



Network of Associations of Local Authorities of South-East Europe  
Réseau des Associations de Pouvoirs Locaux de l'Europe du Sud-Est

International Conference

# THE FUTURE OF FISCAL DECENTRALIZATION IN SOUTH-EAST EUROPE

01 – 02 November 2012, Budva, Montenegro



Organized by:



Ministarstvo finansija Crne Gore



ZAJEDNICA OPŠTINA CRNE GORE  
UNION OF MUNICIPALITIES OF MONTENEGRO

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*Dear participants,*



We have the pleasure to welcome you to the International Conference: The Future of Decentralization in South-East Europe, here in Hotel "Splendid", in Budva, from 1-2 November 2012.

This is a very important conference. It relates to the commitments undertaken by the countries of South-East Europe to implement the principles of the European Charter of Local Self-Government.

The impact of the global economic and financial crisis creates an additional urge for a wide discussion about financing municipal services to the citizens. Therefore, this conference brings together ministries of finance, mayors, local government associations and other policy makers from SEE and beyond to meet, discuss, and strategize over the future of the fiscal decentralisation in the region.

The presentations and discussions will reflect the best practices, but also joint challenges and opportunities facing the Region in providing sustainable financing of competencies of the local governments.

We wish you a pleasant stay and we are looking forward to your active participation at the conference!

*Dr. Milorad Katnić,*  
Minister of Finance of Montenegro

*Dr. Oržen Keskin,*  
NALAS President

*Mr. Aleksandar Boždanović,*  
President of the Union of  
Municipalities of Montenegro



The Conference will take place in the Hall of Dynasties, in Hotel Splendid Conference and SPA Resort, Becici, Montenegro ([www.montenegrostars.com](http://www.montenegrostars.com)). Splendid is the first five star hotel in Montenegro, offering 322 rooms and suites, 3 restaurants and 4 bars, a SPA centre and casino. Free Wireless internet is available in the hotel lobby.

*Montenegro Stars Hotel Group*  
*Splendid Conference & SPA Resort*  
85315 Becici, Montenegro

+382 33 773 777  
[reservations@montenegrostars.com](mailto:reservations@montenegrostars.com)



## THURSDAY, 01.11.2012

10:00 - 13:30 | Registration

Conference Moderator: Mr. Greg Clark

13:30 - 15:00 | Opening Lunch, Welcome Addresses:

- Mr. Özgen Keskin, PhD, NALAS President
- Mr. Milorad Katnić, PhD, Minister of Finance of Montenegro
- Mr. Tarzan Milosevic, Minister of Agriculture of Montenegro and Former NALAS President
- Mr. Aleksandar Bogdanovic, President of the Union of Municipalities of Montenegro
- Ms. Catherine Farvaque Vitkovic, Lead Urban Development Specialist of the World Bank Institute
- Mr. Waldemar Figaj, Acting Head of OSCE Office in Montenegro Representative of Council of Europe

15:00 - 17:00 | Introductory Session:

The Future of Fiscal Decentralisation in South Eastern Europe

- Changed Context and Trends in Fiscal Decentralisation in SEE, Mr. Özgen Keskin, PhD, NALAS President
- The Importance of the Fiscal Decentralisation for the Central Governments in SEE, Mr. Milorad Katnić, PhD, Minister of Finance of Montenegro
- Opportunities for Local Investments through Fiscal Decentralisation, Mr. Zoran Tegeltija, PhD, Minister of Finance of the Republic of Srpska
- How can Central Governments Support the Strengthening the Local Administrative and Financial Capacity for Investments, Mr. Aleksandar Bogdanovic, President of the Union of Municipalities of Montenegro
- Challenges of Local Government Associations Supporting their Member Local Governments to Strengthen Local Administrative Capacities, Ms. Ginka Chavdarova, Executive Director, National Association of Municipalities of the Republic of Bulgaria
- Priority Needs for Public Investments in South Eastern Europe, Mr. Veaceslav Ionita, Head of Parliamentary Commission for Economy, Finance and Budget, Republic of Moldova
- Sovereigns Creditworthiness have Strong Impact on Municipal Finance, Mr. Piter Vins, General Manager for Central and Eastern Europe, Moody's
- The Future of Fiscal Decentralization in SEE, Mr. Anthony Levitas, Independent Expert in Intergovernmental Finance
- Discussion and Debate

