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CORLEAP REPORT

**Developing civic participation as a way to strengthen local democracy in the
Eastern Partnership countries**

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Introduction

Their recent history of successful transitions means that EU Member States in central Europe are well placed to speak about issues relating to democratisation and increasing citizens' civic participation. Local and regional authorities, which, like Gdańsk, have repeatedly expressed the importance of freedom and democracy, have a particular role to play in this regard.

This report is evidence of the importance that CORLEAP, the political forum of local and regional authorities from the European Union and the Eastern Partnership countries, accords to the issue of supporting local democracy in the Eastern Partnership (EaP) countries, based on the benefits that it can bring to populations. The clear message is that the EU cannot stand idly by in the face of events on its eastern border, and that it recognises the legitimacy of supporting democratisation processes; one of the most important challenges is building up our neighbours' civic structures and strengthening their identification with Europe, fully respecting their autonomy.

In this context it is vitally important to assess whether the authorities and citizens in the EaP countries recognise the need to reform the present system in order to develop a model that ensures more openness and empowerment for citizens, as well as how to forge their new European identity.

1. Twenty-five years after gaining their independence, the EaP countries are at a second turning point in their recent history. The geopolitical circumstances in Eastern Europe, the Black Sea Basin and the Southern Caucasus are significantly more difficult than 10 years ago. This is due to the severe crisis affecting (with varying degrees of intensity) the EaP countries' post-Soviet development model. Russia's neo-imperial policy, the increased involvement of China, Turkey and Iran, and the weakening of the European Neighbourhood Policy (ENP) mean that stability is favoured, rather than support for democratisation.
2. Meanwhile, the democratic "revolution of dignity" in Ukraine, which led to Kyiv decisively turning towards the EU, the strengthening of civil society, and the marked weakening of economic ties between Russia and most EaP countries are positive developments.
3. The EU, due to its commitment to working together with the EaP countries, has become a very important factor contributing to the transformation of the countries of Eastern Europe and the Southern Caucasus. These countries' adoption of most elements of the *acquis* means that their stability and modernisation are tightly interwoven with Europeanisation and democratisation.
4. One of the key conditions for making the transformation of the EaP countries a domestic success is effective cooperation between state institutions and society. Trust in political elites and central government in the EaP countries is very low, due to high levels of corruption and their limited capacity to act. Meanwhile, there is more public confidence in local and regional authorities. This gives them a mandate to act as a link between the state and citizens.
5. The situation of local and regional authorities in the EaP countries reflects the nature of these countries' political systems. They are either significantly deficient democracies, or authoritarian (or semi-authoritarian) regimes. Local and regional authorities do not yet function in any of these countries as they do in EU Member States. Nevertheless, local administrations are starting

to move towards the EU model of local and regional authorities, in varying degrees depending on the country.

6. Enhanced cooperation between civil society and local and regional authorities in EaP countries is extremely important if the EaP countries' transitions are to be successful, as is more involvement of local government partners and social partners from EU Member States with their counterparts in the EaP countries.

Presentation and analysis

The EU, which focuses primarily on intergovernmental relations, still does not pay sufficient regard to social factors. The priority given to stability in the new ENP review confirms this approach. At present, feelings of disenchantment with the EU are increasing in the societies of the EaP countries. The uncertain and very remote prospect of joining the EU has meant that some EaP countries have seen a marked increase in support for other models of integration with the Eurasian union.

The changes initiated since the Euromaidan Revolution in Ukraine show that societies and social processes – particularly identity-related processes concerning shifting national identities – are very important factors in the EaP countries. Almost 15% of the Ukrainian population is currently involved in volunteering, while the proportion of Ukrainians donating money to charity rose from nearly 25% in 2012 to almost 50% in 2015¹. These are some of the highest rates of civic participation in Europe. In opposition, some fluctuations notwithstanding, support for accession in Ukraine is currently, for the first time in years, stable at over 50% and far outweighs opposing viewpoints, including the desire to join the Eurasian Union. However, a sizeable group of people who are undecided – representing around 25% of Ukrainians – remains a challenge.

Moldova is the country that is furthest along in the EU integration process. At the same time, however, support for pursuing European integration in Moldova has clearly weakened in recent years, in favour of joining the Eurasian Union.

This trend is even affecting Georgia, a country whose population remains by far the most pro-European in the EaP². Azerbaijan and Belarus are at the other end of the spectrum. According to research carried out by the Belarusian NISEPI centre, support for European integration fell from over 50% in March 2011 to under 20% in December 2015³.

