# INTER-MUNICIPAL COOPERATION IN THE REPUBLIC OF MACEDONIA

# FROM NORMS TO PRACTICE





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This publication have been developed in the frame of the Ministry for Local-Self Government project "Innovative Solutions for Improved Access to Services at Local Level" which is implemented by the United Nations Development Programme (UNDP)

## Introduction

In parallel with the process of decentralization in the Republic of Macedonia the need for stimulating inter-municipal cooperation has also been in the focus of interest.

If the ultimate goal of decentralization is having more efficient and more economic services provided to the citizens – the inter-municipal cooperation is one of the ways of achieving that goal.

The local self-government units (the municipalities) have competences in all vital spheres that have direct impact of the quality of life of the citizens in the local communities.

The municipalities are competent for activities related to urban planning (both in urban and rural areas), issuing building permits for buildings of local significance as regulated by law, landscaping and preparation of the construction land; protection of the environment and nature; local economic development; utility services; culture; sport and recreation; social welfare and child protection; primary and secondary education; healthcare; protection and rescue of citizens and property; fire protection; and other activities as regulated by law.

The municipalities perform their legally provisioned competences through the municipal administration or by establishing local public enterprises and public institutions, and they can also delegate certain competences to other legal entities or natural persons, based on a contract for performing certain activities of public interest in compliance with the law.

For the purpose of having more efficient and more economic implementation of the competences the municipalities may also establish inter-municipal cooperation.

The need of establishing inter-municipal cooperation is directly linked to the need of having more efficient implementation of the competences of the municipalities, more efficient delivery of local services, strengthening of the municipal administration's capability of implementing the obligations that result from the process of decentralization, preparation of strategic and planning documents, providing updated data about different categories of entities on the territory of the involved municipalities, implementing positive experiences from other municipalities, etc.



## Why should there be a Law on Inter-municipal Cooperation

The Republic of Macedonia is one of the rare countries that have regulated this area with a special law. Why? Because the Republic of Macedonia has a single level local self-government and all the municipalities have equal competences, but different administrative and financial capacities.

As an illustration the smallest municipality in the country, Vevcani has a population of 2,433 and the biggest one Kumanovo has a population of 100,000.

In Republic of Macedonia there are 14 municipalities with less than 5,000 inhabitants, and 30 municipalities with up to 10.000 inhabitants.

Out of the total of 80 municipalities, thirty six or almost 50% are rural.

In order for the municipalities to establish balance between the political affiliation

of the single level local self-government and successful implementation of the transferred competences, the Law on Local Self-government adopted in February 2002 provisions the possibility of inter-municipal cooperation in carrying out the competences.

After the formal transfer of competences to the municipalities on 1 July 2005, it was expected for the municipalities to immediately show interest in establishing inter-municipal cooperation. However, the practice showed that even though there had been a need of something like that, it didn't happen. Why? Because the Law on Selfgovernment did not provide comprehensive and detailed description of the procedure and the forms of inter-municipal cooperation, and the municipalities that were pioneers in establishing this mechanism were faced with numerous problems in their mutual relations.



The smallest municipality in the country, Vevcani has a population of 2,433

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There are 30 municipalities with up to 10,000 inhabitants



Out of the total of 80 municipalities, thirty six or almost 50% are rural. In the meantime the need to regulate this area with a special law has been constantly emphasized by the representatives of the local self-government and by the Association of the Units of Local Self-government of the Republic of Macedonia (ZELS).

On 17 June 2009, based on a proposal by the Government, the Assembly of the Republic of Macedonia adopted the Law on Intermunicipal Cooperation (Official Gazette of the Republic of Macedonia No. 79/2009)

The Law on Inter-municipal Cooperation regulates the manner, the conditions and the proceedings for establishing inter-municipal cooperation and its forms, the funding, the registration and the supervision of the inter-municipal cooperation as well as other issues of significance for the inter-municipal cooperation (IMC).

