



Republika e Kosovës

Republika Kosova-Republic of Kosovo

Qeveria –Vlada - Government

Ministria e Administrimit të Pushtetit Lokal

Ministarstvo Administracije Lokalne Samouprave

Ministry of Local Government Administration

HANDBOOK ON INTER-MUNICIPAL COOPERATION AND INTERNATIONAL MUNICIPAL
COOPERATION

Foreword

Inter-municipal and international municipal cooperation in the Republic of Kosovo has been regulated with the Constitution of the Republic of Kosovo, the Law on Local Self-Government, the Law on Inter-Municipal Cooperation and the acts for the implementation of this law. Likewise, Article 10 of the European Charter of Local Self-Government determines that local authorities have the right to cooperate with local authorities within legal limits with the authorities of local self-government units in the Republic of Kosovo and abroad.

The Handbook aims to provide clarification to municipal bodies, municipal officials as well as other stakeholders regarding the process of initiating and approving inter-municipal cooperation and international municipal cooperation.

The referral point of this Handbook is the legal framework for inter-municipal cooperation and has no character of a legal act.

The laws of the Republic of Kosovo clearly regulate the local self-government system. Pursuant to the Law on Local Self Government, governance is carried out based on the principle of subsidiarity which derive from the European Charter of Local Governance, by giving many opportunities to municipal units to self-govern and also to cooperate with the aim of addressing the services and needs of citizens at the highest level. In this Handbook we will describe the steps that, based on the legal framework, enable inter-municipal and international co-operation.

Abbreviations

MLSG – Ministry of Local Self Government

IMC – Inter-Municipal Cooperation

InMC – International Municipal Cooperation

AKM – Association of Kosovo Municipalities

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1. Legal basis

The field of inter-municipal cooperation and international municipal cooperation in the Republic of Kosovo has been built on the basis of the international standards for local governance defined by the European Charter on Local Governance and its Protocols. Specifically, this field is regulated by the Law on Local Self-Government and the Law on Inter-Municipal Cooperation as well as other law enforcement acts.

Both primary and secondary acts constitute the necessary basis for inter-municipal cooperation and international municipal cooperation for the municipalities of the Republic of Kosovo, as well as the sublegal acts, Regulation No. 09/2013 on the Stimulation of Inter-Municipal Cooperation; Regulation on the procedure of international municipal cooperation dated 18.12.2012¹.

1.1 Inter-Municipal Cooperation

In order to achieve the common goals and interests related to the exercise of their own competencies under the Law on Local Self-Government, two or more municipalities have the right to enter into cooperation relations in accordance with the principles, forms, conditions, and procedures set forth by abovementioned legislation.

Municipalities involved in any form of IMC separately or jointly shall be legally responsible for all legal actions and acts resulting from such cooperation. Also municipalities are limited to taking action on establishing municipal cooperation and international municipal cooperation, and thus municipalities cannot go beyond their own competencies as defined by the legislation on local self-government in the Republic of Kosovo. The goal of every cooperation should be for the common interest of the municipalities.

1.2 Bases of inter-municipal cooperation

Inter-municipal cooperation is based on:

1. Mutual local interest;
2. Exercising of one or more own competences of municipalities: In order to effectively exercise their own competencies foreseen by the Law on Local Self Government, the Municipalities can cooperate or address service provision through a joint institution established as a result of IMC;
3. Free will of municipalities to establish relation of IMC;
4. Share of roles and responsibilities amongst municipalities and unification of municipal resources for cooperation purposes;
5. Improvement of economy, efficiency and effectiveness of municipal services for the benefit of the citizens. Municipalities may enter in IMC in order to overcome these challenges.

¹ Law no.04/L-010 on Inter-Municipal Cooperation, Regulation on the Stimulation of Inter-Municipal Cooperation no. 09/2013; Regulation on the procedure of international municipal cooperation dated 18.12.2012;

1.3 Initiative for establishing inter-municipal cooperation

Municipalities, central institutions and civil society organizations dealing with local self-government may take the initiative for establishing inter-municipal cooperation. The steps for undertaking the initiative for inter-municipal cooperation are as follows:

Inter-Municipal Cooperation	International Municipal Cooperation
Mayor of the Municipality	Mayor of the Municipality
At least 1/3 of the members of Municipal Assembly	At least 1/3 of the members of Municipal Assembly
Ministry of Local Government Administration	Ministry of Local Government Administration
Association of Kosovo Municipalities	Municipality or other external institutions of local self-government
Other non-governmental organizations dealing with local self-government	

