

Programmatic Cooperation Framework for
Armenia, Azerbaijan, Georgia, Republic of Moldova, Ukraine and Belarus



STRENGTHENING INSTITUTIONAL FRAMEWORKS FOR LOCAL GOVERNANCE PROGRAMME

2015-2017

STUDY

**MAPPING THE OBSTACLES TO INTERMUNICIPAL
CO-OPERATION in BELARUS**

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September 21, 2015

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INTRODUCTION

This report was prepared as part of the project CoE + EU programme. The thematic programme “Strengthening institutional frameworks for local governance” is part of a regional programme implemented by the Centre of Expertise for Local Government Reform, the Council of Europe and the Directorate General of Democracy of the European Commission, under the CoE/EU Eastern Partnership Programmatic Co-operation Framework in the period 2015 – 2017. The main objective of this programme is to support the ongoing process of local government reform in six participating EaP countries by focusing on the benefits of the inter-municipal cooperation.

IMC in Belarus looks like a very new phenomenon that is beyond the scope of actual public administration model. The rigid “presidents’ vertical” provides transparent and manageable hierarchy of responsibilities. Of course, these characteristics could explain the efficiency of the administration mechanism and in some way the Belarusian economic miracle. At the same time it totally excludes the local and regional authorities as active actors of public administration. Moreover any activities they would like to show to the community will be considered as a fuss or even contradiction to the central authority. So, it makes weak background for projects aimed on real acting of local and regional self-government.

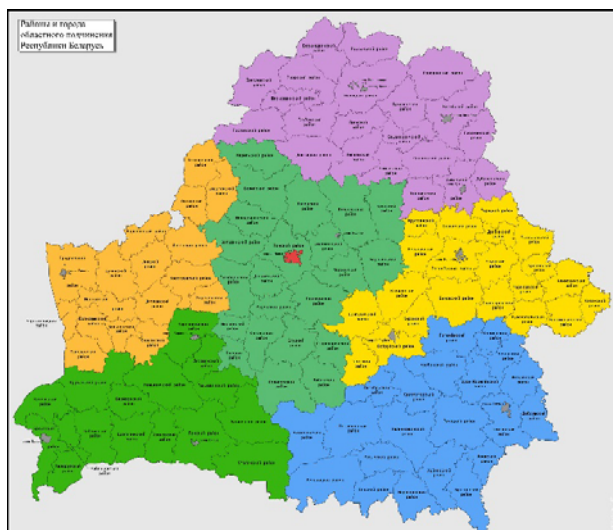
On the other side, we could define the significant gap in the economic and social development planning tradition that leaves space for more intensive cooperation at local level. Regarding the loyal attitude of the Belarusian officials to any technical assistance, we could pretend a good start of IMC in the development of local and regional infrastructures (roads, electricity, including green energy, waste management, etc.). Those start-ups will not be needed in special reformation of legislation, but will be fully dependent on fiscal decentralization.

In some ways the problems of financial dependency at inter-municipal level could be resolved through the realization of projects with international partners’ participation. As a kind of best practices in this way we could address to the projects of Euroregions enacted in Belarus since 2010.

1 THE SYSTEM OF LOCAL GOVERNMENT IN THE REPUBLIC OF BELARUS

1.1 GENERAL INFORMATION

The Republic of Belarus is located in Central Europe and has an area of 207,6 thousand square km. It borders with Poland, Lithuania, Latvia, Russia and Ukraine. 43% of the Belarusian territory is agricultural land, 39% is occupied by forests, 2% - lakes and rivers, 16% - other lands.



- 6 regions
- 118 districts
- 113 towns (14 cities with population over 100,000 people)
- 90 urban-type villages
- 23,229 rural-type settlements (as of January 1, 2015)
- Population: 9,480.9 thousand people
- Density of population: 46 people/km²

- Largest region - Gomel Region (1,424.0 thousand people)
- Largest district - Borisov District of the Minsk Region (185.3 thousand people)
- Smallest town - Disna of the Vitebsk Region (1724 people)

According to the "State Program of Development and Revival of the Village", approximately one third of agro-towns is located in settlements which are not administrative centers of the Village Councils. In separate areas it is carried out (Vitebsk oblast), and in some it is planned some work on optimization of the administrative-territorial structure (Mogilyov oblast), but there is no uniform, officially approved approach to the solution of this task. The method of association of the cities, areas and village councils reduces the administrative and territorial units. Thus there were situations when representative bodies (Councils) were abolished, and executive and administrative (executive committees) bodies continued to work (Borisov, Zaslavl).

The process of merger of village councils gathers dynamics. **As a result, since 18.05.2006 until 25.04.2010 the number of village councils decreased by 97 units!** As there is this process, what criteria thus whether some scientific organizational and economic researches are considered, carried out, whether this process in scales of the state is unified, whether there are any recommendations or provisions prepared and adopted by appropriate authorities - these and many other questions remain open.

At the same time, on 29.09.2000 the congress of deputies in the Councils of deputies of the Republic of Belarus adopted the Resolution which provides in item 3: "It is considered necessary, relying on scientific researches on problems of local government and self-government, to provide the

development of the Concept of reforming the local government and self-government in the Republic of Belarus ...".

