

MUNICIPAL NEWS

THE QUARTERLY NEWSLETTER OF THE UNION OF CYPRUS MUNICIPALITIES

Friday December 29, 2006

ISSUE 4

MUNICIPAL ELECTIONS RESULT IN IMPORTANT CHANGES

Municipal Elections took place in Cyprus on

December 17 2006. During the elections 14 out of the 33 Mayors of Cyprus have been elected for the first time.



Out of six urban

Municipalities of Cyprus (Nicosia, Limassol, Larnaca, Pafos, Famagusta and Kyrenia) five (including the capital Nicosia) have –as of January 1, 2007- new Mayors.

However, the outcome of the Municipal Elections, has registered only a small increase in the percentage of the participation of women in the new Municipal Councils for the 2007-2011 mandate, compared to 2001-2006.

More specifically, out of a total of 414 Municipal Councillors -the overall number of members of Municipal Councils excluding mayors- in the 33 Municipalities of Cyprus, only 84 women Municipal Councillors have been elected (20.3%).

The corresponding percentage for the 2002-2006 term was 18.6% and 17.2% for the previous period (1997-2001), which records a minor increase for an entire decade.

The result of the December 17 elections should be a cause of concern for the central Government, all the relevant Institutions of our Society, and of course the Local Authorities of Cyprus, in order to undertake more effective measures to help increase the participation of women in the Municipal Councils in the future.

FOR A NEW SELF-GOVERNMENT IN CYPRUS

The Municipal Elections of December 17 are already over. Nevertheless, all the Elected Representatives of Cypriot Municipalities -together and beyond their political beliefs or local problems of their Municipality- should be troubled with the outcome and must work first of all for a common aim: to ensure that the necessary decentralisation of the Administrative System of Cyprus takes place, through the introduction of a modern system of Local Self-government.

This would strengthen the Economic, Administrative and Political Independence of Local Authorities and give them additional important Competencies and Economic Self-reliance, as this applies to all European countries, so that they can contribute even more towards the improvement of the quality of life of their citizens.

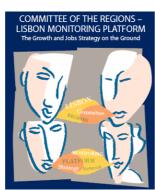
Of course, apart from the installation of such a system of Local Self-government in Cyprus, in order for the essential decentralisation of our Administrative system to be achieved, a new type of Regional Self-government should also be established. This would bridge and complement the intermediary distance between Local Self-government and Central Government, thus contributing further and decisively to the improvement of the quality of life of Cypriot citizens.

It needs to be ensured that for this major project, which appears to have the support of the whole political spectrum and the Cypriot Society, specific initiatives should be undertaken that would lead to a reliable result with regard to the time and the content of the institutional changes that need to take place. Otherwise it is probable that in five years, in the next municipal elections, not even a minimal progress will have been achieved.

MUNICIPAL NEWS – ISSUE 4

Participation in the Lisbon Monitoring Platform

During the revision of the Lisbon Strategy in 2005, the need for an increased ownership at all levels of government was recognised as one of the key factors for the strategy's success.



In September 2005,

the Committee of the Regions (CoR) carried out a European-wide survey on the involvement of Regions and Cities in preparing the National Reform Programmes (NRPs) and in December 2005 it made an analysis of the NRPs, comparing their content against the survey findings.

Both the survey and the conclusions reached in the NRPs report raised considerable concern regarding the level of consultation and involvement of local and regional authorities in a number of Member States.

For that reason, the CoR launched -at the first Territorial Dialogue on 1 March 2006-the Lisbon Monitoring Platform (LMP) project. The LMP provides information on the local and regional dimensions of the strategy, gives an overview on the development of these local and regional dimension through an interactive scoreboard and offers a public space for discussion.

But first and foremost it aims to create a community, a community among local and regional authorities who are working on the implementation of the growth and jobs strategy and those who would like to learn more about it.

At the very beginning of the LMP, 140 Local and Regional Authorities had declared their interest to participate in the project. The Union of Cyprus Municipalities has been one of 65 such Authorities that were finally chosen to be part of the 1st wave of participants to the project with access to the platform this year.