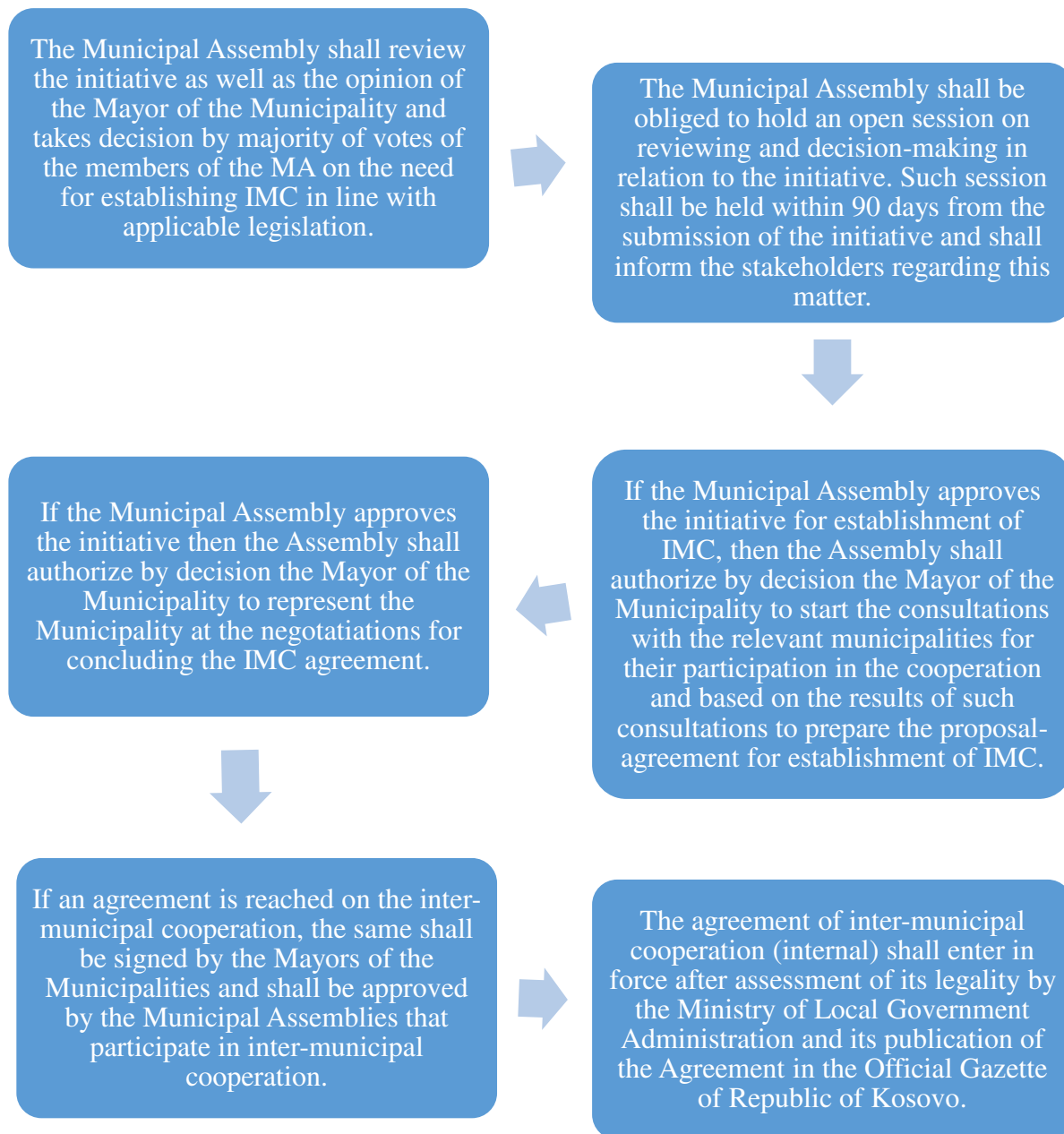
Each initiative for establishing inter-municipal cooperation shall contain:

1. The purpose of the cooperation;
2. Competencies related to cooperation for the municipalities involved;
3. Form of cooperation;
4. Expected benefits;
5. Potential financial implications from the cooperation;
6. Other issues of importance for the establishment of IMC which should be known for the institutions and citizens of the relevant municipalities.²

The Mayor of the municipality shall be obliged within three weeks from the day of submitting the initiative to provide its written and justified opinion to the Municipal Assembly on the initiative or proposal, only if the initiative was submitted by the Mayor of the Municipality. Any initiative for IMC should be submitted to the Municipal Assembly for approval by majority of the vote of the members of the respective Municipal Assemblies.

