

Quick Response Request

Submitted by: Congress of Local Authorities from Moldova

Date: September 2010

Subject: Collect excerpts and laws from the region on the Inter-municipal co-operation.

Background: CALM needed these excerpts and laws to prepare amendments proposal to the Law on the local public administration in the part referring to the Inter-Municipal Cooperation.

1. Summary of Results

Answers from most of NALAS countries were collected (10 members sent their contributions). The analysis showed that in the big majority of NALAS countries there are only articles dedicated to IMC in the laws of local self-government, etc., with the sole exception of Macedonia where a separate law on IMC was adopted.

2. Analytical/Detailed Information

A) Albania

There is no single unified legislation framework on the cooperation between the LGU-s which provide for the rights and obligations of LGU-s in the suaze of the right of cooperation in the improvement of the community needs

Mainly, the legal basis is to be found in agreements made between the LGU-s regarding with the improvement of services and increase of efficiency and effectiveness addressing their citizens' interests.

The Constitution of the Republic of Albania, in a special chapter describes the LG, its functioning and organization of representative and executive bodies.

Thus, with reference to the Fundamental Law, its Article 109 expressively provides for the following:

1. The representative bodies of the LGU-s are the Councils which are elected every three years through direct and secret ballot general elections.
2. The executive body of the municipality or the commune is the Mayor who is elected directly by the people as provided for in paragraph 1 of this Article.
3. Only citizens with permanent residence in the territory of the respective LG are eligible to be elected in the local councils, and municipal or communal mayor positions.
4. **The bodies of the LGU-s are eligible to form joint institutions or unions for the purpose of representing their common interests, cooperate with LGU-s of other countries as well be represented in international organizations of LG-s.**

This provision is enhanced by the rights on cooperation LGU-s are entitled to. This is pursuant to the Organic law which by also referring to the European Charter of Local Autonomy, further builds on this right.

Thus, the Charter, its Article 10 provides for:

The right of association of the local communities

1. **Local communities have the right of exercising their competencies, to cooperate and, as provided for by the legislation, to join in to other local communities in accomplishing the tasks of common interest.**
2. The right which the local communities are entitled to adhering into a association on the protection and promotion of common interests as well as the right to adhering into a

international association of local communities must be recognized in every country.

3. If need be, the local communities can, as provided for by the legislation, cooperate with communities of other countries.

Whereas the Organic Law expressly provides for:

V. The right of cooperation

a) For conducting specific services on behalf and to the benefit of the respective communities, two or more LGU-s can jointly exercise every function invested in them through implementation of joint agreements or contracts, delegation of special competencies and responsibilities to one another or contracting third parties.

b) Cooperate with LGU-s of other countries and represented in international organizations of LG pursuant to the standing legislation.

c) Have the right to organize into associations pursuant to the relevant standing legislation on the associations.

VI. The right of the legal entity/person

As legal persons, the LGU-s are entitled to exercise all the rights provided for by the Civil Code of the Republic of Albania and the standing legislation:

a) the right to enter into an agreements/contracts;

b) the right to establish other legal persons;

c) the right to file a lawsuit/civil action;

ç) the right to keep accounting books;

d) other rights on exercising of the functions pursuant to the standing legislation [laws and by-laws].

Of key importance is the recently approved Decision [in 2007] “On the transfer of the shares of the Water Supply and Cannalling Enterprize to the LGU-s.”.

B) Bulgaria

Inter municipal cooperation in Bulgaria is regulated in the Law for local governance and local administration. In the law we have Chapter titled “Municipal cooperation” with the following 3 articles:

Art. 59 (1) “Municipalities may cooperate among themselves, with districts, with legal or natural persons and create associations through which to achieve goals of mutual interest and to entrust the implementation of activities under their jurisdiction.”

(2) „Municipal cooperation aims to improve the quality of administrative services, provision of public services to the population and to contribute to the development of the respective districts through effective use of existing resources.”