Further information on the LMP is available on the website: http://lisbon.cor.europa.eu/

Participation in the Subsidiarity Monitoring Network

The Committee of the Regions (CoR) subsidiarity monitoring network is a tool for exchanging information between European territorial (sub-state level) actors on policy documents and proposals of the European Commission which - when adopted - will have an impact on local and regional authorities and the policies for which they are responsible.

The CoR Bureau decided in October 2005 to proceed with the launch of a 1st pilot test phase of the network. The test ran from 31 October until 9 December 2005 and involved 21 partners, among them, the Union of Cyprus Municipalities.

The CoR Bureau decided on 12 May 2006 that a second test phase should be launched in cooperation with the European Commission so as to help spread the culture of subsidiarity and to carry out a detailed examination of subsidiarity as soon as possible so that its findings can be taken into account at an early stage of the drafting of EU legislative acts.

That second test ran from September to October 2006 and the Union of Cyprus Municipalities was once more one of the participating partners. The results of the 2^{nd} test phase will be published at the beginning of 2007.

For more information:

http://www.cor.europa.eu/en/activities/subnet.htm

Membership to the AEBR and the AER

The Union of Municipalities, pursuing its efforts for the development of its relations with local authorities from all around Europe, has recently been accepted as a full member in two international bodies, dealing with local authorities' issues on a European level: the Association of European Border Regions (AEBR) and the Assembly of European Regions (AER). More information on these two bodies can be obtained through their respective websites:

AER: http://www.aebr.net/ AER: http://www.a-e-r.org/

MUNICIPAL NEWS – ISSUE 4

Local authorities need more power to act

The Sunday Mail newspaper published in the column "OPINION" of its December 10 issue the article that follows. Without adopting the totality of the views presented in it, we consider that it reflects a way of thinking that poses several questions on subjects of direct interest to local authorities. For that reason, we publish it again:

THERE ARE just a few more days of campaigning left before Sunday's municipal elections, but it is highly unlikely that any of the candidates, or the political parties backing them, will dare broach the single most important issue relating to local government – the transfer of powers from the central government.

Currently, local authorities are a monumentally ineffective tier of government, without the funds and powers to take real decisions. This makes a complete mockery of the rhetoric about local democracy and direct representation of the citizens, which constantly pop up in the declarations of all the candidates.

Unfortunately, the candidates are too busy making promises about turning their municipalities into small paradises on earth, radically improving our quality of life and catering for all our needs, to bother with the question of how they will make the miracles happen.

Even if the most capable, resourceful and hard-working mayoral candidates, were elected, they would be hard-pressed to make a difference, as they would have neither the powers nor the funds to implement their programmes – central government, which refuses to cede any of its powers to local authorities, makes sure of this.

This is no theoretical point. Cyprus is second from bottom in the EU list regarding the powers of local authorities which is calculated according to annual expenditure. In Cyprus, local authorities are responsible for a paltry four per cent of annual state expenditure, while in countries like Spain and Germany, which have a middle tier of government (regional) as well, it is 30 per cent.

Nothing better illustrates the central government's obdurate refusal to cede some power to the local authorities than its insistence of controlling 96 per cent of state spending.

Worse still, in the last few years, the legislature deprived municipalities of £11 million in annual revenue by scrapping the professional tax for individuals, leaving them with a total, annual revenue of about £10m.Inevitably, every year, the Union of Cyprus Municipalities brings out the begging bowl and goes to the Finance Ministry seeking a higher annual state subsidy so that its members can meet their financial obligations, such as paying the wages of their employees and servicing their loans.

They are usually thrown a few crumbs, which help them get through the year, but maintain their complete dependence on central government. This unequal, master and servant relationship was manifested this year when the Finance Ministry decided to help out the municipalities by securing a £205m loan to pay off all their loans.

The loan repayments of the big loan were over a longer period and the interest on it lower, which was a help. However, the municipalities were not even consulted beforehand, but simply told that this was the loan negotiated by government bureaucrats and they had to accept it – so much for local authority independence.

When some mayors investigated the matter and found that the loan could have been secured at a lower interest rate, they were told by bureaucrats that they had no say in the matter and had to accept the loan terms whether they liked them or not.

