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Conference of European ministers responsible for local and regional government

14th Session, Budapest, 24 – 25 February 2005

**Theme 1 : Challenges and priorities for European States
and for the Council of Europe in the field of local and
regional democracy**

**Declaration of the Budapest Ministerial Conference on
delivering good local and regional governance**

**DECLARATION OF THE BUDAPEST MINISTERIAL CONFERENCE
ON DELIVERING GOOD LOCAL AND REGIONAL GOVERNANCE**

We, the European Ministers responsible for Local and Regional Government, meeting in Budapest on 24-25 February 2005 for the 14th session of our Conference

- i) Note with satisfaction that an unprecedented number of states across the continent have committed themselves to the principles of democracy, human rights and the rule of law;
- ii) Acknowledge that the challenges facing Europe today are not exclusively European – they are global and have to be dealt with coherently at both international and local level;
- iii) Are aware that the peoples of Europe more than ever expect, and are entitled to expect, genuine democracy and good governance at all levels, which serve to prevent conflict, create stability and encourage participation in society ;
- iv) Believe in the need to ensure that local and regional governance is democratic, efficient, responsive, transparent, participative and accountable;
- v) Recognise the value of the intergovernmental co-operation established in the Council of Europe and of the *acquis* (conventions and recommendations) and the information base developed within this framework;
- vi) Acknowledge in particular the role of the European Charter of Local Self-Government in laying down the principles of democratic self-government at subnational level and of the Congress of Local and Regional Authorities of the Council of Europe in promoting the implementation of these principles through its monitoring exercises;
- vii) Note that our countries are confronted at national and European levels with a number of challenges and demands that concern in particular the capacity of local and regional authorities to deliver high-quality services and respond adequately to the legitimate expectations of citizens, the congruity between local and regional authorities' competences and resources, the interest and involvement of citizens in public affairs at local and regional level, the development of co-operation between local and regional authorities, including across national borders;
- viii) Resolve, in accordance with our respective countries' commitment to the aims, working methods and principles of the Council of Europe, to strengthen and steer our intergovernmental co-operation towards a number of essential goals to be pursued jointly and in good faith;

And therefore

I. Agree:

1. to make “delivering good local and regional governance” an essential objective to be pursued by our member States in order to respond to the challenges facing our societies and meet the legitimate expectations of our citizens;
2. to pursue this objective also through our co-operation within the Council of Europe, including with the Parliamentary Assembly and Congress of Local and Regional Authorities;
3. to adopt the Agenda appended to this Declaration in which we identify the major challenges facing our member states in delivering good local and regional governance and commit ourselves to action by member States individually and through the Council of Europe over the next five years;
4. to keep the implementation and development of the Agenda under review at future sessions of our Conference;

II. Adopt the following recommendations and messages:

1. to the Third Summit of Heads of State and Government:

We recommend to the Heads of State and Government of the member States of the Council of Europe, meeting in Warsaw on 16-17 May 2005 for their third Summit:

- to reflect in their future agenda for the Organisation that effective democracy and good governance at the local and regional level are important for:
 - preventing conflict and promoting stability;
 - creating sustainable economic growth;
 - promoting citizen participation in public life;
 - securing the delivery of high quality public services; and hence
 - creating sustainable communities¹;
- to recognise that such democracy and governance can only be achieved through the active involvement of citizens and civil society;
- and to provide specifically, in the Plan of action which they will adopt, for the Council of Europe:
 - to take the necessary steps to implement the Agenda for delivering good local and regional governance adopted at the 14th session of the Conference of European Ministers responsible for local and regional government;

¹ Sustainable communities are places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of life. They are safe and inclusive, well planned, built and run, and offer equality of opportunity and good services for all.

- to develop further, as necessary, standards of democracy and good governance;
- to have the capacity to work with member states to promote the adoption of these standards and good practices, including through the establishment within the Secretariat of the Council of Europe of a centre of expertise on local government reform to assist member states with capacity-building at the local and regional level, in co-operation with the Congress, member states and national associations of local and regional authorities;
- to contribute to transfrontier co-operation, in particular by adopting if appropriate a third protocol to the Madrid Outline Convention to regulate the legal status of cross-border co-operation groupings;

2. to the Parliamentary Assembly:

We thank the Parliamentary Assembly for its participation in, and contribution to this Conference and invite it to promote by all means the dissemination of, easy access to and awareness of the *acquis* and information base in the field of local and regional democracy as well as to continue its co-operation with the relevant intergovernmental structures;

3. to the Congress of Local and Regional Authorities:

We thank the Congress for its participation in, and contribution to this Conference and the colloquy, as well as for its ongoing work in monitoring the implementation of the European Charter of Local Self-Government;