Apart from the laws on local self-government and inter-municipal cooperation, there are many other laws regulating areas that are under the competence of the municipalities (Law on Equal Regional Development, Law on Communal Activities, Law on Cemeteries and Funeral Services, Law on Waste Management, Law on Ambiance Air Quality, Law on Transportation, Law on Environment, Law on Noise Protection in the Environment, Law on Water Resources, etc.) that refer also to the inter-municipal cooperation.

In the latest legal solutions, especially with the amendments to the Law on Waste Management, there are evident efforts by the legislator to stimulate inter-municipal cooperation in certain provisions as a mandatory solution for implementing the competences of the local authorities.

## IMC in the provisions of the Law

In order to stimulate the municipalities to mutual cooperation without violating the principle of the voluntary approach, as the basic principle for this type of cooperation, the Law on Inter-municipal Cooperation sets up the basic instruments for establishing co-

operation and the forms for its implementation.

Inter-municipal cooperation in the sense of this law is a cooperation that is established between two or more municipalities for more efficient and economic implementation of the competences of the municipalities set up with this law and for achieving their common interests and goals.

Furthermore, inter-municipal cooperation envisages conducting certain activities under municipal competence by one municipality for one or more other municipalities.

The municipal councils are the competent bodies to decide about establishing this kind of cooperation.



Out of the total 80 municipalities in the Republic of Macedonia,

62 (77,5 %)

have established inter-municipal cooperation.

The municipal cooperation is achieved through the following forms:

- joint working bodies and committees;
- joint administrative bodies;
- joint public enterprises; and
- joint public institutions.

The inter-municipal cooperation is achieved also by joining the financial and other means as well as by agreeing on having one municipality providing certain services under the competence of one or a number of municipalities for a certain fee.

For establishing the inter-municipal cooperation no previous permit is required, it only needs to be registered at the Ministry of Local Self-Government.

The Government of the Republic of Macedonia in compliance with the Law on Inter-Municipal Cooperation could financially stimulate the inter-municipal cooperation of two or more municipalities in the areas of greater importance and are of special interest for the functioning of the services in those areas.

In regard to the prioritization of the areas that would be financially supported, the Government adopts a decision for establishing the activities of greater significance and interest for which funds could be allocated as an incentive of inter-municipal cooperation.

The basic criteria for financial stimulation and support of inter-municipal cooperation are: administrative and financial capacities of the municipalities for performing the legally established competences; the expected benefits from the inter-municipal cooperation; the number of municipalities that participate in the inter-municipal cooperation; and previously secured funds from other sources.

The more important criteria for allocating funds as well as the manner and the procedure for their allocation are established with a special act of the Government of the Republic of Macedonia.



The Government sets up a special commission for monitoring the inter-municipal cooperation composed of representatives from the line ministries, representatives of the planning regions' councils and from the Association of the Units of Local Self-government of the Republic of Macedonia.

The Law on Inter-municipal Cooperation enables interconnection of all the activities for establishing inter-municipal cooperation based on the will expressed by the municipalities in the course of a predetermined procedure.

## Inter-municipal cooperation in practice

The inter-municipal cooperation in the Republic of Macedonia is conducted in various forms and in different areas for providing certain local services.

The inter-municipal cooperation enables easier identification and prioritization of the needs of certain micro regions as well as of planning regions for the purpose of achieving sustainable, justified, integrated and inclusive local development.

The establishing of the IMC among all the municipalities in a planning region has become a frequent practice that enables more efficient implementation of the competences. Such is the example with the Vardar, North-eastern and Pelagonija planning regions, where the municipalities established joint working bodies – Inclusive Development Networks. In the Vardar Planning Region there is also an energy efficiency administrative body established.

The establishment of the innovative forms of inter-municipal cooperation results from the need of the municipalities, the private sector and the associations of citizens to jointly contribute through an integrated and inclusive approach in increasing the competiveness of the planning regions.

The analysis of the data provided by the municipalities in the research conducted by the Ministry of Local Self-government and UNDP (2014) pointed at the fact that the Law on Inter-municipal Cooperation fully met the expectations and the goals established at the time of its adoption i.e. to stimulate the IMC and to help the municipalities by using this instrument for more efficient and economic implementation of the local competences. This conclusion especially refers to the rural



Out of the various forms of inter-municipal cooperation, from the aspect of the number of involved municipalities in the inter-municipal cooperation, the available data show that



and smaller urban municipalities that were able to start implementing certain competences provisioned in the law only by establishing inter-municipal cooperation.