Art.60 Fundamental Principles of municipal collaboration are:

1. voluntariness;

2. mutual interest;

3. active choice;

4. flexibility and dynamism;

5. transparency and accountability.

Art. 61 (1) Municipal cooperation is conducted based on signed cooperation agreement which has to be approved by the municipal council.

(2) The cooperation agreement shall specify:

1. the parties concerned;

2. scope and purpose of the agreement;
3. purpose of cooperation;
4. forms of cooperation and / or type of legal entity:
 - a) to implement a specific project or activity between two or more municipalities;
 - b) establishing a legal entity without profit / NGO/ between municipalities;
 - c) establishing a legal entity with a profit between two or more municipalities;
 - d) to implement a specific project or activity, or establishing a legal entity without profit or with a profit between one or more municipalities and legal persons and / or individuals;
5. rights and obligations of the parties;
6. share of participation of each party with financial resources, property and / or other forms of participation to achieve a common goal;
7. rules for the constitution, decision-making and termination of inter municipal councils and / or committees and their competence, where municipalities have agreed the creation of such bodies;
8. other important issues for the Parties, including requirements for each of them arising from the legislation.

(3) The non-profit associations in which the municipality participates operate for the public benefit. For their constitution is not applied restrictions on the number of members specified in Art. 19 of the Law for Non-Profit Legal Entities.

C) Macedonia

PARLIAMENT OF THE REPUBLIC OF MACEDONIA

Pursuant to Article 75, Paragraphs 1 and 2 of the Constitution of the Republic of Macedonia, the President of the Republic of Macedonia and the President of the Parliament of the Republic of Macedonia proclaim a

DECREE

PROMULGATING THE LAW ON INTERMUNICIPAL COOPERATION

The Law on Inter-Municipal Cooperation, passed at the Session of the Parliament of the Republic of Macedonia held on 17 June 2009 is hereby promulgated

No. 07-2728/1

17 June, 2009

Skopje

President

of the Republic of Macedonia

Gorge Ivanov

President

of the Parliament of the
Republic of Macedonia

Trajko Veljanovski

LAW ON INTER-MUNICIPAL COOPERATION

I. GENERAL PROVISIONS

Article 1

This Law shall govern the manner, conditions and procedure for establishing intermunicipal cooperation and the forms of financing, registering and supervision of intermunicipal cooperation as well as other issues of importance for inter-municipal cooperation.

Article 2

(1) Inter-municipal cooperation in the sense of this Law shall be the cooperation established between two or more municipalities for a more efficient and cost-effective execution of the competences set forth by law and for achievement of their common interests and goals.

(2) Inter-municipal cooperation shall also mean the performance of certain functions under the competence of municipalities by one municipality on behalf of one or more other municipalities pursuant to a contract entered into by the municipalities.

Article 3

In accordance with this or some other Law, municipalities shall decide independently and voluntarily on the establishment of inter-municipal cooperation in order to exercise their competences.

II. ESTABLISHING INTER-MUNICIPAL COOPERATION

Article 4

(1) Inter-municipal cooperation shall be established for joint performance of functions under the competence of municipalities, performance of common functions and achievement of common interests and goals.

(2) For achievement of common interests and goals in the execution of their competences, municipalities shall join financial, material and other resources.

(3) A decision to establish inter-municipal cooperation shall be passed by each of the municipal councils by a majority vote of all council members.

Article 5

(1) A proposal to establish inter-municipal cooperation shall be made by the mayor of the municipality or by a member of the municipal council.

(2) An initiative to establish inter-municipal cooperation may be raised by at least 10% of the constituency of a municipality.

(3) The proposal or the initiative from paragraphs (1) and (2) of this article shall contain the purpose of cooperation, the competences pertaining to it, the form the cooperation will go through, the potential financial implications from the cooperation as well as other issues of importance to the establishment of inter-municipal cooperation.

(4) The proposal or initiative shall be submitted to the municipal council.