There are also significant regional variations, in particular between the westernmost regions of the country (strongly pro-European) and the easternmost regions (slight majority for the Eurasian Union)⁴. The case of Moldova clearly demonstrates how important the question of identity is to the process of

¹ Democratic Initiatives Foundation, Ukraine: Two Years after Maidan, http://www.dif.org.ua/modules/pages/files/1457009023_4029.pdf.

² In August 2015, support for Georgia joining the Eurasian Union reached 30%, then fell to 20%. Over 75% of Georgians are in favour of Georgia joining the EU, while under 15% are not in favour. National Democratic Institute, Public attitudes in Georgia, Issues Poll, March 2016, https://www.ndi.org/files/NDI%20Georgia_March%202016%20poll_Public%20Issues_ENG_vf.pdf.

³ Andrzej Poczobut, How democracy could become a threat, *New Eastern Europe*, No. 3-4. 2016, p. 76.

⁴ Київський міжнародний інститут соціології (КМІС), Яким інтеграційним напрямком має йти Україна: Європейський Союз, Митний Союз (грудень 2015), <http://kiis.com.ua/?lang=ukr&cat=reports&id=584&page=1>.

European integration. The fall in support for pro-European parties, which is mostly linked to the corruption cases among them, has led to a lower level of identification with the European integration process, to the benefit of the Eurasian route. A similar scenario is much less likely in Georgia and Ukraine given their societies' more stable identity.

Case studies

A major challenge to democratising the EaP countries is the very low level of public trust in political elites, the judicial system and central authorities. For example, according to research carried out by the Razumkova Centre in Ukraine in the spring of 2016, 70% to 85% of those surveyed said that they lacked trust in the government, president, parliament and courts, while only 10% to 25% of respondents said they did trust them. Local authorities are significantly more trusted – nearly 40% of those surveyed trust them, while half do not. The media and NGOs are slightly more positively viewed (the latter are trusted more). The voluntary sector has by far the best approval rates, as it is trusted by 2/3 of people surveyed⁵. In Moldova, trust in local authorities is approaching 50%, slightly lower than the number of people declaring that they lack trust. Meanwhile, levels of trust in the government, parliament, president and courts are even lower than in Ukraine. In comparison with Ukraine, the level of trust in NGOs is much lower⁶. Georgians' attitude towards central authorities is significantly better than Ukrainians' and Moldovans', although the predominant view is neutral or indifferent. However, as in Moldova and Ukraine, the attitude towards local authorities is more positive⁷.

Local and regional authorities (LRAs) in the Eastern Partnership countries that are the most integrated with the EU are, like their political systems, the scene of a project that still needs to progress for the construction of liberal democracy based on the rule of law. In other countries of the EaP, however, LRAs are strongly subordinated to the central authorities. One of the aspects to improve, as clearly stated by CORLEAP in previous meetings, is the insufficient powers of local and regional government institutions and LRAs' clearly insufficient control of revenue, the vast bulk of which is distributed by the central authorities. On the other hand, the revenue at the disposal of LRAs has increased in recent years in some of the Eastern Partnership countries. For example, in Ukraine LRA revenue at the beginning of 2014 was EUR 200 million, compared with more than EUR 1 billion at the beginning of 2016⁸. The best situation in relation to LRA powers is in Georgia. A transparent project-based system has been introduced there, under which LRAs apply for funds from the central government budget. Ukraine and Moldova, meanwhile, have to contend with a very fragmented local and regional government structure (a very large number of municipalities). In Ukraine there are currently around 10 500, and around 1 000 in Moldova. In Ukraine, before the process of voluntary merging of

⁵ Центр Разумкова, Оцінка громадянами ситуації в країні, ставлення до суспільних інститутів, електоральні орієнтації, April 2016, http://www.uceps.org/upload/1463122497_file.pdf.

⁶ Institutul de Politici Publice, Barometrul Opiniei Publice, aprilie 2016, http://www.ipp.md/public/files/Barometru/BOP_04.2016_prima_parte_finale-r.pdf.

⁷ National Democratic Institute, Public attitudes in Georgia, Political Poll, March 2016, https://www.ndi.org/files/NDI%20Georgia_March%202016%20poll_Public%20Political_ENG_vf.pdf.

⁸ Sergii Chernov, Financial Decentralisation in Ukraine, Powerpoint presentation.

municipalities had begun, over 90% of municipalities had less than 3 000 residents, and almost half of them less than 1 000⁹.

The process of consolidation is voluntary and is proceeding slowly. In Ukraine, for example, around 7% of municipalities had been merged by the spring of 2016¹⁰. A structural reform of government administration, establishing the European model in Georgia, Moldova and Ukraine is seriously hampered by the tradition of centralised government to which the political class is attached, and because of fears of provoking separatist tendencies. These arise from the existence in each of these states of separatist para-state organisations.

