cases of corruption in the European institutions. The Director of the Office, Mr Kessler, had been at an international conference in Messina, Sicily, in May 2010 when the Congress of Local and Regional Authorities had launched its activities to combat corruption at local and regional level.

**Petra KNEUER**, Director of Investigations at the European Commission's European Anti-Fraud Office (OLAF), presented the institution, which was a key player in investigations to help prevent corruption. She had been Director at OLAF since December 2012 and was a public prosecutor. During her twenty years of professional experience, integrity and ethical standards had been of vital importance to her. She had asked to join the European Commission to contribute to OLAF's efforts to restore taxpayers' confidence by proving that the European Union was capable of making better use of their money. OLAF investigated European officials' activities to ensure that they performed their duties in an honest fashion. The message was clear: nobody would be protected as the European Commission applied a zero tolerance policy.

To illustrate her meaning, Petra Kneuer gave an example of corruption in a non-member state which received EU funding. An NGO had been paid to carry out demining operations in this country which had been through a civil war. OLAF's investigation had helped to establish that, in order to make savings for its own profit, the NGO had claimed to have demined much wider areas than it had actually demined. The criminal aspect of such behaviour was obvious. The local and national authorities had not carried out the necessary verifications. Following OLAF's investigation, the funds wrongly received had been reimbursed and the information concerning the NGO had been incorporated into the early warning system. On the other hand, OLAF had been unable to intervene with regard to the negligence that could be attributed to the national authorities. Often, the conditions in which the investigations were conducted did not make it possible to establish the full truth, in the absence of co-operation from governments.

Corruption was very often an invisible crime, but nevertheless there were victims: human beings who suffer the direct consequences of corruption and, of course, the tax-payers who were also victims. It had been estimated that corruption cost European tax-payers some 120 billion euros a year, i.e. 1 % of the GDP of the European Union. Corruption existed in almost all countries. It had devastating effects, particularly in developing countries, as it prevented any development of growth and democracy. Four Europeans out of five believed that corruption was a major problem in their country, which underlined the need for more substantial political commitment to combat this crime. In some countries it was part of everyday life and the public had learned to live with it.

The European Union was a pioneer in creating instruments to combat corruption. Indeed, the European Union was the biggest contributor in the world in terms of aid to developing countries. It was therefore essential to have a mechanism for monitoring the way in which European funding was spent. There were several means of improving the effectiveness of the fight against corruption. Firstly, the flow of information between the different departments of the European institutions needed to be improved. It was also possible to share information with other donors. An IT tool was being developed to this end. It was also essential to secure access to information, which meant that policies in support of whistle-blowers or informers had to be continued. It was also necessary to adopt a strong institutional position, on which the effective co-operation of those concerned in concrete cases of fraud would depend. A firm commitment by the different political players was therefore essential in supporting OLAF's efforts. Some investigations had to be conducted in extremely difficult conditions, sometimes even with risks for OLAF staff.

In conclusion, Petra Kneuer said that the fight against corruption needed to be carried out at world level and everybody could contribute in his or her own way.

**The PRESIDENT** (France, L, SOC) welcomed Sir Alan Meale, General Rapporteur of the Parliamentary Assembly on local and regional authorities, who was present to give the viewpoint of a national parliamentarian. Indeed the United Kingdom was following the issue of preventing corruption with great interest.

**Sir Alan MEALE**, General Rapporteur on Local and Regional Authorities of the Parliamentary Assembly of the Council of Europe, said that the Parliamentary Assembly attached great importance to the Congress' work. The discussion involved a subject which concerned all the institutions, at all levels. Corruption in public life had been highlighted several times over the previous few years, particularly in the United Kingdom. Sir Alan Meale thought that the concept of "corruption" should include all forms of dishonest, non-ethical conduct, which, for political leaders, for example, consisted in accepting material advantages in exchange for support that they gave to such and such a person or cause. Elected representatives had to be aware of their responsibility: they had to act in the public interest, be accountable to the citizens and make the best possible use of the funds with which they were entrusted. The fight against corruption and the strengthening of public ethics were at the heart of democracy and were vital to the Council of Europe's work.

At EU level, OLAF played the role of watchdog against corruption. The Council of Europe's GRECO carried out substantial work on the same subject, as did other institutions at all levels.

Sir Alan Meale then talked about the anti-corruption activities of the Parliamentary Assembly. It had introduced a number of measures to counter negative influence on European parliamentarians. For example, with regard to all reports submitted to the Assembly, rapporteurs had to solemnly declare that there was no conflict of interest between the preparation of their report and their other activities. At hearings, the Assembly had to respect the principles of balance with regard to the number of men and women representatives, geographic distribution and political groups. In Resolution 1903, the Assembly had recently decided to adopt a code of ethical conduct for all its members. The code stipulated, for example, that members had to carry out their duties with integrity and honesty, take decisions solely in the public interest, use the resources available to them responsibly and declare any conflict of interests. The representatives of the Council of Europe, whether members of the Parliamentary the Assembly or of the Congress, had to be exemplary in this regard. Back in 1999 the Congress had adopted a European Code of Conduct on political integrity of local and regional elected representatives.