The administrative-territorial structure of the Republic of Belarus consists of the capital - the city of Minsk - and 6 areas. In the republic there are 1328 administrative territorial units that include 6 oblast and the Minsk city, 10 cities of oblast submission, 14 cities of rayon submission, 19 settlement councils, 1160 village councils.

Table 1 Belarusian Local Authorities in administrative territorial units (01.01.2015)

LEVELS OF LOCAL AUTHORITIES	KIND OF ADMINISTRATIVE TERRITORIAL UNITS	NUMBER OF LOCAL COUNCILS	KIND OF EXECUTIVE BODY
REGIONAL	Oblast	6	Executive committee
	Minsk	1	Executive committee
	Total	7	Regional Councils
BASIC	District	118	Executive committee
	City of oblast submission	10	Executive committee
	Total	128	Basic Councils
PRIMARY	City of rayon submission	14	Executive committee
	Settlement	19	Executive committee
	Rural council	1160	Executive committee
	Total	1193	Primary Councils
Totally		1328	Councils

The population density in the areas of Belarus is characterized by significant territorial asymmetry: the smallest level is noted in the northeast areas of the republic (30 people per sq.km in Vitebsk area) and the greatest - in the western areas (42 persons in the Brest and Grodno areas). Thus the largest density on area is in the Gomel, Vitebsk and Minsk areas, 19.2-19.3% of the territory of the country, whereas the specific weight of the Grodno region – 12.1% - falls into the share of each of them. Besides, low birth rate, which does not ensure simple reproduction of the population, and also leads to high death rate and to absolute reduction of population. The demographic landscape of Belarus is very diverse, which is brightly shown at the level of regions.

Table 2 Territory and population density in Belarus (01.01.2015)

Region	Population, th.people	Territory, th. km ²	Population density, per./km ²
Brest oblast	1 388.9	32.8	42
Vitebsk oblast	1 198.5	40.1	30
Gomel oblast	1 424.0	40.4	35
Grodno oblast	1 052.6	25.1	42
Minsk oblast	1 407.9	39.8	35
Mogilev oblast	1 070.8	29.1	37
Minsk	1 938.2	0.307	5570
Republic of Belarus	9408.9	207.6	46

The greatest rates of reduction of the population are noted in rural areas. The specific weight of country people since 2005 was reduced from 27.8% to 22.7% in 2015. The greatest demographic changes occurred in the Grodno and Brest areas - reduction of country people by 6.9 and 5.7 items respectively. As a result of the urbanization process, the number of urban population increased and reached nearly 7 million 275 thousand people, i.e. three quarters of the population of Belarus. The least urbanized region is the Minsk region (56.7%) as it has no regional center. The greatest specific weight of urban population is observed in the Mogilyov, Vitebsk and Gomel areas. The growth of population in the regional centers and, generally in the cities of regional submission and large industrial centers is noted (Baranovichi, Pinsk, Polotsk, Bobruisk, Zhodino, Lida, Mozyr, Novopolotsk, Soligorsk). Other city settlements having less than 50 thousand persons are in a stage of demographic stagnation.

Table 3 Settlements According to Population (01.02.2010)

Settlement	The number of settlements	%	Inhabitants (thousand people)	%
< 1000	23638	99.13	2267	23.9
1000-2000	27	0.11	38	0.4
2000-5000	41	0.18	126	1.3
5000-10000	55	0.23	379	4.0
10000-20000	45	0.19	610	6.4
20000-50000	15	0.06	505	5.3
50000-100000	10	0.04	706	7.4
100000-500000	13	0.05	3011	31.9
> 1000000	1	0.01	1835	19.4
TOTAL	23845	100.0	9477	100.0