(5) The mayor of the municipality shall give an opinion on the initiative or on the proposal not raised by the mayor of the municipality.

Article 6

(1) The municipal council shall decide upon the proposal or initiative from article 5(1) and 5(2) of this Law based on a previously conducted assessment of the needs for establishment of inter-municipal cooperation.

(2) The municipal council shall be obligated to hold a hearing on the initiative under Article 5(2) of this Law within 90 days from the submission of the initiative and shall inform citizens on its decision.

(3) If the municipal council approves the proposal or initiative for establishment of intermunicipal cooperation it shall draft a Proposal for establishment of inter-municipal cooperation.

(4) The Proposal from Paragraph (3) of this article shall be submitted to the municipality or municipalities that the inter-municipal cooperation is to be established with.

Article 7

(1) The municipal council/councils to which the proposal to establish inter-municipal cooperation from Article 6(3) of this Law has been sent shall decide on the establishment of the proposed cooperation within 90 days from the day of submission of the proposal to establish inter-municipal cooperation.

(2) The mayor of the municipality to which the proposal to establish inter-municipal cooperation from Article 6(3) has been sent shall give its opinion on the proposal.

Article 8

(1) The municipal councils that have approved the proposal or initiative to establish intermunicipal cooperation shall establish a joint commission to compose a draft act for establishment of inter-municipal cooperation and draft acts for establishment or set-up of the forms the inter-municipal cooperation is to be exercised through.

(2) The joint commission under Paragraph (1) shall compose the draft acts pursuant to a previously conducted analysis.

(3) The joint commission under Paragraph (1) shall consist of equal number of members nominated by the municipalities establishing the inter-municipal cooperation.

III. FORMS OF INTER-MUNICIPAL COOPERATION

1. Attainment of the Inter-Municipal Cooperation

Article 9

(1) The inter-municipal cooperation may be attained through:

- a) establishment of bodies for inter-municipal cooperation
 - common working body and commission, and
 - common administrative body
- b) establishment of common public services
 - common public enterprise
 - common public institution.

(2) The inter-municipal cooperation may also be attained through entering into contracts on:

- joining financial, material and other resources, and
- performing certain functions by one municipality on behalf of one or more other municipalities

2. Common Working Bodies and Commissions

Article 10

(1) Two or more municipalities may set up ad-hoc or standing common working bodies and commissions for reviewing certain issues under the competence of the mayor of the municipality or of the municipal council.

(2) The mayor shall decide on the set-up of a common working body or commission for reviewing certain issues that are under the competence of the mayor and the municipal council shall decide on issues that are under the competence of the municipal council.

(3) The common working bodies and commissions shall review issues and shall initiate decisions passed by municipal bodies which are of common interest for execution of the competences of municipalities.

(4) Common working bodies and commissions shall also be set up for exchange of experience and for professional cooperation between the municipal administrations when executing the competences of the municipalities.

3. Common Administrative Body

Article 11

A common administrative body may be set-up by two or more municipalities in

accordance with the Law on Local Self Government, in order to execute certain competences of the municipalities set forth by Law.

Article 12

- (1) The mutual rights and responsibilities of the municipalities setting up a common administrative body shall be regulated by contract.
- (2) The contract from Paragraph (1) of this article shall be entered into by the mayors of the municipalities setting up the common administrative body.
- (3) The contract from Paragraph (1) of this article shall particularly regulate the following issues:
 - the identification of individual and common needs in the execution of certain municipal competences,
 - the selection of a head of the common administrative body made by the mayors of the establishing municipalities, following a public vacancy announcement,
 - the manner of staff allocation in the common administrative body, and
 - the responsibility of the head of the common administrative body to the mayors of the establishing municipalities.

Article 13

- (1) The common administrative body shall perform professional, normative/legal, executive or administrative/supervisory functions in accordance with the individual and common needs in the course of execution of certain competencies of the municipalities establishing the common administrative body.
- (2) The common administrative body may be established as a common sector, common department or a common project unit.