² Law no.04/L-010 on Inter-Municipal Cooperation, Regulation on the Stimulation of Inter-Municipal Cooperation no. 09/2013; Regulation on the procedure of international municipal cooperation dated 18.12.2012;

1.4 Procedure of initiative for establishing inter-municipal cooperation



1.5 Agreement for inter-municipal cooperation

Key points of the agreement	
Agreements of inter-municipal cooperation	Agreements of international municipal cooperation
The contracting parties	The contracting parties
The subject matter of the contract, purpose and the deadline	Purpose of the agreement
The rights and obligations of each party involved in the agreement	Deadline
The legal form of cooperation and sources of financing and budget	Rights and obligations
The conditions to withdraw from the agreement and termination of the agreement	Financial resources for realization of cooperation
The procedure for solution of eventual conflict	The terms of withdrawal and termination of the contract
Other details of the agreement based on consent of the parties.	The procedure for dispute resolution of international municipal cooperation.

1.6 Forms of cooperation

Pursuant to the Law on Inter-Municipal Cooperation, the Municipalities of Kosovo may conduct the following forms of cooperation:

1. Municipalities can establish temporary or permanent work groups and committees for reviewing certain matters within the framework of their competencies. The responsibilities, liabilities and obligations of these groups/commissions are regulated based on the agreement through which they are established.
2. Municipalities may establish joint administrative bodies in order to exercise certain municipal competences as defined by the Law on Local Self-Government. The joint administrative bodies are not legal entities and as a result all actions and acts deriving based on the agreement through which was established shall be considered as acts and actions of the municipalities that have established them.
3. The municipalities may establish joint public enterprises in order to perform local public services. This form of cooperation must be in line with the “Law on Publicly Owned Enterprises”.
4. Municipalities may establish joint public institutions to perform certain activities of public interest and of local importance in the fields of education, health, culture, social protection and other fields that are under the own competences of the municipalities.
5. In order to develop projects that are important for Municipality, the Municipalities may conclude inter-municipal agreements for public-private partnership pursuant to the relevant law on public-private partnership.

1.7 International Municipal Cooperation

The Municipalities of Republic of Kosovo within their own competences, and for the purpose of administrative and technical cooperation, can conclude cooperation agreements with foreign municipalities and institutions of local government in compliance with principles, terms, limitations and procedures set forth by the Law on Local Self Government. The procedures that need to be followed with regard to international municipal cooperation are set out in the Regulation on the Procedure of International Municipal Cooperation (18.12.2012).

Within international municipal cooperation, the municipalities cannot waive from their competencies set forth by the Law on Local Self Government.

The Municipalities cannot delegate to a foreign municipality or public authority the authority to exercise its own competencies or allow the same to exercise any executive, administrative, legislative power in the territory of the Republic of Kosovo.

1.8 Financing and Supervision

Municipalities through IMC carry out their activities and have the opportunity to financially support these initiatives through these financial sources:

1. Through the budget of the Republic of Kosovo and ministries of relevant fields.
2. IMCs may be financed from Municipal budgets, which through a clear agreement have certain financial responsibilities.³
3. Municipalities that are in inter-municipal cooperation can apply for financial support to international donors, including EU funds.

MLGA in cooperation with the Ministry of Finance follows the development of inter-municipal cooperation as well as the manner of usage of financial means dedicated to implementation of IMC according to the legislation in force.

2. Cooperation steps

IMC is realized according to the best international criteria and practices that reflect successful forms of cooperation through compliance of principles: affectivity and quality services, good governance, integration processes and fundraising.

2.1 The first step

2.1.1 Why and how

It is important to know why you are establishing this cooperation before the IMC starts. What is the need that pushes the municipality you represent to address this problem through IMC. In this context, it is important to understand the purpose of cooperation and prior purpose to understand the problems

³ Regarding the budget, any inter-municipal cooperation and municipal international cooperation must be implemented by respecting the law on public financial management, the law on public procurement and secondary legislation resulting from any internal regulation or administrative instruction. The budget lines should be regulated according to the practices of the municipalities, always in line with the budget instructions/circulars that come from the Ministry of Finance.

and challenges that can be addressed through this cooperation. Prior to any cooperation, municipalities should deeply analyse the problems or issues they want to address through cooperation.