As the main reason for needing the inter-municipal cooperation the municipalities state: lack of funds, insufficient capacity of the municipal administration (insufficient number of employees and lack of adequate expertise), insufficient spatial and technical conditions for operation, absence of the necessary databases, lack of planning and strategic documents, unsatisfactory cooperation with the institutions at a central level, etc.

It is not only the small and rural municipalities, but also the bigger municipalities, which by establishing inter-municipal cooperation have achieved implementation of their com-

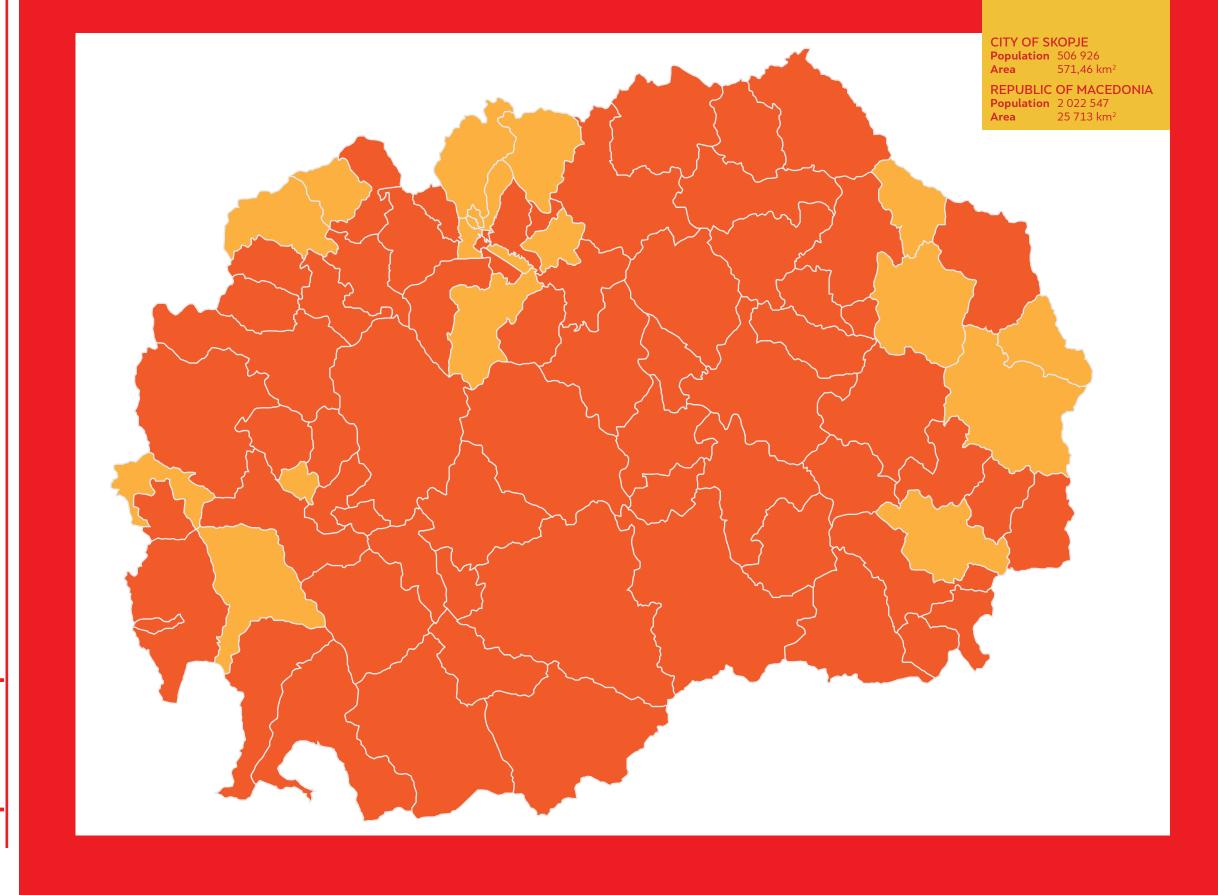
petences in a more economic way and they have used the savings for new activities within their competence.