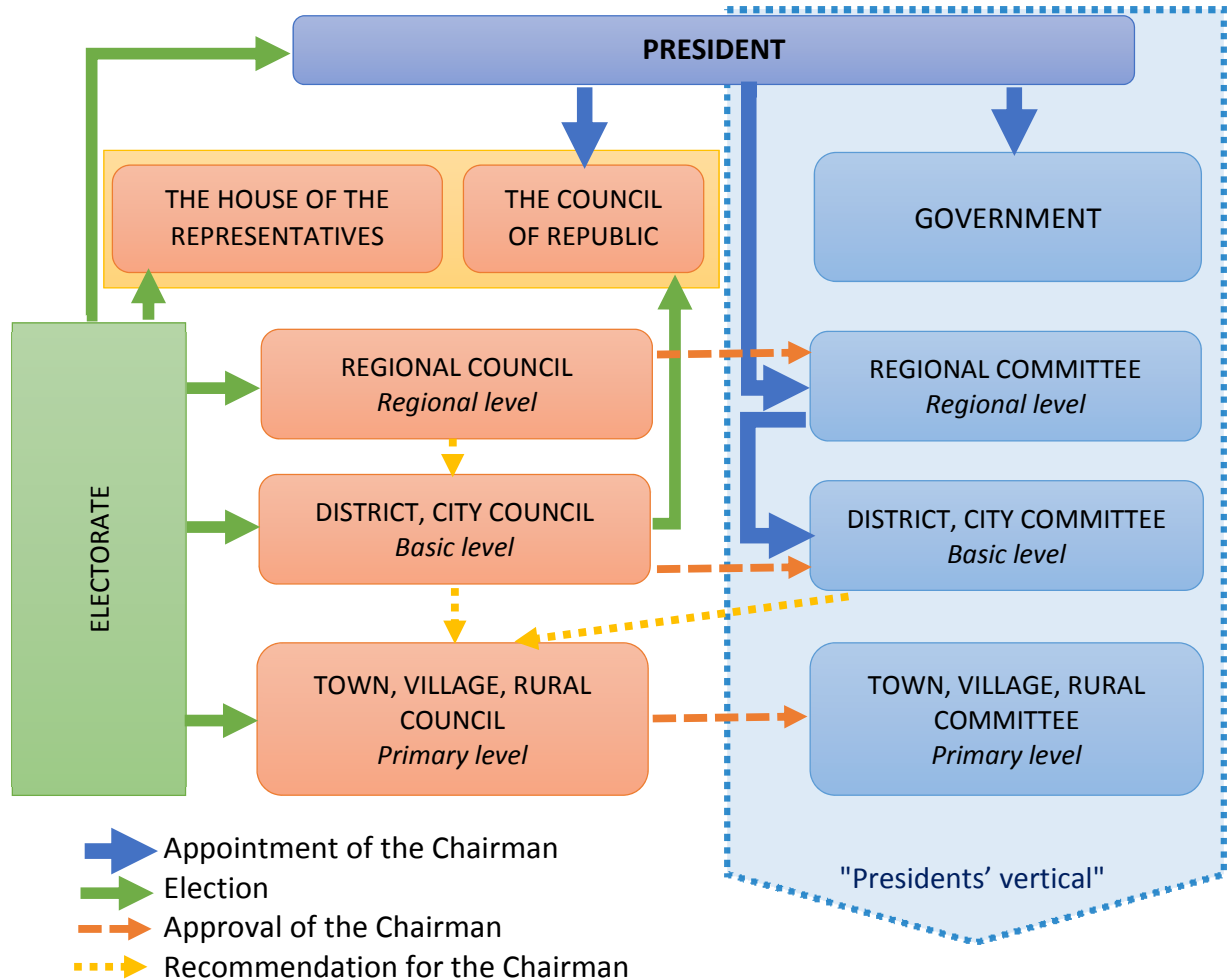
The system is very fragmented and could be considered as a lead driver for IMC development or reformation of administrative territorial structure by amalgamation.

Since 1990 (during and after USSR disintegration), the mood was full of optimism and feelings of inevitability of reforms. The law "On the Bases of Local Self-government and Local Government in BSSR" adopted in 1991 delegated the power at the local level from party bodies and executive committees to Councils and created real prerequisites for the development of local government. However, since 1994, in Belarus the process of formation and development of LSG at first stopped, and then went back at all.

In 1995 the so-called "Presidents' vertical" of executive administrative bodies (executive committees) has been established through "delegation" of powers of Councils to executive committees. The competence of the committees significantly increased, otherwise the influence of

Councils on executive committees was reduced in political, economic and HR issues. There were made special amendments to the Constitution and laws for reallocation of executive committee's subordination from Councils to the President and the Government.

As a result of such reformation, by 1999 it was built and empowered in the next years the "Presidents verticality" of local governing bodies.



Picture1 Governmental mechanism

Thus, in the Republic of Belarus the system of the local and regional government is based on the principles **of the state theory of local government**. This theory appeared in the works of the German scientists Rudolf Gneyst and Lorenz Stein in the middle of the 19th century. Those principles could be presented as follows:

- the local government is a continuation of the state, and its bodies are local branches of the central authorities in fact;
- the competence areas of local government are national objectives, they cannot have other purpose of activity besides those formulated by the state;

- any public deals are encompassed by central authorities, therefore the real sense of local government existence is subordination to the interests and goals of the government, rather than the promotion of local interests.

1.2 THE CONSTITUTIONAL MODEL OF PUBLIC ADMINISTRATION

The bases of the legal status of local authorities and self-government prescribed in the Constitution of the Republic of Belarus¹ and in the Law of the Republic of Belarus of January 4, 2010 "On local government and self-government in the Republic of Belarus"².

The concept of the Constitution of the Republic of Belarus concerning local democracy assumes the existence of two types of local government (Section 5, article 117-124)¹:

- **"Local government"** is understood as the activity of the local executive administrative bodies of authority subordinated and accountable directly to the President of the Republic of Belarus (article 119 of the Constitution of RB).
- **"Local self-government"** is understood as the activity of the local Councils of deputies elected by citizens for the term of 4 years (article 118 of the Constitution of RB).

The Constitution directly establishes top-down hierarchy both for the executive administrative bodies and for Councils, entering the concepts "higher executive administrative body" and "higher representative body" (article 122). Thus the highest level of power for executive administrative bodies is the President of the Republic of Belarus, for representative bodies – the Parliament – the National Assembly of the Republic of Belarus.

Thus, the model of power consisting of two coordinated verticals - the representative and the executive power (see Pic. 1) is constitutionally fixed in the Republic of Belarus. This model on the external signs is close to the Soviet model of organization of local government behind one essential exception. According to the Constitution of the USSR of 1977 (article 149 of the Constitution of the USSR) local executive bodies of the power were formed and controlled by local Councils of People's Deputies, as well as accountable to them. According to the Constitution of the Republic of Belarus, the President of the Republic establishes local executive bodies by appointing heads of appropriate authorities or settling the order of such appointment. In this part, it is possible to draw a paradoxical conclusion that the Soviet system of organization of local authorities corresponded more to the spirit of the European Charter of local government, than the system that nowadays exists in the Republic of Belarus.