The Parliamentary Assembly also played a role in promoting ethical standards in all Council of Europe member states. Parliamentary committees had studied issues relating to the lack of transparency and conflicts of interest in political decisions. The Social Affairs Committee had presented a report in 2010 concerning the handling of the H1N1 pandemic. The report highlighted the fact that two experts paid by the executive board of the WHO to handle the pandemic were continuing to receive money from pharmaceutical laboratories, resulting in an obvious conflict of interests. The Parliamentary Assembly was currently preparing a report on corruption as a threat to the rule of law, focusing on corruption in the judicial and political spheres, particularly in a number of law-enforcement agencies.

In the United Kingdom, the issue of corruption and public ethics had been the subject of many debates. In 2007 the British Government had published a model code of conduct for local authorities. The House of Lords and the House of Commons were currently setting up an All-Party Parliamentary Group on Anti-Corruption to scrutinise anti-corruption mechanisms in the United Kingdom. There were extremely strict rules requiring that parliamentarians declare all forms of income and the use of funds made available to parliamentarians. Unfortunately, several examples of non-ethical behaviour had already been pinpointed, in particular in Transparency International reports.

Sir Alan Meale thought that the Parliamentary Assembly of the Council of Europe and the Congress should work together to guarantee more transparency. The British Parliament, and other European parliaments, had always led the fight against corruption. It was essential that the European institutions establish more transparency at their level.

**The PRESIDENT** (France, L, SOC) gave the floor to Herwig van Staa, President of the Congress.

**Herwig VAN STAA** (Austria, R, EPP/CCE) stressed the fact that democracy and the rule of law were threatened by corruption. History showed that two phenomena could pose a threat to democracy: economic crises, which generate unemployment and social disorder, and corruption, which only worsened the economic crisis or could sometimes even provoke it.

Herwig van Staa welcomed the speakers representing GRECO, ANTICOR and OLAF, who all represented institutions or associations fighting corruption. The Austrian Chairmanship of the Committee of Ministers intended to hold a conference in Innsbruck on corruption in 2014. If democracy was to progress at all levels of governance, it was essential to act against corruption at all levels.

He had proposed that OLAF set up a department for preventing corruption within local and regional authorities, particularly with regard to the abuse of EU funds. It was important that a mere bottle of wine or an invitation to lunch should not be considered an offence, but, at the same time, tougher sanctions were essential in cases in which there was evidence of corruption. It would be a good idea to set up an international court to deal with such situations at last instance and which would also deal with political issues.

At the time of the Nazis many allegations had been made with a view to getting rid of undesirable persons. A very strong system of democratic scrutiny was required to avoid such a situation. Everyone had a role to play here, including the media.

**The PRESIDENT** (France, L, SOC) opened the debate.

**Volodymyr GROISMAN** (Ukraine, L, SOC) presented the measures taken by the City of Vinnytsa, which he represented. The City had over 100,000 inhabitants, was a dynamic regional centre and the Ukrainian leader in the development of local self-government. A large number of innovatory projects had been set up in various fields such as health and town planning. Vinnytsa had played a pioneering role in fighting corruption, with the personal involvement of the municipal authorities. Corruption lowered the level of public services, widened the social divide, prevented economic development and was a blight on society. The Vinnytsa municipal authorities had therefore decided to introduce a code of conduct setting out binding rules for all elected representatives. The persons who did not abide by these rules were penalised for lack of transparency or wrongdoing. The City of Vinnytsa had taken part in international projects for good governance in Ukraine and for the establishment of ethical standards in several towns, in particular with regard to election campaigns and elections. It had also adopted the ISO 9001 certification.

**Vsevolod BELIKOV** (Russian Federation, L, EPP/CCE) thought that corruption was the number one threat to democracy in Russia. It corroded all levels of government: central, regional and local. Transparency International had ranked Russia 128<sup>th</sup> out of 134 countries with regard to the level of corruption. A number of measures had however been adopted. A mechanism had been set up at local level to monitor elected representatives. A code of conduct had been prepared along the lines of several European models and in accordance with the recommendations of the Congress. It was compulsory to adopt this code, which laid down rules of transparency and deontology, at all local and regional levels.