In the period after the adoption of the Law on inter-municipal cooperation the Ministry of Local Self-government in cooperation with UNDP has secured expert and financial assistance for establishing the inter-municipal cooperation by involving more than 50 municipalities. The inter-municipal cooperation is recognized as a good practice also by the European Union. The three municipalities, pioneers in the inter-municipal cooperation in the Republic of Macedonia, Vasilevo, Bosilovo and Novo Selo were given credit for the successful establishment and implementation of IMC.



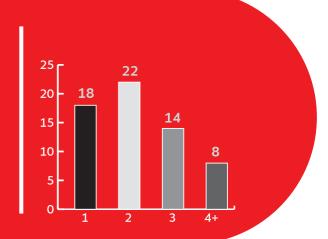
	Name of the	Population	Area in km²	Settlements
	municipality	·		
1	ARACINOVO	11597	31,30	4
2	BEROVO	13941	598,07	9
3	BITOLA	95385	787,95	66
4	BOGDANCI	8707	114,54	4
5	BOSILOVO	14260	161,99	16
6	BRVENICA	15855	164,30	10
7	VALANDOVO	11890	331,40	29
8	VASILEVO	12122	230,40	18
9	VEVCANI	2433	22,80	1
10	VELES	55108	427,45	29
11	VINICA	19938	432,67	16
12	VRAPCISTE	25399	157,98	15
13	GEVGELIJA	22988	483,43	17
14	GOSTIVAR	81042	513,39	35
15	GRADSKO	3760	236,19	16
16	DEBAR	19542	145,67	18
17	DEBARCA	5507	425,39	30
18	DELCEVO	17505	422,39	22
19	DEMIR KAPIJA	4545	311,06	15
20	DEMIR HISAR	9497	480,13	41
21	DOJRAN	3426	129,16	13
22	DOLNENI	13568	412,43	37
23	ZELINO	24390	201,04	18
24	ZELENIKOVO	4077	176,95	14
25	ZRNOVCI	3264	55,82	3
26	ILINDEN	15894	97,02	12
27	JEGUNOVCE	10790	176,93	17
28	KAVADARCI	38741	992,44	40
29	BOGOVINJE	28997	141,65	14
30	KARBINCI	4012	229,70	29
31	KICEVO	56734	824	7
32	KONCE	3536	233,05	14
33	KOCANI	38092	360,36	28
34	KRATOVO	10441	375,44	31
35	KRIVA PALANKA	20820	480,81	34
36	KRIVOGASTANI	6150	93,57	13
37	KRUSEVO	9684	190,68	19
38	KUMANOVO	105484	509,48	48
39	LIPKOVO	27058	267,82	22
40	LOZOVO	2858	166,32	11

	Name of the municipality	Population	Area in km²	Settlements
41	MAVROVO I ROSTUSA	8618	663,19	42
42	M. KAMENICA	8110	190,37	9
43	MAKEDONSKI BROD	7141	888,97	51
44	MOGILA	6710	255,62	23
45	NEGOTINO	19212	426,46	19
46	NOVACI	3549	753,53	41
47	NOVO SELO	11567	237,83	16
48	OHRID	55749	389,93	29
49	PETROVEC	8255	201,93	16
50	PEHCEVO	5517	208,20	7
51	PLASNICA	4545	54,44	4
52	PRILEP	76768	1194,44	59
53	PROBISTIP	16193	325,57	36
54	RADOVIS	28244	497,48	36
55	RANKOVCE	4144	240,71	18
56	RESEN	16825	550,77	44
57	ROSOMAN	4141	132,90	10
58	SVETI NIKOLE	18497	482,89	33
59	SOPISTE	5656	222,10	13
60	STARO NAGORICANE	4840	433,41	39
61	STRUGA	63376	483,00	51
62	STRUMICA	54676	321,49	25
63	STUDENICANI	17246	276,16	19
64	TEARCE	22454	136,54	13
65	TETOVO	86580	261,89	20
66	CENTAR ZUPA	6519	107,21	23
67	CASKA	7673	819,45	42
68	CESINOVO-OBLESEVO	7490	132,20	14
69	CUCER - SANDEVO	8493	240,78	12
70	STIP	47796	583,24	44
71	AERODROM	72009	21,85	1
72	BUTEL	37371	54,79	4
73	GAZI BABA	72617	110,86	13
74	GJORCE PETROV	41634	66,93	6
75	KARPOS	59666	35,21	2
76	KISELA VODA	57236	34,24	2
77	SARAJ	35408	229,06	22
78	CENTAR	45362	7,52	1
79	CAIR	64823	3,52	1
80	SUTO ORIZARI	20800	7,48	1