17:00 - 17:30 | Networking Coffee Break

17:30 - 18:15 | Exploring New Ways to Raise

Investment in SEE: The View of the International Institutions

- Western Balkans Small and Medium Municipalities Environmental Infrastructure Fund and Western Balkans Investment Facility, Mr. Giulio Moreno, Head of the EBRD Podgorica Office, EBRD
- The World Bank Europe and Central Asia (ECA) Sustainable Cities Initiative: Helping Local Governments to become more Sustainable and Mobilizing Resources, Mr. Bjorn Philipp, Sr. Urban Specialist, Sustainable Development Department, World Bank
- Sources of Financing Local Capital Investments in Times of Crisis, Mr. Kenneth Davey, Council of Europe Centre of Expertise
- Debate

18:15 - 19:30 | Roundtable of Ministries and Local Government Associations: Progress with Local Investment and Fiscal Decentralisation, Statements and Discussion by:

Representatives of Ministries of Finance, Presidents of Associations of Local Authorities and Presidents of Committees of Finance of Associations. Reading and Approval of a Joint Declaration

20:00 - 23:00 | Dinner

- Address by Mr. Milorad Katnić, PhD, Minister of Finance of Montenegro: Overview of the Fiscal Decentralisation in Montenegro and the way forward
- Address by Mr. Lazar Radenović, Mayor of Budva: Investments in the City of Budva

## FRIDAY, 02.11.2012

08:30 - 11:00 | Mobilizing Resources for Capital Investments at the Local Level in South East Europe: Learning from Experience

- Capital Investments and Local Finances in the Western Balkans: What do We know?, Mr. Gabor Peteri, International Expert, World Bank, SEE Municipal Finance Review
- The Role of the Credit Rating in Financing Capital Investments, Mr. Gjorgji Josifov, Assistant Vice President – Analyst, Sub-Sovereign Group, Moody's
- Innovative Financing of Bus Procurement in Istanbul Metropolitan Municipality, Mr. Adil Alkan, Revenues and Finance Director, Istanbul Electricity Tramway and Tunnel Enterprises
- Financing of Development Projects in Rijeka: Mr. Ante Maderić, mag.oec., Advisor to the Mayor for Finances
- Municipal Services Improvement Project funded by the Loan of the International Bank for Reconstruction and Development (WB), Ms. Malgorzata Markiewicz-Bogov, Project Director, Ministry of Finance of Macedonia
- Urban Development Funds – FLAG Bulgaria - Successful Financial tool for assisting local governments in using the EU Structural Funds for Investments, Mr. Emil Savov, member of FLAG Board of Directors, Deputy Director of NAMRB
- Debate and discussion

11:00 - 11:30 | Networking Coffee Break

11:30 - 13:00 | Building the Agenda for Investment and FD in SEE: What is Next?

Short introduction: Mr Greg Clark and Mr Anthony Levitas  
National Roundtable Discussions on How to Develop a Clear Agenda for the Future

Final Statements and Discussion by:

- Representatives of Ministries of Finance
- Presidents of Associations of Local Authorities
- Presidents of Committees of Finance of Associations

13:00 - 14:30 | Closing Lunch and Networking Reception



## NALAS Sekretariat

Partizanski odredi 42/7, Skopje 1000, Macedonia  
Tel/Fax +389 2 3090818, Web: [www.nalas.eu](http://www.nalas.eu)

Association of Albanian Municipalities  
Rruga "Lidhja e Prizrenit", Pallati "Harmonia  
2", Hyrja 1, Tirana, Albania  
Tel: +355 42257603  
Email: [aam@albmail.com](mailto:aam@albmail.com)  
Internet: [www.aam.al](http://www.aam.al)



Association of Municipalities and Cities of  
the Federation of Bosnia and Herzegovina  
Musala 5/1, 71000 Sarajevo,  
Bosnia and Herzegovina  
Tel: +387 33216502  
E-mail: [vesna@sogfbih.ba](mailto:vesna@sogfbih.ba)  
Internet: [www.sogfbih.ba](http://www.sogfbih.ba)