We invite the Congress to promote by all means the dissemination of, easy access to and awareness of the *acquis* and information base in the field of local and regional democracy as well as to make use of it in the context of its monitoring of the European Charter of Local Self-Government;

We further invite the Congress to continue and where possible to enhance its co-operation with the relevant intergovernmental structures with a view to delivering good local and regional governance and facing the challenges identified in the appended Agenda in the best possible way;

4. to the Committee of Ministers of the Council of Europe:

We thank the Committee of Ministers for its participation in and contribution to this Conference;

We invite the Committee of Ministers:

- to adopt annual intergovernmental programmes of activities in the field of local and regional democracy that promote the goal of “delivering good governance at local and regional level” and implement the Agenda that we have adopted;
- to provide adequate resources in the annual budgets of the Organisation for the activities related to the implementation of the above-mentioned Agenda;
- to provide individual governments so requesting with all necessary assistance and support enabling them to attain the European standards of local democracy;
- to ensure that the implementation of the Declaration is kept under review by the intergovernmental structures and reported on at future sessions of the Ministerial Conference.

APPENDIX

AGENDA

FOR DELIVERING GOOD LOCAL AND REGIONAL GOVERNANCE

We, the European Ministers responsible for Local and Regional government, meeting in Budapest on 24-25 February 2005 for the 14th session of our Conference:

Further to the agreement to adopt “delivering good local and regional governance” as an overall objective and drawing on the views expressed and the information made available to the Conference², identify the following major challenges and commit ourselves to the following actions by member States individually and through the Council of Europe over the next five years:

As concerns democratic citizenship and participation at local and regional level,

Challenges:

- Addressing the low level of electoral turnout in elections at local and regional level in many countries;
- Responding to the changing ways in which citizens engage in public life at local level and, in some cases, the decreasing willingness to do so;
- Broadening the scope for participation by foreign residents in public life at local level.

Actions:

- To pursue the implementation of Recommendation (2001) 19 on the Participation of Citizens in Local Public Life;

² - The *acquis* and information base of the Council of Europe in general, and in the field of local and regional democracy in particular as well as the evaluation of them by member States (MCL 14(2005) 3 Addendum 3);

- the developments and policy priorities in the field of local and regional government identified in our respective countries, in the introductory report presented by our Hungarian colleague, individual statements by other colleagues, including a report on the South-Eastern Europe Regional Ministerial Conference on “Effective democratic governance at local and regional level” held in Zagreb on 25-26 October 2004 and the conclusions of the Barcelona Conference “The future of democracy in Europe” (17-19 November 2004) (MCL 14 (2005) 3 and Addenda 1-2, 4-6);

- the views expressed at the Conference on the priorities for work to be carried out through our intergovernmental co-operation within the Council of Europe;

- the presentation by the Congress of Local and Regional Authorities of the Council of Europe of its assessment of the state of local democracy in the member states of the Council of Europe as regards the effective implementation of the principles of the European Charter of Local Self-Government, as well as its views on the overall challenges for local and regional democracy and priorities for action by the Council of Europe (MCL 14 (2005) 8).

- To continue work on the ways in which information and communication technologies can facilitate democratic reform at local and regional level;
- To examine the desirability and feasibility of forms of remote voting in local and regional elections;
- To develop and make use of tools to assess the effectiveness of measures taken to enhance participation in public life at local level;
- To examine the desirability and feasibility of introducing convention-based legal standards on the participation of citizens in public life at local and regional level;
- To seek to overcome any obstacles to acceding to the Convention on the Participation of Foreigners in Public Life at Local Level and to seek to ratify it as soon as possible.

As concerns the legal framework and institutional structure of local and regional government:

Challenges:

- Giving full effect to the principle of subsidiarity by defining and legislating on the competences, structures and boundaries of local and regional authorities;
- Encouraging and creating the necessary conditions for inter-municipal co-operation;
- Fostering effective relations between different levels of territorial administration, particularly between central and local authorities.

Actions:

- To monitor developments in regional self-government with a view to identifying in particular innovations and any issues common to a number of states;
- To share our knowledge, experience and views concerning inter-municipal co-operation with a view to identifying and promoting good practices and drawing up guidelines on this topic;
- To share our knowledge, experience and views concerning the relationship between central and local authorities with a view to identifying good practice and drawing up guidelines on this topic;
- When engaging in processes of reform of local and regional self-government, to respect the European Charter of Local Self-Government and be guided by Recommendation (2004) 12 on the processes of reform of boundaries and/or structure of local and regional authorities.