Out of a total of 62 municipalities, which have established intermunicipal cooperation, 18 municipalities have established only one inter-municipal cooperation, 22 municipalities have established two instances of inter-municipal cooperation, 14 municipalities have established 3 instances of intermunicipal cooperation, while 8 municipalities have established 4 or more instances of inter-municipal cooperation.



#### **IMC** practices

Out of the total 80 municipalities in the Republic of Macedonia 62 (77.5%) have established inter-municipal cooperation.

Out of a total of 62 municipalities, which have established inter-municipal cooperation, 18 municipalities have established only one inter-municipal cooperation, 22 municipalities have established two instances of inter-municipal cooperation, 14 municipalities have established 3 instances of intermunicipal cooperation, while 8 municipalities have established 4 or more instances of inter-municipal cooperation.

Out of the various forms of inter-municipal cooperation, from the aspect of the number of involved municipalities in the inter-municipal cooperation, the available data show that 48 are between two municipalities, 8 involve three municipalities, while 5 involve four or more municipalities.

Most of the instances of inter-municipal cooperation are established in the follow-

ing areas: urban planning, internal financial control, conducting inspection supervision, environment, local economic development, utility services and local taxes.

The cooperation in regard to a number of competences exists among the small urban and rural municipalities, while the cooperation in regard to one competence is common among the bigger urban municipalities and the smaller urban and rural municipalities.

Under circumstances of insufficiently built capacities of the municipal administrations the municipalities decide on establishing inter-municipal cooperation in forms that in their essence will not cause greater changes in the organizational structure and management.

The municipalities usually conclude agreements for conducting certain activities by one municipality for the needs of one or more other municipalities or they establish joint working bodies or commissions.

They more rarely opt for establishing joint administrative bodies or for joining funds. Even though the need is evident, the mayors and the municipal administration still try to optimize the implementation of the competences from their own funds and with their own human resources.

The forming of joint administrative bodies requires harmonization of the acts systematizing the positions and adaptation of the internal organization of the administration as well as investment in fixed assets and having a stable model of funding the salaries of the employees, which as a process requires longer period of time.

The City of Skopje, as a special unit of the local self-government consisting of ten municipalities, secures its operation by joining the funds of the municipalities in the City of Skopje.

The municipalities still do not cooperate sufficiently in order to found a joint public enterprise or a joint public institution. A longer and more complex procedure, which requires previous study about its economic justification is pointed out as the reason for that.

The experience from establishing these more complex forms of cooperation point at the need of establishing previous direct professional, technical and financial support of the municipalities that are interested in the cooperation, in order to increase the quality and the coverage of the local services beneficiaries as a key objective.

In regard to the areas in which the inter-municipal cooperation is established it is worth mentioning the position of many of the municipalities that for the "smaller" municipalities the inter-municipal cooperation is the only way of delivering public services at a local level, especially in the field of: social welfare, environmental protection, inspection and fire protection. The energy efficiency, especially of the public facilities that are used by a number of municipalities (secondary schools, outpatient clinics, kindergarten, etc.), requires joint approach, but the financial incentives for stimulating inter-municipal cooperation are crucial, having in mind the investments in this sector.

Within the framework of establishing the cooperation the inter-municipal cooperation is very important since it is established for the purpose of implementing certain joint projects funded by donors or by applying for getting funds from the adequate European programs. This type of project based intermunicipal cooperation usually stops with the finalization of the project.