One positive development is the introduction at local level in certain towns in Georgia, Moldova and Ukraine of solutions existing in the EU that encourage the activation of, and cooperation between, local communities, such as e-government, referenda, a public database of civil law contracts, social consultations, public hearings, participatory budgets and others. The implementation of these mechanisms is still at an early stage.

Some good examples of collaboration between LRAs of the EU and of the partner countries are worth mentioning: Winnica, a town in Ukraine, was an early adopter of these changes, making use of the best practices of Polish partners. It introduced, inter alia, an internal audit system, crisis management and a new system of urban communications, and improved the public consultation mechanism through public hearings. For many years the Mayor of Winnica was the current Prime Minister of Ukraine, Volodymyr Groysman. It is not by chance that in the previous Ukrainian government he was responsible, as vice-premier, for regional policy, including local government reform. In 2015, Cherkasy and Chyhyryn, modelling themselves on Polish experience, and in cooperation with Polish NGOs and LRAs, for the first time introduced participatory budgets. A number of other Ukrainian towns (including Sumy, Poltava and Zhytomyr) are in the process of adopting these solutions¹¹. Participatory budgets have also been introduced in a number of Georgian towns (including Kutaisi and Rustavi) and Moldova (Chişinău).

The key format for cooperation between EU and Eastern Partnership LRAs is partnerships or twinning agreements. In the framework of the EU towns from EU countries in Eastern Europe, the Baltic republics and the Balkans (Romania, Bulgaria, Greece) often cooperate with towns from the Eastern Partnership in this way. Many of these agreements have been running for a long time. There are extensive ties between Greek towns and partners from Eastern Neighbourhood countries on the Black Sea. As part of this Black Sea format, there are also developed partnership relations between Eastern Partnership countries (excluding Armenia) and towns in Turkey, a candidate for EU accession. Black Sea cooperation between towns from EU countries, Eastern Neighbourhood countries and a candidate country (Turkey) is organised through the International Black Sea Club¹². In the case of Western Europe, German towns have by far the most developed partnership and fraternal relations with the

⁹ Democratic Initiatives Foundation, Decentralization Reform in Ukraine: Prospects and Challenges, 2016, www.dif.org.ua/modules/pages/files/1449069764_3870.pdf.

¹⁰ Sergii Chernov, Financial Decentralisation in Ukraine, Powerpoint presentation.

¹¹ Interview with Adam Saurem (? name not clear from PL original) and Nedim Useinov, representatives of the International Solidarity Foundation.

¹² Panagiota Manoli,, The Dynamics of Black Sea Subregionalism, London 2012.

Eastern Neighbourhood region. Among the EU towns on the North-South axis between Estonia and Greece there are “regional specialisations” in partnerships between towns, arising from geography and history. For example, the most important partners of Ukrainian towns are Polish towns; for Moldovan towns they are Romanian LRAs. There is also a clear trend towards cooperation between port cities from the EU (Mediterranean and Baltic) and ports on the Black Sea.

Another example worth mentioning is the information centre for local authorities in Moldova, which was established in autumn 2012. It was set up by the International Solidarity Foundation linked to the Polish Ministry of Foreign Affairs. The centre was established with the help of cooperation between Poland, Moldova and the USA. There are three aspects to its work: a website, training and individual consultations. The centre supports Moldovan LRAs and NGOs, seeking foreign partners and financing formulas for their projects, offering them the necessary know-how¹³. A very good example of the successful construction of this network of links is the Moldovan town of Ungheni, with about 35-40 000 residents and located close to the border with Romania. It differs from the small urban centres of Moldova in its international activism (eight partner towns) and its dynamic economic growth based on attracting foreign investment. With this aim in mind, the local authorities set up the Investment Fund NGO and activated the local community, particularly young people, through a system of micro-grants¹⁴. In this context the “Reanimation Package of Reforms” can be a source of inspiration for civil society involvement in local government. It is a platform for NGOs and experts which prepares draft legislation on all spheres of public life, including local government reform. In the latter case, the organisation draws up draft laws in line with 15 strategic objectives, whose implementation would result in the establishment in Ukraine of local and regional government based on EU standards¹⁵. Another valuable initiative was set up by the Ukrainian NGO Opora, in collaboration with other NGOs: the openness index of local administration, a system for monitoring the transparency of LRAs and their accessibility to local communities. The monitoring has involved more than 20 towns.