The principles and legal framework of local government and self-government activity are settled by Section V "Local government and self-government" of the Constitution of the Republic of Belarus. But it is necessary to emphasize, that neither the main legislative document of the country,

¹Constitution of the Republic of Belarus of 1994(with changes and additions adopted at the republican referenda of November 24, 1996* and of October 17, 2004): <http://law.by/main.aspx?guid=3871&p0=V19402875e>

²Law of Republic of Belarus of January 4, 2010 "About local government and self-government in Republic of Belarus":<http://www.pravo.by/main.aspx?guid=3871&p0=H11000108&p2={NRPA}>

nor the standard legal base of local government activity in Belarus does not correspond fully to the definition *self-government*. There is no chance for them to realize the *self-government* purposes recognized in the world according to the formulation "*self-government*". It should be noted that, despite the powers declared by the Law "On local government and self-government in the Republic of Belarus" these bodies are almost deprived of opportunities to pursue independent regional development policy³.

Local government or self-government is considered as a form of organization and activity of population living on the territory for the settlement of state interests and interests of citizens taking into account the features of administrative and territorial units' development. This definition insufficiently, but functionally coincides with a perspective of regional development according to the Charter⁴.

The concepts "local community" and "community" are legally enshrined in all countries of Europe⁵. In world practice the community has the prime right to organize local communities, and delegates part of the rights to the elected Council⁶. In the Belarusian legal practice these terms are not used. **Actually, in Belarus there is no community, on which the local government is oriented.** Belarus appeared to be the only country of Europe, which was not ratifying the European Charter of local self-government. **At the same time we can find in the Belarusian legislation the term "property of the territory" that according to the international law is recognized as nonsense because the territory cannot be owned.**

It is observed a steady tendency of excessive centralization, mutual imposing of administrative functions of local government at different levels, constant shortage of funds to solve local problems. All those processes are aggravated by the low level of competence, "know-how" and **inertness of many local administrations.**

The existing weak bodies of territorial self-government are not able to solve key problems of regional development, and their inadequate or in general the non-existent establishments are incapable to carry out properly the often duplicated functions, despite many laws and decrees adopted by the central authority to increase efficiency⁷.

1.3 MAIN COMPETENCES OF LOCAL GOVERNMENT AND SELF-GOVERNMENT

According to article 117 of the Constitution of the Republic of Belarus **local government and self-government** are carried out by citizens through:

³Law of Republic of Belarus of January 4, 2010 "About local government and self-government in Republic of Belarus" / <http://www.pravo.by/main.aspx?guid=3871&p0=H11000108&p2={NRPA}>

⁴European Charter of Local Self-Government 1985: <http://conventions.coe.int/Treaty/EN/Treaties/Html/122.htm>

⁵См.: Jörby, Sofie (2002). «Местная Повестка-21 в четырех шведских муниципалитетах: инструмент продвижения к устойчивости». *Журнал экологического планирования и управления*.

⁶См. Закон Швеции о местном самоуправлении. Компетенция местных властей в Европе, <https://wcd.coe.int/ViewDoc.jsp?id=1377639>

⁷Указ № 432 «О некоторых мерах по совершенствованию организации работы с гражданами в государственных органах, иных государственных организациях».

⁷Указ 220 13 сентября 2005 «О некоторых мерах по упрощению порядка совершения нормативных действий» 12 мая 2005, директива 2, «О мерах по дальнейшей де бюрократизации государственного аппарата 27 декабря 2007 г.

- local Councils of deputies;
- executive and administrative bodies;
- bodies of territorial public self-government;
- local referendum;
- meetings;
- other forms of direct participation in the public affairs.

The united system of local authorities in the territory of the Republic of Belarus consists from:

- oblast,
- rayon,
- city,
- settlement,
- rural executive committees,
- local administrations.

The local government is spread in the borders of administrative-territorial and territorial units.

The article 17 of the Law "On Local Government and Self-government" provides 30 own competences of local Councils of deputies, as local governments. Moreover, 24 competences (twelve of them are intra organizational) are exclusive, i.e. solved only at sessions of local Councils of deputies, including 4 special competences which are directly specified in the Constitution of the Republic of Belarus. **The exclusive competences of local Councils of deputies are:**

- approval of programs of economic and social development, local budgets and reports on their execution;
- establishment according to the law of local taxes and fees;
- definition (in the limits set by the law) of the management order and administration of municipal property;
- assignment of local referendum.

Three territorial levels of Councils:

- primary;
 - rural;
 - settlement;
 - city (cities of rayon submission);
- basic;
 - city (cities of oblast submission);
 - rayon;
- oblast (regional).

Six oblast councils complete **oblast territorial level**. The Minsk city council has both rights of basic and oblast council.

The executive and administrative body on the territory of oblast, city, settlement, village Council is **the executive committee with the rights of legal entity** (executive committee). The executive committee within the competence makes **decisions**. Decisions of executive committee are accepted by simple majority of established structure of executive committee, and signed by the chairman and the chartered secretary (executive officer) of executive committee.