Decentralisation is anathema to the Nicosia ruling establishment of politicians and bureaucrats, who want to keep local authorities weak and dependent on central government. The ridiculously big number of municipalities, which everyone supports, because it ensures more jobs for party members, contributes to keeping local authorities weak and ineffective.

Does Nicosia really need seven municipalities, Limassol five and Paphos three? Nicosia could have been much better served by two and Paphos, Limassol and Larnaca by one each. Not only would huge amounts of money have been saved on wages but big municipalities would be much more cost efficient, more financially robust and, subsequently, more independent and effective.

Faced with a few powerful municipalities the central government would eventually have to cede some of its powers. Only then would a mayor and a municipal council have the power genuinely to improve their citizens' quality of life. Only then would talk of local democracy and direct citizen representation not have a hollow ring.

USEFUL CONTACTS AND LINKS FOR CYPRUS

Union of Cyprus Municipalities

Tel: +357 22 445170 Fax: +357 22 677230

e-mail: endeky@cytanet.com.cy

http://www.ucm.org.cy/

Brussels Office

Tel: +32 2 500 5687 - 8 Fax: +32 2 500 5689

e-mail: brussels@ucm.org.cy

Ministry of Interior of the Republic of Cyprus

Tel: +357 22 804122 Fax: +357 22 665990

e-mail: nicosia.dao@nicda.moi.gov.cy

http://moi.gov.cy/

Cyprus Government web portal http://www.cyprus.gov.cy/

• Planning Bureau of the Republic of Cyprus

Tel:+357 22 602900 Fax: +357 22 666810

e-mail: planningbureau@planning.gov.cy

http://www.planning.gov.cy/

Permanent Representation of the Republic of Cyprus to the European Union

Tel: +32 2 735 9015 / 2 741 6745

Fax: +32 2 735 7948

e-mail: be.cydelegation.eu@mfa.gov.cy

Representation of the European Commission in Cyprus

Tel: +357 22817770 Fax: +357 22768926

e-mail: press-rep-cyprus@cec.eu.int

http://www.delcyp.cec.eu.int/en/index.html

• European Parliament Cyprus Offices

Tel: +357 22 46 06 94 Fax: +357 22 76 77 33

e-mail: epnicosia@europarl.eu.int http://www.europarl.europa.eu/nicosia/

Press and Information Office of the Republic of Cyprus

Tel: +357 22 80 11 17 Fax:+357 22 66 61 23

e-mail: communications@pio.moi.gov.cy

http://www.moi.gov.cy/pio

Cyprus Tourism Organisation

Tel: +357 22 69 11 00 Fax: +357 22 33 16 44 e-mail: cytour@cto.org.cy http://www.visitcyprus.com

Brussels office

Tel: +32 2 735.06.21 Fax: +32 2 735.66.07 e-mail: <u>cyprus@skynet.be</u>

THE UNION OF CYPRUS MUNICIPALITIES

The Union of Cyprus Municipalities was established in 1981. Even though membership is voluntary, all municipalities (33), accounting for 65 per cent of the population of Cyprus, are represented.

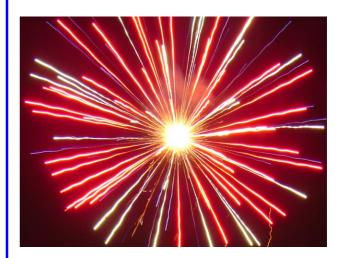
The main objective of the Union is to contribute to the development of local government autonomy, as well as to act as spokesman of local government interests vis-à-vis the central government and other national organisations and institutions.

The Union's decision-making power is vested in the General Assembly, which may look into and decide for all issues. The Executive Committee implements decisions taken by the General Assembly. The President of the Union represents the Union before any authority, while the Secretary is responsible for the day-to-day operation of the Union.

The Union follows closely and participates in international activities related to Local Authorities and in recent years, especially after the accession of the Republic to the EU, it takes an active stand and develops relations with organisations, institutions and departments of the European Union that concern Local Authorities. In this regard, the Union has, since July 2005, opened an Office in Brussels.

UNION OF CYPRUS MUNICIPALITIES

P.O.Box 22033, Cy 1516 Nicosia, Cyprus



HAPPY NEW YEAR 2007