In St. Petersburg, ethical conduct training courses were offered to secondary school pupils and students. He would like to see the Congress do more to publicise these activities and for the scheme to be extended to other towns and cities. In the context of its monitoring, the Congress could play a role in this field by working with the public authorities. He suggested that this subject should always be on the Congress' agenda.

**Andreas GALSTER** (Germany, L, EPP/CCE) noted that corruption was a serious problem in European countries but that the vast majority of public officials were honest. Laws governing local and regional authorities clearly stipulated their powers and responsibilities as well as the rights and duties of elected representatives. The laws applying to public officials in Germany were also very clear: they were forbidden to accept gifts to guarantee the smooth functioning of public services. The legal framework was satisfactory and was really implemented-mayors or public servants working in local authorities had been prosecuted and given harsh penalties. Nevertheless, the topic was still the subject of debate, particularly following recent scandals in Germany. Corruption was admittedly an important subject but a balance had to be struck. If a public official could no longer accept a bar of chocolate, there was a problem... Efforts to prevent corruption had to take account of the need to strike a balance and the German delegation would do everything in its power to make progress on this subject.

**Anatoli DIMITROV** (Bulgaria, R, EPP/CCE) said that in Bulgaria, the democratic system was relatively recent and was gradually improving. Efforts were being made to reduce corruption and to foster ethical standards at all levels of government. At local level, several good practices could help to reduce corruption. First of all direct contact between the authorities and the population needed to be reduced. A growing number of municipal authorities had recourse to on-line services in responding to requests, etc. Such arrangements existed in 164 municipalities. A code of ethics had been adopted.

He noted that corruption was often the result of underestimating the importance of certain aspects of governance: for example it was important not to underestimate the importance of good human resources management. Measures had to be taken to validate candidates' suitability for an administrative position, regular assessments had to be made of the quality of the work done and verifications had to be made. More transparency was required to strengthen democracy. Bulgaria hoped that it would shortly be able to integrate the European Strategy for Innovation and Good Governance at Local Level. The Association of Municipalities and Local Authorities was working hard to bring Bulgarian standards into line with the rest of Europe and even hoped one day to become a model in this field.

**Luzette WAGENAAR-KROON** (Netherlands, L, EPP/CCE) said that the Netherlands was one of the European countries with the lowest level of corruption. There was a general feeling that decisions in the municipalities were taken in a transparent and ethical manner. Nevertheless, it was necessary to draw lessons from what was happening elsewhere and perhaps to pay more attention to these issues in municipal councils. Over recent years, three municipalities had attracted the attention of the media owing to conflicts of interest, false declarations of expenditure and cases of corruption. For example, in the field of town-planning, the way in which contracts were signed was sometimes at odds with the rules governing public procurement.

Integrity was an issue that was seldom discussed at the public sittings of municipal councils, but she thought that there ought to be open debates on the subject. It was often difficult to set limits: to what degree were certain practices acceptable? For example, should an elected representative be allowed to vote on an urban development plan if he lived in the area concerned? Ethical rules should not prevent a municipal council from functioning normally. The Netherlands Minister of the Interior had announced that integrity, at all levels, would be one of his priorities. A law that was currently being drafted would give mayors special powers to protect integrity. Codes of conduct already existed and different laws aimed at ensuring more respect for ethics. Nevertheless, Ms Wagenaar-Kroon stressed the fact that integrity did not only entail applying the rules: it was a form of conduct that should be part of everyday attitudes and that should be accepted by everyone: elected representatives, members of the administrative authorities and public officials.

**Willy BORSUS** (Belgium, L, ILDG) said that he had appreciated what the different speakers had said and in particular Mr Guis' conclusion, on behalf of ANTICOR, saying that the response to



corruption lay not only in a number of anti-corruption mechanisms but also in greater democracy. In some national laws, persons found guilty of corruption risked sanctions that were incompatible with their candidature at elections or resulted in their ineligibility. The courts could hand down such penalties.

Nevertheless the legitimate fight against corruption should not be confused with a number of elements that were perhaps of another nature: the limiting of the number of offices that could be held seemed to him to be a much broader subject of debate and should not be considered as an anti-corruption measure. Holding several local, regional and national mandates was a distinct issue. Anti-corruption mechanisms, such as staff training, penalties, scrutiny and cross-sectoral political issues had nothing to do with the debate on corruption and should be discussed apart.

**Charikleia OUSOULTZOGLU** (Greece, L, SOC) said that there would always be crooks and honest persons. Transparency was the best way in which elected representatives could respond to the problem. The public now wanted a detailed account of what elected members and public officials did. In Greece, measures had been taken to foster transparency but unfortunately they were so difficult to put into practice that they had proved ineffective. Municipal bureaucracy was totally inappropriate. The Greek municipalities were trying to do their best to tackle the major problems confronting them and had no time to deal with administrative procedures. Bureaucracy resulted in a substantial loss of resources. It was admittedly necessary to do something about corruption but also to ensure the effectiveness of public action. She suggested that they draw on the example of the Netherlands.

