

Stronger local self governance A better development for Croatia

Congress of the Konrad Adenauer Foundation and HDZ Foundation

Prof. Dr. Wolfgang Schuster – European Foundation for Education (EFE)

Deutsche Telekom Foundation

Former Mayor of Stuttgart

The legal framework

Croatia as all other European countries has signed:

- **the European Charter of local self-government of the Council of Europe**

« The principles of local self-governance shall be recognised in domestic legislations and where practicable in the constitution » Article 2

« Local self-government denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population. » Article 3

« Local authorities shall be entitled, within national economic policy, to adequate financial resources of their own, of which they may dispose freely within the framework of their powers.

Local authorities' financial resources shall be commensurate with the responsibilities provided for by the constitution and the law.

Part at least of the financial resources of local authorities shall derive from local taxes and charges of which, within the limits of statute, they have the power to determine the rate. » Article 9

The legal framework

- **The Lisbon Treaty**

In the treaty the principle of subsidiarity, particularly mentioned in the Preamble and in Article 5 of the Treaty on the European Union, as well as in a special annex:

« Each institution shall ensure constant respect for the principles of subsidiarity and proportionality »

- **The German Constitution**

In Europe, in particular Austria, Germany and Switzerland, have a long tradition of strong local self-governance system. In the German Constitution, it is described in article 28 – 2

« Municipalities must be guaranteed the right to regulate all local affairs on their own responsibility, within the limits prescribed by the laws. Within the limits of their functions designated by a law, associations of municipalities shall also have the right of self-government according to the laws. The guarantee of self-government shall extend to the bases of financial autonomy; these bases shall include the right of municipalities to a source of tax revenues based upon economic ability and the right to establish the rates at which these sources shall be taxed »

The advantages of local self-governance

The relations between the municipalities and the citizens will be much more intensive if the city-hall can really design and implement projects and services.

The principle of subsidiarity has a double fonction:

- All public tasks which could be fulfilled on the local or regional level should be done on the level which is the closest to the citizens
- As far as cities are in charge, the cities can commission non-profit organizations to fulfill the municipal tasks.

The advantages of local self-governance

Examples :

- in STUTTGART, 50% of the kindergartens, 50% of the hospitals, 10% of the schools are managed by NGO's and financially supported by the city. Through this system in Germany, we have a strong civil society and a very strong commitment of volunteers helping to fulfill the public tasks. 20% of the citizens for example in Stuttgart are engaged in volunteer work.
- Companies are engaged in the dual education system offering apprenticeships and dual study work places. By this young people get fair professional chances and the companies they qualified employees they need for their competitiveness

The advantages of local self-governance

Examples:

- The « *Stuttgart partnership for safety and security* » helped to make Stuttgart one of the safest cities in Europe. In particular it was useful to reach the feeling of security that is very important for everybody's quality of life
- The « *Stuttgart partnership for education* » providing diverse learning offers from the Kindergarten up to professional schools is an important instrument to give all children including the 60% of children with migration background fair chances

The advantages of local self-governance

Examples:

- To promote entrepreneurship and new startups we created a service in the city-hall to support start-ups by free consulting, very cheap spaces and financial possibilities

→ The citizens engagement is crucial for all types of city development and support. This commitment creates a sense of shared responsibility.

The pre-conditions of local self governance

For a successful local self-governance system:

1. The national government should have the real will to share power.
2. The parliament has to decide on clear legal competences for the municipalities, in particular the right to:
 - ❖ Planning competencies for local development
 - ❖ Employing of civil servants
 - ❖ Developing infrastructure like streets, social institutions, kindergardens, homes for elderly or sport and culture facilities
 - ❖ Determining local taxes and fees
3. The municipalities need qualified public servants to fulfill their tasks in an effective, reliable, transparent and legal way

Outlook

- Changes by global mega trends:
 - globalisation
 - digitalisation
 - urbanisation
 - demographic change
 - climate change
- Change management as a common task:
 - ❖ Improving the regional development with the goal that people and companies will stay in their home environment
 - ❖ Supporting the civil society to have a strong commitment and participation of citizens
 - ❖ Improving the public services by better educating and training and better paying the civil servants

Outlook

- Using EU funds for strategic goals:
 - ❖ Developing the infrastructure in all regions by financial support for mobility, IT and communications, healthcare, education and other qualified public services
 - ❖ Changing the education system by linking education to employment in a systematic way on the secondary level especially in professional schools and on the tertiary level by dual study programs at universities
 - ❖ Qualifying civil servants in a better way by reforming education and training system for civil servants
 - ❖ Playing an active role in the designing and implementing of the European Union Strategy for the Danubian Region (EUSDR)

For further information:

European Foundation for Education - EFE

wolfgang.schuster@e-f-e.eu

agnes.sebestyen@e-f-e.eu

mia.matkovic@e-f-e.eu