The competence of executive committee:

- development and introduction for the statement into Council of the scheme of management of local economy and municipal property, and also offers on the organization of protection of public order;
- development and introduction for the statement into Council of drafts of programs of economic and social development, the local budget, submission to Council of reports on their performance;
- ensuring the observance in the respective territory of:
 - the Constitution of the Republic of Belarus;
 - the laws of the Republic of Belarus;
 - acts of the President of the Republic of Belarus;
 - the decisions of Council and higher government bodies accepted within their competence;
- the organization of obtaining the income in the local budget and its use on the purpose;
- making decision on issue of local securities and carrying out auctions;
- the order on municipal property of an administrative and territorial unit in the order established by the Council;
- making decisions on creation, reorganization and liquidation of the enterprises, organizations, establishments and associations of municipal property;
- a consent to placement in the territory of the enterprises subordinated to it, organizations, institutions and associations which are not in municipal property of the corresponding administrative and territorial unit;
- implementation in the order established by the legislation of the Republic of Belarus, control in the subordinated territory of the use of municipal property;
- decision according to the legislation of the Republic of Belarus on questions of land management and land use.

Local Councils of deputies, executive and administrative organs *within their competence make the decisions having binding force in the respective territory.*

The solutions of local executive and administrative bodies that are not corresponding to the legislation are cancelled by:

- relevant Councils of deputies;
- higher executive and administrative bodies;
- the President of the Republic of Belarus.

The decisions of local Councils of deputies, executive and administrative organs limiting or violating the rights, freedoms and legitimate interests of citizens and also in other cases provided by

the legislation, can be appealed in a judicial proceeding (article 122 of the Constitution of the Republic of Belarus).

On a number of questions, carried to competence of Councils, in regions executive committees are accountable to the relevant Councils. Higher executive and administrative bodies carry out the coordination of activity of subordinate executive and administrative bodies, give them necessary help, including organizational and methodical, material, technical, information. It is necessary to recognize that the system of local government is created, but its role in adoption of significant administrative decisions is extremely small. So, in particular, since 1991 in Belarus it was not held any local referendum.

The power on delegation of separate competences to Councils of other territorial levels, executive committees, their chairmen, bodies of territorial public self-government" belongs to special competence of Council. Part 3 of article 61 of the Law - *"Councils have the right unless not provided by acts ... by a mutual consent of Councils of various territorial levels to delegate each other separate powers along with resources necessary for their implementation"*.

Unfortunately, among the competences of local Councils there is no number on the basic precepts of law connected with the formation of executive committees and effective control of their activity, with direct participation in the formation of local budgets, in the development of programs of social and economic development of the subordinated territory, and also in the management of the municipal property.

Moreover, **there is not fixed in the legislation the right of territorial communities of citizens on direct implementation of local government at all.** The law defines only their rights and duties. However, all decisions made by citizens or their actions in realization of forms of direct democracy have only advisory nature and are not followed by obligatory legally significant consequences.

Nowadays both main and exclusive competences of local governments are fixed as in the Constitution, so in special legislation. It is also prescribed that the circle of these competences can be expanded, including due to their delegation to other territorial levels by Councils. Thus the law directly does not define such concepts as "own" and "delegated" competence of local government bodies.

1.4 BODIES, ELECTION, MAIN POWERS...

The structure of state bodies of Belarus was formed in conditions when after the disintegration of the Soviet Union many institutes maintaining stability of the society were destroyed. The lose of economic communications existing within the USSR predetermined the degradation of economy and social life. In such conditions the President of the Republic of Belarus A.G. Lukashenko took emergency measures on the restoration of controllability on economy, ensuring social support needed by it, creation of a control system which in fast terms is capable to take measures for development in all spheres of country's life.

The distinctive feature of the structures working in the conditions of emergency is their vertical organization, strong subordination to the uniform center, orientation to command management style at the solution of the tasks set by the central control link. Planning of regions development in such situation differs by existence of rigid command on economic growth, finishing plan targets from “top–down”, and also increasing the role of control bodies tracing efficiency of investments. The role of regional governing bodies in the existing system is reduced, as a rule to direct realization of the state social and economic policy developed by the center. Besides they solve the separate own social and economic problems connected with the territories.

The Parliament of the Republic of Belarus - National Assembly - is the representative and legislative body and consists of two chambers: the House of Representatives and the Council of the Republic. The Council of the Republic - chamber of territorial representation.

The Council of the Republic has the right of legislative initiative. According to the Constitution of the Republic of Belarus, the Council of the Republic approves or rejects the drafts of laws on introduction of changes and additions, about interpretation, and also drafts of other laws adopted by the House of Representatives.

As a chamber of territorial representation, the Council of the Republic was granted the right to cancel the decisions of local Councils of deputies which do not correspond to the legislation; to make the decision on dissolution of local Council of deputies in case of their systematic or gross violation of requirements of the legislation and in other cases provided by the law.

The role of the Council of the Republic in the formation and changing of the specified direction of state policy is small in comparison with the role of executive authorities.

There is a Council for interaction of local self-governments bodies in the framework of the Council of the Republic of National Assembly of the Republic of Belarus. It is formed to ensure the unity of actions of republican state bodies and local governments. The activity of this structure has consultative, advisory character.