In this context, it is good to use other sources, either from the private sector or from the civil society. The IMC can be implemented only if the problem is properly analysed and are accurately ascertained the challenges arising from the IMC. Afterwards, it is important to analyse the financial and human capacities needed to address the identified issue/problem. The cooperation is recommended to be established only when the Municipalities of the Republic of Kosovo understand why cooperation is needed and how it will be carried out.

2.1.2 Quality and Efficiency of Cooperation

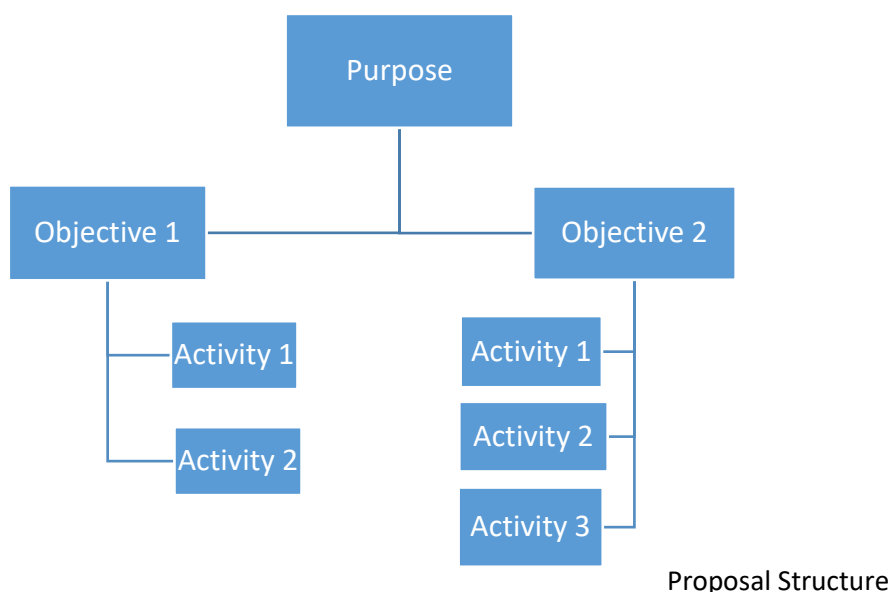
The quality and efficiency of IMC depends mainly on how the cooperation agreement is regulated. How clear their responsibilities are, and whether the division of responsibilities is made in line with the capacities that municipalities have to carry out the IMC. Cooperation implementation plan and monitoring mechanisms are indispensable.

2.2 The second step (Decision-making and the Plan)

2.2.3 Plan

Once the Municipalities clearly understand the problem, they have to make concrete projects and plans for solving and addressing important issues. Depending on problems/issues that may be addressed, the Municipalities should develop a concrete project proposal or plan with concrete activities based on a timeline for their implementation. Part of purpose should be: purpose of cooperation, objectives, activities, and division of responsibilities within the IMC.

If co-operation involves the establishment of a public enterprise then it should be part of project proposal a business plan that addresses the aspect of economic cost/benefit, as well as benefits arising from the establishment of a public enterprise. It is important to note that the establishment of publicly owned enterprises should be in accordance with the procedures deriving from the Law on Publicly Owned Enterprises and sub-legal acts for the implementation of this law.



2.2.4 Objectives, activities and defining groups of interest

The objectives of IMC are the basis for the activities to be carried out during the co-operation. Municipalities should be clear with what activities the objectives and purpose of the cooperation will be achieved and the same should be harmonized and enforceable, since any overestimated or unenforceable activity may be a threat to the entire IMC. Determination of stakeholders is more important, since IMC is established in order to address the needs of citizens, businesses or institutions.

2.2.5 Stakeholders

Within the IMC, any authority or individual should know its responsibilities in relation to the cooperation agreement. Any planned activity should have an assigned person/official who is obliged to implement that activity.

2.2.6 Activity Implementation Plan

This plan should be extended based on the calendar year, with clear time periods in which various projects will be implemented. We will have an illustration of the simplified version in this Handbook.