Association of Municipalities of the Republic  
of Croatia  
Hrgovici 59, Zagreb, Croatia  
Tel: +385 13689153  
Email: [mivanovic@udruga-opcina.hr](mailto:mivanovic@udruga-opcina.hr)  
Internet: [www.udruga-opcina.hr](http://www.udruga-opcina.hr)



Association of Kosovo Municipalities  
St. „Gustav Majer“ 5,  
10000 Prishtina, Kosovo  
Tel: +381 38245732  
E-mail: [info@komunat-ks.net](mailto:info@komunat-ks.net)  
Internet: [www.komunat-ks.net](http://www.komunat-ks.net)



Association of the Units of Local Self-  
government of Republic of Macedonia  
Zhenevska bb, P. fah: 32, 1000 Skopje,  
Republic of Macedonia  
Tel: +389 23099033  
Email: [contact@zels.org.mk](mailto:contact@zels.org.mk)  
Internet: [www.zels.org.mk](http://www.zels.org.mk)



Association of Communes of Romania  
28-30 Gheorghe Magheru Bld, 5th Floor,  
505-515 rooms, District 1,  
Zip Code 010336, Bucharest, Romania  
Tel: +40 21 3119969  
Email: [acor@acor.ro](mailto:acor@acor.ro)  
Internet: [www.acor.ro](http://www.acor.ro)



Standing Conference of Towns and  
Municipalities  
Makedonska 22/VIII,  
11000 Beograd, Serbia  
Tel: +381 113223446  
Email: [sekretariat@skgo.org](mailto:sekretariat@skgo.org)  
Internet: [www.skgo.org](http://www.skgo.org)



Union of Municipalities of Marmara  
Rağıp Gümüşpala Cad. No.10/1 Eminönü,  
341 34 Fatih - İstanbul / TÜRKİYE  
Tel: +90 212 5135650  
Email: [info@marmara.gov.tr](mailto:info@marmara.gov.tr)  
Internet: [www.marmara.gov.tr](http://www.marmara.gov.tr)



National Association of Municipalities in the  
Republic of Bulgaria  
Golash Street 23, Geo Milev,  
1111 Sofia, Bulgaria  
Tel: +359 29434468  
Email: [namrb@namrb.org](mailto:namrb@namrb.org)  
Internet: [www.namrb.org](http://www.namrb.org)



Association of Towns and Municipalities of  
Republic of Srpska  
Nikole Tesle 6, 76 300 Bijelina,  
Republic of Srpska  
Tel: +387 55220270  
E-mail: [info@alvrs.com](mailto:info@alvrs.com)  
Internet: [www.alvrs.com](http://www.alvrs.com)



Association of Cities of the Republic of  
Croatia  
Medveščak 17, Zagreb, Croatia  
Tel: +385 14668003  
Email: [nives@udruga-gradova.hr](mailto:nives@udruga-gradova.hr)  
Internet: [www.udruga-gradova.hr](http://www.udruga-gradova.hr)



Congress of Local Authorities from Moldova  
106A, Columna Street, MD-2012 Chisinau,  
Moldova  
Tel: +373 22223509 ,+373 22223529  
Email: [info@calm.md](mailto:info@calm.md)  
Internet: [www.calm.md](http://www.calm.md)



Union of Municipalities of Montenegro  
Mitra Bakica 142, 81000 Podgorica,  
Montenegro  
Tel: + 382 20620097  
Email: [uom@t-com.me](mailto:uom@t-com.me)  
Internet: [www.uom.co.me](http://www.uom.co.me)



Romanian Federation of Local Authorities  
21 Nicolea Balcescu bld., sector 1, 4th floor,  
room 428, 010044 Bucuresti, Romania  
Tel: +40 727700650  
Email: [falr@falr.ro](mailto:falr@falr.ro)  
Internet: [www.falr.ro](http://www.falr.ro)



Association of Municipalities and Towns of  
Slovenia  
Partizanska cesta 1, 2000 Maribor, Slovenia  
Tel: +386 2 2341500  
Internet: [www.skupnostobcin.si](http://www.skupnostobcin.si)