It is necessary for the municipalities that have established inter-municipal cooperation to assess the functioning and the achieved results from the cooperation.

For the purpose of keeping records, the municipalities that have established intermunicipal cooperation are legally bound to inform the Ministry of Local Self-Government about this and to submit the inter-municipal cooperation accompanying documents.

It is of utmost importance when implementing the inter-municipal cooperation to involve the competent ministries and bodies that are directly responsible for the specific areas i.e. the inter-municipal cooperation competences.

#### **IMC's positive experiences**

The benefits for the municipalities that have established inter-municipal cooperation are multi dimensional: economic ones, benefits from the implementation of the competences and improved quality of the delivered services as well as general benefits.

#### **ECONOMIC BENEFITS**

Usually these benefits are seen as the fundamental gain from the inter-municipal cooperation, as well as one of the most significant motives for creating partnerships:

- reduced costs for the implementation of LSGU's competences by mutual provision of public services and utilization of the existing human, financial, ICT and other resources and capacities.
- increased the source revenues of the municipalities by registration and updating of databases of taxpayers, issuing licenses, etc.

The Partnership between Kavadarci and Rosoman resulted in doubled revenues from the real estate tax, and it is expected that the percentage of collected taxes and duties will rise up to 90%. This is due to the joint property tax assessment of 13.072 households, out of which 11,462 households on the territory of the Municipality of Kavadarci and 1,610 taxpayers on the territory of the Municipality of Rosoman.

The number of taxpayers in the municipalities of Radovis and Konce has increased for more than 30%. In the future it is expected to have an increased income in the budgets for more than 50% solely on that ground.

• Savings due to optimizing the number of employees.

For the municipalities of Kavadarci and Rosoman the initial assessment for the operation of the Department for establishing and collecting of taxes and duties that needed at least 4 qualified civil servants with an average gross salary of MKD 49,000 per employee was MKD 2,380,000 annually. Having in mind the existing resources available to the Municipality of Rosoman this is a saving of at least MKD 1,200,000 annually in salaries. In the municipalities of Novaci and Mogila a total of 11 civil servants are directly involved in the inter-municipal cooperation. It means that if this cooperation is established for the purpose of satisfying the legal minimum both municipalities will have to employ 11 civil servants each. Having in mind that in average about EUR 500 per month or EUR 6,000 per year are spent for salaries, the total expenditures for all involved civil servants is EUR 66,000 a year, which is basically the amount of the savings.

The inter-municipal cooperation provides financial savings and by having joint administrative bodies and agreed cooperation, jobs optimization is achieved. In the example with the municipalities of Bosilevo, Vasilevi and Novo Selo, the financial savings amounted to 12% of the general budget that the municipalities allocate for capital projects for the citizens.

# BENEFITS FROM THE IMPLEMENTING THE COMPETENCES AND IMPROVING THE QUALITY OF DELIVERED SERVICES

Though competent for the collection of local taxes and duties, social welfare and environmental protection some of the municipalities were not able to implement these legal competences without having inter-municipal cooperation established. As a general benefit from the inter-municipal cooperation the improved quality of the delivered services is stated as well as:

- capacity building of the municipal administration in order to do the job and to deliver good quality services;
- improved information and communication technology and software (especially databases related to some of the competences of the LSGUs: taxpayers, illegal construction, categories of citizens at social risk, environment operators, etc.);
- faster delivery of services;
- improved spatial conditions for the municipal administration;
- increased scope of information available to the natural persons and legal entities that could be received from the local selfgovernment unit;
- drafted strategic and planning documents for specific areas.

The investment map of the municipalities of Gevgelija and Valandovo as a contemporary method for attracting both domestic and foreign investments enabled for 7 domestic businessmen to invest in TIZ Blokotehna, and one foreign investor to invest in the construction of a Shopping Centre near the Bogorodica Border Crossing.

 Specialization of the employees in the joint administrative bodies as well as agreed cooperation for performing activities by one municipality to the benefit of the other one.