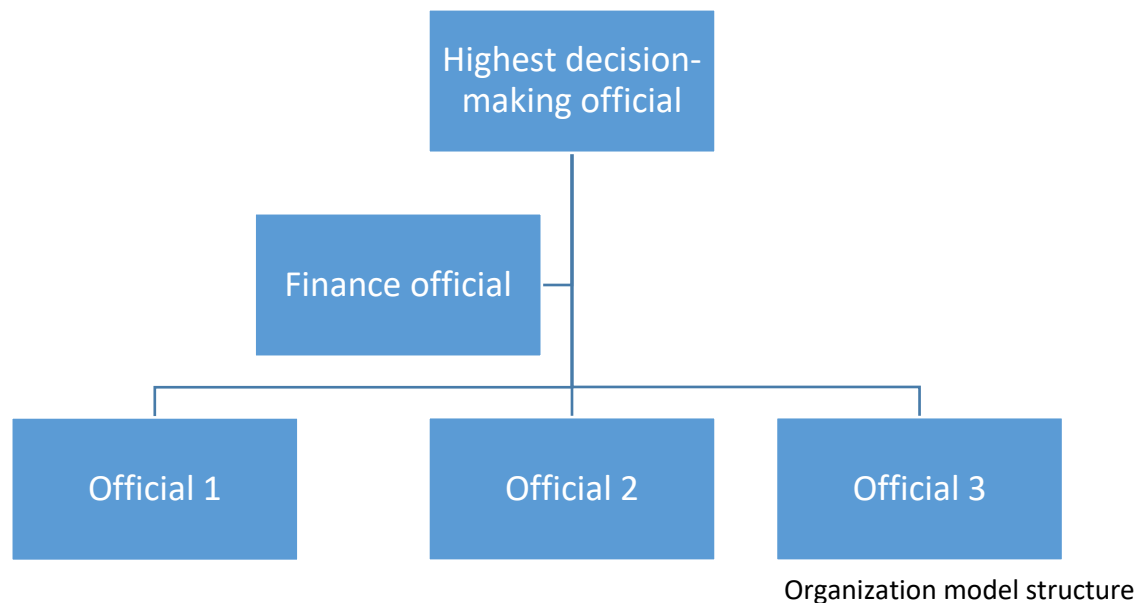
Aktiviteti	Janari				Shkurt				Mars				Prill				Maj				Përgjegjes
Aktiviteti 1																					X
Aktiviteti 2																					XC
Aktiviteti 3																					YX
Aktiviteti 4																					XX
Aktiviteti 5																					YY
Aktiviteti 6																					Y

2.3 The third step - Functionality

2.3.1 Organization model and the staff

Municipalities, depending on the cooperation, should build a model of organization that deals with the implementation of cooperation. The structure or hierarchy should be built on the basis of the competencies that municipalities have, or on the basis of the agreement signed for the division of responsibilities. The IMC may be successful as long as the principle of legality (competences of municipalities) is respected and the organization model is clear. Accountability is an important part of any agreement as municipalities that enter IMC have an obligation to inform citizens about the processes that the municipality undergoes through the IMC.

Persons participating in this co-operation, whether they are civil servants or contracted only for the implementation of cooperation should be professionally selected through the internal or external competition process based on the principle of meritocracy.



2.3.2 Finances

Finances should be the most important part that needs to be discussed at the beginning of initiation of IMC. It is good that at the beginning, despite the limited information, to be compiled at least one draft-budget with the possible cost regarding cooperation. There is a need to discuss how the budget will be prepared, the source of financing and the financial contribution that the municipalities will provide separately for realization of cooperation. Once all the activities are set, make a realistic cost estimate for each activity. Be creative in cost calculation and try to foresee hidden costs, which in case of late identification can cause problems in implementing the cooperation.

2.4 The fourth step - IMC assessment

Municipalities should decide which model they want to use to assess how successful the IMC is or has been. In this sense, municipalities should agree before the commencement of cooperation, whether they will do so consistently during the implementation of the project or through a final assessment. The assessment is preferred to be made by a third party that was not involved in the cooperation project.