Article 14

- (1) The common administrative body shall carry out the functions it is set up to perform in the name and on behalf of the establishing municipalities.
- (2) The head of the common administrative body every six months shall submit a report to the mayor and to the municipal councils for its work and for the work of the common administrative body.
- (3) The rights, competences and obligations of the municipal bodies establishing the common administrative body may not be transferred to it.

Article 15

The seat for the common administrative body shall be in the municipality with the largest number of residents, unless municipalities agree otherwise.

Article 16

Municipalities shall participate in the financing of the common administrative body in proportion to the type and quantity of functions that are under the competence of each of the municipalities, unless municipalities agree otherwise.

Article 17

The mayor of each municipality shall monitor the performance of functions within the scope of the common administrative body, pertaining to the functions under its competence.

4. Common Public Enterprise

Article 18

- (1) A Common Public Enterprise shall be established to perform functions of common interest and of local importance.
- (2) The Common Public Enterprise shall be established in a procedure set forth by Law.
- (3) The Common Public Enterprise shall be established by a decision containing identical wording passed by the municipal councils, by majority vote of all council members in each of the municipalities that are founders of the Common Public Enterprise.
- (4) The mayors of the municipalities shall enter into and sign a contract for the Common

Public Enterprise that shall regulate the mutual rights and obligations.

(5) The Decision establishing the Common Public Enterprise shall particularly regulate:

- the activity,
- the name and seat,
- the amount of invested funds for its establishment and the manner of their provision,
- the organization of the Common Public Enterprise,
- the manner of enforcement of the decisions of the bodies of the Common Public Enterprise,
- the responsibility of the Common Public Enterprise for its obligations in legal relations with third parties,
- the deadline for adoption the statute and appointment of the bodies of the Common Public Enterprise,
- the appointment of a person in charge of the enterprise business until its constitution,
- the number, composition and the manner of selection of the members of the management board,
- the manner of selection of the director of the Common Public Enterprise, and
- the composition and the manner of selection of the supervisory board.

Article 19

The seat of the Common Public Enterprise shall be in the seat of the municipality with larger, i.e. largest number of users of the public services, unless founders agree otherwise.

Article 20

The funds for the establishment of the Common Public Enterprise shall be allocated from the municipal budgets proportionate to the number of users of the public services, unless founders agree otherwise.

Article 21

The person in charge of the enterprise business until the constitution of the Common Public Enterprise shall be appointed upon a proposal of the council of the founding municipality in which the seat of the Common Public Enterprise is to be located.

Article 22

(1) The Common Public Enterprise shall submit the acts to be approved by the founding municipalities to the municipal councils at the same time and with identical wording.

(2) The approval of the acts of the Common Public Enterprise shall be granted by adoption of individual granting acts by each of the municipal councils from the founding municipalities.

(3) The act under approval shall be considered passed upon approvals granted by all councils of the municipalities founding the Common Public Enterprise.

Article 23

(1) The founding municipalities of the Common Public Enterprise may take measures set forth by law to provide conditions for unobstructed operation of the public enterprise.

(2) For taking the measures under circumstances set forth by law, the municipal councils shall pass an identical act.

(3) The act shall be passed by majority vote of all council members in each of the municipalities that are founders of the Common Public Enterprise.

5. Common Public Institution

Article 24

(1) A Common Public Institution shall be established to perform functions of common interest and of local importance in the fields of education, culture, welfare, child protection, and other functions defined by law.

(2) The Common Public Institution shall be established in a procedure set forth by Law.

(3) For the establishment of a Common Public Institution the mayors of the municipalities shall enter into and sign a contract which shall regulate the mutual rights

and responsibilities.

Article 25

(1) The Common Public Institution shall be established by a decision containing identical wording passed by the municipal councils of the municipalities founding the Common Public Institution.

(2) The decision to establish a Common Public Institution shall be passed by majority vote of all council members in each of the municipalities that are founders of the Common Public Enterprise.