**The PRESIDENT** (France, L, SOC) gave the floor to the five speakers to reply, if they so wished, to the various statements.

**Marin MRČELA**, President of the Council of Europe's Group of States against Corruption (GRECO), approved the idea of setting up an international court against corruption but felt that it should be a last resort. It would be better to foster anti-corruption education and it should start in nursery schools. Local and regional authorities were the appropriate place for promoting the fight against corruption, as it was the level closest to the grassroots. The Committee of Ministers had published a recommendation on the need for a code of conduct, and the Congress was also working on the subject. The GRECO had taken this work into account with regard to its second cycle of evaluation.

**Jean-Pierre GUIB**, President of ANTICOR, a French Association of elected representatives and citizens against corruption, France, said that the various statements gave rise to specific questions: was corruption an individual problem, was it accidental, linked to personal morals or was it linked to the institutions, in other words the poor functioning of monitoring mechanisms? He was inclined to think that it was the latter but wondered to what extent culture and traditions played a part as countries in northern Europe appeared to be less affected by the problem; or were monitoring arrangements and legislation in these countries better than elsewhere?

**Petra KNEUER**, Director of Investigations at the European Commission's European Anti-Fraud Office (OLAF), said that she endorsed Mr van Staa's proposal concerning a European body responsible for taking legal action in cases of corruption. Such crimes were transfrontier and it was important that investigators and prosecutors should be able to take action at international level. Legal proceedings also had a deterrent effect.

**Sir Alan MEALE**, General Rapporteur on Local and Regional Authorities, Parliamentary Assembly of the Council of Europe, said that it was always expensive to introduce standards and regulations in an organisation but that he firmly believed that the cost should not be an obstacle as corruption cost even more, not only from the financial but also the cultural standpoint. In the United Kingdom, the law on freedom of information enabled all citizens to have access to public information. Many political leaders or businessmen thought that such mechanisms were too costly but he thought that transparency was essential to maintain trust between the public and the government.

**Herwig VAN STAA** (Austria, R, EPP/CCE), President of the Congress, thanked all the speakers for their contribution to the debate and for their numerous suggestions. All the institutions which were represented in the debate wished, like the Congress, to make a significant contribution so as to eradicate this problem. Herwig van Staa endorsed what Sir Alan Meale had said: although the

costs of preventing corruption were considerable, the benefits of eradicating the problem were substantial.

*Herwig van Staa (Austria, R, EPP/CCE) took the chair again at 12.00.*

## 5. CLOSING OF THE 24th SESSION OF THE CONGRESS

**The PRESIDENT** (Austria, R, EPP/CCE) announced that all of the items on the agenda of the 24th Session of the Congress had been discussed.

There had been fruitful and useful discussions during the session on issues that were of concern to all local and regional elected representatives. It was now important to translate into concrete action the recommendations that had been adopted, the tools provided to do so and the results of the discussions to ensure that they had an impact. Work did not end with the session: dialogue with national governments and local and regional elected representatives in member states had to continue so as to exchange ideas on how to rise to the many challenges facing Europe.

The President asked members of the Congress to promote the Congress' proposals in their municipal and regional councils, in their associations and at meetings with representatives of their governments. He also urged them to use the instruments which the Congress had placed at their disposal. In this connection, he mentioned the European Alliance of Cities and Regions for Roma Inclusion, the Pact of Towns and Regions to Stop Sexual Violence against Children, and Local Democracy Week. He urged local and regional authorities to join the network of local democracy agencies launched in 1992 at the Congress' initiative. A new agency would shortly be opened in the Ukrainian town of Dnipropetrovsk. These agencies were developing partnerships with local authorities and NGOs throughout Europe. They provided a concrete example of the way in which democratic participation could bring about tangible results. In this connection he congratulated the region of Lower Silesia in Poland, which, as the main partner, would provide support to the new agency.

The President urged the members of the Congress to follow the example of Albert Einstein, who once said "It's not that I'm so smart, it's just that I stay with problems longer". There had to be a long-term effort on matters concerning local and regional democracy. When the members of the Congress returned to their constituencies, they had to continue the work set in motion by the Congress in order to obtain concrete results.

The President thanked all the members of the Congress for their participation in the session, and in particular the mayors of Ukraine and Moldova, who were attending a Congress session for the first time.

The President declared the 24th Session of the Congress of Local and Regional Authorities of the Council of Europe closed.

The 25th Session of the Congress would take place in Strasbourg from 29 to 31 October 2013.

*The assembly stood for the European Anthem.*

*The sitting rose at 12.05.*