3. Inter-Municipal Cooperation Agreement model and annexes

Inter-Municipal Cooperation Agreement

The agreement on establishing inter-municipal cooperation, based on the legislation on inter-municipal cooperation contains at least the following elements:

1. Contracting parties;
2. The subject matter of the contract, purpose and deadline;
3. The rights and obligations of each party involved in the agreement;
4. The legal form of cooperation and sources of financing and budget;
5. The conditions to withdraw from the contract and termination of the agreement;
6. The procedure for eventual dispute resolution;
7. Other details of the agreement as agreed by the parties/partner municipalities.

Annex 1: Initiative, Approval and Authorization for initiating Inter-Municipal Cooperation

Annex 2a: Municipal Co-operation Agreement Model

Annex 2b: International Municipal Cooperation Model



REPUBLIKA E KOSOVËS
REPUBLIKA KOSOVA
REPUBLIC OF KOSOVO

Municipality logo

Pursuant to Article 58, paragraph h) of the Law No. 03 / L-040 on Local Self-Government, pursuant to Article 6 sub-paragraph 2.1 of the Law No. 04/L-010 on Inter-Municipal Cooperation and Article 5, sub-paragraph 1.1 and Regulation No. 09/2013 on the Stimulation of Inter-Municipal Cooperation, the **Mayor of Municipality** submits a request for approval of the:

INITIATIVE
FOR INTER-MUNICIPAL COOPERATION WITH MUNICIPALITY/-IES
IN THE FIELD OF _____

1. Inter-municipal cooperation will be conducted with the following municipality/municipalities:
 - 1.1. Municipality of _____,
 - 1.2. Municipality of _____,
 - 1.3. _____
2. **The purpose of cooperation-** cooperation shall be conducted in the field of _____, by providing and receiving services in the field of _____. Cooperation shall be applied on the basis of reciprocity and multiple benefits for the purpose of protecting the general public interest.
3. Please find attached to the initiative the proposal - decision to approve the initiative by the Municipal Assembly.
4. **Reasoning-**

02. No. _____
Municipality, _____

Mayor of Municipality

(Name and surname)



REPUBLIKA E KOSOVËS
REPUBLIKA KOSOVA
REPUBLIC OF KOSOVO

Municipality logo

Pursuant to Article 12 paragraph d), Article 40, paragraph j) of the Law No. 03/L-040 on Local Self-Government, and pursuant to Article 7 of the Law No. 04/L-010 on Inter-Municipal Cooperation, the **Municipal Assembly of _____**, approves the following:

DECISION

1. It is approved the initiative of the Mayor of the Municipality of _____ to enter into inter-municipal cooperation.
2. Inter-municipal cooperation will be conducted with the following municipalities:
 - 2.1. _____
 - 2.2. _____
3. It is authorized the Mayor of the Municipality to commence the consultations with municipalities for preparation of the draft agreement; for inter-municipal cooperation.
4. This act enters into force 15 days after its registration at the Office for Protocol within the Ministry of Local Government Administration and after publication in the official website of the Municipality of _____.

01. No. _____
Municipality, _____

Chairperson of Municipal Assembly

(name and surname)



REPUBLIKA E KOSOVËS
REPUBLIKA KOSOVA
REPUBLIC OF KOSOVO

MUNICIPALITY LOGO

INTER-MUNICIPAL COOPERATION AGREEMENT

Signing parties of the agreement

Municipality of _____

and

Municipality of _____

Agreed on achieving Inter-Municipal Cooperation Agreement in the field of

CONSIDERING that the cooperation in the field of service provision

ACKNOWLEDGING that participation in such an activity is voluntary and involves inter-municipal bilateral cooperation (*or multilateral if there are more parties to the agreement*) on a fair basis.

REFERRING to the Law No. 03/L-040 on Local Self Government, Article 17 (k) and 30, Law No. 04/L-010 on Inter-Municipal Cooperation, Law No. 02/L-75 on Arbitration.

Article 1

LEGAL BASIS

This cooperation agreement is based on the Law No. 03 / L-040 on Local Self Government, Article 17 (k) and 30, Law No. 04/L-010 on Inter-Municipal Cooperation, Law No. 02/L-75 on Arbitration.

Article 2

PURPOSE

The purpose of the cooperation is:

The purpose of the agreement is to clearly define the relevant goals, objectives and responsibilities of each body separately.

The cooperation will be applied on the same basis of reciprocity and on the mutual benefit.

Article 3

SUBJECT MATTER OF THE AGREEMENT

Subject matter of this agreement is:

Article 4

THE RIGHTS AND OBLIGATIONS OF ANY PARTY INCLUDED IN THE AGREEMENT

Rights and obligations of the Municipality of _____.