Article 26

The Decision establishing the Common Public Institution shall particularly regulate:

- the names of the founders,
- the name and seat of the institution,
- the activity of the institution,
- the resources provided by the founders for the establishment and commencement of operation of the institution and the manner of providing these resources,
- the permanent sources, the manner and the conditions for obtaining operational resources of the institution,
- the rights and obligations of the founder related to the performance of the activity i.e. the performance of the functions of the institution,
- the mutual rights and obligations of the institution and the founders,
- the period the institution is established for,
- the rights, duties and responsibilities of the institution in the legal relations,
- the responsibility of the founders for the liabilities of the institution,
- the person representing and acting on behalf of the institution and his/her authorities in the legal relations,
- the organization of the institution,
- the appointment of the management body members,
- the deadline for adoption of the statute and appointment of a director,
- the manner of use of the surplus revenue and the manner of covering the shortage of funds for the operation of the institution,
- the person in charge of business until the constitution of the institution,
- the number, composition and manner of selection of the management body members
- the manner of selection of the director,
- the composition and the manner of selection of the supervisory body.

Article 27

The person in charge of business until the constitution of the institution shall be appointed upon the proposal of the council of the founding municipality in the seat of which the seat of the Common Public Institution is to be, unless founders agree otherwise.

Article 28

(1) The founding municipalities of the Common Public Institution may take measures set forth by law to provide conditions for unobstructed operation of the public institution.

(2) For taking the measures under circumstances set forth by law, the municipal councils shall pass an identical act.

(3) The act shall be passed by majority vote of all council members in each of the municipalities that are founders of the Common Public Institution.

6. Performance of Certain Functions by One Municipality On Behalf of One or More Other Municipalities

Article 29

(1) For the performance of certain functions under the competence of the municipalities by one municipality on behalf of one or more other municipalities a contract shall be

entered into.

(2) The contract from Paragraph (1) of this Article shall be entered into by the mayors of the municipalities upon decisions previously passed by the municipal councils.

(3) The contract from Paragraph (1) of this article shall define:

- the municipality performing the functions under the competence of the municipality or the municipalities on whose behalf functions are performed,
- the type of functions,
- the type and amount of the fee for performance of the functions,
- the period of performance of the functions,
- the conditions and procedures for termination of the contract, and
- other issues.

7. Joining Financial, Material and Other Resources

Article 30

(1) Municipalities may join financial, material and other resources in order to carry out joint projects when executing of their competences in accordance with this or other Law.

(2) For the joining of financial, material and other resources a contract shall be entered into.

(3) The contract from Paragraph (2) of this article shall be entered into by the mayors of the municipalities joining the financial, material and other resources upon decisions previously passed by the municipal councils.

(4) The contract from Paragraph (2) of this Article shall particularly contain:

- the municipalities joining funds and resources,
- the type and amount of resources joined,
- the purpose resources are joined for,
- the manner of resource use and management,
- the manner of allocation of benefits and risks,
- the conditions and procedures for termination of the contract, and
- other issues.

IV. STIMULATION, MONITORING AND FINANCING OF THE INTERMUNICIPAL COOPERATION

1. Stimulation of the inter-municipal cooperation

Article 31

Instruments for stimulation of inter-municipal cooperation shall be:

- non-refundable grants,
- financing and co-financing of analyses and studies in the fields of broader importance and interest for the performance of functions in those fields,
- other instruments as regulated by law.

Article 32

(1) The Government of the Republic of Macedonia may financially stimulate and support inter-municipal cooperation between two or more municipalities in the fields of broader importance and interest for the performance of functions in those fields

(2) Upon a proposal of the Ministry of Local Self-Government, the Government of the Republic of Macedonia with an act shall determine the functions of broader importance and interest for which it may allocate funds to stimulate inter-municipal cooperation.

