

# THE CONGRESS OF LOCAL AND REGIONAL AUTHORITIES

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## Recommendation 372 (2015)<sup>1</sup> Local and regional democracy in Greece

1. The Congress of Local and Regional Authorities of the Council of Europe refers to:

*a.* Article 2.1.b. of Statutory Resolution CM/Res(2011)2 relating to the Congress of Local and Regional Authorities of the Council of Europe and the revised Charter appended thereto, which provides that one of the aims of the Congress shall be “to submit proposals to the Committee of Ministers in order to promote local and regional democracy”;

*b.* Article 2.3 of the aforementioned Statutory Resolution CM/Res(2011)2, stipulating that “The Congress shall prepare on a regular basis country-by-country reports on the situation of local and regional democracy in all member States and in states which have applied to join the Council of Europe, and shall ensure, in particular, that the principles of the European Charter of Local Self-Government are implemented”;

*c.* its Resolution 307 (2010) REV2 on procedures for monitoring the obligations and commitments entered into by the Council of Europe member States in respect of their ratification of the European Charter of Local Self-Government (ETS No. 122);

*d.* its Resolution 299 (2010) on follow-up by the Congress of the Council of Europe Conference of Ministers responsible for local and regional government (Utrecht, Netherlands, 16-17 November 2009), which states that the Congress will use the Council of Europe Reference Framework for Regional Democracy in its monitoring activities, as well as the reply made by the Committee of Ministers (CM/CONG(2011)Rec282final) to Congress Recommendation 282 (2010), encouraging the governments of member States to take account of the above mentioned reference framework in their policy and reforms;

*e.* its Recommendation 219 (2007) on the status of capital cities;

*f.* the attached explanatory memorandum relating to the present recommendation on local and regional democracy in Greece.

2. The Congress recalls that:

*a.* Greece signed the European Charter of Local Self-Government on 15 October 1985 and ratified it on 6 September 1989. The Charter entered into force in Greece on 1 January 1990. Pursuant to Article 12.2 of the Charter, Greece declared itself not to be bound by Article 5, Article 7.2, Article 8.2, and Article 10.2 of the Charter;

*b.* Article 2 of the Law 1850/1989 states that the European Charter of Local Self-Government applies only to the first tier of local government;

*c.* Greece has 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 (CETS No. 207);

*d.* the Monitoring Committee decided to monitor the state of local and regional self-government in Greece and its compliance with the European Charter of Local Self-Government. It instructed Artur Torres Pereira, Portugal (L, EPP/CCE) and Gudrun Mosler-Törnström, Austria (R, SOC), to prepare and submit to the Congress, as rapporteurs, the report on local and regional democracy in Greece;<sup>2</sup>

*e.* the Congress delegation carried out two monitoring visits to Greece from 16 to 17 September 2014 (in Athens) and from 18 to 20 November 2014 (in Paros, Naxos, Lagadas, Thessaloniki and Athens). During those two visits, the Congress delegation met representatives of the associations of local and regional authorities, mayors and municipal and regional councillors, representatives of the government, ministries and other institutions.

3. The Congress wishes to thank the Permanent Representation of Greece to the Council of Europe, the national authorities at all territorial levels as well as all the interlocutors met during these visits for their availability and the information they kindly provided to the delegation.

4. The Congress notes with satisfaction:

*a.* the progress made in Greece since the last recommendation in 2008, in particular through the adoption of the New Architecture for Self-Governance and Decentralisation – Kallikratis Programme which represents an important step towards a more decentralised territorial system, namely as regards the status of prefectures and the status of the 13 administrative regions that were regional branches of central government;

*b.* the increasing of local competences, transparency and accountability of local authorities;

*c.* the adoption of a new system of supervision of legality which diminishes the role of the secretary general of the State administration;

*d.* that *ex-ante* control over local budgets has been put in place as a purely interim measure to remedy the flaws that are recognised in the structure of local budgets;

*e.* the involvement of local and regional associations in the preparation of the Kallikratis reform.

5. The Congress expresses its concern that:

*a.* at the moment of the ratification of the European Charter of Local Self-Government, a provision was inserted into the Law 1850/1989 (Article 2), which restricted the scope of the Charter to the first tier of local self-governance;

*b.* the role of, and indeed the necessity for, the seven new State authorities is unclear as regards their competences and responsibilities as well as the distribution of competences

between these State administrations and regions and municipalities;

c. local authorities do not have the ability to “regulate” local affairs, as they lack statutory powers;

d. institutionalised co-ordination and consultation processes among the State, regions and municipalities are lacking;

e. there are no adequate concomitant financial resources for the transfer of competences to local authorities, which depend mostly on State transfers;

f. the fiscal autonomy of local authorities is weak;

g. there is no effective implementation in practice of the new system of supervision of legality and that excessive bureaucracy and length of procedures exaggerate the shift from the supervision of legality towards a supervision of expediency;

h. although regulation specific to insular and mountainous municipalities is in place, it is not implemented in practice; moreover these areas would benefit from a special status, especially as concerns finances;

i. there is no special status for the municipality of Athens as capital city in addition to an absence of legislation for the metropolitan municipalities of Athens and Thessaloniki;

j. legislation for regional metropolitan areas is not implemented, as far as institutions, competences, finances, and the relationship with the State are concerned.

6. In the light of this, the Congress requests that the Committee of Ministers invite the Greek authorities to take account of the following suggestions:

a. to extend the scope of the European Charter of Local Self-Government to the second tier of local government (regions) by amending the existing legislation (Article 2 of Law 1850/1989);

b. to review the role, the competences and the distribution of responsibilities between the seven State administrations, the regions and municipalities and to review the necessity of retaining these seven State administrations;

c. to review the legislation in order to confer statutory powers on local authorities;

d. to improve the consultation processes among the State, regions and municipalities for all matters which concern them directly;

e. to ensure adequate concomitant financial resources for the transfer of competences to local authorities which they may dispose of freely within the framework of their powers;

f. to diversify the financial system of sources of local authorities’ revenue by developing the foundations of greater financial autonomy through the levying of local revenues;

g. to boost the fiscal autonomy of local authorities, with the aim of ensuring the sustainability of the financial situation of local authorities;

h. to ensure a State supervision (including financial supervision) of local authorities in proportion to the importance of the public interest;

i. to urgently implement in practice the existing provisions for insular and mountainous municipalities and to confer a special status on these areas, especially as concerns finances;

j. to confer a special status on the municipality of Athens as capital city and to introduce special provisions for the metropolitan municipalities of Athens and Thessaloniki and to implement them in practice;

k. to implement the already existing provisions on metropolitan regions;

l. to consider reviewing certain parts of the declaration made at the time of ratification of the Charter; for instance, ratifying Article 5 and Article 8.2 which are, *de facto*, is applied;

m. to consider signing and ratifying the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority.

7. The Congress invites the Committee of Ministers and the Parliamentary Assembly of the Council of Europe to take into consideration the present recommendation on local and regional democracy in Greece, as well as the explanatory memorandum, in their respective activities related to this member State.

1. Debated and adopted by the Congress on 25 March 2015, 2nd Sitting (see Document CG/2015(28)8FINAL explanatory memorandum), co-rapporteurs: Artur Torres Pereira, Portugal (L, EPP/CCE) and Gudrun Mosler-Törnström, Austria (R, SOC).

2. In their work the rapporteurs were assisted by Professor Tania Groppi, consultant, member of the Group of Independent Experts on the European Charter of Local Self-Government and the Congress secretariat.