Recommendations

1. Given the complicated situation in the Eastern Partnership countries, a substantial increase in EU support (financial, organisational) for the region is now crucial. The scale of the EU's involvement in cooperation with three Eastern Partnership countries which have signed Association Agreements (AA) including Deep and Comprehensive Free Trade Agreements (DCFTA) - Georgia, Moldova and Ukraine - is so great that the EU cannot afford to undermine the current paradigm of conditionality and the programme for democracy, good governance and stability, in line with the provisions of the new ENP review. Such a change would undermine the achievements of EU cooperation with the Eastern Partnership countries of the last few years.
2. The effectiveness of the EU's involvement with the Eastern Partnership countries requires the highest degree of active involvement with local communities, which are becoming increasingly active, particularly in the three countries that are most closely linked with the Union (Georgia, Moldova, Ukraine). Therefore the EU institutions and Member States should recognise to a

¹³ Centrul de Informare pentru Autoritățile Locale, <http://www.centruinfo.org>.

¹⁴ Interview with Tomasz Horbowski, director of the Local Authorities Information Centre in Moldova.

¹⁵ Реанімаційний Пакет Реформ, <http://rpr.org.ua/>.

much greater extent than hitherto that communities are partners in the process of supporting transition in the Eastern Partnership countries.

3. A thorough reform of local government is a condition for the full democratisation of the Eastern Partnership countries. Carrying out these reforms quickly, in a single comprehensive law or constitutional amendment, is difficult, however, due to national conditions. Therefore it is more realistic for the EU to make the further integration of the Eastern Partnership countries dependent on the carrying out of local government reforms in an evolutionary way through a policy of small steps. Priority should be given to increasing local and regional authority control over taxation, the mandatory consolidation of municipalities and the extension of the powers of local and regional authorities. CORLEAP should support projects to implement the European local and regional government model, for example through the organisation of joint expert groups composed of local and regional elected representatives and experts from the EU and the Eastern Partnership countries and representatives of NGOs. CORLEAP should encourage the governments of Georgia, Moldova and Ukraine to set up an office for local and regional government reform, which should be headed by an expert to foster local democracy.
4. Given that local and regional government institutions are those which enjoy the highest level of public confidence in the Eastern Partnership countries, it is important that CORLEAP should support the intensification of cooperation between Eastern Partnership LRAs and local communities. Therefore CORLEAP should promote dissemination of best practices from individual Eastern Partnership towns, which have already implemented practices used in EU local and regional authorities aimed at involving local communities more closely in local affairs. At the same time, the EU should establish a comprehensive training programme for local and regional government officials from the Eastern Partnership countries (e.g. language courses, traineeships in EU LRAs lasting several months, etc.), following the successful model of the Local Administration Facility (LAF).
5. EU towns around the Baltic Sea and the Mediterranean (from Estonia to Greece) should make use of their strong links with towns in the Eastern Partnership countries to create a coordination mechanism for cooperation with partners from the Eastern Partnership. In the framework of this cooperation regional formats should be established for example with the Union of Black Sea Local Authorities and the Union of Baltic Cities. EU towns located in the eastern part of Europe should play an intermediary role between the towns of Western Europe and those of the Eastern Partnership countries, and include Turkish towns in this network of links. In this way the network of international cooperation between towns from Eastern Partnership countries will be extended and there will be greater involvement of EU LRAs in the region.
6. It is very important for the EU to take into account the critical importance for European integration of identity-forming processes in the Eastern Partnership countries. CORLEAP should support projects promoting the dissemination of knowledge about history and cultural heritage, especially those highlighting links between the societies of the Eastern Partnership countries and the EU Member States, including at local level (historical and cultural ties between towns and cities). In this context, it is necessary to increase the EU's financial and organisational support for the local media in the Eastern Partnership countries.

7. The EU must maintain relations with communities in those EaP countries which have not signed an AA with the EU (Armenia, Azerbaijan and Belarus), in particular using the local government dimension. The area of cooperation, in addition to politically neutral questions (the local economy in the broadest sense, tourism, youth exchanges), should also include the promotion of the shared democratic European heritage.

 8. For the purposes of the report a survey was carried out for CORLEAP in order to reach the authoritative institutions, organisations and groups in the countries of the Eastern Partnership. The issues raised in this survey are closely linked to subjects addressed in the report for CORLEAP. The results of this study were set out in additional source material attached to the report. The survey was launched in cooperation with ALDA (European Association for Local Democracy). In carrying out this study ALDA made use of the resources of Local Democracy Agencies (LDAs), set up and operated by ALDA. A survey of this kind should be carried out regularly under the auspices of CORLEAP and ALDA, contributing to the development of a ranking/index of the level of democratisation, cooperation with Europe and citizenship in the Eastern Partnership countries.
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