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# INTERNATIONAL PRACTICES IN INTER-MUNICIPAL COOPERATION

13 December 2016  
Trieste – Piazza Oberdan, 10

Consiglio Regionale  
Regione Autonoma Friuli Venezia Giulia  
Sala Tessitori

# INTER-MUNICIPAL COOPERATION

*Reference material: "Toolkit for Inter-Municipal Cooperation" - Council of Europe, 2010*

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# INTER-MUNICIPAL COOPERATION – CHARACTERISTICS 1/2

**IMC** refers to a relationship between two or several local authorities (i.e. entities in the first level of territorial administration) having a status of legal persons, endowed with competences, powers and resources in accordance with the European Charter of Local Self-Government.

**IMC** is when two or more municipalities agree to work together on any of the tasks assigned to them in order to gain mutual benefits.

**IMC** needs effort, financial contributions and sharing of resources (staff, land, machines, buildings, etc.).

**IMC** is the result of a deliberate decision – the is voluntary (although the law may sometimes strongly encourage it).

# INTER-MUNICIPAL COOPERATION – CHARACTERISTICS 2/2

**New gains** for the partner municipalities may have different characteristics, such as:

Creating the capacity  
to provide services  
which cannot be  
delivered by a small  
municipality

Saving on costs of  
service delivery

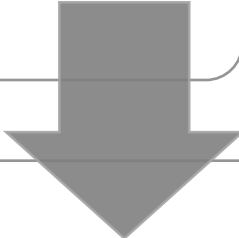
Improving service  
quality

Better coordination  
in development  
planning, more  
efficient and visible  
development policy.



# PURPOSE OF ESTABLISHING IMC

Partner municipalities agree to **work together** at some cost to **produce new benefits** that would be **unavailable through unilateral action, on account of**: limited availability of financial resources and/or capacity, limited capacity to attract private investors', etc.



**Delivering better services and promote development, becoming more efficient and effective** than would have been otherwise possible.



# PRE-CONDITIONS FOR IMC

## Decentralised territorial administrative system

- Municipalities should have vital competencies that determine the quality of life of citizens and their collective welfare.

## Level of autonomy of local governments

- The more autonomous municipalities are, the more they **need** to cooperate, the more they **can** to cooperate

## National policy / legal framework

- IMC is often practiced at a very basic level -> a national policy on IMC is needed, with special legal provisions and with incentives to facilitate its expansion.

# FORMS OF IMC

- The forms of IMC vary from country to country, however macro trends in IMC may be identified:
  - ☐ **Informal IMC**
  - ☐ **Weakly formalized** – agreement/contract based
  - ☐ **Functional IMC** – 1. Private law entity (NGO, association), 2. Private law entity (business firm, enterprise), 3. Functional IMC - Single or multi-purpose public entity
  - ☐ **Integrated territorial public entity**



# REASONS FOR ESTABLISHING IMC

- **Economies of scale:**

- When a service is provided for two or more municipalities, the number of service users increases; this allows a reduction in unit costs.

*E.g.*

*In the 1990s in Hungary, and later in the Czech Republic and Slovakia -> "Joint Offices" for two or more municipalities to deliver administrative services. – IMC Toolkit, 2010*

- **Better services:**

- IMC might allow a group of municipalities to improve services, or even provide new services and infrastructure.

*E.g.*

*The case of a city bus - where passengers from the suburbs become "free-riders" (i.e. indirectly subsidised by tax-payers from the city). - IMC Toolkit, 2010*

- **Catchment area:**

- Recover the full cost of services used by citizens in surrounding municipalities





# REASONS FOR ESTABLISHING IMC

- **Joint management of infrastructure and public functions:**

- Many infrastructure networks are constructed across more than one municipality, as a result of physical or of a former administrative system.

*E.g.*

*The Association of Jura Municipalities (40 municipalities, Poland). They plan and mark tourist tracks, promote the region in national and international tourism fairs.*

- **Better visibility and marketing**

- E.g. Tourism

*E.g.*

*A project to improve water supply in several municipalities of Cluj Region, Romania, received strong support from the European Investment Bank.*

- **Access to external funds**

- European funding programmes



# DOMAINS OF IMC





# POSITIVE SIDE-EFFECTS OF IMC

Better **management practices**

Encourages a more **co-operative political culture**

May help to develop the will and capacity of each individual municipality for **partnership** with – public and private organizations.

More **time to mayors to focus on strategic responsibilities** by reducing time allocated to minor issues