The main objectives of this Council are: an explanation and promotion of a state policy in the field of local government, development of recommendations and offers on its realization; coordination of interaction between the Council of the Republic, local governments and state bodies. It is obvious that this structure is not the spokesman of interests of regions. It only helps with promotion of the central bodies' decisions. It is actually one more body for promoting the central made decisions "from top to down".

There is no National association of local Councils of deputies that could represent the interests of local governments both at national and international levels in the Republic of Belarus. The new Law "On Local Government and Self-government" of January 4, 2010 for the first time in the legislative practice of Belarus assigned such opportunity to local Councils of deputies.

Belarusian law is limited only to ascertaining the fact of possibility to establish national and other associations of local Councils of deputies, without providing neither the procedures of their creation, nor the content of their activity. Thus it is necessary to point to the lack of standard fixed

procedure of their creation and activity, and standards on their legal status and competences. But at the same time we could observe **the experiment on the creation of regional authorities association in regions Grodno and Mogilev (2 regions among 6). The only principle grounded in the creation of those associations was administrative territorial division that contradicts the idea of freewill association and makes them a pale copy of administrative hierarchy.** This experiment was started in May 2015 and unfortunately the only reference in the media on it was the official opening statement. There is no any other information about it in open access over the past six months. This situation demands additional legal regulation, which would approve the relevant provisions on creation and activity of associations, and also an order and the principles for their interaction with bodies of authority and government of republican and local levels. This could be a driver for IMC development.

1.5 ADMINISTRATION AND HUMAN RESOURCES (STATUS OF EMPLOYEES)

One more very actual problem for the Republic of Belarus is training in the sphere of local government. Due to many reasons, the Belarusian experts have no sufficient analytical information on the contents, the essence, the principles and the norms of the European Charter and on other international documents in the sphere of local government, and also about the relevant legislation of foreign countries.

Courses on professional development of local governments, and also other educational events which are held both in Minsk from time to time, and in regions, are practically always directed on explanation or discussion of the current legislation standards or the new acts issued by the President. Drafts of laws or regulations in the sphere of local government, and most often - the current, daily problems of local value are discussed sometimes.

Anyway, practically **all training actions are limited to the existing national legislation.** Therefore experts at the local level (with rare exceptions) have very unilateral and limited only to the national legislation knowledge.

As a result, **experts have no uniform with all-European conceptual framework and uniform terminology.** There is no system and actual information on reforms, passed and still proceeding in the countries of the Central and Eastern Europe (including the CIS countries), about results of reforms, about their progress and failures. The topic of local government is not popular among scientific publications of the Belarusian academicians.

Much leaves to be desired both from the methodological base of the Belarusian universities, and the level of preparation of the faculty in the specialty "Public administration", and the discipline "Municipal Law" is excluded from the training curricula of universities.

The specialty "Public administration" is not prestigious since young specialists graduating of universities have problems with employment. **There are no more postgraduate works on local government issues since in the Republic of Belarus this topic is considered unpromising.**

Such situation can create very serious problems in the near future. Especially they will be felt during the modernization of the existing system of local government and its bringing in compliance with the basic requirements of the European Charter of local government. **Therefore the relevance of**

professional community preparation and development in the sphere of local government on the basis of modern knowledge is highest and demands special attention and amendments.

1.6 GENERAL FINANCING: STRUCTURE OF RESOURCES

The current legislation provides local government with own resources and the possibility of their management in the fulfillment of their competences.

According to part 1 of article 1 of the Law "On Local Government and Self-government" the local government carries out the independent decision on "... social, economic and political affairs of local value ... on the basis of own material and financial resources and the raised funds".

The concept of own material and financial base of local government is provided in article 54 of the Law - "The economic basis of local government and self-government is made by municipal property, the income from the use of natural resources and other sources obtaining the income of local government and self-government according to the legislation on environmental protection and rational use of natural resources, the civil, tax, budgetary law".

According to part 1 of article 55 of the Law "The municipal property consists of treasury of an administrative and territorial unit and the property assigned to municipal legal entities according to acts of the legislation". The Law understands as treasury of administrative and territorial unit "means of the local budget and other municipal property which is not assigned to municipal legal entities".

In more detail, the financial and economic questions of the budgetary and tax character at the local level are regulated according to the Budgetary Code and the Tax Code of the Republic of Belarus. Article 27 of the the Budgetary Code understands as own income of local budgets:

- the tax income enlisted in the budget according to the legislation on a constant basis;
- the non-tax income enlisted in the budget according to the legislation on a constant basis;
- grants, except of the inter-budgetary transfers.

According to articles 32 and 34 of the Code, the tax income of local budgets for shared taxes is:

1. income tax from natural persons;
2. income tax;
3. real estate tax;
4. value added tax;
5. ecological tax;
6. land tax;
7. uniform tax on individual entrepreneurs and other persons;
8. charge for implementation of activities for rendering services in the sphere of agrotourism;
9. tax on gaming;
10. local taxes and fees, and also other tax income established by the Budgetary Code, the President of the Republic of Belarus and (or) laws.

According to articles 33 and 35 of the Code the non-tax income of local budgets for shared non-tax income received in the subordinated territory is:

1. income from the placement of monetary budgetary funds;
2. income from the leasing of land plots;
3. income from the leasing of municipal property;
4. the means coming to the account of a compensation for expenses of the state;
5. the income from the property confiscated and otherwise the state turned into the income;
6. payment from the sale of land plots to a private property;
7. penalties;
8. indemnification, caused to municipal property;
9. payment for the placement of outdoor advertising;
10. means of self-taxation of citizens, and also other non-tax income established by the legislation.