1. _____,
2. _____.

3. _____.

Rights and obligations of the Municipality of _____.

1. _____/

2. _____/

3. _____.

Article 5

SOURCES OF FUNDING

Article 6

COORDINATION AMONG PARTIES

The parties to this agreement agreed to establish a joint working group for the implementation of this agreement.

Article 7

DISPUTE RESOLUTION

1. Any dispute arising regarding interpretation, management or execution of this agreement shall be settled through mutual understanding, arbitration and through the competent court.

Article 8

ENTRY INTO FORCE

This inter-municipal cooperation agreement shall enter into force after assessing its legality by the Ministry that is responsible for local governance and after publication of the agreement in the official gazette of the Republic of Kosovo.

This agreement is drafted in _____ original copies, where the signatory parties shall obtain _____ copies each.

Municipality, date _____

Municipality of _____

Municipality of _____

COOPERATION AGREEMENT

(Signatory parties)

(Law No. 04/L- 010 on Inter-Municipal Cooperation Article 8)

between

Municipality of _____ (city) in Republic of Kosovo

and

Municipality of _____(city) in _____(country)

for cooperation in the field of

“ _____ ”
(T I T L E)

CONSIDERING that the cooperation in the field of service provision

ACKNOWLEDGING that participation in such an activity is voluntary and involves bilateral cooperation (*or multilateral if there are more parties to the agreement*) on a fair basis.

REFERRING to the Law No. 03/L-040 on Local Self Government, Article 17 (k) and 30, Law No. 04/L-010 on Inter-Municipal Cooperation, Law No. 02/L-75 on Arbitration,

Have agreed on concluding the cooperation agreement below:

(Subject matter of the agreement, purpose)
(Law No .04/L- 010 on Inter-Municipal Cooperation, Article 8)

Article 1
PURPOSE

1. The purpose of this cooperation agreement is:

2. To clearly define the relevant goals, objectives and responsibilities of each body separately.
3. The cooperation will be applied on the same basis of reciprocity and mutual benefit.

(Legal form of cooperation, sources of financing and budget)
(Law No. 04/L-010 on Inter-Municipal Cooperation, Article 8)

Article 2
COOPERATION FORMS (OR FIELDS OF COOPERATION)

Article 3
(The rights and obligations of each party included in the agreement)
(Law No. 04/L-010 on Inter-Municipal Cooperation Article 8)

1. Rights and obligations of the Municipality of_____.
- 1.1. _____
- 1.2. _____
- 1.3. _____
2. Rights and obligations of (_____) city (state) _____

- 2.1. _____,
- 2.2. _____,
- 2.3. _____.

Article 4

COORDINATION AMONG PARTIES

The parties to this agreement agreed to establish a joint working group, which will be responsible for the implementation of the agreement in question.

(Other details of the agreement as agreed by the parties/partner municipalities)
(Law No. 04/L-010 on Inter-Municipal Cooperation Article 8)

Article 5

OTHER OBLIGATIONS

1. The Parties shall undertake the necessary measures to carry out the activities at all building stages through the signing of this agreement and signing of any subsequent acts deriving from such mutual cooperation that is related to _____.
2. The parties appoint a representative for the follow-up and implementation of the cooperation set forth by this cooperation agreement.

(Conditions for withdrawal from the agreement and eventual dispute resolution procedure)

(Law No. 04/L-010 on Inter-Municipal Cooperation Article 8)

Article 6

FINAL PROVISIONS

1. This Agreement will enter into force on the date of its signature and will remain valid until _____ (if agreed on the deadline)

2. This agreement may be supplemented and amended through the mutual consent of the parties through written communication. Amendments will be integral part of the agreement after signing.
3. Any dispute arising regarding interpretation, management or execution of this agreement shall be settled by negotiation and, if necessary, through mediation or arbitration. (*"Arbitration Agreement" shall mean an agreement between two or more persons to submit to arbitration all or certain legal disputes, which have arisen or which may arise between them. All disputes related to the civil-judicial and economic-judicial requests may be the subject of an arbitration agreement, unless prohibited by law.*)
4. This agreement is drafted in _____ original copies, where the signatory parties shall obtain _____ copies each.

This agreement shall enter into force on the day of its signing by the parties.

Municipality of _____

Municipality of _____