#### **GENERAL BENEFITS**

- Strengthened awareness of the citizens about the competences of the local selfgovernment units (LSGUs) and about their rights and obligations in individual areas (taxation, urban planning, local economic development, social welfare and child protection, environment protection, etc.);
- A more transparent municipality and reducing the potential areas of corruption, especially by introducing a single-window system and a document management system. The established centers for providing services to the citizens in the partner municipalities (single window system) represent an attempt for providing services at one place in the municipality.
- Introducing unified procedures in compliance with the law and unifying the necessary forms for communication between the services in the involved municipalities. This is an extra step forward in meeting the conditions of the ISO quality standards
- New temporary jobs for the unemployed on the territory of the partner municipalities (when registering certain target groups, people who are not in the public administration are hired). In some cases these individuals who are hired temporarily, afterwards get a full time employment (Radovis, Brvenica, etc.)
- Better communication, cooperation and exchange of experiences between partner municipalities;

- Better interethnic relations between and within the municipalities involved in the project;
- Promotion of tourist capacities of the partner municipalities;
- Provided urban-planning documentation for the purpose of planning future residential and industry buildings.
- Strengthened capacity of the municipal administration for preparation and implementation of projects.

#### **Innovative IMC practices**

#### VARDAR PLANNING REGION'S INCLUSIVE DEVELOPMENT NETWORK

The establishment of the Network is a joint initiative of the Center for Development of the Vardar Planning Region, the 8 municipalities, the branch offices of the chambers of commerce and of the artisan chambers as well as of the associations of citizens from the planning region. The formal establishment and the initial functioning of the Network was technically and financially supported by the United Nations Development Program (UNDP) Country Office in Skopje, the Center for Development of the Vardar Planning Region and the 8 municipalities from the region.

The Network is a joint working body established in line with the provisions from the Law on Inter-municipal Cooperation with decisions adopted by the councils of the 8 municipalities in the region.

The mission of the Network is to strengthen the coordination of the programming and the implementation of measures and activities for the support of the public, private and non-governmental sector in creating conditions for developing a strong and competitive economy in the VPR, an economy that will offer more employment opportunities and at the same time will achieve the social and environmental standards. Through the network's activities one can expect that the intensity and the consequences from the significant level of unemployment and migrations will be reduced as the key socio-economic challenges in the region.

The VPR Inclusive Development Network plays a key role in strengthening the capacities of the public, private and civil sector for cooperation and coordination in implementing the priority activities and stimulating all the factors in the local communities to take part in the work of the local institutions on priority issues linked to the regional development. The network furthermore works on overcoming the problems and the 'bottlenecks' like the low capacity of domestic and foreign funds absorption.

The Inclusive Development Network implements its activities based on a three year program adopted by its members.

The implementation of the activities is funded with money from the municipalities by implementing project as well as with funds from international organizations.

http://www.vardarregion.gov.mk/

#### NORTH-EASTERN PLANNING REGION'S REGIONAL RURAL ACTION PLATFORM (RRAP)

The Regional Rural Action Platform (RRAP) is a form of inter-municipal cooperation – a common working body of the North-Eastern Planning Region (NEPR) in support of the economic development of the rural areas and settlements in the region. This cooperation involves all six municipalities from the North-Eastern Planning Region: Kumanovo, Kratovo, Kriva Palanka, Lipkovo, Rankovce and Staro Nagoricane.

RRAP has 17 members and apart from having one representative from the local economic development offices of each municipality from NEPR there are also representatives from the NGO sector, the chambers of commerce, the LAGs, the Center for the development of NEPR, the business community, as well as the educational institutions.

The general objective of the regional rural action platform is to continuously identify, coordinate and offer solutions for the economic problems in the rural areas in the North-Eastern Planning Region, thus developing a sustainable system for establishing and sustaining synergies between the public, non-governmental and private sectors.

The specific objectives of the RRAP are:

- To create a Regional Rural Action Platform (RRAP) that will serve as the catalyst of the local and regional needs for planning and developing the rural economy.
- To provide assistance to the economic operators in the rural sector and to the farmers for developing sustainable value chains and for using the local resources in a sustainable way, in order to have greater benefit from their products and services;
- To create an environment that will follow and implement the principles and processes
  of sustainable local/regional economic development.