Unfortunately, **it is necessary to recognize that own tax and non-tax income of the majority of administrative and territorial units do not allow to create deficit-free budget** and covers expenses of local budgets in each case at the level of 20-50 percent. Missing means for the elimination of budget deficit arrive as the inter-budgetary transfers from budgets of higher levels that can be an additional tool of administrative pressure on local authorities and self-government.

Local taxes and fees by the legal nature are urged to provide efficiency of use of local tax base by identification of their specific opportunities to obtain additional own income in the local budget. Especially it is actual in the case of budget deficit in the absence of sufficient own budgetary income gained from republican taxes and non-tax financial activity.

According to article 9 of the Tax Code the local taxes and fees are:

- tax on dogs;
- fees on resort;
- fees from suppliers.

Unfortunately, the constitutional norm of part 3 of article 121 on the possibility of establishment of local taxes and fees by local Councils of deputies, extends only on Councils of a regional and basic level. **Councils of primary level as the most numerous link of local Councils of deputies, according to part 1 of article 12 of the Tax code, are deprived of the right to establish independently local taxes and fees**, and according to point 2.8 of article 34 of the Budgetary Code they are deprived of the rights to establish independently norms of transfers of local taxes and fees in the budgets of primary level.

Thus, currently in the Belarusian legislation, despite numerous actual restrictions, the norms provide the existence in the tax system of state and local taxes and fees, prescribed list of them, the order of introduction and transfer to local budgets.

2 THE LAW ON IMC IN BELARUS

The legislation of the Republic of Belarus does not refer directly or indirectly to IMC. The only sense of amalgamation mentioned in the law is about the right to create associations of local self-governments.

There are no any precise ways to organize IMC prescribed in the Belarusian law. The only specific institutions that provide services on inter municipal level are created and work as institutions of central (or upper level) government. The contracting practice in the Republic of Belarus is also very weak and does not cover long-term services (public transport, garbage collection, etc.). The well-developed legal framework could be observed in sphere of procurement. The most popular issue discussed is corruption in holding of tenders by central and local governments.

At the same time, based on regulations about planning of development, there were developed and adopted some programs of republican level, *more than 100 programs of oblast level and more than 700 programs of rayon level*. These programs aimed on systematic development of various branches of economy of the republic, social sphere of the region. The selective analysis of such programs show that the achievements of the international practice of planning are not used. The system approach to regional development is also absent.

Two large programs of development of regions present an example of state programs of development in Belarus:

- The State program on revival and development of the village for 2005-2010
- The State complex program on development of regions, small and medium settlements for 2007-2010.

The main objective of these programs is:

- (1) creation of conditions for priority *social and economic* development of the village, increase of overall performance of agro-industrial complex
- (2) creation of conditions for priority *social and economic* development of regions, small and average city settlements.

In 2011, there appeared the Decree of the President of the Republic of Belarus No. 342 "On the state program of sustainable development of settlements for 2011-2015". Its purpose is ensuring *stability* of social and economic development of the village and improvement of demographic situation on the basis of increase of economic efficiency of agro-industrial complex, development of enterprise initiative, ensuring balance of the domestic food market, building the export potential, increase of income of country people, the level of social and engineering arrangement of rural settlements, preservations and improvements of ecology, attraction and rational use of investments in them. Thus, despite the name of the program, it is about *efficiency of development* of economy of the village, but not *sustainable development* of the village.

The development programs at the level of regions and cities also have social and economic focus. For example, "The program on the development of dairy branch of Vitebsk area for 2012-

2015", adopted by decision of Vitebsk oblast Council of deputies #163, 19.01.2012; The Decision of the Mogilyov city Council of deputies #25, 15.03.2013 - "On the approval of the program of the state support and development for small and medium enterprises in the city of Mogilev for 2013-2015" and many others.

The majority of programs do not focus on sustainable development, but the economic component of development dominates. Example of priority of economic development over sustainable development is the Decision of the Minsk city Council of deputies #31, 23.06.2010 "On the approval of the program on the main directions and priorities *of sustainable development* of Minsk in 2010-2014". The program logically developed ideas of the country's first regional strategy of sustainable development, which was developed for the capital of Belarus. Nevertheless, this decision lose its validity after one year and half, after the adoption of the new decision of the Minsk city Council of deputies #187, 23.12.2011 "On the approval of the program on social and economic development of the city of Minsk for 2011-2015". It is also worth noting that the adoption of the program for 2011, one week prior to it, could be considered as a sign of **imperfection of organizational procedures and/or methodologies of development, consideration and approval of programs.**

As shown in the analysis, **programs connected with regional development in Belarus are developed on the basis of an outdated methodology.** It does not focus regions on system planning of activity taking into account priority of stability of development, and is concentrated on achievement of social and economic development of regions. **The inter regional or inter municipal cooperation issues is also out of current agenda.**

Actually, these programs are only the tool of the rigid vertical of administrative decisions execution. Its orientation "from top to down" makes easy to track the features connected with rigid vertical position of planning system in Belarus. Before the new forecast period the special Decree of the President of the Republic of Belarus is issued. For 2014 this is the Decree of the President of the Republic of Belarus #585, 31.12.2013 "On the most important parameters of the forecast of social and economic development of the Republic of Belarus for 2014". In the document approved by the Head of state concrete parameters of growth are established. So, it defines the reference points of development of certain regions and all country for one year.