(3) The Government of the Republic of Macedonia may financially stimulate and support inter-municipal cooperation between the municipalities according to the following basic criteria:

- administrative and financial capacity of the municipalities to execute the competences set forth by law
- expected benefits from the inter-municipal cooperation
- number of municipalities engaged in inter-municipal cooperation, and

- funds previously raised from other sources

(4) The detailed criteria for stimulation and support of the inter-municipal cooperation shall be regulated by an act of the Government of the Republic of Macedonia, upon a proposal of the Ministry of Local Self-Government

(5) The funds for stimulation and support of the inter-municipal cooperation may be planned in the budget of the Republic of Macedonia

2. Commission for Stimulation and Monitoring of Inter-Municipal Cooperation

Article 33

(1) The Government of the Republic of Macedonia shall establish a Commission for stimulation and monitoring of the inter-municipal cooperation

(2) The Commission for stimulation and monitoring of the inter-municipal cooperation shall:

- monitor the established forms of inter-municipal cooperation,
- review and give opinion on the annual report on the implementation of inter-municipal cooperation,
- initiate amendments to the legislation pertaining to inter-municipal cooperation,
- give opinion on the proposals of the acts from Article 32(2) and 32(4) of this Law,
- publish examples of best practices of inter-municipal cooperation,
- review other issues of importance to the inter-municipal cooperation.

(3) The administrative functions of the Commission from Paragraph (1) of this article shall be performed by the Ministry of Local Self-Government

Article 34

(1) The Commission for stimulation and monitoring of inter-municipal cooperation shall be composed of two representatives from the Ministry of Local Self-Government and one representative from the Ministry of Transport and Communications, Ministry of Environment and Spatial Planning, Ministry of Education and Science, Ministry of Labor and Social Policies, Ministry of Culture, Ministry of Finance and the Protection and Rescue Directorate.

(2) Each of the Planning Region Development Councils and the Association of the Units of Local Self Government (ZELS) shall also appoint one representative in the Commission.

(3) One of the representatives of the Ministry of Local Self-Government shall be the president of the Commission.

(4) The manner of operation of the commission shall be governed by Rules of Procedure.

3. Financing of inter-municipal cooperation

Article 35

Inter-municipal cooperation shall be financed from:

- municipal budgets
- donations and sponsorships from natural and legal entities
- other revenue sources set forth by law.

V. RECORD OF INTER-MUNICIPAL COOPERATION

Article 36

(1) Record of inter-municipal cooperation shall be kept by the Ministry of Local Self-Government.

(2) Municipalities entering into inter-municipal cooperation shall be obliged to inform the Ministry of Local Self-Government and to submit the acts for the established intermunicipal cooperation within 30 days from day of the establishment of the cooperation.

(3) The Minister of Local Self-Government shall prescribe the content of the form for the record from Paragraph (1) of this article and the manner of record keeping.

VI. SUPERVISION

Article 37

The inter-municipal cooperation established shall be supervised by the municipalities establishing the inter-municipal cooperation.

Article 38

(1) A coordinative body may be established to supervise and coordinate the intermunicipal cooperation between two or more municipalities.

(2) The coordinative body may be established by the act for establishment of the intermunicipal cooperation or by other decisions of the municipal councils in the course of the cooperation.

(3) The act or the decisions from Paragraph (2) of this article shall regulate:

- the purpose of the establishment,
- the scope,
- the composition and number of the coordinative body members,
- the period the coordinative body is established for, and
- other issues of importance to the performance of inter-municipal cooperation.

Article 39

(1) The Ministry of Local Self-Government shall supervise the application of this Law.

(2) The Ministry of Local Self-Government shall compile and submit to the Government of the Republic of Macedonia an annual report for the performance of inter-municipal cooperation.

VII. PUBLICATION OF THE ACTS FOR INTER-MUNICIPAL COOPERATION

Article 40

(1) The acts for establishment of inter-municipal cooperation shall be published in the official journal of the municipality, unless otherwise prescribed by law.