The Regional Rural Action Platform (RRAP) implements its activities in compliance with a three year program adopted by its members.

The implementation of the activities is financed with funds from the municipalities by carrying out projects as well as with funds from international organizations.

www.northeastregion.gov.mk

#### PELAGONIJA PLANNING REGION'S REGIONAL DEVELOPMENT INTEGRATED NETWORK – RDIN

The Pelagonija Planning Region's Regional Development Integrated Network (RDIN) is an initiative led by the Center for Development of the Pelagonija Planning Region, the 9 municipalities from the Pelagonija Planning Region as well as the regional chambers of commerce and artisan chambers, the LAGs and representatives from the universities and the civil society sector.

The network was formally established at the beginning of 2015 with the support by the Ministry of Local Self-government and the United Nations Development Program (UNDP) Country Office in Skopje.

The Integrated Network was established based on the decisions for establishing intermunicipal cooperation adopted by all nine (9) municipalities in the region.

The establishment of the RDIN is in compliance with the goals and the activities presented in the Pelagonija Planning Region Development Program and the three year's Action Plan for the implementation of the National Strategy for Equal Regional Development.

The goal that the Integrated Network wants to achieve within the framework of the region is to improve the cooperation between the private, public and non-governmental sectors in the region and to strengthen the coordination among these sectors in implementing the activities dedicated for the development of this region. Through these activities the Integrated Network will have an impact on the development of the economy in the region and strengthening of its competitive value.

The role of the network is to improve the economic surrounding, the social aspects and the environment.

The standing joint body has 21 members from the public, business, non-governmental and educational sectors.

The members of the working body coming from the municipalities are appointed by the Presidents of the municipal Councils with a decision, based on the decisions of the Councils for establishing inter-municipal cooperation. The other members are appointed by the highest management bodies of the institutions/organizations they represent. The voting and decision-making procedures within the RDIN are based on the concept of majority votes out of the total number of members of the Working Body i.e. from the total number of attending members of the Working Body.

The Regional Development Integrated Network in the Pelagonija Planning Region implements its activities based on a three year program adopted by its members.

The implementation of the activities is funded from the budget of the municipality by implementing projects as well as with funds from international organizations.

#### JOINT ENERGY EFFICIENCY DEPARTMENT OF THE VARDAR PLANNING REGION

With the support of the Ministry of Local Self-Government and the UNDP by signing a Cooperation Agreement the eight municipalities established the Joint Energy Efficiency Department of the Vardar Planning Region and the Regional Energy Efficiency Info Center!

The operation of this joint department took the region several steps forward and it is becoming not only more competitive, but it has also become a real partner for bigger investments in public buildings and infrastructure.

The joint department is oriented towards improving the energy efficiency of residential buildings and construction as well as of the business buildings in the private sector.

There are two civil servants employed in this department, and they are also assisted by the contact points of the public administration of all eight municipalities.

The employees from the joint department provide support in the preparation and implementation of the energy efficiency projects in the schools and other local public buildings: kindergartens and cultural and sport facilities.

The establishment of this body is aimed at uniting the interests of all the municipalities in the region that involve all the stakeholders. The business community, the civil society sector and the public institutions managers are also involved in planning and establishing the priorities.

There is a Register of 107 public facilities with a total area of about 120 thousand square meters that should be energy efficient in order to significantly reduce the operational expenditures.

A broad campaign covering all the citizens has been implemented with emphasis on the schools.

The idea is for the messages of the European energy efficiency policies to reach every citizen in a simple and understandable manner.

In only two years time the impact from the replacement of the public street lights with energy efficient light bulbs and of the facades of most of the schools with energy efficient ones is evident.

It is a successful regional project that is fully in correlation with the national policy for saving energy and use of the renewable sources of energy.

The Ministry of Local Self-government realizing the positive effects of the good practice has decided to support it also in the other seven planning regions thus covering all eighty municipalities. In all of them energy saving measures and better quality and more economic services for the citizens have been implemented, but the findings have shown that the effects are doubled when there is networking or coordinated involvement of all stakeholders in one planning region.