By the resolution it is claimed that the heads of the republican state bodies and other state organizations subordinated to the Government of the Republic of Belarus, oblast executive committees and the Minsk Executive Committee, and also heads of subordinates bear personal responsibility for the performance of the indicators of the forecast of social and economic development of the Republic of Belarus. The performance of indicators is the main criterion at evaluation of the work of the above listed heads. They have to consider quarterly the questions of extension (cancellation) of contracts with the heads of subordinates taking into account the performance of the finished indicators of the forecast of social and economic development for 2014.

Apparently, the "down-top" approach is not used. There is only a specification of the tasks set by the central body. The population of regions who very well know the situation in the field is not considered as actors of planning. Subordinate heads of vertical in such conditions can only assume the raised obligations for the performance of the Decree signed by the President and also

have some degree of freedom in the tactical decisions directed on the achievement of forecast parameters.

3 MUNICIPAL REFORM IN BELARUS

Definitely, IMC is out of agenda in Belarus nowadays and nearest perspective of it is also cloudy. The list of IMC actors is very short. We could take into account national experts, international experts and institutions. There are no clear pro and contra actors' community in these issues in Belarus.

Mostly the problems appeared on local level related to dysfunction of local authority through depopulation of rural settlements. This problem officially is considered as a technical problem that is resolved accordingly to the particular situation in the concrete village and rayon. **Despite of significant degradation of rural units there is no project or approach to the administrative territorial division reform in Belarus. The predominant approach in resolving this problem is amalgamation.** Cooperation on inter-municipal levels is considered as a complicated approach that brings more problems, less transparency and hidden agenda of local communities. All this contradicts to the public administration concept of "presidents' vertical".

3.1 MAIN CONDITIONS FOR REFORMATION

There are four major factors for successful reformation:

- 1) **political will** of leaders, i.e. resolute desire to carry out changes;
- 2) **experts community** capable to define the purposes of reform and the ways of its achievement;
- 3) **public support** or, at least, public loyalty to reform;
- 4) **professionals** prepared for practical introduction of reforms into life.

From the optimistic point of view, Belarus is now close to keep only the second factor. All other are absent. So, the question is - Should we really start reform nowadays, or have to wait when people and society will be ready for it?

Yes, people and society are not ready, but they cannot learn democracy by books. The maturation of the society is an ongoing process that includes all institutions of public administration, but not only the central government.

Postponement of reforms "for later (better) times" means refusal of reforms. The key to success is not in choosing the right moment for the reforms to begin, but in **acceleration of evolution** of public consciousness and adaptation to the new system.

3.2 ASSESSING IMC IN BELARUS





Generally, the level of basic public services in Belarus is evaluated by experts for citizens very high. The only exclusion is the primary level where financial resources (local budget) and municipal infrastructure are not sufficient to be serviced on the level of urban area.

As the sharing of administrative tasks looks impossible in the Belarusian public administration model, **the most reliable sphere for implementation of IMC could be economic development.** With regard to loyal attitude of officials to any technical assistance, we could pretend on a good start of

IMC in the development of local and regional infrastructures (roads, electricity, including green energy, waste management, etc.). Such kind of projects could be realized on a regular basis under the actual legal framework.

3.3 CROSS-BORDER IMC

This point despite of specific aspect in IMC issue appeared very prospective for the Belarusian circumstances. It is crucial from the point of Euroregions⁸ that work in Belarus.

	<p><u>Euroregion "Dnepr"</u> Euroregion «Dnepr» unites from the Belarusian side Gomel region, from the Ukrainian side – Chernigovsk region, from the Russian side Briansk region.</p>
	<p><u>Euroregion "Ozernykrai"</u> Euroregion includes: Braslav district, Verkhnedvinsk district, Miorsk district, Postavy district and Gluboksk district (Belarus); Duagavpilska district, Kraslava district, Preylska district, Rezeknenska district, including Daugavpilska and Resekne cities (Lithuania); Zarasayska district, Ignalinska district, Utenska district and Shvenchenska district, including Visaginas city (Lithuania).</p>
	<p><u>Euroregion "Neman"</u> Euroregion “Neman” unites from the Belarusian side – Grodno region, from the Polish side (since 1998) – Podlaska voevodship, from the Lithuanian side – Mariampol, Alitusska and Vilnusska regions (poviety), from the Russian side (since 2002) – Cherniakhov, Krasnoznamenka, Ozerska, Guseva and Nesterov districts of Kaliningradsk region.</p>
	<p><u>Euroregion "BelovezhskayaPuscha"</u> Euroregion “BelovezhskayaPuscha” unites: from the Belarusian side – Kamenets, Pruzhany, Svisloch districts, from the Polish side – Haynuvkapoviet.</p>

⁸http://beuroregion.by/index.php?option=com_content&view=category&layout=blog&id=48&Itemid=55&lang=en



[Euroregion "Bug"](#)

Members of cross-border Euroregion "Bug": Brest region (Belarus), Lublin voivodeship (Poland), Volyn region (Ukraine).

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