(2) The Contract or Agreement for establishment of inter-municipal cooperation shall be published in the Official Gazette of the Republic of Macedonia.

VIII. TRANSITIONAL AND FINAL PROVISIONS

Article 41

The municipalities that have already established inter-municipal cooperation at the effective date of this Law shall be obliged to submit their acts for establishment of intermunicipal cooperation to the Ministry of Local Self-Government within 30 days from the day this law shall enter into effect.

Article 42

The acts from Article 32(2) and 32(4) of this Law shall be passed within six months and the act from Article 36(3) shall be passed within three months from the day this law shall enter into effect.

Article 43

This Law shall enter into effect on the eight day from its publication in the Official Gazette of the Republic of Macedonia.

D) Kosovo

Law on Local Self-Government

**CHAPTER V
INTER-MUNICIPAL COOPERATION AND INTRA-MUNICIPAL ARRANGMENTS**

Article 28

Cooperation between Municipalities of Republic of Kosova

Municipalities shall have the right to cooperate and form partnerships with other Republic of Kosova municipalities within their areas of competence to carry out functions of mutual interest, 10 based upon the principles of European Chart for Local Self-Government and in accordance with the law.

Article 29 Municipal Partnerships

29.1. Municipal responsibilities in the areas of their own and enhanced competencies with the exception of those listed under paragraph 2 Article 40 of this law may be exercised through municipal partnerships.

29.2. The activities of the partnerships shall also be funded through the municipal budgets of the participating municipalities.

29.3. Such partnerships may take all actions necessary to implement and exercise their functional cooperation through *inter alia*, the establishment of a decision making body comprised of representatives appointed by the assemblies of the participating municipalities, the hiring and dismissal of administrative and advisory personnel, and decisions on funding and other operational needs of the partnership.

29.4. Municipal decisions on the activities of the partnerships shall be subject to the mandatory review of legality in accordance with the provisions of Article 79 of this law.

Article 34 Villages, Settlements and Urban Quarters

34.1. Each municipality may make arrangements with villages, settlements and urban quarters within its territory to ensure that the services are offered closer to all citizens of the municipality.

34.2. With the approval of the municipality, villages, settlements and urban quarters, singly or in combination, may carry out activities that are within the responsibilities and powers of the municipality. In this event, municipalities shall provide sufficient resources to the villages, settlements and urban quarters.

34.3. The ministry responsible for the local government shall issue instructions on the arrangements between the municipality and villages, settlements and urban quarters.

34.4. The Statute and local municipal regulations shall stipulate the form of co-operation between the municipality and villages, settlements and urban quarters and the scope of work and organization of villages, settlements and urban quarters. All villages, settlements and urban quarters shall comply with the applicable law when carrying out activities by arrangement with the municipality.

E) Slovenia

IN THE LOCAL SELF GOVERNMENT ACT of Republic of Slovenia:

Chapter I; Article 6;

Self-governing local communities shall voluntarily co-operate with each other for the purpose of joining forces to regulate and conduct local matters of public importance. For this purpose, they may merge their funds and, in accordance with the law, set up joint bodies and joint municipal administration bodies, establish and manage funds, public institutes, public companies and institutions, and link together to form communities, unions and associations.

Self-governing local communities, and their communities, unions and associations may also co-operate with local communities from other countries and with international organizations of local communities.

Chapter V; Article 49.

Article 49a

The municipality may not perform duties for another municipality which are by law or according to other regulations the duties of the municipal administration.

Municipalities may decide to establish one or more bodies of joint municipal administration. A body of joint municipal administration shall be established when a general act on its founding is passed by the municipal councils on the joint proposal of the mayors of the municipalities.

Article 49b

A body of joint municipal administration shall be led by a head who shall be appointed and dismissed by the mayors of the municipalities who founded the body of joint municipal administration.

The head of a body of joint municipal administration shall determine the systematization of jobs within the body and decide on the determination and cessation of work relations of employees in that body.