As concerns local and regional finance:

Challenges:

- Reaching a level of resources for local and regional authorities which is commensurate with their responsibilities;
- Finding an optimum structure of income sources in order to allow local and regional authorities to offer their citizens services which are adapted to their requirements;
- Striking the right balance between a high degree of freedom for local and regional authorities in managing their finance and a high degree of accountability.

Actions:

- To make use of, implement and promote, as appropriate, the existing Council of Europe *acquis* in the field of local and regional finance, in particular Recommendations Rec (2004) 1 on the financial and budgetary management at local and regional levels and Rec (2005) 1 on financial resources for local and regional authorities;
- To promote and assess the impact of the Council of Europe's *acquis* in the field of local finance;
- To consider updating some of the previous reports in the field of local and regional finance and notably the report on "Local finance in Europe" examined by us the 11th session of the Conference (Lisbon, 1996).

As concerns the leadership and management capacity of local and regional authorities:

Challenges:

- Fostering the leadership and capacity of local and regional authorities to deliver good local and regional governance and providing citizens with services of the highest possible quality while respecting budgetary constraints.

Actions:

- To share experiences on leadership, benchmarking and capacity-building for local and regional authorities with a view to identifying good practice and possibly preparing a recommendation of the Committee of Ministers to member States in these fields;
- To make use of and implement, as appropriate, the Committee of Ministers recommendations in the field of local and regional public services;

- To examine the possible ways in which local and regional authorities can co-operate with other authorities (inter-municipal co-operation, co-operation with authorities of a different level) and with the private sector (partnerships, concession of public services, contracting out certain elements) for improving public services offered to their citizens.

As concerns public ethics at local and regional level:

Challenge:

- Ensuring ethical behaviour by local and regional authorities, elected representatives and officials, whilst respecting local and regional self-government as well as individual rights and legitimate interests.

Actions:

- To continue to promote the Handbook of Good Practice on Public Ethics at Local Level and prepare, where possible, handbooks suited to the particular situation in member States and thematic documents targeted at specific audiences;
- To gather and share good practices concerning the evaluation of compliance with standards of public ethics at local and regional level;
- To exchange experiences and provide the information necessary for the review of the Handbook, with a view to preparing a revised version in 3 to 4 years time.

As concerns the development of the transfrontier and interterritorial co-operation of territorial communities or authorities:

Challenges:

- Removing remaining legal and administrative obstacles to transfrontier and interterritorial co-operation;
- Finding ways and means of providing territorial communities or authorities and their transfrontier co-operation bodies with the capacity necessary to engage in and develop co-operation;
- Establishing a clear and effective legal framework for institutionalised co-operation between territorial communities or authorities (euroregions).

Actions:

- To make use of the “check list” of measures to be taken prior to or after the ratification of the Madrid Outline Convention on Transfrontier Co-operation between Territorial Communities or Authorities and its Protocols with a view to giving these instruments the greatest possible effect;

- To make use of, and implement, as appropriate, Recommendation Rec(2005)2 of the Committee of Ministers on good practice in and the removal of obstacles to transfrontier and interterritorial co-operation;
- To identify the persons or institutions in charge of, or responsible for transfrontier and interterritorial co-operation at the level of the state (or the regions, as appropriate), with a view to creating within the Council of Europe an informal network through which to request and share information and documentation;
- In co-operation with the associations of local authorities at national and European level, to develop and promote the use of training methods and tools aimed at enhancing the capacity of local authorities to engage in sustainable transfrontier co-operation initiatives;
- To continue the work engaged in the Council of Europe with a view to adopting a third protocol to the Madrid Outline Convention, regulating the euroregional co-operation groupings (ECG).

Furthermore, we commit ourselves:

As concerns the acquis of the Council of Europe:

to give the fullest possible implementation to the relevant norms and recommendations, at central state and local and regional levels, and to this end, to:

- ensure translation into the official language(s) of our respective states;
- publish and disseminate the texts concerned and organise promotional events on them;
- collect feed-back from relevant actors about the implementation of the acquis and report to the intergovernmental bodies of the Council of Europe in order that experiences are shared, lessons drawn and the acquis is constantly updated and improved.

As concerns the information base of the Council of Europe

- To promote awareness and make use of it wherever appropriate, through
 - translation of the parts most relevant to our respective administrations, associations of local authorities and citizens;
 - facilitated access to it by relevant actors;
 - further input to be provided to competent bodies of the Council of Europe.

As concerns participation in the work of the Council of Europe:

- To review the working methods and procedures in force in our respective national administrations so as to ensure that our participation in the intergovernmental co-operation in the Council of Europe reflects the priority we attach to it;
- To share our experiences with a view to identifying good practices in this regard and keeping them under review.