Lower level of corruption arising from the use of personal connections

Greater sense of **solidarity** between partner municipalities



# NEGATIVE SIDE-EFFECTS OF IMC

**Duplication** of costs and personnel

**Democratic deficit** - procedures for decision-making in IMC institutions are less transparent

**Political costs** of co-operation

IMC is **not** a panacea **for a weak municipality**

# COUNCIL OF EUROPE FRAMEWORKS AND TOOLS FOR INTER-MUNICIPAL COOPERATION

The role of the Centre of Expertise for Local Government Reform

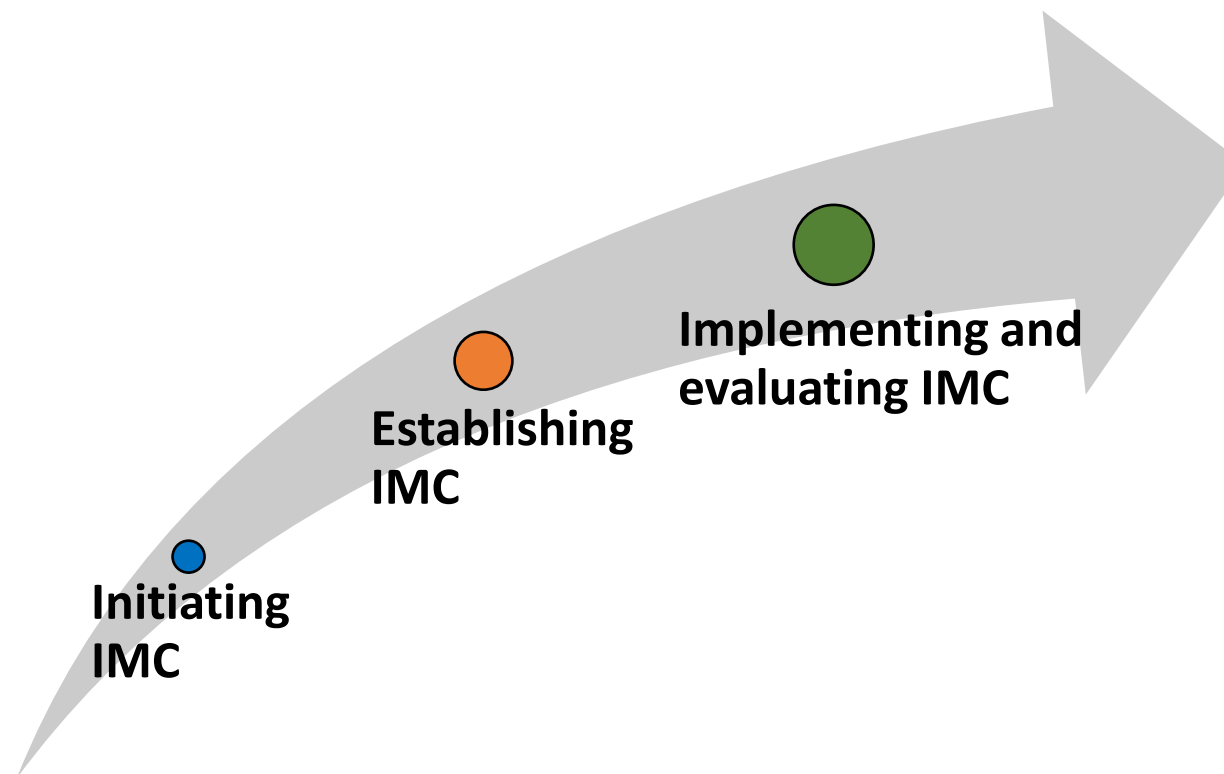


# Good Local Governance – CoE support

- The Centre of Expertise for Local Government Reform is the Council of Europe operational arm in the field of multi-level governance, supporting central, regional and local authorities to improve their institutions, regulations, capacity and action.
- It supports the achievement of Good Local Governance through:
  - **Legal assistance programmes**
  - **Capacity-building programmes** of local authorities thus ensuring an improved quality of local and regional governance.
  - **The European Strategy for Innovation and Good Governance at Local Level**, enouncing **12 European Principles of Good Democratic Governance**,
  - The **Centre has a pool of capacity-building experts** and capacity-building tools and programmes which it introduces to member States at their request.






# I. IMC TOOLKIT





# IMC TOOLKIT – THE STEP LADDER

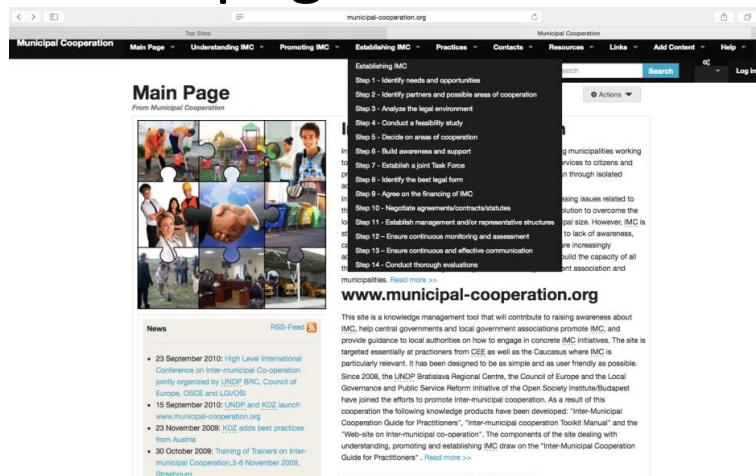
<b>PHASE 3</b>  <b>Implementing and evaluating IMC</b>	<b>15 Conduct regular evaluations</b> <b>14 Ensure continuous and effective communications</b> <b>13 Ensure continuous monitoring and self-assessment</b> <b>12 Develop co-operation mechanisms</b> <b>11 Establishing management and representative structures</b>	
<b>PHASE 2</b>  <b>Establishing IMC</b>	<b>10 Finalise agreement / statute</b> <b>9 Define the institutional arrangements</b> <b>8 Determine the financial arrangements</b> <b>7 Choose the legal form</b> <b>6 Identify scope for IMC</b>	
<b>PHASE 1</b>  <b>Initiating IMC</b>	<b>5 Build awareness and support</b> <b>4 Decide on entering IMC and set up negotiating platform</b> <b>3 Analyse the legal and economic environment</b> <b>2 Identify potential partners and possible areas of cooperation</b> <b>1 Identify needs and opportunities</b>	



## II. Council of Europe – Training Programme

### TOOLS:

- IMC Manual,
- Practitioners Guide
- Web-page ([www.municipal-cooperation.org](http://www.municipal-cooperation.org))



### MODULES:

- Module 1: Understanding IMC
- Module 2: Enabling IMC-friendly environment
- Module 3: Triggering IMC
- Module 4: Choosing a legal form
- Module 5: Financing IMC
- Module 6: Accountability for IMC



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