Article 49c

A body of joint municipal administration shall appear in the execution of administrative duties as the body of the municipality to which the local competence for the matter pertains. In performing administrative duties, a body of joint municipal administration must harmonize these duties in accordance with the orientations of the mayor and the duties of the secretary of the municipality in which the local competence for the matter pertains, with regard to the general issues of organization and operation of organs of joint municipal organization as well as with the collective orientation of all the mayors of the municipalities which established the body of joint municipal administration.

The head of a body of joint municipal administration shall be responsible for the execution of administrative duties which pertain to the local competence of individual municipalities and the mayors and secretaries of these municipalities, and all of the mayors of the municipalities which established the body of joint municipal administration shall collectively be responsible for the operation of the body of joint municipal administration as a whole.

The secretary of the municipality to which the local competence for the matter pertains shall decide on the dismissal of the head of a body of joint municipal administration or employees in the municipal administration and in the case of the dismissal of the head shall also decide on matters.

Article 49č

The level of education required for the positions of municipal secretary and director of the joint municipal administration body shall be prescribed by the general act on the organization and scope of work of the municipal administration, the general act on the founding of a joint municipal administration, and the act on the systemization of work posts. In determining the level of education required for the positions of municipal secretary and director of the joint municipal administration body in the acts referred to in the preceding paragraph, the fact must be taken into account that only those who fulfill the legally prescribed conditions may be authorized to adopt decisions on administrative issues.

Article 49 d

Funds for the operation of a body of joint municipal administration shall be ensured by the municipalities which establish a body of joint municipal administration, in the proportion of the number of residents of individual municipalities to the number of residents of all the municipalities.

The municipalities which establish a body of joint municipal administration shall be collectively responsible for any damages caused by the unlawful operation of employees in the body of joint municipal administration.

MUNICIPALITIES FINANCING ACT of the Republic of Slovenia

IV. CO-FINANCING OF DUTIES, PROGRAMM TASKS AND INVESTMENTS OF MUNICIPALITIES

27. Article (Joint municipal administration)

(1) If two or more municipalities merge into a new municipality, the new municipality is entitled to additional funding from the state budget, which it provided for three fiscal years beginning with the first fiscal year after the merger.

(2) The basis for calculating the additional funds from the preceding paragraph for each financial year, is for the first fiscal year after the merger, the sum of appropriate use of municipalities, that have merged into a joint municipality; for the next two fiscal years, proper use of the new municipality is calculated.

(3) If two neighboring municipalities have merged, the joint municipality is entitled to an additional one and a half percent. When several neighboring municipalities have merged, additional three percent of the appropriate use for the joint municipality is calculated.

F) Romania

Law 215/2001 on local public administration

Local Councils may decide to cooperate or to associate with other administrative-territorial units from Romania or abroad in order to promote some common interests.

Law 315/2004 on Romanian regional development

Regional development agency may identify and promote in a partnership regional and local interest cooperation projects.

CENPO Case Study

According to a case study conducted by CENPO (see the attachments) there are two reasons for cooperation, according to the law:

- Organizing and providing development services for the general interest of the cooperating administrative-territorial units.
- Jointly providing those public services that administrative-territorial units have the competence to supply.

G) Croatia

Inter-municipal co-operation in Croatia is regulated only by the Law on Local and Regional (regional) Self-government, Official Gazette of the Republic of Croatia, NN 33/2001, in following articles:

Article 12

Achieving the common interests of the municipalities, cities and counties work together to promote economic and social development of their communities.

Municipalities, cities and counties may establish their own association to promote and achieve common interests.

Article 54

Two or more units of local government, especially those that are spatially connected into a single entity (municipalities and towns on the island, etc.), can jointly perform certain tasks within its scope of self-governance.

Otherwise, municipalities, cities and counties can decide to establish an association, common administrative department or service, joint company or other forms of co-operation, temporary or permanently, according to law and special agreement.